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As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

BOARD OF DIRECTORS

Mr. Gautam P. Khandelwal (Chairman)
Mrs. Suelve Khandelwal (Executive Director)
Mr. Ajay Kumar Swarup
Mr. Arnold Allen

AUDITORS

M/s. M. V. Ghelani & Co.
Chartered Accountants, Mumbai

BANKERS

Bank of Baroda
The Hongkong and Shanghai Banking Corporation Ltd.

LISTED AT

Bombay Stock Exchange Limited

REGISTERED OFFICE

Nirmal, 20th Floor, Nariman Point,
Mumbai-400021.
Tel No. : 022-22023055/66
Fax No.: 022-22043162
Email id: itil_investor@informedfin.com
Website : www.informed-tech.com

SOFTWARE DEVELOPMENT CENTRE

Millenium Business Park, 302 & 303,
Bldg. No. 4, Sector No. 3, TTC, MIDC,
MAHAPE, Navi Mumbai - 400 710.
Maharashtra, India.

REGISTRAR & SHARE TRANSFER AGENTS

Sharepro Services (India) Private Limited

13AB, Samhita Warehousing Complex,
Second Floor, Sakinaka,
Telephone Exchange Lane,
Off. Andheri Kurla Road,
Sakinaka, Andheri (East),
Mumbai- 400072.
Tel No.: 022-67720334/37 (Direct) ; 022-37720300/400(Board)
Email-id: sharepro@shareproservices.com

NOTICE

NOTICE is hereby given that the Fifty-Fourth Annual General Meeting of the Members of Informed Technologies India Limited will be held on Thursday, August 30, 2012 at 11:00 AM at Orchid & Tulip, MVIRDC World Trade Centre, Centre One, 1st Floor, Cuffe Parade, Mumbai- 400005 to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2012 and the Profit & Loss Statement for the year ended on that date together with the Directors Report and Auditors Report thereon.
2. To declare dividend on Equity shares for the Financial Year 2011-12.
3. To appoint a Director in place of Mr. Gautam Khandelwal, who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint M/s. M. V. Ghelani & Co., Chartered Accountants, as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
“**RESOLVED THAT** pursuant to the provisions of Section 372A and other applicable provisions, if any of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company to acquire by way of subscription, purchase or otherwise equity/equity related securities/Mutual Funds/other securities and further to make any inter corporate investments, deposits, loans, advances and guarantees to any body corporate up to a limit not exceeding Rs. 15 Crore notwithstanding that the aggregate of securities so far acquired or to be acquired in all bodies corporate may exceed the limits prescribed under the said section.”
“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things necessary in this regard.”
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
“**RESOLVED THAT** pursuant to the provisions of Section 314(1) of the Companies Act, 1956, consent of the Company be and is hereby accorded to appoint Mr. Arnold Allen, Director of the Company to hold an office or a place of profit as Financial and Corporate Advisor w.e.f. April 1, 2012 for the sum not exceeding Rs. 5,00,000/- per annum.”
“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to determine the tenure of the service.”
7. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :
“**RESOLVED THAT** in accordance with the applicable provisions of the Companies Act 1956, schedule XIII, any amendment or modification thereof, consent be and is hereby accorded to modification in the terms of remuneration paid or payable to Mrs. Suelve Khandelwal, Executive Director of the company with effect from April 01, 2012 as set out in the Explanatory Statement annexed to the Notice convening this meeting, a copy of which had been duly initialed by the Mr. Ajay Kumar Swarup, Chairman of the remuneration committee meeting for identification is placed before this meeting.

For and on behalf of the Board

Place: Mumbai
Date: May 28, 2012

Gautam Khandelwal
Chairman

NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxies to be effective should be deposited at the Registered Office of the Company not less than 48 (forty eight) hours before the commencement of the meeting.
2. Explanatory statement pursuant to Sections 173(2) of the Companies Act, 1956, in respect of the special businesses proposed to be transacted at the Meeting is annexed hereto.
3. Register of Members and Share Transfer Books of the Company will remain closed from August 24, 2012 to August 30, 2012 (both days inclusive) for determining of members eligible for dividend, if declared.
4. The dividend for Financial Year 2011-12 as recommended by the Board, if approved at the meeting, will be paid to those Members whose names appear in the Company's Register of Members as on August 23, 2012. In respect of shares held

in dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose.

5. The Company proposes the payment of dividend, if declared through Electronic Clearing Service (ECS) or incorporation of Bank details on the dividend warrants as furnished by the Members. Members holding shares in physical mode are advised to immediately submit ECS Mandate (attached to this Report) to the Company's Registrar & Transfer Agent, Sharepro Services (India) Private Limited in order to avail Dividend through Electronic Clearing Service (ECS) latest by August 15, 2012. This service not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation/issue of duplicate dividend warrants. Members holding shares in physical mode and who, for any reason, would not like to avail of the ECS facility being offered to such shareholders as mentioned above, are requested to furnish (if not done earlier) in the Bank mandate form (attached to this Report), details of their Bank account no, Name of Bank and branch, which would be printed on the dividend warrants to avoid fraudulent encashment thereof.
6. The Company's equity shares are listed at Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 and the Company has paid the Annual Listing Fees to the Stock Exchanges for the year 2012-13.
7. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or M/s. Sharepro Services (India) Private Limited for assistance in this regard.
9. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their request in Form 2B (which will be made available on request) to the Registrar and Transfer Agent, Sharepro Services (India) Private Limited.
10. Members requiring any information on Accounts are requested to write to the Company at least one week before the meeting so as to enable the Management to keep information ready, replies will be provided only at the meeting.
11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days between 10 A.M. to 2 P.M. and up to the date of the Meeting.
12. For the convenience of the Members, attendance slip is enclosed elsewhere in the Annual Report. Members/Proxy Holders/Authorized Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue of the AGM. Proxy/Authorized Representatives of a member should state on the attendance slip as 'Proxy or Authorized Representative' as the case may be.
13. The Directors' Report, Auditors' Report and Audited Balance Sheet as at March 31, 2012 and the Profit and Loss Account for the financial year ended on that date are enclosed.

For and on behalf of the Board

Place: Mumbai
Date: May 28, 2012

Gautam Khandelwal
Chairman

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 5

The Company is generating surplus funds from its operational and other activities and seeks consent to invest the funds in short term/long term securities. It is proposed that the Board of Directors be authorized to invest upto Rs.15 Crore by way of subscription and/or purchase of equity/equity related/Mutual Funds/ other securities and further to make any inter corporate investments, deposits, loans, advances and guarantees to any body corporate from time to time.

Your Directors recommends the resolutions for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 6

As per the provisions of Section 314 (1) of the Companies Act, 1956 consent of the Company in general meeting is required to appoint Director of a Company to hold any office or place of profit in the Company.

Mr. Arnold Allen was appointed as Director w.e.f. 30.10.2006. Mr. Arnold Allen is advising and assisting the management in strategic, financial and corporate matters. Your Directors feel that services of Mr. Arnold Allen will continue to add substantial value to the Company through his contribution to the management of the Company. It is recommended that his appointment be continued as Financial and Corporate Advisor of the Company w. e. f. April 1, 2012 on revised terms and remuneration.

Your Directors recommend the resolutions for your approval. Except Mr. Arnold Allen, no other Director of the Company is, in any way, concerned or interested in the said resolution.

Item No.7

The Remuneration Committee of the Directors of your company at its meeting held on May 28, 2012 recommend, approved, subject to the approval of the Members, modification with effect from April 01 2012 in the terms of remuneration paid or payable to Mrs. Suelve Khandelwal, Executive Director of the Company. The gist of terms of the agreement entered by the Company with her are given below herewith

01. That Mrs. Suelve Khandelwal was appointed as Executive Director of the Company for a period of 5 (five) years w.e.f. August 01, 2008 duly approved by the shareholders in their Annual General Meeting held on September 25, 2008.
02. That the remuneration of Mrs. Suelve Khandelwal, Executive Director was of Rs. 50,000/- per month and perquisites as approved by the share holders in their Annual General Meeting held on September 25, 2008. Thereafter the remuneration of Mrs. Suelve Khandelwal, Executive Director was increased to Rs. 1,00,000/- per month and perquisites w.e.f April 01, 2009 as approved by the remuneration committee of the company at its meeting held on April 28, 2009, also the same was approved by the board of directors at its meeting held on April 28, 2009.
03. That the remuneration of Mrs. Suelve Khandelwal, Executive Director be increased from the present salary of Rs. 1,00,000/- to Rs. 2,00,000/- as approved by the remuneration committee of Directors of the company, at their meeting held on May 28, 2012. Further in case of inadequacy of profits or in case of loss incurred by the company the remuneration of Rs. 2,00,000/- per month will be paid as minimum remuneration.
04. That Gratuity payable to Mrs. Suelve Khandelwal, Executive Director of the Company would not exceed half a month of salary for each completed year of her service to the company subject to maximum of Rs. 10,00,000/- as per Gratuity Act 1972.
05. That the other terms and conditions of her appointment as in force shall remain same and shall apply as earlier.

The copy of the agreement entered by the company with Mrs. Suelve Khandelwal, Executive Director is available for inspection at the Registered Office of the company during business hours on any working day till the date of the Annual General Meeting.

The above variation in terms of remuneration of Mrs. Suelve Khandelwal, Executive Director of the company as mentioned in item no. 7 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

None of the Directors of the Company except Mrs. Suelve Khandelwal and Mr. Gautam Khandelwal are concerned or interested in the above said resolution.

The Board recommends this Resolution for your approval.

For and on behalf of the Board

Place: Mumbai
Date: May 28, 2012

Gautam Khandelwal
Chairman

IMPORTANT COMMUNICATION FOR MEMBERS

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular no. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. Companies are now permitted to send various notices/ documents to its shareholders through electronic mode to the registered e-mail address of shareholders. From next year onwards, we propose to send all documents like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report etc., in electronic form to shareholders, to their e-mail address provided by them and made available to us by the Depositories. In case they desire to receive the above mentioned documents in physical form or in case of any change in their e-mail id, they are requested to contact the Company or the Company's Registrar and Transfer Agent mentioning their client ID and latest e-mail address.

Annexure - I to Notice of Annual General Meeting

Statement as per Part II, Section II of Schedule XIII of the Companies Act, 1956:

I. GENERAL INFORMATION:

1	Nature of Industry	Back Office Processing Unit
2	Date or expected date of commencement of commercial production	Fresh Certificate of incorporation was received upon change of name dated August 6, 2001 and there upon the company started its IT enabled services BPO unit from the year 2002.
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	As per balance sheet
5	Export performance and net foreign exchange Collaborations	The entire revenue from operations is arising from export of IT enabled services.
6	Foreign investments or collaborators, if any	None

II. INFORMATION OF APPOINTEE: Mrs. Suelve Khandelwal

1	Background details	She holds a Bachelor of Commerce degree from University of Delhi.
2	Past remuneration	Rs. 1,00,000/- per month
3	Recognition or awards	Not Applicable
4	Job Profile and her suitability	Total Management of business and affairs of the company.
5	Remuneration proposed	Rs. 2,00,000/- per month
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Not Available
7	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	Promoter Director managing the company since 1999. Also spouse of Mr. Gautam Khandelwal, Chairman of the company.

III. OTHER INFORMATION

1	Reasons of loss or inadequate profits	Company is in a growing stage and under revenue constraints.
2	Steps taken or proposed to be taken for improvement	The Board of Directors of the Company are devoted to developing customer relationship for gaining more business from them.
3	Expected increase in productivity and profits in measurable terms	The Board is hopeful of improvements in profits in coming years.

Directors' Report, Management Discussion and Analysis Report

To,
The Members,

Your Directors have pleasure in presenting the Fifty-Fourth Annual Report together with the Audited Statements of Accounts of the Company for the Financial Year ended March 31, 2012.

Financial Highlights

The performance of your Company for the year under review is summarized below:

	(Rs. in Lakhs)	
Particulars	2011-12	2010-11
Revenue from Operations & Other Income	371.39	401.28
Profit before exceptional and extraordinary items and tax	187.25	237.31
Less: Exceptional Items	-	-
Profit before extraordinary items and tax	187.25	237.31
Less: Extraordinary items	-	-
Profit before Tax	187.25	237.31
Less: Tax expense (Net)	18.31	43.49
Profit for the period	168.94	193.82
Proposed Dividend (including Dividend Distribution Tax)	48.45	48.62

Dividend

The Directors are pleased to recommend dividend of Rs.1/- per equity share (10%) of the face value of Rs. 10/- for the year ended March 31, 2012. The dividend, subject to approval at the Annual General Meeting on August 30, 2012 will be paid to the shareholders whose names appear in the Company's Register of Members as on book closure dates.

Directors

Mr. Gautam Khandelwal retires by rotation at the ensuing Annual General Meeting and being eligible, has offers himself for reappointment. The Board recommends to the Members his appointment as a Director.

Management Discussion and Analysis

In terms of Clause 49 of the Listing Agreement with the Bombay Stock Exchange, the Management Discussion and Analysis of the Company are as follows:

a) Economy review:

During the year, world economy remained volatile with the impact of the US and European financial crisis. Business sentiments, while better than before, still remain muted. However, Indian economy has shown resilience and has managed to register growth in GDP at 6.5% for the financial year 2011-12.

b) Industry Review and future outlook:

The Indian IT industry has received international recognition because of its skilled manpower coupled with lower costs and technological base. The need for greater transparency in international financial marketing and continuing growth of

Internet is continuing to drive businesses is with which the Company is associated as a service provider. The Indian companies are now emphasizing on improving technology and offering higher value added services. The Company is actively looking for expansion into International (non USA) data /reports and also in other verticals like digital publishing.

c) Business Review & Development and Overview of Financial Performance & Operations:

The Company is operating as IT enabled, knowledge based Back Office Processing Centre out of Millennium Business Park in Mahape, Software Technology Park, Navi Mumbai and serves the needs of the financial content sector in the USA. The Company collects and analyses data on financial fundamentals, Corporate Governance, Director/Executive Compensation and capital market. The outsourced services consist of financial databases and back office activity for research/advisory reports. The Company has developed insight into the market segment of financial content and has developed relationships with its customers, which are well known and respected American corporates. The focus helped in developing expertise in the said field and is hopeful of capitalizing the same by increasing the performance of the Company. During the year, the total income of the Company is Rs 371.39 Lacs compared to Rs 401.28 Lacs in previous year.

d) Internal Control Systems:

The Company has adequate internal control systems in place. These systems are continuously monitored, periodically reviewed and wherever necessary are modified as per the requirements for exercising effective controls. The Company has also implemented Quality Management System (QMS) and has got itself registered under ISO 9001:2008 Standard.

e) Risks, Concerns & Threats:

The Company has Committee, which meets frequently to take the stock of all the impending and immediate threats to the business and takes necessary steps for positioning of the Company to meet the same in time. Any major threats affecting the Company in general and business environment indirectly affecting the functioning of the Company are discussed with the Board from time to time.

Subsidiary company and Consolidated Statement

The company does not have any subsidiary company.

Statutory Auditors

M/s. M. V. Ghelani & Co., Chartered Accountants, Mumbai, the Statutory Auditors of the Company retires at the ensuing Annual General Meeting and, is eligible for re-appointment. The Company has received Certificate u/s 224(1B) of the Companies Act, 1956, expressing willingness to be reappointed as Statutory Auditors for the Financial Year 2012-13. The observations made in the Auditor's Report are self-explanatory and do not call for any further comments.

Employees

Relations between the employees and the management remained cordial during the year under review. The Company has no employees of the specified categories under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended upto date.

Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo

In accordance with the requirements of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, your Directors furnish the required details below:

A. Conservation of Energy: Not Applicable

B. Technology Absorption:

a. Research and Development (R & D):

The Company has not undertaken any R&D activity in the current year.

b. Technology Absorption, Adaptation and Innovation:

The Company has not imported any technology during the year.

C. Foreign Exchange earnings and outgo:

During the year under review, the foreign Exchange outgo was Rs14.93 Lakhs (Previous year – Rs. 12.46 Lakhs). The Foreign exchange earning was Rs 193.55 Lakhs (Previous year – Rs. 175.39 Lakhs).

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of your Company confirms that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2012 and of the profit of the Company for that year;
- iii) the Directors have taken proper and sufficient care to the best of their knowledge and ability, 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;
- iv) the annual accounts have been prepared on a going concern basis.

Compliance Certificate

Pursuant to the provisions of Section 383A of Companies Act, 1956, the Company has obtained Certificate from Mrs. Amisha Jain, Practicing Company Secretary, stating that the Company has complied with the provisions of the Companies Act, 1956 and the certificate is attached to this report.

Corporate Governance

Pursuant to Clause 49 of the Listing Agreement, a detailed report on Corporate Governance along with the Certificate of Statutory Auditors on the Compliance is given as an Annexure to this Report.

Acknowledgements

Your Board of Directors wish to place on record their appreciation for the whole-hearted co-operation received by the Company from the Shareholders, various Government departments, Company's Bankers and all the employees during the year under review.

For and on behalf of the Board

Place: Mumbai

Date: May 28, 2012

Gautam Khandelwal
Chairman

COMPLIANCE CERTIFICATE

(Pursuant to Section 383A (1) of the Companies Act, 1956)

Name of the Company : **INFORMED TECHNOLOGIES INDIA LIMITED**
Registration No : L99999MH1958PLC011001
Nominal Capital : Rs. 75,000,000/-
Paid up Capital : Rs. 41,691,000/- as on 31.03.2012

To,

The Members

Informed Technologies India Limited

'NIRMAL', 20th floor, Nariman Point, Mumbai- 400 021

I have examined the registers, records, books and papers of **M/s. Informed Technologies India Limited** (the company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there-under and also the provisions contained in the Memorandum and Articles of Association of the company for financial year ended on March 31, 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial period:

1. The Company has kept and maintained all registers as stated in "Annexure - A" to this certificate, as per the provisions and the rules made there-under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in "Annexure - B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other Authorities within the time prescribed under the Act and the rules made there under.
3. The Company is a public limited company and has the minimum prescribed paid-up capital.
4. The Board of Directors duly met 5 (five) times on May 27, 2011; July 29, 2011; November 10, 2011; January 02, 2012 and February 03, 2012 in respect of which proper notices were given and the proceedings were properly recorded and signed.
The Audit Committee duly met 4 (four) times on May 27, 2011; July 29, 2011; November 10, 2011 and February 03, 2012 in respect of which proper notices were given and the proceedings were properly recorded and signed.
The Share Transfer and Investor Grievance Committee duly met 11 (eleven) times on 18.04.2011, 02.05.2011, 18.07.2011, 02.11.2011, 17.12.2011, 02.01.2012, 17.01.2012, 02.02.2012, 17.02.2012, 02.03.2012 and 17.03.2012 in respect of which proper notices were given and the proceedings were properly recorded and signed.
5. The Company has closed its Register of Members during the financial year under review from September 14, 2011 to September 20, 2011 (both days inclusive).
6. The Annual General Meeting for the financial year ended on March 31, 2011 was held on Tuesday, the September 20, 2011 after giving due notice to the members of the company and the resolution passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year under review.
8. The Company has not advanced any loans to its directors during the year under view.
9. During the year the company has not entered into any contracts within the meaning of section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. The Company has taken the approval of the Shareholders at its annual general meeting held on September 20, 2011 for payment of remuneration upto Rs. 5,00,000/- per annum to Mr. Arnold Allen, Director of the Company under section 314 (1) of the Act.

12. The company has not issued any duplicate share certificates during the financial year.
13. The company:
 - a. has delivered the certificates in respect of transfer and transmission of shares during the year. There was no fresh allotment of shares during the year.
 - b. has deposited the amount in a separate bank account within the prescribed time as and when the dividend was declared.
 - c. has paid dividend and posted dividend warrants as and when required when the dividend was declared.
 - d. did not have any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years and were required to transfer to Investor Educational and Protection Fund.
 - e. has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year under review.
15. The provisions of section 269 of the Act with regard to appointment of Managing Director / Whole-time Director / Manager are not applicable as its paid-up capital is less than 5 crores as prescribed by the Act.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the act, during the financial year under review.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares / debentures / other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any redeemable preference shares/debentures during the financial year and there is no redemption of preference shares.
22. There were no transaction necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not accepted deposits within the meaning of section 58A of the Companies Act, 1956 during the financial year.
24. The Company has not availed any loans in terms of section 293(1) (d) of the Act.
25. The Company has made inter-corporate investments, in compliance with the provisions of section 372A of the Act and made necessary entries in the register kept for the purpose, and the company has not made loans or given guarantees or provided securities to other bodies Corporate.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state of another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the financial year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the financial year under scrutiny.

30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecution(s) initiated against or show cause notice received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial period, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year as per provisions of section 417(1) of the Act.
33. The Company was generally regular to deposit both employers and employees contribution towards Provident Fund as required under section 417 of the Act during the financial year.

AMISHA R. JAIN

Sd/-

Practicing Company Secretary

CP No. 10553 & ACS No. 28773

Place : Mumbai

Date : May 28, 2012

ANNEXURE-'A'

Statutory Registers & Records as maintained by the Company:

Sr. No.	PARTICULARS	UNDER SECTION
01.	Register of Members and Index	150 & 151
02.	Register of Transfer of Shares	-
03.	Register of Directors, Managing Director, Manager and Company Secretary	303
04.	Register of Director's Shareholding	307
05.	Minutes Book for minutes of meetings of Board of Directors	193
06.	Minutes Book for minutes of meetings of Members	193
07.	Register of Particulars of Contracts in which Directors are interested	301

ANNEXURE-'B'

Forms and Returns as filed by the Company with Register of Companies, Regional Director, Central Government or other Authorities during the financial period ending March 31, 2012:

Sr. No.	Form No/ Return	Filed Under Section	Particulars	Date of Filing	Whether filed within prescribed time YES/NO	If delay in filing whether requisite additional fees paid YES/NO
1	Form 20B	159	Annual Return for the FY ended 31.03.2011	25/10/2011	YES	N.A.
2	Form 23AC & Form 23ACA	220	Balance sheet and Profit & Loss a/c. for the FY ended 31.03.2011	27/12/2011	YES	N.A.
3	Form 66	383A	Compliance Certificate for the FY ended 31.03.2011	13/10/2011	YES	N.A.
4	Form 23	372A & 314(1)	Special Resolution passed on 20/09/2011 for 1. Inter-corporate Investments & 2. Appointment of Director at a place of profit	07/10/2011	YES	N.A.

Report on Corporate Governance

1. Company's philosophy on the Corporate Governance

Informed Technologies India Limited believes in adopting the best practices in the area of Corporate Governance and follows the principles of fair representation, full disclosure, accountability and responsibility in all its dealings and communications with the ultimate objective of realizing and enhancing shareholder's values and protecting the rights and interests of all its stakeholders.

2. Board of Directors

a) Composition

The Board consists of 4 (four) Directors, of these 2 (two) Directors are independent Directors. The Chairman of the Board is Non-Executive Director.

b) Meetings of the Board

The meetings of the Board of Directors are held atleast once in each quarter, scheduled well in advance and generally held at the Company's registered office in Mumbai. During the Financial Year 2011-12, 5 (five) board meetings were held. The board meetings were held on May 27, 2011; July 29, 2011; November 10, 2011; January 02, 2012 and February 03, 2012.

Attendance of each Director at the Board Meeting and the last Annual General Meeting:

Sr. No.	Name of Directors	Attendance details		
		Board Meeting		Last A.G.M
		Held	Attended	
1	Mr. Gautam P. Khandelwal	5	5	Yes
2	Mrs. Suelve Khandelwal	5	5	Yes
3	Mr. Ajay Kumar Swarup	5	3	No
4	Mr. Arnold Allen	5	2	No

c) Directorship of Directors in other Companies

The details of the Directors with regard to their outside Directorships, committee positions are as follows:

Sr. No.	Name of Director	Executive / Non-Executive / Independent ¹	No. of outside Directorship Held		Outside Committee Positions Held ²	
			Public	Private	Chairman	Member
1	Mr. Gautam P. Khandelwal	Non- Executive	Two	Six	Nil	Nil
2	Mrs. Suelve Khandelwal	Executive	Nil	Three	Nil	Nil
3	Mr. Ajay Kumar Swarup	Independent	Five	Four	Nil	Nil
4	Mr. Arnold Allen	Independent	One	Nil	Nil	Two

1. Independent Director means a Director defined as such under Clause 49 of the Listing Agreement.
2. Only two Committees viz. the Audit Committee and the Shareholders / Investor Grievance Committees are considered.

d) Detail of Directors being appointed and re-appointed

The details of the Director retiring by rotation, eligible and offers himself for re-appointment at the ensuing Annual General Meeting, as required under Clause 49 of the Listing Agreement:

Mr. Gautam Khandelwal, aged 50 years holding Bachelor's Degree in Economics from the University of Mumbai and studied Economics from London School of Economics. He is having around 25 years of business experience across various industries. He is also on Board of Nagpur Power & Industries Limited, Globus Spirits Limited, Khandelwal Remedies Private Limited, Zeppelin Investments Private Limited, Amigo Sport Private Limited, The Motwane Manufacturing Company Private Limited, Varroc Polymers Private Limited, Varroc Engineering Private Limited and Khandelwals Limited, London.

e) Code of Conduct

The Company has laid down code of conduct applicable to all Board Members and Senior Executives of the Company. All Board members and Senior Executives have confirmed compliance of the code of conduct. The Executive Director of the Company has given the certificate annexed to this report as per the requirement of Clause 49 of the Listing Agreement.

3. Audit Committee

The Audit Committee comprise of Mr. Ajay Kumar Swarup (Chairman), Mr. Arnold Allen (Member) and Mr. Gautam Khandelwal (Member). The members of the Committee have the relevant experience in the field of finance, banking and accounting. Statutory Auditor of the Company is invitee to the Audit Committee Meeting.

Terms of reference

- All the matters specified under section 292A of the Companies Act, 1956.
- Ensuring Compliances with matters listed under the listing agreement with stock exchange.
- Financial reporting process and disclosure of financial information.
- Reviewing any change in accounting policies and practices.
- Compliance with accounting standards and reviewing the adequacy of internal control system.
- Reviewing the reports of the statutory auditors and ensuring that adequate follow up and action is taken by the management.

The Committee met 4 (four) times during the year under review. The meetings were held on May 27, 2011; July 29, 2011; November 10, 2011 and February 03, 2012.

Sr. No.	Name of Director	No. of Meetings	
		Held	Attended
1	Mr. Ajay Kumar Swarup - Chairman	4	3
2	Mr. Gautam P. Khandelwal	4	4
3	Mr. Arnold Allen	4	2

4. Remuneration Committee

The Remuneration Committee comprise of Mr. Gautam Khandelwal (Chairman), Mr. Ajay Kumar Swarup (Member) and Mr. Arnold Allen (Member) to determine Remuneration policy for Executive Director of the Company. During the year under review, no meetings were held.

A monthly remuneration is paid to Executive Director while other directors are eligible only for sitting fees. Mr. Gautam Khandelwal, Mr. Ajay Kumar Swarup and Mr. Arnold Allen have waived sitting fees.

Details of remuneration paid to Directors for the year:

Name of the Director	Salary & Perquisites (Rs.)	Commission (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mrs. Suelve Khandelwal	1,200,000/-	NIL	NIL	1,200,000/-

5. Share Transfer and Investor Grievances Committee

The Committee comprises of Mr. Gautam Khandelwal (Chairman) and Mrs. Suelve Khandelwal (Member). During the year, the Committee met from time to time to approve transfers, transmission of shares, issue of duplicate/rematerialized shares and consolidation and splitting of share certificates, to review shareholders correspondence including complaints received from shareholders and its redressal.

6. Annual General Meetings:

Details of the last three Annual General Meetings held are given below:

Financial Year	Date, Time and Venue	Special Resolutions passed
2008-2009	September 25, 2009 at 10.00 A.M Sunflower II, World Trade Centre, Centre One, 30th Floor, Cuffe Parade, Mumbai-400005.	2 special Resolution were passed unanimously by show of hands
2009-2010	September 17, 2010 at 10.30 A.M Sunflower II, World Trade Centre, Centre One, 30th Floor, Cuffe Parade, Mumbai-400005.	2 special Resolution were passed unanimously by show of hands
2010-2011	September 20, 2011 at 11.00A.M Sunflower II, World Trade Centre, Centre One, 30th Floor, Cuffe Parade, Mumbai-400005.	2 special Resolution were passed unanimously by show of hands

Further, during the financial year 2011-12, no special resolutions were passed through postal ballot. No special resolution requiring a Postal Ballot is being proposed at the ensuing AGM.

7. Disclosures

- The disclosures with regard to transactions with related parties are given in Note No. 26 of the audited financial statements for the year ended March 31, 2012. The Audit Committee has reviewed these transactions as mandatory required under Clause 49 of the Listing Agreement.
- There were no instances of non-compliance, penalties, strictures imposed on the Company by Stock Exchange, SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- The Company does not have Whistle Blower Policy, but however no person is denied access to Audit Committee.
- The Company has complied with mandatory requirements.
- The Company has complied with Non-Mandatory requirement of setting up Remuneration Committee to determine the remuneration payable to an Executive Director.

8. Means of communication

- The quarterly un-audited results were published in Free Press Journal / The Asian Age and Navshakti / Tarun Bharat, in accordance with the requirement of the Listing Agreement.
- Annual audited financial results were published in The Asian Age and Tarun Bharat. These are not sent individually to the shareholders. No presentations were made to institutional investors or to the analysts.

9. General Shareholders Information

(a) Annual General Meeting:

Date : August 30, 2012 (Thursday)
 Time : 11:00AM
 Venue : Orchid & Tulip, MVIRDC World Trade Centre, Centre One,
 1st Floor, Cuffe Parade, Mumbai- 400005

(b) Financial Calendar (April 1, 2012 to March 31, 2013):

First quarter results : July, 2012
 Second quarter results : October, 2012
 Third quarter results : January, 2013
 Fourth quarter and Annual results : May, 2013
 Annual General Meeting : September 2013

(c) Date of Book closure : August 24, 2012 to August 30, 2012 (both days inclusive)

(d) Listing details:

Stock Exchange : Bombay Stock Exchange Limited,
 Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400023.
 Scrip Code : 504810
 ISIN Number : INE123E01014 – NSDL & CDSL

(e) Market Price Data:

High/Low price and volume of the Company's shares at BSE during each month in Financial Year 2011-12 is as follows:

Month	High (Rs.)	Low (Rs.)	Volume (shares)
Apr-11	21.90	21.90	19
May-11	21.50	20.45	1,516
Jun-11	31.65	22.45	1,844
Jul-11	30.00	27.15	52
Aug-11	27.00	25.00	930
Sep-11	27.25	24.95	855
Oct-11	-	-	-
Nov-11	30.40	25.20	2,391
Dec-11	28.00	27.20	28
Jan-12	29.00	24.75	751
Feb-12	25.95	22.65	873
Mar-12	21.60	21.60	1

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

Sharepro Services (India) Pvt. Ltd.

13AB, Samhita Warehousing Complex,
Second Floor, Sakinaka, Telephone Exchange Lane,
Off. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai- 400072
Tel No.: 022-67720334/37(Direct) 022-37720300/400(Board)
Email-id: sharepro@shareproservices.com

(g) **Share Transfer System:**

Share transfer in physical form are registered and returned within a period of 7 to 15 days from the date of receipt in case documents are complete in all respects.

(h) **Distribution of Shareholding as on March 31, 2012 is as under:**

No. of shares	No. of Shareholders	%	No. of Shares	%
Upto 500	3,370	95.44	367,334	8.81
501-1000	94	2.66	69,448	1.67
1001-2000	36	1.02	47,726	1.14
2001-3000	6	0.17	13,420	0.32
3001-4000	5	0.14	17,048	0.41
4001-5000	3	0.09	13,082	0.31
5001-10000	4	0.11	26,983	0.65
10001 and above	13	0.37	3,614,059	86.69
TOTAL	3,531	100.00	4,169,100	100.00

(i) **Shareholding Pattern as on March 31, 2012 is as under:**

Sr. No.	Category	No. of Shares held	% of Shareholding
1	Indian Promoters	448,061	10.75
2	Foreign Promoters	2,678,220	64.24
3	Mutual Funds/UTI	60	0.00
4	Financial Institutions/Banks	1,090	0.03
5	Insurance Companies	385,380	9.24
6	Private Bodies Corporate	31,268	0.75
7	Indian Pubic	621,836	14.91
8	NRI/OCBs	3,185	0.08
	TOTAL	4,169,100	100.00

(j) **Dematerialization of shares as on March 31, 2012 is as under:**

Particulars	No. of shares	% to Capital
Dematted		
National Securities Depository Limited	3,716,960	89.16
Central Depository Securities Limited	38,020	00.91
Physical	414,120	9.93
Total	4,169,100	100.00

(k) **Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs and there are no warrants or any Convertible instruments.

(l) **Software Development Centre:**

The Business Processing Outsourcing operations are carried out from Millennium Business Park, Unit No. 302 & 303, Building No. 4, Sector 3, TTC, MIDC, Mahape, Navi Mumbai.

(m) Name and Designation of Compliance Officer: Mr. Gautam Khandelwal, Director

(n) Address for correspondence:

The Compliance Officer
Informed Technologies India Limited
Nirmal, 20th Floor, Nariman Point, Mumbai-400021
Tel # +91-22-22023055/66 , Fax # +91 22-22043162
Email id: itil_investor@informedfin.com

(o) Auditors Certificate on Corporate governance:

The Auditors Certificate on Compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is given as an annexure to this report.

Declaration

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board of Directors and Senior Management Personnel have confirmed with the Code of Conduct and Ethics in respect of Financial Year 2011-12.

For Informed Technologies India Limited

Place: Mumbai
Date: May 28, 2012

Suelve Khandelwal
Executive Director

Annexure

Auditors' Certificate regarding compliance of the conditions of Corporate Governance

**To,
The Members of
Informed Technologies India Limited**

We have examined the compliance of conditions of Corporate Governance by Informed Technologies India Limited, for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange, (hereinafter referred to as clause 49).

The compliance of the 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 of the conditions of 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 complied in all material respects with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that while the Shareholders/Investor Grievance Committee has not maintained records to show the investor grievances pending for a period of one month against the Company, the Registrar of the Company have certified that as at 31st March, 2012 there were no investor grievances remaining unattended/pending for more than 30 days.

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 M.V.Ghelani & Co.
Chartered Accountants
Firm Regn No. :-119077W

Place: Mumbai
Date: May 28, 2012

M.V.Ghelani
Proprietor
Membership No.:-031105

AUDITORS REPORT

TO THE MEMBERS OF

INFORMED TECHNOLOGIES INDIA LIMITED

1. We have audited the attached Balance Sheet of **INFORMED TECHNOLOGIES INDIA LIMITED** as at 31st March, 2012 and the Profit and Loss account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government vide notification No G.S.R. 480(E) dated June 12, 2003 in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure, a statement on the matters specified in the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the Directors of the Company, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors of the Company is, prima facie, disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the significant Accounting policies and notes thereon, 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 31st March, 2012
 - (b) in the case of the Profit and Loss account, of the profit for the year ended on that date;
 - (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date

For **M.V. GHELANI & CO.**
CHARTERED ACCOUNTANTS
Firm Regn. No. 119077W

(M. V. GHELANI)
PROPRIETOR
Membership No.: 031105

Place : Mumbai
Dated : 28th May, 2012

ANNEXURE TO THE AUDITORS' REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012

Annexure referred to in paragraph 3 of our report of even date to the members of Informed Technologies India Limited on the accounts for the year ended 31st March, 2012

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets of the Company have not been physically verified during the year.
- (c) During the year, the Company has disposed off assets costing Rs. 6,69,333. According to the information and explanations given to us, we are of the opinion that the sale of said fixed assets has not affected the going concern status of the company.
- (ii) The nature of the company's operations during the year does not require it to hold inventories and as such paragraph 4 (ii) of the Companies (Auditors Report) Order, 2003 ('the Order') is not applicable.
- (iii) In respect of loans, either granted by the Company, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
 - A In respect of an unsecured loan (including advances) granted in the earlier years to one company covered in the register maintained under Section 301 of the Companies Act, 1956:
 - (a) The maximum amount outstanding during the year was Rs. 74,55,954 (previous year Rs.74,55,954) and the year end balance was Rs. Nil, as the same has been written off during the year.
 - (b) ***The terms and condition of the said loan (including advance) seems, prima facie, prejudicial to the interest of the company as the company has granted the same interest free.***
 - (c) In the opinion of the management, the loan is irrecoverable now as name of the company has been struck off from the Registrar of Companies on 13th May, 2011. Attention is invited to note no.15 in this regard.
 - B In respect of an unsecured loan (including advances) taken during the year from one company covered in the register maintained under Section 301 of the Companies Act, 1956:
 - (a) During the year, the Company has taken loan/advance from one party covered in the register maintained under section 301 of the Companies Act, 1956, the maximum amount involved during the year was Rs. 6,02,236 and their outstanding at the year end is Rs. NIL.
 - (b) According to the information and explanations given to us, the loan/advance is interest free. In our opinion, other terms and conditions are not prima facie, prejudicial to the interest of the Company.
 - (c) According to the information and explanations given to us, there is no overdue amount of loan taken from this Company listed in the register maintained under section 301 of the companies Act, 1956.
- (iv) 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 fixed assets and with regard to the sale of services. There are no purchases of inventory. During the course of our audit, we have not observed any continuing failure to correct any major weakness in internal controls.
- (v) (a) According to the information and explanations provided by the management to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, loan transactions made in pursuance of any contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding Rs. five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time where such market prices are available.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the sections 58A and 58AA of the companies Act, 1956 and the rules framed thereunder.
- (vii) ***The Company does not have an Internal Audit System commensurate with size of the Company and nature of its business.***
- (viii) According to the information and explanations given to us, the maintenance of cost records was not prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 for any of the activities of the Company.

- (ix) (a) The Company is generally regular in depositing with appropriate authorities, Provident Fund, ESIC and other undisputed statutory dues including Income Tax, Wealth Tax, Custom Duty, Cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, sales Tax, Wealth Tax, Custom Duty, Cess and other statutory dues were in arrears, as at 31st March, 2012 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, the following dues of income tax have not been deposited with the appropriate authorities on account of dispute;

Name of the Statute	Nature of dues	Amount (Rs. in lacs)	Forum where dispute is pending
The Income Tax-Act, 1961	Income-Tax, Interest (A.Y. 2006-07)	6.14	Appellate Tribunal Mumbai
The Income Tax-Act, 1961	Income-Tax, Interest (A.Y. 2009-10)	4.66	Commissioner of Income Tax (Appeals) Mumbai

- (x) The Company does not have any accumulated losses at the end of the financial Year. The Company has not incurred any cash loss during the current year or during the immediately preceding financial year.
- (xi) According to the information and explanations given to us and based on the records made available to us, the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holder during the year.
- (xii) According to the information and explanations given to us and based on the records made available to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) According to the information and explanations given to us and based on the records made available to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to the information and explanations given to us and the records made available to us, the term loan (being car loan) obtained was applied for the purpose for which the loan was obtained.
- (xvii) According to the information and explanations given to us and the records made available to us, the Company has not raised any funds either on short-term or long-term basis during the period covered by our audit report
- (xviii) According to the information and explanations given to us and the records made available to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Act.
- (xix) According to the information and explanations given to us and the records made available to us, the Company has not issued any debentures during the period covered by our audit report.
- (xx) According to the information and explanations given to us and the records made available to us, the Company has not raised any money by public issue during the period covered by our audit report.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by Company has been noticed or reported during the course of our audit.

For **M.V. GHELANI & CO.**
CHARTERED ACCOUNTANTS
Firm Regn. No. 119077W

(M. V. GHELANI)
PROPRIETOR

Membership No.: 031105

Place : Mumbai
Dated : 28th May, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars No.	Note	As at 31st March, 2012		As at 31st March, 2011	
		Rupees	Rupees	Rupees	Rupees
I EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	2	41,691,000		41,691,000	
(b) Reserves and surplus	3	70,779,822	112,470,822	58,731,321	100,422,321
2 Non-current liabilities					
(a) Long-term borrowings	4	1,294,563		420,659	
(b) Other Long term liabilities	5	7,025,000	8,319,563	525,000	945,659
3 Current liabilities					
(a) Trade payables	6	697,353		581,485	
(b) Other current liabilities	7	2,208,350		8,672,578	
(c) Short-term provisions	8	5,562,736	8,468,439	5,489,008	14,743,071
TOTAL			129,258,824		116,111,051
II ASSETS					
1 Non-current assets					
(a) Fixed assets					
(i) Tangible assets	9	32,528,526		30,913,391	
(ii) Intangible assets	9	374,762		283,346	
(b) Non-current investments	10	42,696,845		38,836,173	
(c) Long-term loans and advances	11	2,885,101	78,485,234	162,188	70,195,098
2 Current assets					
(a) Current investments	12	39,771,141		39,040,998	
(b) Trade receivables	13	2,323,845		2,111,846	
(c) Cash and bank balances	14	2,207,922		3,620,472	
(d) Short-term loans and advances	15	6,369,432		1,103,262	
(e) Other current assets	16	101,250	50,773,590	39,375	45,915,953
TOTAL			129,258,824		116,111,051

Summary of Significant Accounting Policies 1
Other Notes on Financial Statements 22 to 34

Notes referred to above form an integral part of the Balance Sheet. This is the Balance Sheet referred to in our report of even date.

As per our report of even date attached

For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W

M.V.Ghelani
Proprietor

Mumbai, 28th May, 2012

For and on behalf of the Board

Gautam P.Khandelwal
Chairman

Smt. Suelve G.Khandelwal
Director

Mumbai, 28th May, 2012

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	For the Year ended 31st March, 2012 Rupees	For the Year ended 31st March, 2011 Rupees
I Revenue from operations	17	19,355,545	17,539,223
II Other income	18	17,783,180	22,588,766
III Total Revenue (I+II)		<u>37,138,725</u>	<u>40,127,989</u>
IV EXPENSES:			
Employee benefits expense	19	7,494,460	6,825,794
Finance costs	20	167,590	266,796
Depreciation and amortization expense	9	1,291,705	1,386,733
Other expenses	21	9,459,605	7,917,449
Total expenses		<u>18,413,360</u>	<u>16,396,772</u>
V Profit before exceptional and extraordinary items and tax (III-IV)		18,725,365	23,731,217
VI Exceptional items		-	-
VII Profit before extraordinary items and tax(V-VI)		<u>18,725,365</u>	<u>23,731,217</u>
VIII Extraordinary Items		-	-
IX Profit before tax (VII-VIII)		18,725,365	23,731,217
X Tax expense:			
(1) Current tax(MAT)		1,633,714	4,532,681
(2) Deferred tax		-	-
(3) Excess/Short Provision for tax of prior years (Net)		274,603	(183,686)
Add: MAT Credit Entitlement		76,781	-
XI Profit for the period (IX-X)		<u>16,893,829</u>	<u>19,382,222</u>
XII Earnings per equity share			
Basic & Diluted	27	4.052	4.649
Summary of Significant Accounting Policies	1		
Other Notes on Financial Statements	22 to 34		

Notes referred to above form an integral part of the Profit & Loss Account. This is the Profit & Loss Account referred to in our report of even date.

As per our report of even date attached

For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W

M.V.Ghelani
Proprietor

Mumbai, 28th May, 2012

For and on behalf of the Board

Gautam P.Khandelwal
Chairman

Smt. Suelve G.Khandelwal
Director

Mumbai, 28th May, 2012

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**1 Significant Accounting Policies:****1.1 Basis for preparation of financial statement:**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting and in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

1.2 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimate are recognised in the period in which the results are known/materialised.

1.3 Fixed Assets and Depreciation:

Fixed assets are classified into tangible and intangible and are stated at Cost of acquisition. Depreciation is provided on Straight Line Method and at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. However, office equipments are depreciated at 6.33 % on Straight Line Method.

1.4 Investments:

Investments are classified into non-current Investments and current investments. Non current investments are stated at cost and diminution in value is provided for, where the management is of the opinion that the diminution is of permanent nature. Current investments are stated at lower of cost or market value. When disposing of a part of the holding of an individual investment, the carrying amount of cost allocated to the part that is disposed is determined on the basis of the average carrying amount of the total holding of the investment.

1.5 Trade Receivables and Loans and Advances:

Trade Receivables and Loans and Advances are stated after making adequate provision for doubtful balances.

1.6 Revenue Recognition:

Revenue is recognised only when it can be reliably measured and when no significant uncertainty exists regarding the amount of consideration that will be derived from the rendering of the service. Dividend income is recognised when right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

1.7 Retirement Benefits:

Contributions to Provident Fund are charged to Profit and Loss Account on an accrual basis. Provision for gratuity and leave benefits is determined as per actuarial valuation at the year end and charged to the Profit and Loss Account.

1.8 Foreign Exchange Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of

the transaction. Exchange difference arising out of the said transactions other than those relating to fixed assets are recognised in the Profit and Loss Account. Exchange difference in respect of liabilities incurred for the acquisition of fixed assets are adjusted to the cost of the assets.

Monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the balance sheet date.

1.9 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.10 Taxation:

Income tax expense comprises of current tax, deferred tax charge or credit and fringe benefit tax. The deferred tax charge or credit is recognised using current tax rates. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the year and available case laws, to reassess realisation/liabilities.

1.11 Leases:Finance Lease

Finance Lease, which transfer substantially all the risks and rewards incident to ownership of the leased item, are capitalized at the lower of the fair value of the leased asset and present value of the minimum lease payment of the leased asset at the inception of the lease term and disclosed as leased assets.

Operating Lease

The assets given under operating lease are shown in the balance sheet under fixed assets and depreciated on a basis consistent with the depreciation policy of the company. The net lease income is recognised in the profit & loss account on a straight line basis over the period during which the benefit is derived from the leased assets.

1.12 Provision, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and its probable that there will be an outflow of resources. Contingent liability are usually not provided for unless it is probable that the future outcome may be materially detrimental to the Company and are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.13 Segment Reporting:

The Company is principally engaged in the business of Business process outsourcing which is the only reportable segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India on "Segment Reporting".

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2012

Particulars	As at 31st March,2012 Rupees	As at 31st March,2011 Rupees
2 SHARE CAPITAL		
Authorised Share Capital :		
70,00,000 Equity Shares of Rs.10 each (Previous Year 70,00,000 of Rs.10 each)	70,000,000	70,000,000
50,000 15% (Free of Company's tax, but subject to deduction of tax at source at the prescribed rates) "A" Cumulative Redeemable Preference Shares of Rs. 100 each (Previous Year 50,000 of Rs.100 each)	5,000,000	5,000,000
TOTAL	75,000,000	75,000,000
Issued, Subscribed and Paid-up :		
4,169,100 Equity Shares of Rs.10 each fully paid up (Previous Year 4,169,100 of Rs.10 each)	41,691,000	41,691,000
TOTAL	41,691,000	41,691,000

2.1 The details of Shareholders holding more than 5 percent shares:

Name of the shareholder	As at 31st March,2012		As at 31st March,2011	
	No. of Shares	% held	No. of Shares	% held
1) Khandelwals Limited, Holding Company	26,78,220	64.24	26,78,220	64.24
2) Life Insurance Corporation of India Ltd.	3,84,750	9.23	3,84,750	9.23

2.2 The Reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March,2012 No. of Shares	As at 31st March,2011 No. of Shares
Equity shares at the beginning of the year	41,691,000	41,691,000
Add: Shares issued during the year	-	-
Less: Shares cancelled/bought back during the year	-	-
Equity shares at the end of the year	41,691,000	41,691,000

2.3 The Equity Shares of the Company have voting rights and are subject to the restrictions as prescribed under the Companies Act, 1956.

2.4 Disclosures pursuant to Note no. 6(A)(h,i,j,k,l) of Part I of Schedule VI to the Companies Act, 1956 is NIL.

3 RESERVES AND SURPLUS

Particulars	As at 31st March,2012	As at 31st March,2011
SURPLUS i.e. PROFIT & LOSS ACCOUNT		
As per last Balance Sheet	58,731,321	44,210,634
Add: Profit after tax for the year	16,893,829	19,382,222
	(A) 75,625,150	63,592,856
<u>Less: Appropriations</u>		
Proposed Dividend on Equity shares	4,169,100	4,169,100
Dividend Rupee One per share (Previous Year Rupee One)		
Tax on Distributed Profits (Dividend)	676,228	692,435
	(B) 4,845,328	4,861,535
Total	(A-B) 70,779,822	58,731,321

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2012

Particulars	As at 31st March,2012 Rupees		As at 31st March,2011 Rupees	
	Non Current	Current	Non Current	Current
4 LONG TERM BORROWINGS				
Secured Loans				
Term loans				
a From banks				
ICICI Bank- Car Loan	1,260,421	262,213	-	-
- Fixed Interest @ 10.38% p.a.				
- Secured by hypothecation of motor car purchased under the loan				
- Repayment in 59 Equated Monthly Instalments (EMI) of Rs.34,000 each till December, 2016, of which balance 45 EMI totalling to Rs12,60,421 are long term maturities (Refer Note 7)				
b From other parties-				
Kotak Mahindra Prime Ltd- Car Loan	34,142	386,517	420,659	346,774
- Fixed Interest @ 10.90% p.a. (approx.)				
- Secured by hypothecation of motor car purchased under the loan				
- Repayment in 47 Equated Monthly instalments (EMI) of Rs.34,452 each till April, 2013, of which One EMI of Rs.34,142 is of long term maturity. (Refer Note 7)				
Total	1,294,563	648,730	420,659	346,774

Particulars	As at 31st March,2012		(In Rupees) As at 31st March,2011	
5 OTHER LONG TERM LIABILITIES				
Others				
Security Deposits		7,025,000		525,000
Total		7,025,000		525,000

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2012

Particulars	As at 31st March,2012 Rupees	As at 31st March,2011 Rupees
6 TRADE PAYABLES		
Others	697,353	581,485
Total	<u>697,353</u>	<u>581,485</u>

6.1 The balances of Trade Payables are subject to confirmation.

6.2 In the absence of relevant information with the company, the names of small scale industrial undertakings to whom the company owes any sum together with interest outstanding for more than 30 days have not been given. This management representation has been relied upon by the Auditors.

7 OTHER CURRENT LIABILITIES

**Current maturities of long term debt
(Refer Note 4)**

From banks

ICICI Bank- Car Loan

262,213

-

(Repayment in 12 EMI of Rs.34,000)

From other parties-

386,517

346,774

Kotak Mahindra Prime Ltd.- Car Loan

(Repayment in 12 EMI of Rs.34,452)

648,730

346,774

Interest accrued but not due on borrowings

16,989

6,969

Income received in advance

342,671

-

Unpaid dividends

505,062

332,856

Other payables

694,898

7,985,979

Total

2,208,350

8,672,578

7.1 Other payables includes statutory dues, security deposits and rent payable.

8 SHORT TERM PROVISIONS

Particulars

**As at 31st
March,2012**

(In Rupees)

**As at 31st
March,2011**

Provision for employee benefits

717,408

627,473

Others

Proposed dividend

4,169,100

4,169,100

Tax on Distributed Profits (Dividend)

676,228

692,435

Total

5,562,736

5,489,008

8.1 The company has provided for but not funded the gratuity liability of Rs.5,94,131 and leave encashment liability of Rs.1,23,277.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2012

Particulars	As at 31st March,2012 Rupees				As at 31st March,2011 Rupees					
	As at 01.04.2011	Additions	Disposals	As at 01.03.2012	Upto 31.03.2011	For the year	deductions/ Adjustments	Upto 31.3.2012	As at 31.3.2012	As at 31.3.2011
9. FIXED ASSETS										
	GROSS BLOCK				DEPRECIATION /AMORTISATION				NET BLOCK	
Tangible Assets										
<u>Own Assets</u>										
Buildings Freehold	24,000,052	-	-	24,000,052	5,182,668	391,201	-	5,573,869	18,426,183	18,817,384
<u>Plant and Equipment</u>										
a.Computers	1,883,321	404,500	548,533	1,739,288	1,591,548	138,396	529,362	1,200,582	538,706	291,773
b.Electrical installation	828,863	-	-	828,863	350,643	39,370	-	390,013	438,850	478,220
Furniture and Fixtures	2,327,591	-	-	2,327,591	864,064	147,071	-	1,011,135	1,316,456	1,463,527
Vehicles	2,052,884	2,301,007	-	4,353,891	369,744	243,402	-	613,146	3,740,745	1,683,140
Office Equipment	864,935	115,765	120,800	859,900	427,200	56,666	89,094	394,772	465,128	437,735
Total	31,957,646	2,821,272	669,333	34,109,585	8,785,867	1,016,105	618,456	9,183,516	24,926,069	23,171,779
<u>Leased Assets</u>										
Buildings leasehold	8,537,100	-	-	8,537,100	795,488	139,155	-	934,643	7,602,457	7,741,612
Total Tangible Assets (A)	40,494,746	2,821,272	669,333	42,646,685	9,581,355	1,155,260	618,456	10,118,159	32,528,526	30,913,391
<u>Intangible Assets</u>										
Computer Software	1,017,862	227,860	-	1,245,722	734,516	136,444	-	870,960	374,762	283,346
Total Intangible Assets (B)	1,017,862	227,860	-	1,245,722	734,516	136,444	-	870,960	374,762	283,346
Grand Total (A+B)	41,512,608	3,049,132	669,333	43,892,407	10,315,871	1,291,705	618,456	10,989,119	32,903,288	31,196,737
Previous year	41,459,108	53,500	-	41,512,608	8,929,139	1,386,733	-	10,315,871	31,196,737	32,529,970

Notes :

9.1 Buildings-Freehold Include:

The face value of shares held in co-operative housing societies amounting to Rs.81,750/- viz:

- Shree Nirmal Commercial Limited: 765 shares of Rs.100 each fully paid up and the share certificates are held in the former name Khandelwal Ferro Alloys Corporation Limited.
- The Malabar Hill Co-Operative Housing Society Limited: 105 shares of Rs.50 each fully paid up

The Net Block of both the above premises included herein is Rs.18,426,183/-(Previous Year Rs.18,817,384/-)

9.2 Buildings-Leasehold Include:

Unit No.302, 303 & 304 at Mahape, having aggregate Gross Block value Rs.85,37,100/- (Previous Year Rs.85,37,100/-) have been acquired on 95 years lease from MIDC.

The lease documents in respect of unit nos. 302 & 303 are yet to be executed.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2012

Particulars	As at 31st March,2012 Rupees	As at 31st March,2011 Rupees
10 NON-CURRENT INVESTMENTS		
(At Cost Less permanent diminution in value (if any))		
TRADE INVESTMENTS		
Investments in Equity Instruments- Unquoted, Fully paid up		
a In Wholly Owned subsidiary		
Informed Financial USA Inc.	- 219,250	219,250
[Nil Equity Shares (Previous Year : 100) of US \$50 each]		
Less: Provision for diminution in value	-	219,250
Less: Written off	<u>219,250</u>	-
b Others		
Gras Education and Training Services Pvt. Ltd. (Formerly Known as Gras Hospitality Services Ltd.)	7,500,000	7,500,000
[62727 Equity Shares (Previous Year :62727) of Rs.10 each]		
Amigo Sport Private limited	<u>24,999,250</u>	<u>24,999,250</u>
[5263 Equity Shares (Previous Year :5263) of Rs.10 each]		
Total Trade investments (i)	32,499,250	32,499,250
OTHER INVESTMENTS		
Investments in Equity Instruments- Quoted, Fully paid up		
Zenith Birla (India) Limited (Formerly Known as Zenith Ltd.)	622	622
[22 Equity Shares (Previous year :22) of Rs. 10/- each]		
Birla Precision Technologies Limited	-	-
(7 equity shares (Previous year : 7) of Rs. 2/- each)		
(Received on demerger arrangement-Zenith Birla (India) Limited)		
Mahindra & Mahindra Financial Services Ltd	23,200	23,200
[116 Equity Shares (Previous year : 116) of Rs. 10/- each]		
Nagpur Power & Industries Limited	7,483,453	3,622,781
[1,76,812 Equity Shares (Previous year :96094) of Rs.10/- each]		
Globus Spirits Limited	2,500,000	2,500,000
(25000 equity shares (Previous year:25000) of Rs.10/- each)		
Coal India Limited	110,250	110,250
(450 equity shares (Previous year: 450) of Rs.10/- each)		
Power Grid Corporation of India Ltd	69,570	69,570
(773 equity shares (Previous year:773) of Rs.10/- each)		
Manganese Ore India Limited	10,500	10,500
(28 equity shares (Previous year: 28) of Rs.10/- each)		
Investments in Equity Instruments- Unquoted, Fully paid up		
Gujarat Steel Tubes Limited	375	375
[180 Equity Shares (Previous year : 180) of Rs. 10/- each]		
Less: Provision for diminution in value of investments	<u>375</u>	<u>375</u>
Total Other Investments (ii)	10,197,595	6,336,923
Total Non Current Investments (i + ii)	<u>42,696,845</u>	<u>38,836,173</u>
Aggregate amount of quoted investments	10,197,970	6,337,298
Market value of quoted investments	8,772,532	8,942,802
Aggregate amount of unquoted investments	32,499,625	32,718,875
Aggregate provision for diminution in value of investments	375	219,625

10.1 During the year the formalities of closure of business of Company's Wholly Owned Subsidiary in USA are completed and hence the investment has been written off.

10.2 As the subsidiary has ceased to operate in previous year (2010-2011) the consolidation statement u/s 212 is not applicable.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2012

Particulars	As at 31st March,2012 Rupees	As at 31st March,2011 Rupees
11 LONG TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Security Deposits	800,965	801,365
Others Loans and Advances		
Advance Income tax (Net of provision)	1,263,683	(1,447,637)
Service tax credit	820,453	808,460
Grand Total	2,885,101	162,188

11.1 Balances of Security Deposits are subject to confirmation.

11.2 In the opinion of the board loans and advances have a value on realisation in the ordinary course of business at least equal to the sums stated.

12 CURRENT INVESTMENTS

(At lower of cost or market value)

Investments in Mutual Funds- Unquoted

In units of SBI Mutual fund-SBI Ultra ST-RP-Monthly Dividend (38,676.52 units (Previous year: 37,04,142 Units)) (The face value per unit increased from Rs.10 per unit to Rs.1000 per unit w.e.f. Jan'12)	39,771,141	37,966,359
In units of SBI Mutual fund-SBI Ultra ST-RP-Daily Dividend (Nil- Units (Previous year: 1,07,421 Units))	-	1,074,639
Total Current Investments	39,771,141	39,040,998
Aggregate cost of unquoted investments	39,771,141	39,040,998

13 TRADE RECEIVABLES

Unsecured

Considered Doubtful or Bad

Over six months	298,393	298,393
Less: Provision for doubtful debts	298,393	-

Considered Good

Others	2,323,845	2,111,846
Total	2,323,845	2,111,846

13.1 The balances of Trade Receivables are subject to confirmation.

13.2 The Company has to receive sums aggregating to Rs.2,98,393/- from Khandelwals Ltd, London, a Company under the same management. These sums are old outstandings which are unreconciled and supporting are not available. Therefore as a prudent policy the said amount has been provided as doubtful. Under the circumstances, the auditors have relied upon the judgement of the Management.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2012

Particulars	As at 31st March,2012 Rupees	As at 31st March,2011 Rupees
14 CASH AND BANK BALANCES		
Cash and cash equivalents		
Balance with Banks	662,111	2,036,106
Cash on Hand	4,228	17,514
		-
Other Bank Balances		
Unpaid Dividend	505,962	333,756
Bank Deposit	<u>1,035,621</u>	<u>1,233,096</u>
Total	<u><u>2,207,922</u></u>	<u><u>3,620,472</u></u>
15 SHORT TERM LOANS AND ADVANCES		
Unsecured		
Considered Doubtful or Bad		
Loans and advances to related parties		
Mangnachem Pharmaceuticals Pvt. Ltd	7,455,954	7,455,954
Less: Provision for doubtful advances	-	(7,455,954)
Less: Written off	<u>(7,455,954)</u>	-
Considered Good		
Others	<u>6,369,432</u>	<u>1,103,262</u>
Total	<u><u>6,369,432</u></u>	<u><u>1,103,262</u></u>

15.1 The balances of Loans & Advances are subject to confirmation.

15.2 In the opinion of the board the Loans and Advances have a value on realisation in the ordinary course of business at least equal to the sums stated.

15.3 Others include Inter Company Deposit, demand loans, advance rent received, advance travelling expenses of Rs.152,901/- paid to director (Mr. Arnold Allen) and prepaid expenses.

15.4 The Company has advanced sums aggregating to Rs. 74,55,954 to Magnachem Pharmaceuticals Pvt. Limited, a company under the same management. In view of the continuing losses, erosion of entire net worth and no signs of recovery in the foreseeable future, the company made full provision for these doubtful advances in the year 2005-2006.

During the year name of Magnachem Pharmaceuticals Pvt. Ltd. has been struck off from the Register of Companies on 13th May, 2011 and the Company is dissolved. As a result the advances of Rs.74,55,954 have been written off in the current year against the provision made in 2005-2006.

16 OTHER CURRENT ASSETS

Others

Interest accrued on loans and Advances	<u>101,250</u>	<u>39,375</u>
Grand Total	<u><u>101,250</u></u>	<u><u>39,375</u></u>

16.1 The balances of other current assets is subject to confirmation.

16.2 In the opinion of the board the other current assets have a value on realisation in the ordinary course of business at least equal to the sums stated.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2012

Particulars	For the year ended 31st March,2012 Rupees	For the year ended 31st March,2011 Rupees
17 REVENUE FROM OPERATIONS		
Sale of Services	19,355,545	17,539,223
Total Revenue from operations	<u>19,355,545</u>	<u>17,539,223</u>
18 OTHER INCOME		
Interest	651,960	806,824
Dividend	2,479,222	1,618,001
Net gain/loss on sale of Current Investments	87,829	55,361
Other non-operating income (net of expenses directly attributable to such income) (Includes Prior Period Rs. 3,13,686/-)	14,099,852	19,634,931
Net gain on foreign currency transaction and translation	183,431	-
Miscellaneous Income (Includes Prior Period Rs.2,78,957)	280,886	473,649
Total	<u>17,783,180</u>	<u>22,588,766</u>
19 EMPLOYEE BENEFITS EXPENSES		
Salaries and wages	6,561,189	6,364,818
Contribution to provident and other funds	376,866	383,564
Staff welfare expenses	108,155	77,412
Training Expenses	448,250	-
Total	<u>7,494,460</u>	<u>6,825,794</u>
20 FINANCE COSTS		
Interest Expense		
Interest on car loan	101,304	99,477
Interest on shortfall in payment of advance tax	66,286	167,319
Total	<u>167,590</u>	<u>266,796</u>
21 OTHER EXPENSES		
Power and fuel	1,235,825	1,219,674
Repairs to buildings (including maintenance)	654,675	608,832
Insurance	71,389	55,522
Rates and taxes, excluding taxes on income (Includes Prior Period taxes Rs.1,95,314)	337,504	132,955
Communication Expenses	357,426	547,686
Professional Fees (Includes Rs. 4,78,660/- to a Director, previous year Rs. 4,09,066/-)	1,322,970	959,126
Travelling	2,767,144	2,001,112
Brokerage	1,409,900	-
Payment to Auditor	171,730	154,438
Miscellaneous expenses	1,131,042	2,238,104
Total	<u>9,459,605</u>	<u>7,917,449</u>

22. Defined Benefit Plans:

As per Actuarial valuation as on 31st March,2012 and recognised in the financial statements in respect of Employee Benefit schemes:

	Gratuity (In Rupees)	Leave Encashment (In Rupees)
A Components of Employer Expenses:		
a) Interest Cost from 01.04.11 to 31.03.12	40,086	10,111
b) Service Cost from 01.04.11 to 31.03.12	1,04,177	41,183
c) Actual return on Plan Assets	N.A	N.A
d) Curtailment Cost/Credit	Nil	Nil
e) Settlement Cost/Credit	Nil	Nil
f) Past Service Cost	Nil	Nil
e) Actuarial Gain	51,212	12,128
f) Net Cost provided as expense in P&L Account	93,051	39,166
B Net Asset/(Liability) recognised in Balance Sheet as at 31st March,2012		
a) Present value of Obligation as at 31.03.12	5,94,131	1,23,277
b) Fair value of Plan Assets as at 31.03.12	Nil	Nil
c) Un-funded liability recognised in the Balance Sheet	5,94,131	1,23,277
C Changes in benefit obligation during the year 31st March,2012		
a) Actuarial value of Projected Benefit Obligations (PBO) as at 31.03.11	5,01,080	1,26,393
b) Service Cost from 01.04.11 to 31.03.12	1,04,177	41,183
c) Interest Cost from 01.04.11 to 31.03,12	40,086	10,111
d) Curtailment Cost / (Credit)	Nil	Nil
e) Settlement Cost / (Credit)	Nil	Nil
f) Plan Amendments	Nil	Nil
g) Acquisitions	Nil	Nil
h) Actuarial Gain on obligations	51,212	12,128
i) Benefits paid from 01.04.11 to 31.03.12	Nil	42,282
j) PBO as at 31.03.12	5,94,131	1,23,277
D Change in the value of Plan Assets		
a) Fair value of plan Assets as at 01.04.11	Nil	Nil
b) Actual return on plan Assets	Nil	Nil
c) Actuarial Gain / (Loss)	Nil	Nil
d) Actual Company Contribution	Nil	Nil
e) Benefits Paid	Nil	Nil
f) Plan Assets as at 31.03.12	Nil	Nil
E Actuarial Assumptions		
a) Rate of Discounting (p.a)	8.00%	8.00%
b) Rate of increase in Compensation level (p.a)	5.00%	5.00%
c) Rate of Withdrawal	1.00%	1.00%
e) Retirement Age	58 years	58 years

The Company has relied on the valuation certificate issued by consulting Actuary for calculating the actuarial value of Gratuity liability of the employees of the Company in terms of AS 15 (revised) issued by the Institute of Chartered Accountants of India.

23. Contingent Liabilities and Commitments

(In Rupees)

PARTICULARS	As at	As at
	31 st March, 2012	31 st March, 2011
(i) Contingent Liability		
(a) Claims against the company not acknowledged as debt:		
Income Tax demand not provided for pending outcome of appeal		
F.Y. 2005-2006	6,13,948	6,13,948
F.Y. 2011-2012	4,66,032	-
Tax on Distributed Profits (Dividend) not provided for pending outcome of rectification		
F.Y. 2009-2010	31,220	-
F.Y. 2010-2011	20,772	-
(b) Guarantees	-	-
(c) Other money for which the company is contingently liable	-	-
(ii) Commitments	-	-
Total Contingent Liabilities and Commitments	11,31,972	6,13,948

24. During the year company has received no objection for In-principle Exit from STP scheme from Software Technology Park of India (STPI) vide letter no STPI/MUM/VIII(A)(393)/2000(03)/6/13 dated 13.09.2011.

25. The Company has carry forward Long term capital loss available for set-off against the future profits under the Income Tax Act, 1961. Considering the nature of business, viz. uncertainty regarding generation of sufficient future income for set off against the said carry forwards , net deferred tax assets at the year end including related credit for the year have not been recognised in these accounts on prudent basis.

26. Disclosures as required under AS-18, "Related Party Disclosures" are given below:

a) Name and Nature of Relationship of the Related Parties:

	Name of the Related Party	Nature of Relationship
a	Khandelwals Limited, London	Holding Company
b	Nagpur Power & Industries Ltd.	Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise.
c	Magnachem Pharmaceuticals Pvt. Ltd. (up to 13 th May,2011, since dissolved)	
d	Meteor Metals & Ores Ltd.	
e	Zeppelin Investments Pvt. Ltd.	
f	Khandelwal Remedies Pvt. Ltd	
g	Mrs. Suelve Khandelwal	
h	Mr. Arnold Allen	

b) Name of the Related Parties having Transaction with the Company during the Year and the details of transactions carried out with them :

1. Enterprises owned or significantly influenced by any management Personnel or their relatives

(In Rupees)

a) Nagpur Power & Industries Limited	Rs.17,58,745/Rs.17,58,745
Advance Taken and Repaid	(Rs.5,81,918/Rs. 5,81,918)

Figures in brackets are related to previous year

2. Key Management Personnel	Designation	(In Rupees)
a) Mrs. Suelve Khandelwal	Director	Rs.12,00,000
		(Rs.12,00,000)
b) Mr. Arnold Allen - Professional fees	Director	Rs. 4,78,660
		(Rs.4,09,066)

Figures in brackets are related to previous year

3. Relatives of Key Management Personnel* —————Nil—————

* The Company does not have an exhaustive list of business or professions in which relatives of directors of the company have substantial interest. As such, payments made to any such persons, if any have not been identified. This management representation has been relied upon by the Auditors.

c) Balance Outstanding, amounts written off/written back and provision for doubtful debts As At 31st March, 2012

Sl. No.	PARTICULARS	Balance Outstanding (Rs.)	Written off/ back (Rs.)	Provision for Doubtful Debts
1	Holding Company			
a	Khandelwals Limited.	2,98,393	Nil	2,98,393
		(2,98,393)	(Nil)	(2,98,393)
2	Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise.			
a.	Nagpur Power and Industries Limited	Nil	Nil	Nil
		(Nil)	(Nil)	(Nil)
b.	Magnachem Pharmaceuticals Pvt. Ltd.	Nil	74,55,954	Nil
		(74,55,954)	(Nil)	(74,55,954)
3	Key Management Personnel			
a	Mr. Arnold Allen	Nil	Nil	Nil
		(Nil)	(Nil)	(Nil)
b	Mrs. Suelve Khandelwal	Nil	Nil	Nil
		(Nil)	(Nil)	(Nil)

Figures in brackets are related to previous year

27. Earnings Per Share:

PARTICULARS		For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Profit/(Loss) for the year (Rs.)	(A)	16,893,828	19,382,222
Number of Equity Shares Outstanding	(B)	41,69,100	41,69,100
Earnings per share (Rs.) (Basic & Diluted)	(A/B)	4.052	4.649
Face value per share (Rs.)		10	10

28. Payment to Auditors

PARTICULARS	For the Year ended 31 st March 2012	For the Year ended 31 st March 2011
As Auditor	97,750	85,000
For Taxation Matters	29,515	43,120
For Company Law Matters	-	-
For Management Services	-	-
For other Services	32,250	15,000
For reimbursement of expense	12,215	11,318
TOTAL	1,71,730	1,54,438

29. Earnings in Foreign Exchange		
PARTICULARS	For the Year ended	For the Year ended
	31st March 2012	31st March 2011
Sales		
Business Process Outsourcing	193,55,545	1,75,39,223
TOTAL	193,55,545	1,75,39,223
30. Expenditure in Foreign Currency:		
PARTICULARS	For the Year ended	For the Year ended
	31st March 2012	31st March 2011
Professional and Consultation fees	9,26,910	4,09,066
Other matters :		
Foreign Travel	4,40,847	2,58,284
Business Development Fees	1,25,750	5,78,929
TOTAL	14,93,507	12,46,279
31. Fixed Assets taken on Finance Lease on which future obligations towards lease rentals under the lease agreements as on 31st March, 2012 amount to Rs. Nil (Previous year Rs. Nil)		
32. The Company has given office premises under operating lease rental agreement. Details of rent income are as under:		
PARTICULARS	For the Year ended	For the Year ended
	31st March 2012	31st March 2011
Not Later than one year	1,75,94,929	7,50,000
Later than one year and not later than five year	3,06,77,700	-
Later than five year	-	-
Total	4,82,72,629	7,50,000
33. Remittance in Foreign Currency on account of Dividend		
PARTICULARS	For the Year ended	For the Year ended
	31st March 2012	31st March 2011
a) Number of Non Resident Shareholders	1	1
b) Number of Equity Shares held by them	2678220	2678220
c) (i) Amount of Dividend Paid	34,890	37,198
	Pound Sterling	Pound Sterling
(ii) Tax Deducted at Source	Nil	Nil
(iii) Year to which dividend relates	F.Y. 2010-2011	F.Y. 2010-2011
34. Previous year's figures are reclassified and/or regrouped and/or rearranged wherever necessary.		

Signature to Notes 1 to 34, which form an integral part of the accounts.

As per our report of even date attached
For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W

M.V.Ghelani
Proprietor

Mumbai, 28th May, 2012

For and on behalf of the Board of Directors
Gautam P.Khandelwal
Chairman

Smt. Suelve G.Khandelwal
Director

Mumbai, 28th May, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2012

	Amount in Rupees	
	For the year ended 31st March,2012 Rs.	For the year ended 31st March,2011 Rs.
Cash From Operating Activities		
Net Profit before tax	18,725,365	23,731,217
<u>Adjustments for :</u>		
Depreciation	1,291,705	1,386,733
Interest Expenses	167,590	266,796
Dividend Income	(2,479,222)	(1,618,001)
Interest Income	(651,960)	(806,824)
Profit on redemption of Investments	(87,829)	(55,361)
Loss on sale of fixed Assets	23,677	-
Loss on Diminution value of investments w/off	-	(79,023)
Provision for diminution in value of Investment in wholly owned subsidiary co.	-	219,250
Non-Operating Income (Net of expenses)	(14,099,852)	(19,634,931)
	(15,835,891)	(20,321,361)
Operating Profit before working capital changes	2,889,474	3,409,856
Adjustment for changes in Working Capital		
Trade Receivables	(211,999)	(95,416)
Long/Short Term Loans & Advances and Other Current Assets	(6,905,527)	533,891
Other Long Term liabilities and Current Liabilities	(60,381)	952,521
Cash generated from Operations	(7,177,907)	1,390,994
Tax Paid	(2,976,968)	4,800,851
Net cash from Operating Activities (A)	(7,265,401)	2,050,851
Cash From Investing Activities		
Purchase of Fixed Assets	(3,049,132)	(53,500)
Proceeds from sale of Fixed Assets	27,200	-
Purchase of Investments	(17,507,513)	(55,902,414)
Proceeds from Sale of Investment	13,004,527	39,204,452
Dividend Income	2,479,222	1,618,001
Non-Operating Income (Net of expenses)	14,099,852	19,634,931
Interest Income	651,960	806,824
Net cash from Investing Activities (B)	9,706,116	5,308,293
Cash Flow From Financing Activities		
Repayment of car loan	(390,140)	(311,121)
Interest Expenses	(167,590)	(266,796)
Dividend paid (includes tax on distributed profits)	(4,861,535)	(4,877,639)
Proceeds from Secured Loan	1,566,000	-
Net Cash Provided by/(Used in) Financing Activities (C)	(3,853,265)	(5,455,556)
Net Increase in Cash and Cash Equivalents (A+B+C)	(1,412,550)	1,903,588
Cash & Cash Equivalent at the Beginning of the Period	3,620,472	1,716,884
Cash & Cash Equivalent at the end of the Period	2,207,922	3,620,472

For **M.V.Ghelani & Co.**
Chartered Accountants
Firm Regn. No. 119077W

M. V. Ghelani
Proprietor
Mumbai, 28th May,2012

For and on behalf of the board
Gautam P. Khandelwal
Chairman

Smt.Suelve G. Khandelwal
Director
Mumbai, 28th May,2012

AUDITOR'S CERTIFICATE

To,
The Board of Directors
Informed Technologies India Limited
"Nirmal", 20th Floor, Nariman Point,
Mumbai - 400 021.

We have examined the attached Cash Flow Statement of Informed Technologies India Limited for the year ended 31st March, 2012. The statement has been prepared by the company in accordance with the requirements of Clause 32 of listing agreement with Stock Exchange and is based on and is derived from and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For **M.V. Ghelani & Co.**,
Chartered Accountants
Firm Regn. No. 119077W

M.V. Ghelani
Proprietor
Mumbai, 28th May,2012

Date:

To,
Sharepro Services (India) Private Limited,
13AB, Samhita Warehousing Complex,
Second Floor, Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road,
Sakinaka, Andheri(East),
Mumbai-400072.

FORM FOR ECS MANDATE/BANK MANDATE

(Not required to be filled by shareholders holding shares in dematerialized form)

I/We, _____ do hereby authorize Informed Technologies India Limited to:

- Credit my dividend amount directly to my Bank Account as per details furnished below by Electronic Clearing Services(ECS)-ECS Mandate*
- Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me-Bank Mandate*

(*Strike out whichever is not applicable)

FOLIO NO. _____

A. Bank Name	:	
B. Branch	:	
C. Bank Address	:	
D. Bank Account Number	:	
E: Account Type (Saving/Current)	:	
F: 9 Digit Code (MICR) number of the Bank & Branch as appearing on the cheque (For ECS Mandate only) (PLEASE ATTACH PHOTO COPY OF THE CANCELLED CHEQUE)	:	
G: STD code & Telephone no. of Member (optional)	:	

I/We shall not hold the Company responsible if the ECS/Bank Mandate could not be implemented for reasons beyond the control of the Company.

Signature of shareholder(s)
(As per specimen lodged with the Company)

INFORMED TECHNOLOGIES INDIA LIMITED

Registered Office : 'Nirmal', 20th Floor, Nariman Point, Mumbai – 400 021

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Regd. Folio No:

No. of Shares Held:

*DP ID:

*Client ID:

NAME & ADDRESS OF THE MEMBER/PROXY

I hereby record my presence at the 54th Annual General Meeting of the Company to be held at the Orchid & Tulip, MVIRDC, World Trade Centre, Centre One, 1st Floor, Cuffe Parade, Mumbai-400005, on Thursday, August 30, 2012 at 11:00 A.M. (I.S.T)

.....
(Signature of the Member/ Proxy)

(To be signed at the time of handing over this slip at the Hall and not in advance)

* Applicable for investors holding shares in Electronic (Demat) Form.

INFORMED TECHNOLOGIES INDIA LIMITED

Registered Office : 'Nirmal', 20th Floor, Nariman Point, Mumbai – 400 021

PROXY FORM

Regd. Folio No:

No. of Shares Held:

*DP ID:

*Client ID:

I/We _____ of _____

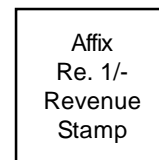
being a Member/Members of Informed Technologies India Limited hereby appoint _____

_____ of _____ or failing him/her

_____ of _____ as my/our proxy to vote for me/us

and on my/our behalf at the 54th Annual General Meeting of the Company to be held at Orchid & Tulip, MVIRDC, World Trade Centre, Centre One, 1st Floor, Cuffe Parade, Mumbai-400005, on Thursday, August 30, 2012 at 11:00 A.M. (I.S.T) and at any adjournment thereof.

As Witness my/our hand(s) this _____ day of _____ 2012



Signature

NOTE: The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.

* Applicable for investors holding shares in Electronic(Demat) Form.

Book - Post

To

If undelivered please return to :

Informed Technologies India Limited

Nirmal, 20th Floor,
Nariman Point,
Mumbai - 400 021.

INFORMED TECHNOLOGIES INDIA LIMITED

54th ANNUAL REPORT 2011-2012