

 **Infotech Limited**

[An ISO 9001:2008 Company]

**Annual Report  
2010-2011**

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

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

**AUDITORS**  
BUDHIA & CO.  
Chartered Accountant

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

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

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

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

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

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

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## LCC INFOTECH LIMITED

### NOTICE

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

#### Ordinary Business:

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

#### Special Business:

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

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

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

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

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

By Order of the Board  
For LCC Infotech Limited

Kolkata  
26th August, 2011

**P. N. Roychoudhury**  
Company Secretary

**Notes:**

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

By Order of the Board  
For LCC Infotech Limited

Kolkata  
26th August, 2011

**P. N. Roychoudhury**  
Company Secretary

## ANNEXURE TO THE NOTICE

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

#### Item : 5

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

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

Salary 25,000/- per month

Perquisites 25,000/- per month

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

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

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

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

Yours Directors commend the resolution for your approval.

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

By Order of the Board  
For LCC Infotech Limited

Kolkata  
26th August, 2011

**P. N. Roychoudhury**  
Company Secretary

## LCC INFOTECH LTD.

### DIRECTORS' REPORT

To the Members,

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

#### 1. Financial Results:

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

*(Amount in Lakh)*

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

#### 2. Dividend:

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

#### 3. Current year and Future Prospect

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Company does not have any manufacturing activity and hence the provision of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 does not apply to the Company.

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

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

- \* that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- \* that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March 2011 and of the profit or loss of the Company for that period;
- \* that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of companies Act, 1956 for safeguarding



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

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

**12. Corporate Governance:**

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

**13. Listing Status**

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

**14. Acknowledgement:**

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: KOLKATA

**SIDHARTH LAKHOTIA**

**KIRTI LAKHOTIA**

DATE: 26th August, 2011

DIRECTOR & C.E.O

MANAGING DIRECTOR

## ANNEXURE "A" TO DIRECTORS' REPORT

### REPORT ON CORPORATE GOVERNANCE

#### 1. Company's philosophy:

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

#### 2. BOARD OF DIRECTORS

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

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

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

\* Promoters of the company.

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

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

Name of the Board of Directors	No. of meeting held	Meetings Attended	Attendance at the last AGM
1. Mrs. Kirti Lakhotia ^	7	6	No
2. Mr. Sidharth Lakhotia	7	7	Yes
3. Mr. Gopal Krishan Gupta	7	7	Yes
4. Mr. Praveen Jain ^	7	Nil	No
5. Mr. Pratik Lakhotia	7	7	Yes
6. Mr. Kamaljit Singh	7	7	Yes

^ Leave of absence was granted as in availability was regretted.

(c) Details of Board Meetings held during the year:

During the year the Board met Nine times on the following dates and the time gap between two board meetings were not more than four months

The details of the Board meetings held during the year are as under:

Sr. No.	Date	Board Strength	No of Directors Present
1	24/04/2010	6	5
2	07/06/2010	6	5
3	28/07/2010	6	5
4	23/08/2010	6	5
5	12/11/2010	6	5
6	31/12/2010	6	5
7	31/01/2011	6	4

**Brief Resumes of Directors proposed to be appointed/reappointed**

Name of the Director	Mr. Pratik Lakhotia	Praveen Jain
Date of birth	27.05.1984	20.03.1960
Date of Appointment	31.12.2003	19.07.2000
Qualification	Completed management courses from USA	B.Tech from IIT, Delhi MBA from Thunderbird University, Arizona, USA
Experience	Young, dynamic, enthusiastic with excellent communication skill and expertise in Information Technology. He is actively involved in all the technological aspect and software development matters.	Senior Manager - Global Operations, Intel Corporation USA for last 23rd years
Directorship in other Public Limited companies	1. Advertiser's Advertising Agency Ltd. 2. eLCC info .com Ltd.	None None

Chairman/Membership None  
of the committee of  
the other Public  
Limited Company

Equity shares of the  
Company held by him 11213205 NIL

**Code of Conduct:**

The company has formulated and implemented a code of conduct for all Board members and Senior Management of the Company in compliance with Clause 49 of the listing Agreement. All Board members and Senior Management personnel has affirmed compliance with the code on annual basis. A declaration to this effect duly signed by Managing Director of the Company is annexed with this report.

**3. Committees of the Board:**

**(a) Audit Committee:**

During the year under report the meeting of the audit committee was held in the following manner and the time gap between two boards meetings were not more than four months

	24.04.2010	28.07.2010	12.11.2010	31.01.2011
Mr. G. K. Gupta (Chairman)	Yes	Yes	Yes	Yes
Mr. Kamaljit Singh	Yes	Yes	Yes	Yes
Mr. Praveen Jain**	No	No	No	No

\*\* Leave of absence was granted as in availability was regretted

P. N. Roy Chowdhury, Company Secretary acts as secretary to the committee.

All the members of the committee are eminent in their respective fields and financially literate with sufficient accounting and financial management expertise.

The committee acts as a link between the management, auditors and board of directors of the company and has full access to the financial information. The terms of reference of the Audit Committee are in line with Clause 49.II. (C) and (D) of the Stock Exchange's Listing Agreement coinciding with the provisions of Section 292A of the Companies Act. 1956.

The general powers of the Audit Committee, inter-alia, includes:

- ~ Appointment / Reappointment and terms thereof the statutory auditors.
- ~ Reviewing the financial reporting process of the quarterly, half-yearly and Yearly financial statements and the Auditors' Reports.
- ~ Compliance with Accounting standards and other regulatory and legal requirements concerning financial statements.
- ~ Overview of the company's financial reporting process and the disclosure of it's financial statements.

**(b) Remuneration Committee & Remuneration Policy:**

The committee comprises of Mr. G.K. Gupta, Praveen Jain, & Mr. Kamaljit Singh is the Chairman of the Committee.

During the year under review the committee met only once on 31-03-2011 and the meetings were attended by Mr. G. K. Gupta as Chairman and Mr. Kamaljit Singh while leave of absence was granted to Mr. Praveen Jain, who regretted his inability to attend the meeting.

Mr. P. N. Roy Choudhury acts as Secretary to the committee.

**\* Functions of the Committee**

The Policy Dossier prescribes for payment of Compensation to Executive Directors by way of salary and other perquisites.

Shares / Convertible Instruments held by Non-Executive Directors as on 31.03.2011

Name of Non-Executive Directors	No. of Equity shares of Rs. 2/- each of the company	Convertible Instruments
Mr. Kamaljit Singh	Nil	N.A.
Mr. Praveen Jain	Nil	N.A.
Mr. G. K. Gupta	Nil	N.A.

The company does not have any ADR/GDR / Warrant/ Preference Shares/ Debentures etc.

**\* Remuneration Policy**

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

The aggregate value of salary and perquisites paid to Mrs. Kirti Lakhota, Managing Director is Rs. 2.27 lakh, Mr. Sidharth Lakhota, Director Rs. 1.75 lakh and Mr. Pratik Lakhota, Director-Finance Rs. 0.65 lakh for the year ended 31st March 2011. Further, no sitting fee was paid to any Director for attending any of the meetings of the Board or Committee thereof.

**(c) Shareholders' / Investors' Grievance Committee:**

**Composition**

The Shareholder's / Investor's grievance committee comprises of the following directors

Name of the Member	Category	Designation
Mr. G. K. Gupta	Non-Executive & Independent Director	Chairman
Mr. Sidharth Lakhota	Executive Director	Member
Mr. Praveen Jain	Non-Executive & Independent	Member

Mr. P. N. Roy Choudhury, Company Secretary acts as Secretary of the committee.

**Functions and Activities:**

Your company has Shareholders' / Investors' Grievance Committee to inter alia look into issues relating to Shareholders including transfer and transmission of shares, issue of duplicate share certificate, non-receipt of Annual Report and redressing of shareholders complaints etc. During the year under review the Company has processed the applications received and resolved within time.

The Committee meet once on 30.1.2011

Number of shareholders complaints received during the year	NIL
Number of complaints resolved during the year ended 31st March 2011	NIL
Number of complaints lying unresolved as at 31.03.2011	NIL
Number of pending shares transfer as at 31.03.2011	None
Number of share transfer cases received during the year	2
Number of share transfer received during the year	25
Number of shares dematerialized during the year	16600
Number of shares rematerialized during the year	NIL

**\* Functions and activities:**

**Share Transfer System**

All the shares received for transfer are processed by the Registrar and Transfer agent (RTA). Share transfer are presently done within a maximum period of 30 days from the date of receipt, provided, the documents are complete in all respect. All share transfer are approved by Shareholders' and Investors' Grievance Committee.

The company's shares are traded in the Stock Exchanges compulsorily in Demat Mode. Shares in Physical Mode, which are lodged for transfer, are processed and returned to the Shareholders within the stipulated time. The company adopts transfer cum Demat system to facilitate Demat of Shares.

**COMPLIANCE OFFICER:** Mr. P. N. Roy Choudhury  
Company Secretary  
Phone: 033-40033636/37  
Fax: 033-24852932  
Email: corporate@lccinfotech.co.in

The company has dedicated a separate e-mail Id (corporate@lccinfotech.co.in) for shareholders' grievance and queries as per Clause 47(f) of the listing Agreement.

**4. General Body Meetings:**

(a) The last three Annual General Meetings of the Company was held as under:

YEAR	LOCATION	DATE	TIME
2007-2008	Eastern Zonal Cultural Centre "Aikatan" IA-290, Salt Lake City Kolkata-700097	25.09.2008	04.00 P.M.
2008-2009	Bharatiya Bhasha Parisad, 36A, Shakespeare Sarani, Kolkata- 700 017	14.12.2009	01.00 P.M.
2009-2010	Bharatiya Bhasha Parisad, 36A, Shakespeare Sarani, Kolkata- 700 017	28.09.2010	01.00 P.M.

(b) No Extra Ordinary General meeting was held in last three years.

(c) No resolution is required to be passed through postal ballot in the ensuing Annual General Meeting. No resolution was required to be passed through postal ballot in last three years.

**5. Disclosures:**

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

None of the transactions with any of the related parties were in conflict with the interests of the Company in general.

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority or any matter related to Capital Markets, during the last three years:

There were no significant instances of non-compliances of any matter related to the capital markets during the last year. The company's shares are listed at Mumbai and National Stock Exchanges. Further, there are certain shares for which listing application is lying pending with Mumbai and National Stock Exchanges. However, due to certain technical reasons, the trading

of company's shares has been suspended in Mumbai Stock Exchanges since 14th February 2003.

- (c) In preparation of financial statement, the company has followed the Accounting Standard issued by ICAI. The significant accounting policies, which are consistently applied, have been set out in the Notes on Accounts.
- (d) Risk evaluation and management is an ongoing process within the organization. A detailed exercise on risk management covering the entire gamut of operation of the Company is being planned during the current fiscal.
- (e) The company has complied with all mandatory requirements of Clause 49 of the Listing Agreement. Non-mandatory requirements would be subject to review by the Board from time to time.

#### **6. Means of Communication:**

The Company has published its quarterly results generally in Business Standard (English), Dainik Lipi (Bengali).

The audited/Unaudited financial results and other permanent information will be available on the company's website very soon.

#### **7. Management Discussions and Analysis 2010 - 2011**

##### **Industry Structure and Analysis:**

The year ended with overall increase in income levels with the middle segment of society witnessing the maximum rise in disposable levels. Further the service sector demonstrated significant growth resulting in increase in hiring of fresh talents across all sectors. The Government also year marked a higher percentage of the GDP towards the education sector with a strong focus of implementing the Right to Education (RTE) Act. The availability of basic education to the masses will give rise to the demand for specialized skill development. India has one of the youngest average population with over 60% of its total population being under 30 years of age and the global average GER is about 23% with it reaching a peak of approx. 60% in certain developed countries, where as India's GER is only at 12%. This clearly reflects a clear prospect and growth potential in the education space. With your company having special focus on the FA (Financial Accounting) Division and the banks increasing their hirings for the year has resulted in better admissions and better job prospects for the students. The I.T. Industry also witnessed certain changes and shifts in the BPO and KPO sector as due to the global effects on the economic conditions has resulted companies to cut outsourcing budgets. This has resulted in several BPO majors to look at setting up units in tier 2 and 3 cities in order to curtail cost. This has proved to be beneficial to your company as the primary concentration of centers is in Tier 2 and 3 cities. With the year on growth in the service sector the demand for skilled manpower is on the rise and your company is well equipped to take advantage and benefit from this development.

##### **Opportunity and Threats:**

As confirmed by multiple global surveys India is one of the youngest countries in the world as well as one of the fastest growing economies worldwide. Coupled with the fact that India has one of the largest uneducated population in the world leads us to the opportunity that lies before us. Education as a sector rarely featured amongst the industries that commanded top priorities. However with the initiative of the Indian Government as well as the Private sector this sector has turned its perception to becoming one of the most critical sectors that will deliver the fuel required for the larger growth of our country.

In the recent times the education and training sector has also witnessed the entrance of several new players in the sector as the financial profits and returns are proving to be encouraging and thereby attracting competition. However your company is in a stable position to retain its market share due to its goodwill, strong presence and quality education in the emerging rural market for over 2 decades.

##### **Segment / Product wise Performance:**

During the Financial Year your company executed and developed the following in various segments:

\* **Individual I.T. Training:**

Last year your company had entered into a strategic collaboration with a National Development Agency under Planning Commission, Govt. of India with the objective of spreading I.T. knowledge and skills amongst the larger section society. Your company has established a dedicated division to administer the operations as the demand for government certification and endorsement is in high demand amongst the masses. Your company has continued to strengthen its focus on high end career development courses and has adopted new technologies as part of value addition to its existing career course.

\* **Schools, Colleges and Universities:**

During the year your company both renewed as well as entered into alliances with various schools and colleges to conduct I.T. courses on a turn key basis. The structure of these arrangements and the contents of teaching are customized to suit the geographical need of the specific institution including customization of course structure and course books including vernacular language.

\* **New Business:**

As mentioned earlier there is a big rise in employment of skilled manpower in the tier 2 and 3 cities by corporates as well as local employer. To cater to this demand your company has launched a new training division called 'UMANG' that will enable education to the remote corners of India. This initiative will create an increase in student volume for your company at the same time will also cater to the social needs of our country. Your company has also renewed its association with the National Development Agency under Govt. of India to continue the growth and spread of I.T. skill development initiative.

**Outlook:**

Your company over the course of the year is looking at new student oriented products that will be designed keeping in mind the new and changing industrial requirements. Your company is expanding its operations with opening of new centers under 3 separate focus areas. Further, new hiring and increment in disposable income has resulted in rise in demand for skilled training. As your company already has a well distributed network of centers as well as opening of new centers will assist in taking in more number of students.

**Risks and Concerns:**

With the increase in business potential in the education space has also given rise to several new players in this segment. Further the change in government policies in managing education business including new norms for University education may affect business. However as your company is taking active initiative to hedge its risks by introduction of new products as well as spreading its geographical spread, the effects of the new challenges can be minimised.

**Internal Control Systems:**

As your company is already conducting its activities using state of the art Enterprise Resource Planning Solutions, it has also upgraded and modified its systems to tackle the changing demands and operational needs. Regular internal audits ensure the smooth flow of operations as well as accurate information available to the management to take timely and effective decisions.

**Financial performance:**

During the year 2010-11 the company total income was 20.16 crores whereas the total expenditure was 20.02 crores resulting a net profit of Rs. 13.95 Lakhs.

**Operational performance:**

During the year company has earned operational profit before depreciation of Rs 43.17 lakh.

**Future Prospects:**

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



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

#### **CAUTIONARY STATEMENT:**

Investor are cautioned that this discussion contain forward looking statements that involve risk and uncertainties when used in this discussion , word like ' anticipate, belief, estimate, intend, will, and expect and other similar expression as they relate the company or its business is in tended to identified such forward looking statements. The company undertakes no obligation to future events or otherwise. Actual result , performance or achievements could differ materially from those expressed or implied in such statements . Readers are cautioned as not to place undue reliance on the forward looking statements as they speak only as of their dates. The MD & A should be read in conjunction with the company's financial statements included herein and the notes thereto. Information provided in this MD&A pertains to LCC Infotech and its subsidiaries on a consolidated basis, unless otherwise stated.

#### **8. CEO/CFO CERTIFICATE**

The Managing Director & Director-Finance heading the finance function have certified to the Board the particulars as stipulated vide Clause 49V of the Listing Agreement.

#### **9. Subsidiary Company:**

e LCC info.com Limited is a subsidiary company.

#### **10. General Shareholder Information:**

(A) ANNUAL GENERAL MEETING:

Day, Date & Time: Wednesday 28th September 2011 at 11.00 A.M.

Venue: "Tapan Theater" at 37A & B Sadananda Road, Kolkata-700026.

(B) Financial Calendar 2011- 2012 (tentative)

Annual General Meeting (next year)	Last week of September 2012
Results for the quarter ending June 30, 2011	Board Meeting held on 4th August 2011
Results for the quarter ending Sept 30, 2011	Last week of October 2011
Results for the quarter ending Dec 31, 2011	Last week of January 2011
Results for the quarter ending March 31, 2012	Last week of April 2012

(C) Dividend Payment Date:

The Company has not declared any dividend during the year under report.

(D) Book Closure Date:

21st September 2011 to 28th September 2011 (both the days inclusive)

(E) Listing Details:

Your Company's shares are listed at:

- |   |   |
|---|---|
| 1) Bombay Stock Exchange Limited<br>Floor 25, P. J. Towers,<br>Dalal Street, Mumbai- 400001 | 2) National Stock Exchange of India Limited<br>Exchange Plaza, Bandra Curla Complex,<br>Bandra (E), Mumbai- 400 051 |
|---|---|

**Note:**

Annual Listing fees are paid to the Bombay Stock Exchange Limited upto 31st March 2006 and upto 31.03.2012 to the National Stock Exchange of India Limited.

**(F) Stock Code:**

Bombay Stock Exchange Scrip Code: 532019

National Stock Exchange Trading Symbol: LCCINFOTEC

Demat ISIN No.: INE938A01021

**(G) Stock Market Data:****NATIONAL STOCK EXCHANGE**

(In Rupees per Share)

<b>2010</b>	<b>Month's High</b>	<b>Month's Low</b>
April	0.90	0.75
May	0.80	0.65
June	0.75	0.65
July	0.80	0.65
August	0.80	0.60
September	0.75	0.65
October	1.25	0.65
November	2.30	1.35
December	1.50	0.90
<b>2011</b>		
January	1.30	0.85
February	1.05	0.80
March	1.00	0.75

**(H) Registrar & Share Transfer Agent:**

The equity shares of the Company being in compulsory demat list are transferable through the depository system for which the Company has established connectivity through M/s S. K. Computers, 34/1A, Sudhir Chatterjee Street, Kolkata - 700 006, and they are the Registrar & Share Transfer Agent. (Both Physical and Depository). 124746299 shares are held in Demat mode as on 31.3.2011.

**(I) SHAREHOLDING PATTERN AS ON 31.03.2011**

<b>Range No of Shares</b>	<b>No. of Shareholders</b>	<b>% to total Shareholders</b>	<b>No. of Shares Held</b>	<b>% of Shareholders</b>
1-500	6927	38.11	2790319	2.20
501-1000	3787	20.84	3654839	2.88
1001-2000	2485	13.68	4293814	3.39
2001-3000	1569	8.63	4134119	3.27
3001-4000	518	2.85	1918419	1.52
4001-5000	1011	5.56	4983312	3.94

5001-10000	1006	5.53	8158726	6.44
10001-50000	733	4.03	15483850	12.23
50001-100000	73	0.40	5539966	4.38
100001 and Above	67	0.37	75635986	59.75
<b>TOTAL</b>	<b>18176</b>	<b>100.00</b>	<b>126593350</b>	<b>100.00</b>

**(J) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2011**

<b>CATEGORY</b>	<b>NO. OF SHARES HELD</b>	<b>PERCENTAGE OF SHAREHOLDING</b>
A. Promoter's Holding		
1. Promoters		
Indian Promoters	58,131,011	45.92
Foreign Promoters	NIL	NIL
2. Persons acting in concert	NIL	NIL
<b>Sub-Total</b>	<b>(i)58,131,011</b>	<b>45.92</b>
B. Non-Promoters Holding		
3. Institutional Investors		
(a) Mutual Funds and UTI	2,500	0.00
(b) Banks, Financial Institutions, Insurance Companies (Central / State Gov. Institutions / Non-government Institutions)	2,500	0.00
(c) FIIs	105,000	0.08
<b>Sub-Total</b>	<b>(ii)1,10,000</b>	<b>0.08</b>
4. Others		
(a) Private Corporate Bodies	14557282	11.50
(b) Indian Public	52140594	41.19
(c) NRIs / OCBs	1654463	1.31
(d) Any Other	NIL	NIL
<b>Sub-Total</b>	<b>(iii) 68,352,339</b>	<b>54.00</b>
<b>GRAND TOTAL [(i) + (ii) + (iii)]</b>	<b>126,593,350</b>	<b>100.00</b>

**(K) HOLDING PATTERN AS ON 31.03.2011**

<b>Sl No.</b>		<b>No. of Shares</b>	<b>Percentage</b>	<b>No. of Holders</b>	<b>Percentage</b>
1	NSDL	9,64,55,211	76.19	12773	70.27
2	CDSL	2,82,91,088	22.35	3996	21.98
3	PHYSICAL	18,47,051	1.46	1407	7.75
	<b>TOTAL</b>	<b>126,593,350</b>	<b>100.00</b>	<b>18176</b>	<b>100.00</b>

**(L) Address for Correspondence:**

- |   |   |
|---|---|
| (i) REGISTERED OFFICE<br>LCC Infotech Limited<br>P-16, C.I.T. Road,<br>Kolkata - 700 014<br>Phone:033-22277906  | (ii) CORPORATE OFFICE<br>LCC Infotech Limited<br>2/5A, Sarat Bose, Road<br>Kolkata - 700 020<br>Phone:033-40033636/37   |
| (iii) ANY QUERY ON ANNUAL REPORT<br>Secretarial Department<br>LCC Infotech Limited<br>2/5A, Sarat Bose Road<br>Kolkata - 700 020<br>Phone:033-40033636/37<br>Email: corporate@lccinfotech.co.in | (iv) INVESTOR CORRESPONDENCE<br>RTA (For both Physical & Demat)<br>M/s S. K. Computers<br>34/1A, Sudhir Chatterjee Street<br>Kolkata - 700 006<br>Phone: 033-22196797 |

**9. A certificate from Auditors on corporate Governance is enclosed.**

All other matters as contained in clause 49 of the Listing agreement are dealt with by the management as and when the same get applicable to the company.

**Important Information To Members**

The Ministry Of Corporate Affaires has taken a "Green Initiative in the Corporate Governance"through its circular no 17/2011 dated 21.04.2011 read with circular 18/2011 dated 29.04.2011 by allowing paperless compliance through electronic mode for service of documents by companies that service of notice/ documents including "Annual Report" can be sent by e-mail to its members. To support this green initiative of the Govt. in full measure, members who have not registered their e-mail addresses so far, are requested to register their email addresses in respect to electronic holding with the depository through their concerned depository participants. Members who hold shares in physical form are requested to send request for dematerialization to registrar and share transfer agent M/s S.K.Computers.

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members,  
LCC Infotech Limited

We have examined the compliance of conditions of Corporate Governance procedures implemented by LCC Infotech Limited, for the year ended 31<sup>st</sup> March, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange (S).

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

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2011, no investor grievances are pending against the company as on 31<sup>st</sup> March, 2011 as per the records maintained by the company and presented to the investor grievances committee.

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

Kolkata  
26th August, 2011

**M.K. BUDHIA**  
Proprietor  
For and on behalf of  
**BUDHIA & COMPANY**  
Chartered accountants  
Membership No. 55197

## CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to confirm that a code of conduct for the Board Members and Senior Management Personnel of the Company has been adapted in the Board Meeting. The Code of Conduct as adopted by the Board was also circulated and posted on the Website of the Company. The Company received declarations affirming compliance of the Code from the persons concerned for the financial year ended 31<sup>st</sup> March 2011. The same has also been noted by the Board.

FOR & ON BEHALF OF BOARD OF DIRECTOR

Place: Kolkata  
DATED: 26.08.2011

Kirti Lakhotia  
MANAGING DIRECTOR

Sidharth Lakhotia  
DIRECTOR & CEO

## AUDITOR'S REPORT

To the Members of  
LCC Infotech Limited,

1. We have audited the attached Balance Sheet of LCC Infotech Limited as at 31st March 2011 and also 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 have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of Material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) (Amendment) order, 2004 issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Reference is invited to the following Notes:
  - 4.1. The collection from the franchisees have been shown as aggregate of collection as received by them independently and the expenses as incurred by the Company over the same have been booked accordingly as expenditure for generating such revenue resulting the differences accruing as net income to the Company. Revenue from the operation in Profit & Loss Accounts of the Company includes Fees collected from students by the Franchises independently amounting Rs.195148k and Course execution and development expenses shown in the Profit & Loss Account includes Rs.182488k incurred or paid by the Franchises independently based on the account statement of the Franchisees.
5. Further to our comments in the Annexure referred in Paragraph 3 above and subject to the Notes referred in Paragraph 4 above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
  - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors of the Company and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a Director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the notes thereon/attached thereto, subject to paragraph 4.1, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011
- ii) in the case of the Profit and Loss Account, of the profit/loss for the year ended on the date, and
- iii) in the case of Cash Flow Statement, of the Cash Flow for the year ended on that date

Place: Kolkata  
Date: 26.08.2011

**M.K. BUDHIA**  
Proprietor  
For and on behalf of  
**BUDHIA & COMPANY**  
Chartered Accountants  
Membership No. 55197

## ANNEXURE TO THE AUDITORS REPORT

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) Fixed assets have been physically verified by the management according to the regular programme of periodical verification in phased manner which in our opinion is up to the mark having regard to the size of the Company and the nature of Fixed Assets. The discrepancies noticed on such physical verification were not material.
2. (a) The inventory of the Company, has been physically verified by the management at regular intervals.  
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.  
(c) The company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. The Company has not taken any Loan during the year from Companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956. Consequently the requirement of other clauses is not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal controls procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control.
5. On the basis of our examination of the books of accounts, the company has not entered into any transactions exceeding Rs. 5 lacs in respect of any party during the financial year that needs to be entered into a register maintained under section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits under the provisions of Section 58A and 58AA or any other relevant provisions and the rules framed thereunder.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. In our opinion and according to the information and explanations given to us, the company is not covered under the purview of section 209 (1) (d) of the Companies Act 1956, hence the maintenance of cost records as prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 is not applicable to the company.
9. According to the information and explanations given to us, in respect of statutory and other dues. The Company has been regular in depositing with appropriate authorities undisputed statutory dues including, Income Tax, Sales Tax, Service Tax, Cess and any other statutory dues.
10. The Company's accumulated loss is not more than 50% of its net worth as on 31.3.2011. The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
11. According to the records of the company examined by us and the information and explanations given to us the company has not defaulted in repayment of any dues to financial institutions or banks.
12. According to the information and explanations given 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.
13. The provisions of any special statute applicable to Chit Fund nidhi or mutual benefit fund societies are not applicable to the Company.



14. Based on the records examined by us and according to the information and explanations given to us, we are of the opinion that the company is maintaining proper record of the transactions and contracts of dealing in shares and securities and that timely entries have been made and the shares and securities have been held by the company in its own name.
15. According to the information and explanations, given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
16. The Company did not have any term loan outstanding during the year.
17. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, no funds raised on short-term basis have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
19. According to the information and explanations given to us, the company has not issued any debentures.
20. The Company has not raised any money through a public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Place: Kolkata  
Date: 26.08.2011

**M.K. BUDHIA**  
Proprietor  
For and on behalf of  
**BUDHIA & COMPANY**  
Chartered Accountants  
Membership No. 55197

**LCC INFOTECH LIMITED**

BALANCE SHEET AS AT 31ST MARCH, 2011

	<b>Schedule</b>	<b>2011</b> Rs.' 000	<b>2010</b> Rs.' 000
<b>Sources of Funds</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	253,187	253,187
Reserves and Surplus	2	400,665	400,665
		<u>653,852</u>	<u>653,852</u>
<b>Application of Funds</b>			
<b>Fixed Assets</b>			
Gross Block	3	147,208	147,544
Less : Depreciation		121,734	118,812
Net Block		<u>25,474</u>	<u>28,732</u>
<b>Investments</b>	4	204,081	204,781
<b>Current Assets, Loans and Advances</b>			
Inventories	5	11,760	11,493
Sundry Debtors	6	177,526	168,220
Cash and Bank Balances	7	1,588	463
Other Current Assets	8	8,027	7,457
Loans and Advances	9	190,700	190,634
		<u>389,601</u>	<u>378,267</u>
Less : Current Liabilities and Provisions	10	16,221	10,240
<b>Net Current Assets</b>		<u>373,380</u>	<u>368,027</u>
Profit & Loss Account (as per annexed a/c.)		50,917	52,312
		<u>653,852</u>	<u>653,852</u>

The Schedules referred to above form an integral part of the Balance Sheet of the Company. This is the Balance Sheet referred to in our Report of even date.

**For and on behalf of Board of Directors**

Kirti Lakhota - **Managing Director**

Sidharth Lakhota - **Director**

P. N. Roy Choudhary - **Company Secretary**

**M.K.BUDHIA**  
Proprietor  
Chartered Accountants  
**BUDHIA & CO.**  
Chartered Accountants  
Membership No:55197  
Place: Kolkata  
Date : 26.08.2011

## LCC INFOTECH LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	<b>Schedule</b>	<b>2011</b> Rs.' 000	<b>2010</b> Rs.' 000
<b>Income</b>			
Revenue from Operations	11	199939	201915
Other Income	12	1310	1319
Interest	13	127	153
Increase/(Decrease) in Stocks		267	462
		<u>201643</u>	<u>203849</u>
<b>Expenditure</b>			
Development, Production and Execution	14	182488	183389
Personnel	15	4162	3936
Administration and Others	16	4453	4626
Marketing	17	1018	484
Provision	18	5205	8119
		<u>197326</u>	<u>200554</u>
<b>Profit / (Loss) Before Tax and Depreciation</b>		<b>4317</b>	<b>3295</b>
Depreciation		2922	2969
<b>Profit / (Loss) Before Tax</b>		<b>1395</b>	<b>326</b>
Provision for Tax			
- Current Tax		-	-
- Frindge Benefit Tax		-	-
<b>Profit/ (Loss) After Tax</b>		<b>1395</b>	<b>326</b>
Sales Return		-	-
Balance brought forward from Previous Year		(52312)	(52638)
<b>Profit/ (Loss) Available For Appropriation</b>		<b>(50,917)</b>	<b>(52,312)</b>
<b>Appropriations</b>			
Balance carried forward to Balance Sheet		<b>(50917)</b>	<b>(52312)</b>

### Notes on Accounts

19

The schedules referred to above form an integral part of the Profit and Loss Account of the Company. This is the Profit & Loss Account referred to in our Report of even date.

**For and on behalf of Board of Directors**

Kirti Lakhotia - **Managing Director**

Sidharth Lakhotia - **Director**

P.N. Roy Choudhary - **Company Secretary**

**M.K.BUDHIA**

Proprietor

Chartered Accountants

**BUDHIA & CO.**

Chartered Accountants

Membership No:55197

Place: Kolkata

Date : 26.08.2011

## LCC INFOTECH LIMITED

SCHEDULES annexed to and forming part of the Balance Sheet as at 31st March, 2011

	<b>2011</b> Rs. '000	<b>2010</b> Rs. '000
1. Share Capital		
<b>Authorised</b>		
255000000 Equity Shares of Rs. 2/- each	510,000	510,000
<b>Issued,Subscribed and Paid up</b>		
126593350 Equity Shares of Rs.2/- each	253,187	253,187
	<b>253,187</b>	<b>253,187</b>
<b>2. Reserves and Surplus</b>		
Reserve Fund	70	70
Securities Premium	400,595	400,595
Profit & Loss A/c. (as per annexed A/c.)	-	-
	<b>400,665</b>	<b>400,665</b>

LCC INFOTECH LIMITED

SCHEDULES annexed to and forming part of the Balance Sheet as at

3 Fixed Asset

Particulars	GROSS BLOCK				As on 31st March, 2011	As on 31st March, 2010
	As on 31st March, 2010	Additions	Deductions	As on 31st March, 2011		
<b>Tangibles</b>						
Building	30,049	-	-	30,049		
Plant & Machinery	1,745	45	402	1,388		
Computer	80,437	76	-	80,513	80,437	
Vehicles	4,106	-	-	4,106		
Furniture and Fixture	31,207	-	55	31,152	31,207	
	147,544	121	457	147,208	147,544	
<b>TOTAL</b>	<b>147,544</b>	<b>121</b>	<b>457</b>	<b>147,208</b>	<b>147,544</b>	<b>118,000</b>
<b>Previous year</b>	<b>157,593</b>	<b>1,351</b>	<b>11,400</b>	<b>147,544</b>	<b>157,593</b>	<b>118,000</b>

**4. Investments**

		<b>2011</b>	<b>2010</b>
	<b>No. of Shares</b>	<b>Rs. '000</b>	<b>Rs. '000</b>
<b>A. Quoted</b>			
Long Term Investments-at cost			
NIIT Limited	100	215	215
Universal Media Limited	782425	2504	2504
ATN International Limited	334980	3182	3182
R.S.Software Limited	1500	823	823
Tata Iron & Steel Company Limited	7500	684	684
Ranbaxy Laboratories Limited	3000	1350	1350
Videocon Industries Limited	100	23	23
		<b>8781</b>	<b>8781</b>
<b>B. Unquoted</b>			
	<b>No. of Shares</b>	<b>2011</b>	<b>2010</b>
		<b>Rs. '000</b>	<b>Rs. '000</b>
Abex Infocom Pvt. Ltd.	50000	2500	2500
Apex Infocom Services Pvt. Ltd.	40000	2000	2000
Aradhana Vyapar Pvt. Ltd.	36000	1800	1800
Champak Niketan Pvt. Ltd.	30000	1500	1500
Destiny International Ltd.	100000	5000	5000
Galvenotek Industries Pvt. Ltd.	130000	6500	6500
Goldwine Merchandise Pvt. Ltd.	20000	1000	1000
Heritage Promoters & Estates Pvt. Ltd.	18000	900	900
Indivar Kutir Pvt. Ltd.	30000	1500	1500
Jhalar Vincom Pvt. Ltd.	36000	1800	1800
Lokpriya Trade & Agency Pvt. Ltd.	30000	1500	1500
Nathoo Commodities Pvt. Ltd.	40000	2000	2000
Nutshell Vyapar Pvt. Ltd.	80000	4000	4000
Omega Ventures Pvt. Ltd.	60000	3000	3000
Pentacon Plastic Co. Pvt. Ltd.	36000	1800	1800
PKV Spun Pipe Impex Pvt. Ltd.	36000	1800	1800
Pushpak Trading & Consultancy Pvt. Ltd.	82000	4100	4100
Sadhana Towers Pvt. Ltd.	18000	900	900
Shalu Properties Pvt. Ltd.	18000	900	900
Shivganga Distributors Pvt. Ltd.	30000	1500	1500
Skylark Commerce Pvt. Ltd.	50000	2500	2500
Shree Agro Industries Ltd.	711600	17790	17790
Swarnima Properties Pvt. Ltd.	50000	2500	2500
Tayal Trading Pvt. Ltd.	40000	2000	2000
Top Light Tradelink Pvt. Ltd.	100000	5000	5000
Triplerank Marketing Pvt. Ltd.	30000	1500	1500
Twinkle Traders Pvt. Ltd.	40000	2000	2000
Vijay Path Distributors Ltd.	52000	2600	2600
Lakhotia Computor Centre Ltd.	2400	240	240
Vijay Investment & Trading Pvt. Ltd.	55500	2775	2775
The Thermic Steel Co. Pvt. Ltd.	53000	2650	2650
Pleasure Investment Pvt. Ltd.	102300	5115	5115
Carried forward		<b>92670</b>	<b>92670</b>

		<b>2011</b>	<b>2010</b>
		<b>Rs. '000</b>	<b>Rs. '000</b>
<b>B Unquoted</b>			
<b>Brought over</b>		<b>92670</b>	<b>92670</b>
Escorts Trade Link Pvt. Ltd	74000	3700	3700
Platinum BioTech Pvt. Ltd.	7500	600	600
Mansingh Oils & Grains Pvt. Ltd .	391967	29398	29398
Ashoke Paper Mills Ltd.	150000	1500	1500
Rolex Merchant Pvt. Ltd.	2800	2800	2800
Shyam Sree Steels Ltd.	1790	90	90
Dhansafal Vyapaar Pvt. Ltd.	49000	1490	1490
Ojas Suppliers Ltd.	26000	637	637
Hanurag Projects Pvt. Ltd.	87850	3777	3777
Turnkey Commodities Ltd.	104500	3657	3657
Rubion Marketing Ltd.	30000	1170	1170
Sudhanil Vanijya Ltd.	29050	551	551
Weldorf Tradelink Ltd.	15000	465	465
Whiteline Barter Ltd.	15000	480	480
Sapience Commodities Pvt. Ltd.	25500	842	842
Raunak Tracon Pvt. Ltd.	42550	1957	1957
Rangbarshi Projects Ltd.	60000	4820	4820
Alkon Trading Pvt. Ltd.	26000	884	884
Gurupath Merchandise Pvt. Ltd.	25000	675	675
StarPoint Management Pvt. Ltd.	29000	2160	2160
Bhairav Trade Link Ltd.	4000	132	132
Aristro Projects Ltd.	45650	2054	2054
Cascade Dealcom Pvt. Ltd.	93450	3087	3087
Jeet Vaniya Ltd.	36000	1278	1278
Mangalmayee Garment Pvt. Ltd .	16000	1376	1376
Celeste Merchandise Pvt. Ltd.	12258	380	380
Ricon Tieup Ltd.	50000	5000	5000
Sheetal Farms Ltd.	50000	5000	5000
Savera Traders Ltd.	29750	2975	2975
Jmd Sounds Ltd.	57750	577	577
eLcc Info.com Limited (Subsidiary Company)	1841750	18418	18418
		<b>194600</b>	<b>194600</b>

**C. Mutual Fund**

		<b>2011</b>	<b>2010</b>
		<b>Rs. '000</b>	<b>Rs. '000</b>
Birla Dividend Yield		100	100
Birla Savings Fund		-	200
Birla Sunlife MIP II		-	200
ICICI Pru Discovery Fund		200	200
Principal Emerging Blue Chip Fund		200	200
HDFC Top 200 Fund		-	200
Templeton Short Term Fund		-	100
HDFC MIP Long Term Fund		200	200
		<b>700</b>	<b>1,400</b>

**Grand Total (A+B+C)**

**204,081                      204,781**

Market Value of Quoted Investment as of 31st March 2011 :

	Book Value	Market Value	Surplus /(Deficit)
Equity Shares (Quoted )	8781	6770	(2,011)
Mutual Fund	700	696	(4)

According to Board of Directors, diminution in the Market value of Investments in Equity Shares is not of a permanent nature and no provision is made into Accounts.

## LCC INFOTECH LIMITED

SCHEDULE annexed to and forming part of the Balance Sheet as at 31st March,2011

	2011 Rs. '000	2010 Rs. '000
<b>5. Inventories</b>		
Software	7,609	7,609
Education and Training Materials	3,336	3,069
Computers	815	815
	<u>11,760</u>	<u>11,493</u>
<b>6. Sundry Debtors</b>		
Sundry Debtors	177,526	168,220
	<u>177,526</u>	<u>168,220</u>
<b>7. Cash and Bank Balances</b>		
Cash in hand (as certified by the management)	381	53
Cash at Bank with Scheduled Banks :		
In Current Accounts	1,207	410
	<u>1,588</u>	<u>463</u>
<b>8. Other Current Assets</b>		
Balance with Revenue Authorities	7,736	7,167
Interest Accrued on Loans and Deposits	291	290
	<u>8,027</u>	<u>7,457</u>
<b>9. Loans and Advances</b>		
Loans to Bodies Corporate	187,460	187,546
Loans to Others	2,242	2,142
Security Deposits	998	946
	<u>190,700</u>	<u>190,634</u>
<b>10. Current Liabilities &amp; Provisions</b>		
<b>A. Current Liabilities</b>		
Sundry Creditors and Accrued Expenses	6,767	5,085
Other Liabilities	3,869	3,013
	<u>10,636</u>	<u>8,098</u>
<b>B. Provisions</b>		
Provision for Bad Debt	5,205	1,762
Provision for Inventory - Software	380	380
	<u>5,585</u>	<u>2,142</u>
(A + B)	<u>16,221</u>	<u>10,240</u>



## LCC INFOTECH LIMITED

SCHEDULES annexed to and forming part of the Profit & Loss Account for the year ended 31st March, 2011

	<b>2011</b>	<b>2010</b>
	Rs.' 000	Rs.' 000
<b>11.Revenue From Operations</b>		
Gross Collection from Franchisee	195,148	198,460
Franchisee Registration/Renewal	1,231	874
Income from Projects	3,560	2,581
	<u>199,939</u>	<u>201,915</u>
<b>12.Other Income</b>		
Rent	1,087	1,189
Dividend	62	28
Miscellaneous Income	161	102
	<u>1,310</u>	<u>1,319</u>
<b>13.Interest</b>		
Interest Income	127	153
	<u>127</u>	<u>153</u>
<b>14.Development,Production and Execution</b>		
Course execution Expenses	182,488	183,389
	<u>182,488</u>	<u>183,389</u>
<b>15.Personnel</b>		
Salary	3,983	3,806
Contribution to Provident Fund	8	10
Staff Welfare Expenses	171	120
	<u>4,162</u>	<u>3,936</u>
<b>16.Administration and Others</b>		
Travelling and Conveyance	524	661
Audit Fees	31	31
Electricity	435	330
Legal and Professional Expenses	242	358
Miscellaneous Expenses	194	216
Rates and Taxes	50	17
Rent	88	109
Repairs & Maintenance	511	632
Communication	403	438
Interest	208	140
Registration Fees	-	589
Books & Periodical	21	35
Postage & Telegram	52	84
Printing & Stationery	497	327
Carriage Outward	36	25
Professional Fees	115	140
Listing & Coustudial Fees	254	259
Commission & Incentive	119	20
Bank Charges	20	21
General Expenses	195	194
Fixed Assets written off	458	-
	<u>4,453</u>	<u>4,626</u>

**17. Marketing**

Advertisement	659	378
Business Promotion	359	106
	<u>1,018</u>	<u>484</u>

**18. Provision**

Provision Created		
- Inventory Software	-	-
- Provident Fund Payable	-	-
- Bad Debt	5,205	8,119
	<u>5,205</u>	<u>8,119</u>

**LCC INFOTECH LIMITED**

Schedules annexed to and forming part of the Accounts for the year ended  
31st March 2011.

**19. Notes on Accounts**

## 1. Fixed Assets

Fixed Assets (tangible and intangible) are stated at cost of acquisition. Cost Comprises purchase price and attributable cost.

## 2. Depreciation on straight-line basis is provided on tangible Fixed Assets in the manner and at rates as per Schedule XIV of the Companies Act, 1956.

## 3. Investments

Investments (stated at cost) have been classified as Long Term Investments in accordance with Accounting Standard - 13 issued by the Institute of Chartered Accountants of India. Gains / Losses on disposal of Investments are recognized as income / expenditure. Dividends are accounted for when received.

## 4. Inventories

The year-end inventory items are valued at lower of cost (determined on the weighted average method) or net realisable value.

## 5. Recognition of Income and Expenditure

## 5.1 Items of income and expenditure are recognised on accrual and prudent basis.

## 5.2 Franchisee registration fees are recognised as per related agreement on receipt basis.

## 5.3 Royalty at the rates agreed with the franchisees is recognised on receipt basis.

## 6. Additional information pursuant to the provisions of Part -II of Schedule - VI to the Companies Act, 1956.

Value in Rs.'000

	Opening Balance		Production/ Purchase		Stock Release		Closing Stock	
	Nos	Value	Nos	Value	Nos	Value	Nos	Value
1. Software	952	7609	-	-	-	-	952	7609
2. Books	13689	3069	3687	829	2500	562	14876	3336
3. Computers	-	815	-	-	-	-	-	815

7. The total amount of Directors' Remuneration charged in these accounts is Rs.1560 thousands (2010 - Rs. 1560 thousands) under salary head in Personnel.
8. Related Party Disclosures, as required by AS - 18 'Related Party Disclosures' are given below:

I Relationships

- a) Where control exists  
eLCC Info. Com Limited  
Advertiser's Advertising Agency Limited
- b) Key Management Personnel  
Mrs. Kirti Lakhotia Advertiser's Advertising agency Limited (Formerly known as Lakhotia Computer Centre Limited), eLCC Info.com Limited
- Mr. Sidharth Lakhotia Advertiser's Advertising agency Limited (Formerly known as Lakhotia Computer Centre Limited), eLCC Info.com Limited.
- Mr. Pratik Lakhotia Advertiser's Advertising agency Limited (Formerly known as Lakhotia Computer Centre Limited), eLCC Info.com Limited.

II Related Party Balance as at the year-end  
eLCC Info.Com Ltd.

Advertiser's Advertising agency Limited  
(Formerly known as Lakhotia Computer Centre Limited),

Advance (in Rs.) 89, 68,998.00 (Cr.) 31, 43,752.75 (Dr.)

III Transactions with Key Management Personnel: Remuneration (in Rs.) 1560 thousands

9. Calculations in respect of earning per Share as required by accounting standard (AS-20) issued by the ICAI.

	31.03.2011	31.03.2010
Net Profit as per Profit & loss Account Rs. in thousands	1395	326
No. of Equity Shares Nos.	126593350	126593350
Earnings per Share (Basic & Diluted) Rs	0.0110	0.0026

10. In terms of the existing agreements with various franchisees, the Company is entitled to a royalty income based on a percentage of gross collections of these franchisees. The Company has however accounted for its income as "Gross Collection from Franchisees" based on statements received from franchisees.

11. Previous years' figures have been rearranged/regrouped where ever considered necessary.

**For and on behalf of Board of Directors**

**M.K. BHUDIA**

Proprietor  
Chartered Accountants  
**BHUDIA & COMPANY**  
Chartered Accountants  
Membership No. - 55197

Kirti Lakhotia - **Managing Director**

Sidharth Lakhotia - **Director**

Place: Kolkata

Date: 26.08.2011

## LCC INFOTECH LIMITED

Cash Flow Statement for the year ended 31st March, 2011

Pursuant to clause 32 of the Listing-Agreement

	<b>2011</b>	<b>2010</b>
	Rs.'000	Rs.'000
A : Cash From Operating Activities		
Net Profit before Tax	1,333	298
Adjustment for :		
Preliminary Expenses and Deferred Revenue	-	-
Loss on Sale of Shares	-	-
Depreciation	2,922	2,969
Dividend Received	62	28
Interest (Net )	-	-
Operating Profit before Working Capital Change	<u>4,317</u>	<u>3,295</u>
Adjustment for :		
Trade and other Receivables	(9,942)	(8,034)
Inventories	(267)	(462)
Trade Payables	<u>5,981</u>	<u>(3,339)</u>
Cash Generated From Operations	89	(8,540)
Interest Paid	-	-
Direct Tax/ FBT	-	-
Prior Period Adjustment	-	-
Net Cash From Operating activities	(A) 89	(8,540)
B : Cash Flow from Investing Activities :		
Sale/(Purchase) of Fixed Asset	336	10,049
Sale/(Purchase) of Investments	700	(1,400)
Advance for subscription of Shares		
Income from Investments		
Dividend Received		
Interest Received		
Net Cash Flow from Investing Activities	(B) 1,036	8,649
C : Cash flow from Financing Activities		
Net increase in Borrowings		
Net cash from Financing Activities	(C) -	
Net Decrease/Increase in Cash andCash -Equivalents(A+B+C)	<u>1,125</u>	<u>109</u>
Cash and cash equivalent on Opening date ( Note-1 )	463	354
Cash and cash equivalent on Closing date ( Note-1 )	<u>1,588</u>	<u>463</u>
	1,125	109

1. Cash and cash Equivalents include : -

	<b>2011</b>	<b>2010</b>
Cash in Hand	381	53
With Scheduled banks :		
On Current Accounts	1,207	410
	<u>1,588</u>	<u>463</u>

2. The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement issued by the Institute of Chartered Accountant of India.

For and on behalf of the Board of Directors

Kirti Lakhotia - **Managing Director**

Siddharth Lakhotia - **Director**

P.N. Roy Choudhury - **Company Secretary**

Place: Kolkata  
Date: 26.8.2011

## AUDITORS' CERTIFICATE

The above Cash Flow Statement has been Complied from and is based on the Audited Accounts of LCC Infotech Limited for the year ended 31st March 2011 reported by us on even date. According to the information and explanation given, the aforesaid Cash Flow Statement, read with notes thereon has been prepared pursuant to Clause 32 of Listing Agreement with Stock Exchanges and the re-allocations required for the purpose are as made by the Company.

Place: Kolkata  
Date: 26.8.2011

**M.K.BUDHIA**  
Proprietor  
Chartered Accountants  
**BUDHIA & CO.**  
Chartered Accountants  
Membership No:55197

## LCC INFOTECH LTD

### INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

- (a) Registration Details
- |                                  |       |            |    |
|----------------------------------|-------|------------|----|
| Registration No                  | 73196 | State Code | 21 |
| Balance Sheet Date 31-March-2011 |       |            |    |
- (b) Capital raised during the period
- |              |   |                   |   |
|--------------|---|-------------------|---|
| Public Issue | - | Rights Issue      | - |
| Bonus Issue  | - | Private Placement | - |
- (c) Position of Mobilization and Deployment of Funds (Amt in Rs thousands)
- |                       |          |                   |         |
|-----------------------|----------|-------------------|---------|
| Total Liabilities     | 653,852  | Total Assets      | 653,852 |
| Sources of Funds:     |          |                   |         |
| Paid up Capital       | 253,187  | Reserve & Surplus | 400,665 |
| Secured Loans         | -        | Unsecured Loans   | -       |
| Application of Funds: |          |                   |         |
| Net Fixed Assets      | 25,474   | Investments       | 204,081 |
| Net Current Assets    | 3,73,380 | Misc Expenditure  | -       |
| Accumulated Loss      | 50,917   |                   |         |
- (d) Performance of the Company (Amt in Rs thousands)
- |              |        |                   |          |
|--------------|--------|-------------------|----------|
| Total Income | 201643 | Total Expenditure | - 197326 |
| PBT          | 1395   | PAT               | 1395     |
| EPS          | 0.0110 | Dividend Rate     | -        |
- (e) Generic Names of principal products/ services of the Company
- Product Description : Education, Training

## AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of LCC Infotech Limited and its subsidiary

1. We have examined the attached Consolidated Balance Sheet of LCC Infotech Limited and its subsidiary as at 31<sup>st</sup> March 2011 and also Consolidated Profit & Loss Account and Consolidated 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. The financial statements of the subsidiary company were audited by other auditors whose report have been furnished to us, and our opinion, in so far as it relates to the amount included in respect of the subsidiary company is based on the report of the auditors.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of Material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statement. 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 and the report of the other auditors provide a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirement of Accounting Standard 21 'Consolidated Financial Statement' issued by the Institute of Chartered Accountants of India, on the basis of the individual statement of LCC Infotech Limited and its subsidiary Company included in the consolidated financial statement.
4. On the basis of the information and explanations given to us and on the consideration of separate audit reports and individual audited financial statement of LCC Infotech Limited and its subsidiary as at 31<sup>st</sup> March 2011, in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - 4.1. in the case of Consolidated Balance Sheet of the Consolidated state of affairs of LCC Infotech Limited and its subsidiary as at 31<sup>st</sup> March 2011
  - 4.2. in the case of Consolidated Profit & Loss Account of the Consolidated result of the operations of LCC Infotech Limited and its subsidiary for the year ended on that date
  - 4.3. in the case of Consolidated Cash Flow Statement of LCC Infotech Limited and its subsidiary for the year ended on that date

Place : Kolkata  
Date: 26.08.2011

**M.K. BUDHIA**  
Proprietor  
For and on behalf of  
**BUDHIA & COMPANY**  
Chartered Accountants  
Membership No. 55197

## LCC INFOTECH LIMITED & ITS SUBSIDIARY

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	2011 Rs.' 000	2010 Rs.' 000
<b>Sources of Funds</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	253,189	253,189
Reserves and Surplus	2	400,665	400,665
		<u>653,854</u>	<u>653,854</u>
<b>Application of Funds</b>			
<b>Fixed Assets</b>			
Gross Block	3	147,208	147,544
Less : Depreciation		121,734	118,812
Net Block		<u>25,474</u>	<u>28,732</u>
Investments	4	185,663	186,363
<b>Current Assets, Loans and Advances</b>			
Inventories	5	11,760	11,493
Sundry Debtors	6	177,526	168,223
Cash and Bank Balances	7	1,590	463
Other Current Assets	8	8,027	7,457
Loans and Advances	9	205,704	205,640
		<u>404,607</u>	<u>393,276</u>
Less : Current Liabilities and Provisions	10	<u>16,231</u>	<u>10,250</u>
<b>Net Current Assets</b>		<b>388,376</b>	<b>383,026</b>
Preliminary Expenses	11		18
Profit & Loss Account (as per annexed a/c.)		54,341	55,715
		<u>653,854</u>	<u>653,854</u>

The Schedules referred to above form an integral part of the Balance Sheet of the Company. This is the Balance Sheet referred to in our Report of even date.

**M.K.BUDHIA**  
Proprietor  
Chartered Accountants  
**BUDHIA & CO.**  
Chartered Accountants  
Membership No:55197  
Place: Kolkata  
Date : 26.08.2011

For and on behalf of Board of Directors

Kirti Lakhota - **Managing Director**

Sidharth Lakhota - **Director**

P.N. Roy Choudhary - **Company Secretary**

## LCC INFOTECH LIMITED & ITS SUBSIDIARY

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	<b>Schedule</b>	<b>2011</b> Rs.' 000	<b>2010</b> Rs.' 000
<b>Income</b>			
Revenue from Operations	12	199939	201915
Other Income	13	1310	1319
Interest	14	127	153
Increase/(Decrease) in Stocks		267	462
		<u>201643</u>	<u>203849</u>
<b>Expenditure</b>			
Development, Production and Execution	15	182488	183389
Personnel	16	4162	3936
Administration and Others	17	4474	4646
Marketing	18	1018	484
Provision	19	5205	8119
		<u>197347</u>	<u>200574</u>
Profit / (Loss) Before Tax and Depreciation		4296	3275
Depreciation		2922	2969
Profit / (Loss) Before Tax		<u>1374</u>	<u>306</u>
Provision for Tax			
- Current Tax		-	-
Profit/ (Loss) After Tax		<u>1374</u>	<u>306</u>
Sales Return		0	0
Balance brought forward from Previous Year		(55715)	(56021)
<b>Profit/ (Loss) Available For Appropriation</b>		<b>(54,341)</b>	<b>(55,715)</b>
<b>Appropriations</b>			
Balance carried forward to Balance Sheet		<b>(54341)</b>	<b>(55715)</b>

### Notes on Accounts

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The schedules referred to above form an integral part of the Profit and Loss Account of the Company. This is the Profit & Loss Account referred to in our Report of even date.

For and on behalf of Board of Directors

### M.K.BUDHIA

Proprietor  
Chartered Accountants  
**BUDHIA & CO.**  
Chartered Accountants  
Membership No:55197

Kirti Lakhotia - **Managing Director**

Sidharth Lakhotia - **Director**

Place: Kolkata  
Date : 26.08.2011

P.N. Roy Choudhary - **Company Secretary**



## LCC INFOTECH LIMITED & ITS SUBSIDIARY

SCHEDULES annexed to and forming part of the Balance Sheet as at 31st March, 2011

	<b>2011</b>	<b>2010</b>
	Rs. '000	Rs. '000
1. Share Capital		
Authorised		
255000000 Equity Shares of Rs.2/- each	510,000	510,000
Issued,Subscribed and Paid up		
126593350 Equity Shares of Rs.2/- each	253,187	253,187
250 Equity Shares of Rs.10/- each	2	2
	<u>253,189</u>	<u>253,189</u>
2. Reserves and Surplus		
Reserve Fund	70	70
Securities Premium	400,595	400,595
Profit & Loss A/c. (as per annexed A/c.)	-	-
	<u>400,665</u>	<u>400,665</u>

**LCC INFOTECH LIMITED & ITS SUBSIDIARY**  
**SCHEDULES annexed to and forming part of the Balance Sheet as at 31st March, 2011**

**3 Fixed Asset**

Rs.' 000

Particulars	GROSS BLOCK			DEPRECIATION			NETBLOCK	
	As on 31st March, 2010	Additions	Deductions	As on 31st March, 2010	Adjustment For the Year	As on 31st March, 2011	As on 31st March, 2010	As on 31st March, 2011
<b>Tangibles</b>								
Building	30,049	-	-	6,406	-	6,896	23,643	23,153
Plant & Machinery	1,745	45	402	790	-	855	955	533
Computer	80,437	76	-	80,413	-	80,419	24	94
Vehicles	4,106	-	-	2,023	-	2,413	2,083	1,693
Furniture and Fixture	31,207	-	55	29,180	-	31,151	2,027	1
	147,544	121	457	118,812	-	121,734	28,732	25,474
<b>TOTAL</b>	<b>147,544</b>	<b>121</b>	<b>457</b>	<b>118,812</b>	<b>-</b>	<b>121,734</b>	<b>28,732</b>	<b>25,474</b>
<b>Previous year</b>	<b>157,593</b>	<b>1,351</b>	<b>11,400</b>	<b>115,843</b>	<b>-</b>	<b>118,812</b>	<b>41,750</b>	<b>28,732</b>

## LCC INFOTECH LIMITED & ITS SUBSIDIARY

SCHEDULE annexed to and forming part of Balance Sheet as at 31st March 2011

### 4 Investments

	No.of Shares	2011 Rs. '000	2010 Rs. '000
<b>A. Quoted</b>			
Long Term Investments-at cost			
NIIT Limited	100	215	215
Universal Media Limited	782425	2504	2504
ATN International Limited	334980	3182	3182
R.S.Software Limited	1500	823	823
Tata Iron & Steel Company Limited	7500	684	684
Ranbaxy Laboratories Limited	3000	1350	1350
Videocon Industries Limited	100	23	23
		<b>8781</b>	<b>8781</b>

### B. Unquoted

	No.of Shares	2011 Rs. '000	2010 Rs. '000
Abex Infocom Pvt. Ltd.	50000	2500	2500
Apex Infocom Services Pvt. Ltd.	40000	2000	2000
Aradhana Vyapar Pvt. Ltd.	36000	1800	1800
Champak Niketan Pvt. Ltd.	30000	1500	1500
Destiny International Ltd.	100000	5000	5000
Galvenotek Industries Pvt. Ltd.	130000	6500	6500
Goldwine Merchandise Pvt. Ltd.	20000	1000	1000
Heritage Promoters & Estates Pvt. Ltd.	18000	900	900
Indivar Kutir Pvt. Ltd.	30000	1500	1500
Jhalar Vincom Pvt. Ltd.	36000	1800	1800
Lokpriya Trade & Agency Pvt. Ltd.	30000	1500	1500
Nathoo Commodities Pvt. Ltd.	40000	2000	2000
Nutshell Vyapar Pvt. Ltd.	80000	4000	4000
Omega Ventures Pvt. Ltd.	60000	3000	3000
Pentacon Plastic Co. Pvt. Ltd.	36000	1800	1800
PKV Spun Pipe Impex Pvt. Ltd.	36000	1800	1800
Pushpak Trading & Consultancy Pvt. Ltd.	82000	4100	4100
Sadhana Towers Pvt. Ltd.	18000	900	900
Shalu Properties Pvt. Ltd.	18000	900	900
Shivganga Distributors Pvt. Ltd.	30000	1500	1500
Skylark Commerce Pvt. Ltd.	50000	2500	2500
Shree Agro Industries Ltd.	711600	17790	17790
Swarnima Properties Pvt. Ltd.	50000	2500	2500
Tayal Trading Pvt. Ltd.	40000	2000	2000
Top Light Tradelink Pvt. Ltd.	100000	5000	5000
Triplerank Marketing Pvt. Ltd.	30000	1500	1500
Twinkle Traders Pvt. Ltd.	40000	2000	2000
Vijay Path Distributors Ltd.	52000	2600	2600
Lakhotia Computer Centre Ltd.	2400	240	240
Vijay Investment & Trading Pvt. Ltd.	55500	2775	2775
The Thermic Steel Co. Pvt. Ltd.	53000	2650	2650
Pleasure Investment Pvt. Ltd.	102300	5115	5115
Carried forward		<b>92670</b>	<b>92670</b>

	<b>No. of Shares</b>	<b>2011 Rs. '000</b>	<b>2010 Rs. '000</b>
<b><u>B. Unquoted</u></b>			
<b><u>Brought over</u></b>		<b>92670</b>	<b>92670</b>
Escorts Trade Link Pvt. Ltd.	74000	3700	3700
Platinum BioTech Pvt. Ltd.	7500	600	600
Mansingh Oils & Grains Pvt. Ltd .	391967	29398	29398
Ashoke Paper Mills Ltd.	150000	1500	1500
Rolex Merchant Pvt. Ltd.	2800	2800	2800
Shyam Sree Steels Ltd.	1790	90	90
Dhansafal Vyapaar Pvt. Ltd.	49000	1490	1490
Ojas Suppliers Ltd.	26000	637	637
Hanurag Projects Pvt. Ltd.	87850	3777	3777
Turnkey Commodities Ltd.	104500	3657	3657
Rubion Marketing Ltd.	30000	1170	1170
Sudhanil Vanijya Ltd.	29050	551	551
Weldorf Tradelink Ltd.	15000	465	465
Whiteline Barter Ltd.	15000	480	480
Sapience Commodities Pvt. Ltd.	25500	842	842
Raunak Tracon Pvt. Ltd.	42550	1957	1957
Rangbarshi Projects Ltd.	60000	4820	4820
Alkon Trading Pvt. Ltd.	26000	884	884
Gurupath Merchandise Pvt. Ltd.	25000	675	675
StarPoint Management Pvt. Ltd.	29000	2160	2160
Bhairav Trade Link Ltd.	4000	132	132
Aristro Projects Ltd.	45650	2054	2054
Cascade Dealcom Pvt. Ltd.	93450	3087	3087
Jeet Vaniya Ltd.	36000	1278	1278
Mangalmayee Garment Pvt. Ltd .	16000	1376	1376
Celeste Merchandise Pvt. Ltd.	12258	380	380
Ricon Tieup Ltd.	50000	5000	5000
Sheetal Farms Ltd.	50000	5000	5000
Savera Traders Ltd.	29750	2975	2975
Jmd Sounds Ltd.	57750	577	577
		<b>176182</b>	<b>176182</b>

**B. Mutual Fund**

	<b>2011 Rs. '000</b>	<b>2010 Rs. '000</b>
Birla Dividend Yeild	100	100
Birla Savings Fund	-	200
Birla Sunlife MIP II	-	200
ICICI Pru Discovery Fund	200	200
Principal Emerging Blue Chip Fund	200	200
HDFC Top 200 Fund	-	200
Templeton Short Term Fund	-	100
HDFC MIP Long Term Fund	200	200
	<b>700</b>	<b>1,400</b>

**Grand Total (A+B+C)**

**185,663      186,363**

Market Value of Quoted Investment as of 31st March 2011 :

	Book Value	Market Value	Surplus /(Deficit )
Equity Shares (Quoted )	8781	6770	(2,011)
Mutual Fund	700	696	(4)

According to Board of Directors, diminution in the Market value of Investments in Equity Shares is not of a permanent nature and no provision is made into Accounts.

## LCC INFOTECH LIMITED & ITS SUBSIDIARY

SCHEDULE annexed to and forming part of the Balance Sheet as at 31st March, 2011

	<b>2011</b>	<b>2010</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>
<b>5. Inventories</b>		
Software	7,609	7,609
Education and Training Materials	3,336	3,069
Computers	815	815
	<u>11,760</u>	<u>11,493</u>
<b>6. Sundry Debtors</b>		
Sundry Debtors	177,526	168,223
	<u>177,526</u>	<u>168,223</u>
<b>7. Cash and Bank Balances</b>		
Cash in hand (as certified by the management)	383	53
Cash at Bank with Scheduled Banks : In Current Accounts	<u>1,207</u>	<u>410</u>
	<u>1,590</u>	<u>463</u>
<b>8. Other Current Assets</b>		
Balance with Revenue Authorities	7,736	7,167
Interest Accrued on Loans and Deposits	291	290
	<u>8,027</u>	<u>7,457</u>
<b>9. Loans and Advances</b>		
Loans to Bodies Corporate	202,464	202,552
Loans to Others	2,242	2,142
Security Deposits	998	946
	<u>205,704</u>	<u>205,640</u>
<b>10. Current Liabilities &amp; Provisions</b>		
<b>A. Current Liabilities</b>		
Sundry Creditors and Accrued Expenses	6,777	5,095
Other Liabilities	3,869	3,013
	<u>10,646</u>	<u>8,108</u>
<b>B. Provisions</b>		
Provision for Bad Debt	5,205	1,762
Provision for Inventory - Software	380	380
	<u>5,585</u>	<u>2,142</u>
<b>(A + B)</b>	<u>16,231</u>	<u>10,250</u>
<b>11. Miscellaneous Expenditures</b> (To the extent not written off or adjusted)		
Preliminary Expenses	-	18
	<u>-</u>	<u>18</u>

**LCC INFOTECH LIMITED & ITS SUBSIDIARY**

SCHEDULES annexed to and forming part of the Profit &amp; Loss Account for the year ended 31st March, 2011

	<b>2011</b>	<b>2010</b>
	Rs.' 000	Rs.' 000
<b>12.Revenue From Operations</b>		
Gross Collection from Franchisee	195,148	198,460
Franchisee Registration/Renewal	1,231	874
Income from Projects	3,560	2,581
	<u>199,939</u>	<u>201,915</u>
<b>13.Other Income</b>		
Rent	1,087	1,189
Dividend	62	28
Miscellaneous Income	161	102
	<u>1,310</u>	<u>1,319</u>
<b>14.Interest</b>		
Interest Income	127	153
	<u>127</u>	<u>153</u>
<b>15.Development,Production and Execution</b>		
Course execution Expenses	182,488	183,389
	<u>182,488</u>	<u>183,389</u>
<b>16.Personnel</b>		
Salary	3,983	3,806
Contribution to Provident Fund	8	10
Staff Welfare Expenses	171	120
	<u>4,162</u>	<u>3,936</u>
<b>17.Administration and Others</b>		
Travelling and Conveyance	524	661
Audit Fees	32	32
Electricity	435	330
Legal and Professional Expenses	242	358
Miscellaneous Expenses	194	216
Rates and Taxes	52	19
Rent	88	109
Repairs & Maintenance	511	632
Communication	403	438
Preliminary and Deferred Revenue Expenditure W/off	18	17
Interest	208	140
Registration Fees	-	589
Books & Periodical	21	35
Postage & Telegram	52	84
Printing & Stationery	497	327
Carriage Outward	36	25
Professional Fees	115	140
Listing & Coustidial Fees	254	259
Commission & Incentive	119	20
Bank Charges	20	21

General Expenses	195	194
Fixed Assets Written off	458	-
	<u>4,474</u>	<u>4,646</u>
<b>18. Marketing</b>		
Advertisement	659	378
Business Promotion	359	106
	<u>1,018</u>	<u>484</u>
<b>19. Provision</b>		
Provision Created		
- Inventory Software	-	-
- Provident Fund Payable	-	-
- Bad Debt	5,205	8,119
	<u>5,205</u>	<u>8,119</u>

## LCC INFOTECH LIMITED & ITS SUBSIDIARY

SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS AS AT 31<sup>ST</sup> MARCH, 2011.

### 20. Notes on Accounts

#### 1. Significant Accounting Policies

##### 1.1. Basis of Consolidation

The Company has prepared the consolidated financial statement in accordance with Accounting Standard – 21 on consolidated Financial Statement issued by the Institute of Chartered Accountants of India.

The consolidated financial statements comprise financial statement of LCC Infotech Limited (the Parent Company) and its subsidiary. Uniform accounting policies have been adopted for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's separate financial statement. All inter company balances and transactions have been eliminated.

##### 1.2. Companies included in consolidation

Name of the Company	Extent of Shareholding
eLCC Info.com Ltd	99.98%

#### 2. Related Party Disclosures, as required by AS-18 'Related Party Disclosures' are given below:

##### I. Relationships:

##### a) Where control exists

eLCC Info.com Limited  
Advertiser's Advertising Agency Limited

- |                        |                                     |
|------------------------|-------------------------------------|
| b) Mrs. Kirti Lakhotia | Advertiser's Advertising Agency Ltd |
| Mr. Sidharth Lakhotia  | Advertiser's Advertising Agency Ltd |
| Mr. Pratik Lakhotia    | Advertiser's Advertising Agency Ltd |

##### II. Related Party balance as at the year end

Advertiser's Advertising Agency Ltd – Advance: Rs. 31,43,752.75 (Dr)

#### 3. Previous year's figures have been rearranged/ regrouped wherever considered necessary.

**M. K. Budhia**  
Proprietor  
Chartered Accountant  
**BUDHIA & COMPANY**  
Membership No – 55197

Place: Kolkata  
Date: 26.8.2011

For and on behalf of Board of Directors

**KIrti Lakhotia** – Managing Director

**Sidharth Lakhotia** – Director & CEO

**P. N. Roy Chowdhury** – Company Secretary



**LCC INFOTECH LIMITED & ITS SUBSIDIARY**

Cash Flow Statement for the year ended 31st March, 2011

**Pursuant to clause 32 of the Listing-Agreement**

	<b>2011</b>	<b>2010</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>
A :Cash From Operating Activities		
Net Profit before Tax	1,312	278
Adjustment for :		
Preliminary Expenses and Deferred Revenue	18	17
Loss on Sale of Shares	-	-
Depreciation	2,922	2,969
Dividend Received	62	28
Interest (Net )	-	-
<b>Operating Profit before Working Capital Change</b>	<b>4,314</b>	<b>3,292</b>
Adjustment for :		
Trade and other Receivables	(9,937)	(8,037)
Inventories	(267)	(462)
Trade Payables	5,981	(3,340)
Cash Generated From Operations	<b>91</b>	<b>(8,547)</b>
Interest Paid	-	-
Direct Tax/ FBT	-	-
Prior Period Adjustment	-	-
<b>Net Cash From Operating activities</b>	<b>(A) 91</b>	<b>(8,547)</b>
B :Cash Flow from Investing Activities :		
Sale/(Purchase) of Fixed Asset	336	10,049
Sale/(Purchase) of Investments	700	(1,400)
Advance for subscription of Shares		
Income from Investments		
Interest Received		
<b>Net Cash Flow from Investing Activities</b>	<b>(B) 1,036</b>	<b>8,649</b>
C :Cash flow from Financing Activities		
Net increase in Borrowings		
<b>Net cash from Financing Activities</b>	<b>(C) -</b>	<b>-</b>
<b>Net Decrease/Increase in Cash andCash -Equivalents (A+B+C)</b>	<b>1,127</b>	<b>102</b>
Cash and cash equivalent on Opening date ( Note-1 )	463	361
Cash and cash equivalent on Closing date ( Note-1 )	1,590	463
	<b>1,127</b>	<b>102</b>
1. Cash and cash Equivalents include : -	<b>2011</b>	<b>2010</b>
Cash in Hand	383	53
With Scheduled banks :		
On Current Accounts	1,207	410
	<b>1,590</b>	<b>463</b>

2. The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement issued by the Institute of Chartered Accountant of India.

**For and on behalf of the Board of Directors**

Kirti Lakhota - **Managing Director**

Siddharth Lakhota - **Director**

Place: Kolkata  
Date: 26.8.2011

P.N. Roy Choudhury - **Company Secretary**

### **AUDITORS' CERTIFICATE**

The above Cash Flow Statement has been Complied from and is based on the Audited Accounts of LCC Infotech Limited for the year ended 31st March 2011 reported by us on even date. According to the information and explanation given, the aforesaid Cash Flow Statement, read with notes thereon has been prepared pursuant to Clause 32 of Listing Agreement with Stock Exchanges and the re-allocations required for the purpose are as made by the Company.

Place: Kolkata  
Date: 26.8.2011

**M.K.BUDHIA**  
Proprietor  
Chartered Accountants  
**BUDHIA & CO.**  
Chartered Accountants  
Membership No: 55197

## **SCHEDULE TO ACCOUNTS**

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

RELATING TO SUBSIDIARY COMPANIES

1. Name of the Subsidiary : eLCC Info.com Limited
2. Financial Year of the Subsidiary Company ends on : 31st March 2011
3. Holding Company's Interest
  - (i) Number of Shares held : 18,41,750
  - (ii) Percentage of Shareholding : 99.98 %
4. The net aggregate amount of the Subsidiary's Profit/ (Loss) so far as the concerns members of the Holding Company and is not dealt within the holding company's accounts
  - (i) For the financial year of the Subsidiary (Rs) : (20144 )
  - (ii) For the previous financial years of the Subsidiary since it becomes the Holding Company's Subsidiary (Rs.) : ( 20444 )
5. The Net aggregate amount of the Subsidiary's Profit/(Loss) dealt within the Holding Company's Account
  - (i) For the financial year of the Subsidiary (Rs) : Nil
  - (ii) For the previous financial years of the Subsidiary since it became the Holding Company's Subsidiary (Rs) : Nil

For and on behalf of Board of Directors

**Kirti Lakhotia** – Managing Director

**Sidharth Lakhotia** – Director & CEO

**P. N. Roy Chowdhury** – Company Secretary

Place: Kolkata  
Date: 26.8.2011

## eLCC INFO.COM LIMITED

### DIRECTORS' REPORT

Your Director's hereby present the 11th Annual Report of the Company together with the Audited Annual Accounts for the year ended 31<sup>st</sup> March 2011.

#### Financial Highlights:

The working results of the Company stand as under:

	<b>For the Period ended 31. 03. 2011</b>
	Rs.
Profit/(Loss) for the year	(20144.00)
Less: Tax Provision for the year	NIL
Profit/(Loss) after Taxation	(20144.00)
Less: Transfer to Reserve	NIL
 Add: Balance (dr.) brought forward	 (3422886)
 Add: Excess Provision written back	 NIL
Balance Carried to Balance Sheet	(3422886)

#### Dividend:

In view of the loss incurred by the Company during the year under review, your directors express their inability to recommend any dividend.

#### Directors:

Mrs. Kirti Lakhotia will retire from office by rotation at the ensuing Annual General Meeting of the company and being eligible to offer herself for reappointment.

#### Auditors:

The auditors M/s. Budhia & Co., Chartered Accountant will retire at ensuing meeting and being eligible offer themselves for reappointment.

#### Personnel:

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

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

The requirement regarding disclosure of particulars for conservation of energy, technology absorption and foreign exchange earnings and outgo as prescribed by the rules are not applicable to this company.

#### Deposit:

The Company has not accepted or invited any deposits from the Public and as such no amount of principal or interest was outstanding during the year 2010-2011

**Compliance Certificate:**

Compliance Certificate pursuant to Section 383A of the Companies Act, 1956 is enclosed herewith and forms part of our report.

**Director's Responsibility Statement:**

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

- \* that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- \* that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March 2011 and of the profit or loss of the Company for that period;
- \* that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- \* that the Directors have prepared the annual accounts on a going concern basis.

**Acknowledgement:**

Your Directors acknowledge the support and owe a debt of gratitude to the Shareholders, Investors and Bankers. Your Directors extend thanks to its clients for their continued faith and support reposed in the Company.

For and on behalf of the Board

Place: Kolkata  
Date: 28.07.2011

**SIDHARTH LAKHOTIA**  
Director

**KIRTI LAKHOTIA**  
Director

**A. K. LABH**  
Practicing Company Secretary

**A. K. Labh & Co.**  
Company Secretaries  
40, Weston Street,  
3<sup>rd</sup> Floor, Kolkata – 700 013  
Phone: (off) 033-2221-9381  
Mobile: 98300 55689

To,  
The Members,  
eLCC Info.Com Limited  
2/5A, Sarat Bose Road,  
Kolkata – 700 020

Registration No. : 21-91069  
Authorised Capital: Rs. 2,00,00,000/-  
Paid-up Capital : Rs. 1,84,20,000/-

We have examined the registers, records, books and papers of **M/s eLCC Info.Com 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 the financial year ended on 31<sup>st</sup> March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and 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 (ROC) as prescribed under the Act and the rules made there under.
3. The Company is a public limited company and is subsidiary of M/s LCC Infotech Limited.
4. The Board of Directors duly met 4(Four) times on 28/6/2010, 26/7/2010, 24/12/2010 and 28/3/2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Register of Members and share transfer books was not closed during the year.
6. The annual general meeting for the financial year ended on 31.03.2010 was held on 30.09.2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the period under report.
8. The provisions of Section 295 of the Act are not attracted.
9. The provisions of Section 297 of the Act are not attracted.
10. The company has made necessary entries in the register maintained under Section 301 of the Act. for the disclosures made by the directors pursuant to the provisions of Section 299 of the Act.
11. The provisions of Section 314 of the Act are not attracted.
12. No duplicate share certificate was issued during the year under report.
13. The Company has:
  - (i) neither issued any shares nor has received any request for transfer / transmission of shares during the period under report;
  - (ii) not declared any dividend including interim dividend during the period under report;
  - (iii) no amount of unpaid/unclaimed dividend due for transfer to the Investor Education & Protection Fund during the period under report;

- (iv) complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of any additional, casual or alternate director during the period under report.
  15. The provisions of Section 269 of the Act are not attracted.
  16. No sole-selling agent was appointed during the year.
  17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities.
  18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and rules made there under.
  19. The Company has not issued any new shares during the period under report.
  20. The Company has not bought back any shares during the year.
  21. The Company does not have any preference capital / debentures.
  22. The Company has not issued any right / bonus shares etc. during the year.
  23. The Company has not accepted/renewed any fresh deposit attracting provisions of Section 58A of the Act.
  24. The Company does not have any borrowings as on 31.03.2011
  25. The investments, loans and advances made by the Company are in compliance with the provisions of the Act.
  26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to 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 year under scrutiny.
  29. The Company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
  30. The Company has not altered the provisions of the Articles of Association of the Company during the year under scrutiny.
  31. We are informed that the Company has not received any show cause notice for any alleged offence during the period under report.
  32. We are informed that the company has not received any security from its employees during the year under certification.
  33. The provisions of Section 418 of the Act are not attracted.

For A. K. LABH & CO.  
Company Secretaries

**(A. K. LABH)**  
**Proprietor**  
**C. P. No. 3238**

**Place: Kolkata**  
**Date: 28.07.2011**



**Annexure - A**

Registers as maintained by the Company

1. Register of Members u/s 150
2. Register of Index of Members u/s 151
3. Register of transfer of shares u/s 108
4. Register of charges u/s 143
5. Register of Directors, Manager, etc. u/s 303
6. Register of Directors' shareholding u/s 307
7. Minutes of Board Meeting
8. Minutes of General Meeting
9. Books of Accounts u/s 209

**Annexure - B**

Forms and Returns as filed by the Company with the Registrar of Companies, during the financial year ending on 31<sup>st</sup> March, 2011

1. Form 20B u/s 159 (doct. dated 30.09.2010 filed on 25/11/2010)
2. Form 23AC & 23ACA u/s 220 (doct. dated 31.03.2010 filed on 20/10/2010)
3. Form 66 u/s 383A (doct. dated 26/7/2010 filed on 06/10/2010)

## AUDITORS' REPORT

Auditors' Report to the Shareholders of **M/s eLCC INFO.COM Limited**

We have audited the attached Balance Sheet of **M/s eLCC INFO.COM Limited** as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date annexed thereto and further report that :

1. 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 have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the 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, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books
  - c) The Balance Sheet, Profit and Loss Account dealt with by this report are in agreement with the books of account and
  - d) In our opinion, the Balance Sheet, Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e) On the basis of written representation received from the directors, as on 31.3.2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.3.2011 from being appointed as directors in terms of clause (g) of sub section (1) of Section 274 of the Companies Act 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
    - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011
    - (ii) In the case of the Profit and Loss Account, of the loss for the year ended on that date.

**M.K.BUDHIA**  
(PROPRIETOR)  
**BUDHIA & COMPANY**  
CHARTERED ACCOUNTANTS  
M. NO. 55197  
DATE: 28.7.2011

**ANNEXURE TO THE AUDITOR'S REPORT**  
**RE :- "eLCC INFO.COM LIMITED"**

1. The Company has not taken any loans, secured or unsecured, from Companies, Firms or other parties listed in the Register maintained Under Section 301 of the Companies Act, 1956.
2. The Company has not granted any loans to Companies, Firms or other parties listed in the register maintained Under section 301 of the Companies Act 1956.
3. The Company has not accepted any Deposits from public under section 58A of the Companies Act, 1956.

**FOR BUDHIA & COMPANY**

**M.K. BUDHIA**  
(PROPRIETOR)  
**BUDHIA & COMPANY**  
CHARTERED ACCOUNTANTS  
MEMBERSHIP NO.55197  
PLACE: KOLKATA  
DATE: 28.07.2011

**M/S eLCC INFO.COM LIMITED**  
**2/5A SARAT BOSE ROAD**  
**KOLKATA - 700020**  
**BALANCE SHEET AS ON 31ST MARCH - 2011**

Previous Year (Rs.)	Particulars	Current Year (Rs.)	Previous Year (Rs.)	Particulars	Details Rs.	Current Year (Rs.)
20,000,000	Authorised Capital 2000000 equity share of Rs.10 each	20,000,000	0	Fixed Assets		0
	Issued, Subscribed and Paid up capital		0	Investments		0
18,420,000	1842000 Equity share of Rs.10 each	18,420,000	3789	Cash in Hand		2439
			15,005,975	Loans & Advances		15,004,475
	Current Liabilities & Provisions			Misc. Expenses		
10,150	Sundry Creditors	9800		Preliminary Expenses	3144	
			3144	Less : written off	3144	0
				Subscription STP	4500	
			4500	Less : written off	4500	0
				Capital Incorp.Fees	10000	
			10000	Less : written off	10000	0
			3402742	Profit & Loss A/c (Dr.)		3422886
<b>18,430,150</b>		<b>18,429,800</b>	<b>18,430,150</b>			<b>18,429,800</b>

As Per our Report of even date

For and on behalf of the Board of Directors

**M.K.Budhia**  
Proprietor  
**BUDHIA & COMPANY**  
Chartered Accountants  
Membership No.55197

**Kirti Lakhotia**  
Director

**Sidharth Lakhotia**  
Director

Place : Kolkata  
Date :28.07.2011

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011**

Previous Year (Rs.)	Particulars	Current Year (Rs.)	Previous Year (Rs.)	Particulars	Current Year (Rs.)
3144	To Preliminary expenses written off	3144	0	By Misc. Income	0
4500	To Subscription STP written off	4500	20444	By Net Loss	20144
10000	To Capital Incorp.Fee written off	10000			
1000	To Audit Fees	1000			
1800	To Filling Fees	1500			
<b>20444</b>		<b>20144</b>	<b>20444</b>		<b>20144</b>

As Per our Report of even date

For and on behalf of the Board of Directors

**M.K.Budhia**  
Proprietor  
**BUDHIA & COMPANY**  
Chartered Accountants  
Membership No.55197

**Kirti Lakhotia**  
Director

**Sidharth Lakhotia**  
Director

Place : Kolkata  
Date : 28.07.2011

**SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS  
SIGNIFICANT ACCOUNTING POLICIES**

**1 Recognition of Income and Expenditure**

Terms of Income and Expenditure are recognised on Accrual and Prudent basis.

**2 Current Assets**

As there is no stock, the basis of valuation is not applicable.

Place : Kolkata  
Date : 28.07.2011

**M.K. BUDHIA**  
(PROPRIETOR)  
**BUDHIA & COMPANY**  
CHARTERED ACCOUNTANTS  
M.NO.55197

**eLCC INFO.COM LIMITED**

Information Pursuant to Part IV of Schedule VI to the Companies Act,1956

(a) Registration Details

Registration No.	91069	State Code : 21
Balance Sheet Date	31-Mar-2011	

(b) Capital Raised during the period

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	-

(c) Position of Mobilisation And Deployment of Funds (Amounts in Rs thousands)

Total Liabilities	18430	Total Assets	18430
<b>Sources of Funds :</b>		<b>Application of funds:</b>	
Paid-up Capital	18420	Fixed Assets	-
Reserve and Surplus	-	Loan & Advances	15005
Creditors	10	Investment	-
Secured Loans	-	Miscellaneous Expenditure	-
		Net Current Assets	2
		Accumulated Loss	3423

(d) Performance of Company (Amount in Rs. thousands)

Turnover(Net)	NIL	Total Expenditure	20
Profit/(Loss) Before Tax	(20)	Profit/(loss) after Tax	(20)
Earning per share(Rs.)	NIL	Dividend rate(%)	NIL

(e) Generic Names of three Principal Products/Services of the Company

Product Description : NA

For and on behalf of Board of Directors

Kolkata  
Date: 28.07.2011

**Sidharth Lakhotia**  
Director

**Kirti Lakhotia**  
Director