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22nd Annual Report 2013-14



FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

| | | |
|----|--|--|
| 1. | Name of the Company | Crazy Infotech Limited |
| 2. | Annual Financial Statements for the year ended | 31 st March 2014 |
| 3. | Type of Audit Observation | ✓ Un-qualified / Matter of emphasis |
| 4. | Frequency of observation | Not applicable |
| 5. | To be signed by | |
| | • CEO/Managing Director | <i>b.v. Juy</i> |
| | • CFO | Company does not have CFO |
| | • Auditor of the Company | For RAMRAJ & Co., Chartered Accountants (FRNo.002839S) <i>A. Amarnatha Reddy</i> A. Amarnatha Reddy Partner M No. 213102 |
| | • Audit Committee Chairman | <i>Amritha</i> |



Board of Directors

| | | |
|-----------------|---|------------------------------|
| Mr. N.Aravind | - | Chairman & Managing Director |
| Mrs. A.Anitha | - | Whole-time Director |
| Mr. T Rajendran | - | Additional Director |

Management Team

| | | |
|-----------------|---|-------------------------|
| Mr. K. N. Anand | – | Chief Executive Officer |
|-----------------|---|-------------------------|

Bankers

Oriental Bank of Commerce

Auditors

Ramraj & Co, Chennai

Corporate Office :

3/5, Alonkar Aadharsh, 7th Avenue, Ashok Nagar,
Chennai- 600083

Phone No: 044-24716633

Fax : 044-24744997

e-mail: crazyinfotech@gmail.com

website: www.crazyinfotech.com



NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of **Crazy Infotech Limited** will be held on Tuesday, the 30th day of September, 2014 at 09.30 A.M. at the registered office of the Company, # 3/5, Alonkar Aadharsh, 7th Avenue, Ashok Nagar, Chennai-600083, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2014, the statement of Profit & Loss of the Company for the period ended on that date together with reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs.A.Anitha, who retires by rotation, and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution.

RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013, M/s. Ramraj & Co., Chartered Accountants, Chennai, the retiring Auditors, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company in connection with the Company's Audit.

SPECIAL BUSINESS:

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

"RESOLVED THAT, pursuant to Section 196, 203 and Schedule V and other applicable provisions, if any of the Companies Act, 2013, consent of the Company be and is hereby accorded to the appointment of Mr. N.Aravind as Managing Director for a period of 5 years with effect from 31st August 2014".

RESOLVED FURTHER THAT, pursuant to the provisions of Schedule V to the Companies Act, 2013, approval of the members be and is hereby accorded to the Board on fixation of remuneration of Mr. N.Aravind as per the terms as set out by the board which may be less than the minimum remuneration, subject to the approval of the Remuneration Committee.

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board be and is hereby authorized to execute all such documents and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient and proper.

By order of Board
For Crazy Infotech Limited
Sd/-
(N.Aravind)
Managing Director

Place: Chennai
Date: 02.09.2014

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIM / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, September 25th, 2014 to Tuesday, September 30th, 2014 (both days inclusive)**.
3. For the convenience of members, an attendance slip is annexed to the Proxy form. Members are requested to fill in and append their signature(s) at the space provided thereof and hand over the attendance slip at the entrance of the place of the meeting. Proxy/ representative of a member should mark on the attendance slip as 'Proxy' or 'Representative' as the case may be. Members are also requested not to bring with them any person, who is not a Member / Proxy.
4. Members are requested to notify immediately changes in their address, if any, quoting their Client ID No./ Folio No., Number of Shares held, etc. to the Company's Shares Transfer Agents, M/s System Support Services, Gala No.209, Shivai Ind.Estate, Near Logitech Park, 89, Andheri Kurla Road, Sakinaka, Andheri East, Mumbai – 400 072. Tele: 022-28500835 (5 Lines), Fax: 022-28501438, email: syss72@yahoo.com.
5. All enquiries and correspondence regarding Transfer of Shares, Dematerialisation, etc. should be addressed to Registrar and Share Transfer Agents of the Company M/s System Support Services, Gala No.209, Shivai Ind.Estate, Near Logitech Park, 89, Andheri Kurla Road, Sakinaka, Andheri East, Mumbai – 400 072. Tele: 022-28500835 (5 Lines), Fax: 022-28501438, email: syss72@yahoo.com.
6. Information pursuant to clause 49 of the listing agreement in respect of proposed appointment/re-appointment of Directors.

| | |
|--|--|
| Name | Mrs.A.Anitha |
| Age | 48 years |
| Qualifications | Commerce Graduate |
| Other Directorships Name of the Company | M/s. Aanjaay Software Limited |
| Committee Memberships, if any, with position | Member in Audit Committee and Shareholders & Investors Grievances Committee and Chairman of Remuneration Committee |
| Date of Appointment | 18.02.2006 |

By order of Board
For Crazy Infotech Limited
Sd/-
(N.Aravind)
Managing Director

Place: Chennai
Date: 02.09.2014

Explanatory Statement
(Pursuant to Section 102 of the Companies Act, 2013)

Item No: 4

Mr. N.Aravind is a science graduate and distinguished personality in business and administration carrying rich experience that would help the Company and was appointed as Managing Director on 31.08.2014 for a period of 5 years. The appointment of Mr.N.Aravind as Managing Director is subject to approval of shareholders in the ensuing Annual General Meeting. Hence, the Board recommends the above resolution for your approval.

Brief information about him is placed below:-

| | |
|--|---|
| Name | Mr. N.Aravind |
| Age | 45 years |
| Educational qualification | Bachelor of Engineering (Electrical & Electronics) |
| Other Directorships Name of the Company | Innovation Software Exports Limited M/s. Aanjaay Software Limited |
| Committee Memberships, if any, with position | Audit Committee, Member Nomination & Remuneration Committee, Member Shareholders & Investor Grievance Committee, Chairman |
| Date of Appointment | 31.08.2014 (re-appointed) |

None of the directors/key managerial personnel are interested in this resolution.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION & ANALYSIS

To
The Members

Your Directors are very happy to present this 22nd Annual Report together with the Audited Accounts of the company for the year ended 31st March 2014.

1. Performance Review:

| (in Rs) | | |
|---|--------------------------|--------------------------|
| Particulars | Year ended 31.03.2014 | Year ended 31.03.2013 |
| Total Revenue from operations & other Income | 516,950 | 867,290 |
| Total Expenses | (144,831) | 2,727,392 |
| Profit before exceptional and extraordinary items and tax | 661,781 | (1,860,102) |
| Exceptional Items | 100,235,702 | 0.00 |
| Profit before extraordinary items and tax | (99,573,922) | (1,860,102) |
| Extraordinary Items | - | 0.00 |
| Profit before tax | (99,573,922) | (1,860,102) |
| Tax expenses-Deferred tax | (596,077) | (694,890) |
| Profit(Loss) from the period from continuir operations | (98,977,844) | (1,165,213) |

2. Dividend

For the Financial Year 2013-14, your directors do not recommend any dividend.

3. The year in Review

Your Company's performance during the financial year under report was not satisfactory. The management had a review of the realisability of stock in trade and also the collectability of various accounts receivables and advances. Consequent to such review the management had written off significant amount of inventories, Sundry Debtors and Advances. Similarly, significant amount of accounts payables are also written back. (Also refer to Note 22 (c))

During the year, your company has initiated a merger with Nexgen Animators Private Limited and has submitted all relevant documents to regulatory approvals and awaiting a positive confirmation. Your company is hopeful that the merger plans will give a big fillip to its revival process as and when the merger plans materialize. The company is also in the process of finalizing its business plans and set them in motion in the current year.

4. Future Outlook

i) Current Business Operations

- a) Sale of Computer Hardware, Peripherals and Annual Maintenance.
- b) Mini ERP Software Development, Networking Solutions.
- c) IT Education and Training from basics to advanced courses.

ii) Proposed additional operations

- a) IT and IT Enabled Services.
- b) Infrastructure Management and Solutions Services
- c) Exhibitions and Innovations as a separate division.
- d) IT Education and Training at grass root level.
- e) Engineering Services, Technology offerings, Domain Services etc.,
- f) BPO and Call Center Education and Training.
- g) Development of portals and website.

5. Deposits

Your Company has not accepted any deposits within the meaning of sec 58A of the Companies Act, 1956 and rules made there under.

6. Directors

In accordance with provisions of the Companies Act, 1956 and the Company's Articles of Association, Mrs. A. Anitha, Director, retire at the ensuing Annual General Meeting of the Company and being eligible offer herself for Re-appointment.

7. Auditors

The retiring auditors M/s. Ramraj & Co, Chartered Accountants have expressed their willingness to continue in office, if reappointed. They have furnished to the Company a certificate of their eligibility for appointment as auditors, pursuant to Section 224(1B) of the Companies Act, 1956. The Board of Directors recommends to the members to appoint them as auditors and to fix their remuneration.

8. Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo

Since the Company does not fall under the various categories of Industries mentioned in schedule to "Form A" rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, made pursuant to the provisions of Sec 217(1) (e) of the Companies Act, 1956. Hence, the disclosure of particulars was not given.

There was no (realized) foreign earnings and outgo during the year under review.

9. Directors Responsibility Statement

Pursuant of the provisions of sub-sec (2AA) of Sec 217 of the Companies Act, 1956 your Directors confirm that:

- a. In the preparation of annual accounts, the applicable accounting standard had been followed by the management.
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year of and of the profit or loss of the company for the period.
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. The directors had prepared the annual accounts on a going concern basis.

10. Particulars of Employees

Statement of Particulars of Employees as required by the provisions of sec 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 is not given as there is no employee in regard to which particulars is required.

11. Acknowledgments

Your Directors acknowledge gratitude the cooperation and assistance received from the Government, Banks, Investors and all those associated with the Company during the year under review.

Directors Comments on Qualifications Reservations:

Since there are no reservations qualifications or adverse remarks in the Auditors report no explanation is required.

Place : Chennai
Date : 02.09.2014

On behalf of the Board of Directors

Sd/-
Mr.N.Aravind,
Managing Director

Sd/-
Mrs.A.Anitha
Director

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the art of managing Company affairs with sound business policies and ethical practices. It seeks to ensure transparency in the management of the organization. It is based on the principle of integrity, fairness, transparency & equity. Good Corporate Governance enhances the corporate image of the organization, adds value to it, and creates creditability for it.

Crazy Infotech Ltd. is committed to attain & follow on a continuous basis Good Corporate Governance practices that help to attain the corporate goal which is the creation of long term shareholder's value, wealth maximization, maximization of shareholder's return and attainment of highest degree of integrity and professionalism.

The Company's Governance frame work is based on the following principle:

- Constitution & Adequate Composition of Board of Directors
- Timely flow of information to the Board & its Committees
- Timely disclosures of all material facts to the shareholders and other related parties
- Compliance with all applicable Rules, Regulations, & Bylaws

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges in India, the details of governance system and processes including compliance by the Company with the provisions of Clause 49 are as under:

1. COMPANY'S PHILOSOPHY

The Company's Philosophy on Corporate Governance is the enhancement of corporate image, maximization of Shareholder's value and maintenance of transparency & equity in all area of its operation and in all its communications & correspondence with employees, shareholders, and other external agencies dealing with the Company.

2. BOARD COMPOSITION AND PARTICULARS OF DIRECTORS

The Board of Directors comprises of well - qualified and experienced individuals and consists of three members as mentioned below:

| Category | Name |
|------------------------------------|-----------------------------|
| Executive Director | N.Aravind-Managing Director |
| Non-Executive Director | A.Anitha |
| Non-Executive Independent Director | T.Rajendran |

Chief Executive Officer (CEO) - Mr.K.N.Anand

- **Director's Profile**

| Name | Date of Birth | Qualification | Occupation |
|----------------|---------------|---------------|------------|
| N. Aravind | 30.09.1969 | B.E. | Business |
| Mrs. A. Anitha | 15.02.1966 | B.Com. | Business |
| T.Rajendran | 10.06.1953 | B.Com | Business |

- **Attendance of Directors at Board Meetings and Last AGM, and No. Of other Directorships & Chairmanship / Memberships held by them**

| Name | No. of Meeting held | Attendance at Board Meetings | Attendance at Last AGM | No. Of Other Directorship and Committee Membership / Chairmanship | | |
|--------------------------------|---------------------|------------------------------|------------------------|---|----------------------|--------------|
| | | | | Directorship | Committee Membership | Chairmanship |
| N. Aravind (Managing Director) | 7 | 7 | Yes | 2 | Three | One |
| Mrs.A. Anitha (Director) | 7 | 7 | Yes | 2 | Three | One |
| T.Rajendran (Director) | 7 | 7 | Yes | 1 | Three | One |

- **No. of Board Meetings held & dates on which held**

Ten Board Meetings have been held during the year. The details are as under:

| Sl. No. | Date | Total Strength | No. of Directors Present |
|---------|------------|----------------|--------------------------|
| 1 | 09.04.2013 | 3 | 3 |
| 2 | 30.05.2013 | 3 | 3 |
| 3 | 19.07.2013 | 3 | 3 |
| 4 | 10.08.2013 | 3 | 3 |
| 5 | 13.08.2013 | 3 | 3 |
| 6 | 13.11.2013 | 3 | 3 |
| 7 | 13.02.2014 | 3 | 3 |

3. AUDIT COMMITTEE

The Audit Committee consists of Mrs. A. Anitha, Shri T Rajendran and Shri N Aravind. All the members of the Audit Committee possess financial/ accounting expertise. The Committee has been constituted to satisfy the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. Shri.T Rajendran acts as the Chairman of the Committee.

The Company is planning to reconstitute the Audit Committee as per Section 177 of the Companies Act, 2013.

The main objective of Audit Committee is to review and supervise the Company's reporting activity with a view to provide accurate, timely & adequate disclosures.

- **Meetings & Attendance during the year**

During the year the Audit Committee met four times. Representative of Statutory Auditors were invited to attend the meeting.

| Name of Member | No. of Meetings held | No. of Meetings attended |
|------------------|----------------------|--------------------------|
| Mrs. A. Anitha | 4 | 4 |
| Shri N Aravind | 4 | 4 |
| Shri T Rajendran | 4 | 4 |

Four Committee Meetings were held during the financial year. The details are as under:

| Sl. No. | Date | Total Strength | No. of Members present |
|---------|------------|----------------|------------------------|
| 1 | 30.05.2013 | 3 | 3 |
| 2 | 13.08.2013 | 3 | 3 |
| 3 | 13.11.2013 | 3 | 3 |
| 4 | 13.02.2014 | 3 | 3 |

4. REMUNERATION COMMITTEE

The Board has constituted Remuneration Committee under the chairmanship of Mrs.A.Anitha & membership of Mr. N. Aravind and Mr.T. Rajendran.

It has been constituted to recommend & review the remuneration policy of the Company.

5. SHAREHOLDER'S COMMITTEE

The Board has constituted Share Transfer cum Investor's Grievance Committee under the Chairmanship of Shri.N.Aravind and membership of Shri.T.Rajendran & Mrs.A.Anitha.

The Committee reviews all matters related with Transfer, Transmission, Dematerialization, and Rematerialization of securities of the Company. It also redresses Investor's/ shareholder's complaints related with non receipt of Share certificates/share warrants, Dividends/ Dividend warrants, Annual Reports, Correction in Share Certificates etc. The Committee oversees the performance of Registrar & Share Transfer Agent and gives necessary suggestions for improving the quality of investor's services.

During the year the Committee met Two times. The details are as under:

| Sl. No. | Date | Total Strength | No. of Members present |
|---------|------------|----------------|------------------------|
| 1 | 13.08.2013 | 3 | 3 |
| 2 | 13.02.2014 | 3 | 3 |

There were no outstanding complaints as on 31st March' 2014.

6. CODE OF CONDUCT & ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

The Board after discussions on the matter of Code of Conduct has framed the code of conduct and ethics for Directors and Senior Management.

The Code has been circulated to all members of the Board and senior management, and compliance of the same has been affirmed by them.

A Declaration signed by the Managing Director is given below:

I (N.Aravind) do hereby affirm that the Company has received from all members of the Board and Senior Management affirmation that they have complied with the Code in respect of financial year 2013-14.

Place: Chennai
Date: 30.05.2014

Sd/-
N.Aravind
(Managing Director)

7. WHISTLE BLOWER POLICY

The Company maintains ethical approach in all its business operations and establishes mechanism of reporting unethical approach in behavioral pattern. All employees of the Company can report violation of Laws, Rules, Regulations, or unethical behavior, actual or suspected fraud to the management. The management officials are bound to maintain confidentiality of such reporting. The employees as well as the management officials seek to ensure the equitable and fair functioning of Whistle Blower Mechanism.

8. GENERAL BODY MEETINGS

The Details of last Three AGMs are as under:

| Meeting Of the year | Date & Time | Location | Whether any Special Resolution Passed | Special Resolution through Postal Ballot |
|----------------------------|---|--|--|---|
| 2010-2011 | 30 th September 2011; 9.30 AM | 29/81, Matri-Kripa, Christian Colony, Rajatalab, Raipur(CG)-492001 | -No- | -No- |
| 2011-2012 | 29 th September 2012, 9.30 A.M. | 3/5, Alonkar Aadharsh, 7 th Avenue, Ashok Nagar, Chennai-600083 | -No- | -No- |
| 2012-2013 | 30 th September 2013, 9.30 A.M. | 3/5, Alonkar Aadharsh, 7 th Avenue, Ashok Nagar, Chennai-600083 | -No- | -No- |

9. MEANS OF COMMUNICATION

• Quarterly Reports

Quarterly Reports are published in Newspaper “Trinity Mirror & Makkalkural” and filed to the Stock Exchanges.

• Annual Reports

Annual Report containing Director’s Report, Auditor’s Report and other important information as required to be set out in this has been sent to the members and other persons entitled to receive this.

10 GENERAL SHAREHOLDER INFORMATION

| | |
|-----------------------|--|
| 22 nd AGM: | 30 th September 2014 at 09:30 A.M At the Registered office of the Company. |
|-----------------------|--|

GENERAL SHAREHOLDER INFORMATION

| | |
|--|---|
| Financial Year | April to March |
| Annual General Meeting for the Year Ending 31 st March’ 2014 | 30 th September 2014 |
| Date of Book Closure | 25 ^h Sept 2014 to 30 th Sept 2014 |
| Listing on Stock Exchange | Bombay Stock Exchange Limited Scrip Code – 524388 ISIN NO. – INE664B01013 Madhyapradesh Stock Exchange Limited |
| Registrar and Share Transfer Agent for Physical Shares and Electronic Connectivity | M/s System Support Services, Gala No.209, Shivai Ind.Estate, Near Logitech Park, 89, Andheri Kurla Road, Sakinaka, Andheri East, Mumbai – 400 072. Tele: 022-28500835 (5 Lines), Fax: 022-28501438, email: sysss72@yahoo.com. |
| Distribution of Shareholding and Shareholding Pattern | Please Refer Annexure “A” |

Share Transfer System:

Share Certificates received in physical mode for transfer purposes, processed and if certificate is valid and complete in all respects have been registered and New Certificates have been sent within ten days of receiving the same.

The Company has obtained from a Company Secretary in Practice Half yearly Certificate of Compliance regarding share transfers as per the requirement of Clause 47(c) of the Listing Agreement and filed a copy of this certificate to the Stock Exchange.

ANNEXURE A

- **Shareholding pattern as on 31.03.2014**

| Sl. No. | Category | No. of Shares Held | Percentage of Total Shareholding |
|--------------------------------------|---------------------------|--------------------|----------------------------------|
| <u>Promoter's Holding</u> | | | |
| 1 | Indian Promoters | 71747 | 0.11 |
| 2 | Foreign Promoters | | |
| 3 | Persons Acting in Concert | | |
| | Sub Total | 71747 | 0.11 |
| <u>Non Promoter's Holding</u> | | | |
| 4 | Institutional Investors | | |
| 5 | Private Corporate Bodies | 3857968 | 5.77 |
| 6 | Indian Public | 62487889 | 93.43 |
| 7 | NRI / OCB | 463396 | 0.69 |
| 8 | Hindu Undivided families | | |
| 9 | Foreign Nationals | | |
| 10 | Clearing Member | | |
| | Sub Total | 66809253 | 99.89 |
| | Total | 66881000 | 100.00 |

- **Distribution of Share holding (Size wise) as on 31.03.2014**

| Shareholding of Nominal Value Rs. | No. of Shareholders | Percentage of Total | No. of Shares held | Percentage of Total |
|-----------------------------------|---------------------|---------------------|--------------------|---------------------|
| 1-500 | 2005 | 31.43 | 505780 | 0.75 |
| 501-1000 | 1452 | 22.76 | 1376680 | 2.05 |
| 1001-2000 | 817 | 12.80 | 1422209 | 2.12 |
| 2001-3000 | 408 | 6.39 | 1109049 | 1.65 |
| 3001-4000 | 225 | 3.52 | 838527 | 1.25 |
| 4001-5000 | 346 | 5.42 | 1688709 | 2.52 |
| 5001-10000 | 491 | 7.69 | 3989837 | 5.96 |
| 10001 and above | 635 | 9.95 | 55950209 | 83.65 |
| Total | 6379 | 100.00 | 66881000 | 100.00 |

- **Stock Price**

Market Price Data: (in Rs.)

| Date | Bombay Stock Exchange | |
|----------------|-----------------------|-----------|
| | High (Rs.) | Low (Rs.) |
| April 2013 | 0.43 | 0.32 |
| May 2013 | 0.32 | 0.23 |
| June 2013 | 0.29 | 0.22 |
| July 2013 | 0.23 | 0.18 |
| August 2013 | 0.19 | 0.15 |
| September 2013 | 0.19 | 0.15 |
| October 2013 | 0.17 | 0.12 |
| November 2013 | 0.15 | 0.11 |
| December 2013 | 0.17 | 0.10 |
| January 2014 | 0.21 | 0.11 |
| February 2014 | 0.21 | 0.19 |
| March 2014 | 0.21 | 0.16 |

- **Dematerialization of Shares & Liquidity**

The Company's shares are available for Dematerialization with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2014 the status of Dematerialization is as under:

| | |
|-------------------------------------|----------|
| Held in dematerialized form in CDSL | 24769133 |
| Held in dematerialized form in NSDL | 41666767 |
| Held in physical form | 445100 |

- **Outstanding ADRs / GDRs / Warrants** - N. A.

- **Plant Locations** – Not Applicable. Crazy Infotech Limited is a software company having its registered office at Chennai.

- **Address for Correspondence**

| | |
|---|--|
| Registered Office : Crazy Infotech Limited 3/5, Alonkar Aadharsh, 7 th Avenue, Ashok Nagar, Chennai- 600083 Phone No: 044-24716633 Fax : 044-24744997 | Registrar & Transfer Agent : M/s System Support Services, Gala No.209, Shivai Ind.Estate, Near Logitech Park89, Andheri Kurla Road, Sakinaka, Andheri East, Mumbai – 400 072. Tele: 022-28500835 (5 Lines), Fax: 022-28501438, email: sysss72@yahoo.com |
|---|--|

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE UNDER CLAUSE 49 OF
THE LISTING AGREEMENT**

To
The Members
Crazy Infotech Limited

I have examined the records concerning the Company's compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing agreement entered into by the Company with Stock Exchange, Mumbai (BSE) for the year ended 31st March 2014.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. The objective of our examination is to give our opinion on whether the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of clause 49 of the Listing Agreement entered into by the Company with Stock Exchange. 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 an opinion on the financial statements of the Company.

I have conducted my examination on the basis of the relevant records and documents maintained by the Company and furnishing us for examination and the information and explanations given to us by the Company. Based on such examination in our opinion, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of Stock Exchange.

I state that there are no investor's grievances pending against the Company for the period exceeding one month as at 31st March 2014 as per the records maintained by the Shareholders/Investors Grievance Committee.

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

Chennai
Date: 30.05.2014

For Ramraj & Co
Chartered Accountants
Sd/-
A.AMARNATHA REDDY
Partner
M.No.213102

Independent Auditor's Report

To the Members of **CRAZY INFOTECH LIMITED**

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention of the members to Note No.22 (c) wherein details are given regarding the significant amount of write off of sundry debtors, advances and inventories and also write back of accounts payable. The net write off amounting to Rs.1002.36 lakhs has been considered as an exceptional item in the profit and loss account.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection(3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For RAMRAJ&Co.,
Chartered Accountants
FRN. 002839S
Sd/-
A.AMARNATHA REDDY
Partner
M.No.213102

Chennai
Date: 30.05.2014

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Crazy Infotech Limited on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets. All the fixed assets have been physically verified by the management once during the year, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancy was noticed on verification.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from one of the directors of the Company. The maximum amount involved during the year was Rs.72.03 lakhs and the year end balance of such loans is also Rs.72.03 lakhs.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section. The transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arise.

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The accumulated losses of the company have exceeded fifty per cent of its networth as at 31st March 2014. The Company has incurred cash losses during this financial year, considering the exceptional items charged to the profit and loss account. It has not incurred cash losses in the previous financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is not dealing in or trading in Shares, Mutual funds & other Investments. Therefore the provisions of clause 4 (xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For RAMRAJ & Co
Chartered Accountants
FRN. 002839 S

Sd/-
A.Amarnatha Reddy
Partner
Membership No. : 213102

Place: Chennai
Date: 30.05.2014

| Balance Sheet as at 31st March, 2014 | | | |
|---|----------|---|-----------------------|
| (Amount in Rupees) | | | |
| Particulars | Note No. | As at 31st March 2014 | As at 31st March 2013 |
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 3 | 66,942,500 | 66,942,500 |
| (b) Reserves and Surplus | 4 | (67,834,236) | 31,143,608 |
| (c) Money received against share warrants | | - | - |
| (2) Share application money pending allotment | | - | - |
| (3) Non-Current Liabilities | | | |
| (a) Long-term borrowings | ,5 | 7,230,353 | 6,541,904 |
| (b) Deferred tax liabilities (Net) | 6 | 1,090,075 | 1,686,153 |
| (4) Current Liabilities | | | |
| (a) Trade payables | 7 | - | 30,312,011 |
| (b) Other current liabilities | 8 | 70,74,533 | 70,12,735 |
| (c) Short-term provisions | 9 | 6,545,797 | 6,545,797 |
| Total | | 21,049,022 | 150,184,708 |
| II.Assets | | | |
| (1) Non-current assets | | | |
| (a) <i>Fixed assets</i> | 10 | | |
| (i) Tangible assets | | 4,943,124 | 6,457,410 |
| (ii) Intangible assets | | 1,489,700 | 2,234,550 |
| (2) Current assets | | | |
| (a) Inventories | 11 | - | 3,326,070 |
| (b) Trade receivables | 12 | 14,612,836 | 128,330,860 |
| (c) Cash and cash equivalents | 13 | 3,362 | 4,482 |
| (d) Short-term loans and advances | 14 | - | 9,831,337 |
| Total | | 21,049,022 | 150,184,708 |
| Refer accompanying notes forming part of the financial statements | | | |
| As per our report of even date attached. | | | |
| For RAMRAJ & Co., Chartered Accountants | | For and on behalf of the Board of Directors | |
| Sd/- CA.A.Amarnatha Reddy Partner M.No.213102 Place: Chennai Date: 30 May 2014 | | Sd/- Director | Sd/- Director |

| Profit and Loss Account for the year ended 31st March, 2014 | | | |
|---|---|-----------------------|-----------------------|
| (Amount in Rupees) | | | |
| Particulars | Note No. | As at 31st March 2014 | As at 31st March 2013 |
| I. Revenue from operations | 15 | 516,950 | 867,290 |
| II. Other Income | | - | - |
| III. Total Revenue (I +II) | | 516,950 | 867,290 |
| IV. Expenses: | | | |
| Changes in inventories of Stock-in-Trade | 16 | 767,070 | 1,337,180 |
| Employee Benefit Expense | 17 | 540,000 | 540,000 |
| Financial costs | 18 | (4,439,354) | (2,840,176) |
| Depreciation and Amortization Expense | 19 | 2,259,136 | 2,874,709 |
| Other Expenses | 20 | 728,317 | 815,679 |
| Total Expenses | | (144,831) | 2,727,392 |
| V. Profit before exceptional and extraordinary items and tax | (III - IV) | 661,781 | (1,860,102) |
| VI. Exceptional Items (Refer Note No.22(c)) | | 100,235,702 | - |
| VII. Profit before extraordinary items and tax (V - VI) | | (99,573,922) | (1,860,102) |
| VIII. Extraordinary Items | | - | - |
| IX. Profit before tax (VII - VIII) | | (99,573,922) | (1,860,102) |
| X. Tax expense: | | | |
| (1) Current tax | | - | - |
| (2) Deferred tax | | (596,077) | (694,890) |
| XI. Profit(Loss) from the period from continuing operations | (IX-X) | (98,977,844) | (1,165,213) |
| XII. Earning per equity share: | | | |
| (1) Basic | | (1.48) | (0.02) |
| (2) Diluted | | (1.48) | (0.02) |
| Refer accompanying notes forming part of the financial statements As per our report of even date attached. | | | |
| For RAMRAJ & Co., Chartered Accountants | For and on behalf of the Board of Directors | | |
| Sd/- CA.A.Amarnatha Reddy Partner M.No.213102 | Sd/- Director | Sd/- Director | |
| Place : Chennai Date : 30 May 2014 | | | |

Notes to Financial Statements for the year ended 31st March 2014

Note 1: Corporate Information

Crazy Infotech is a limited company incorporated in India under the provision of the Companies Act, 1956 engaged in the sale of computers and various computer accessories and components, provides Software solutions, sells software products and is also involved in IT Education and Training.

Note 2 : Significant Accounting Policies

a) Basis of Accounting:

The Accounts have been prepared under the historical cost convention on an accrual basis and in accordance with requirements of the Companies Act, 1956 and comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the said Act and are consistent with generally accepted accounting principles and conform to the statutory provisions and practices prevailing in the industry.

b) Fixed Assets:

Fixed Assets are stated at cost of acquisition, less accumulated depreciation.

Non Compete fees is written off, equally, over a period of ten years starting from 2007-08

c) Depreciation:

Depreciation on fixed assets is provided on written down value method as per the rates and in the manner prescribed by Schedule XIV of the Companies Act, 1956.

d) Inventories:

Inventories are valued at cost or market price whichever is lower.

e) Employee benefits:

Provident Fund, Employee State Insurance and Gratuity not provided for, as the no. of employees of the company is less than the prescribed minimum for coverage under the relevant statutes.

Leave Encashment would be considered in the accounts as and when paid.

f) Income Taxes & Deferred Taxes:

Provisions for current year tax is made after taking into consideration benefits/disallowances admissible under the provisions of the Income Tax Act, 1961

Deferred tax is recognized, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Based on the policy of prudence, the company will consider for accounting net deferred tax liabilities only and not deferred tax assets.

Notes forming part of financial statements

Note 3 - Share Capital

(Amount in Rupees)

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|---|-----------------------|-----------------------|
| 1 | <u>AUTHORISED CAPITAL</u> 10,00,00,000 Equity Shares of Re. 1/- each | 100,000,000 | 100,000,000 |
| | | 100,000,000 | 100,000,000 |
| 2 | <u>ISSUED</u> 6,80,00,000 Equity Shares of Re. 1/- each | 68,000,000 | 68,000,000 |
| | <u>SUBSCRIBED & PAID UP CAPITAL</u> 6,68,81,000 Equity Shares of Re. 1/- each Add: Forfeited Shares (12,300 shares of Rs.10/- each) (Rs.5/- per share paid up on application) | 66,881,000 61,500 | 66,881,000 61,500 |
| | | 66,942,500 | 66,942,500 |
| | Par value per share (Re.) | 1 | 1 |
| | Reconciliation of the shares outstanding at the beginning and at the end of the reporting period | | |
| | At the beginning of the reporting period | 66,881,000 | 66,881,000 |
| | Issued during the year | - | - |
| | At the end of the reporting period | 66,881,000 | 66,881,000 |
| | Terms/Rights attached to equity shares The company has only one class of equity shares. Each holder of equity share entitled to one vote per share | | |
| | Shares held by holding/ultimate holding companyand/or their subsidiaries/associates | NIL | NIL |
| | Details of shareholders holding more than 5% shares in the company | | |
| | Name of shareholder | No. of shares held | |
| | | As at 31.03.2014 | As at 31.03.2013 |
| | Anant Prakash Kabra | 9,500,000 | 9,500,000 |
| | For a period of five years immediately preceding the date as at which the balance sheet is prepared | | |
| | (i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash | 8,000,000 | 8,000,000 |
| | (ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares | Nil | Nil |

Note 4 - Reserve & Surplus

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|---|--------------------------|--------------------------|
| 1 | General Reserve | | |
| | Balance as per Last Balance sheet | 1,562,428 | 1,562,428 |
| | Add: Transferred from Profit & Loss Account | - | - |
| | | 1,562,428 | 1,562,428 |
| 2 | Securities Premium Account | | |
| | Balance as per last Balance sheet | 24,800,000 | 24,800,000 |
| | Add: Premium on shares issued during the year | - | - |
| | Less: Amount utilised | - | - |
| | | 24,800,000 | 24,800,000 |
| 3 | Surplus (Profit & Loss Account) | | |
| | Opening Balance | 4,781,180 | 5,946,392 |
| | Add: Profit/(Loss) for the year | (98,977,844) | (1,165,213) |
| | | (94,196,665) | 4,781,180 |
| | Total | (67,834,236) | 31,143,608 |

Note 5 - Long Term Borrowings

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|----------------------|--------------------------|--------------------------|
| 1 | Loans From Directors | 7,230,353 | 6,541,904 |
| | Total | 7,230,353 | 6,541,904 |

Note 6 - Deferred Tax Liabilities - Net

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|------------------------|--------------------------|--------------------------|
| 1 | Deferred Tax Liability | 1,090,075 | 1,686,153 |
| | Total | 1,090,075 | 1,686,153 |

Note 7 - Trades Payable

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|---------------------|--------------------------|--------------------------|
| 1 | Creditors for Goods | - | 30,312,011 |
| | Total | - | 30,312,011 |

Note 8 - Other Current Liabilities

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|-------------------|--------------------------|--------------------------|
| 1 | Expenses Payable | 1,722,651 | 1,660,853 |
| 2 | Other Liabilities | 5,351,882 | 5,351,882 |
| | Total | 70,74,533 | 70,12,735 |

Note 9 - Short Term Provisions

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|--------------------|--------------------------|--------------------------|
| 1 | Others | | |
| | Taxation | 4,912,041 | 4,912,041 |
| | Fringe Benefit Tax | 1,633,756 | 1,633,756 |
| | Total | 6,545,797 | 6,545,797 |

| Notes forming part of financial statements | | | | | | | | | | | |
|--|---|------------------------|--------------------------|---------------------------|------------------------|------------------------|--------------------------|---------------------------|------------------------|----------------------|----------------------|
| Note 10 - Fixed Assets | | Gross Block | | | | Depreciation | | | | Net Block | |
| Sr. No | Particulars | Value as at 01.04.2013 | Addition during the year | Deduction during the year | Value as at 31.03.2014 | Value as at 01.04.2013 | Addition during the year | Deduction during the year | Value as at 31.03.2014 | WDV as on 31.03.2014 | WDV as on 31.03.2013 |
| I | <u>Tangible Assets</u> | | | | | | | | | | |
| 1 | Plant and Equipment | 13,651,116 | - | - | 13,651,116 | 12,077,249 | 629,547 | - | 12,706,796 | 944,320 | 1,573,867 |
| 2 | Furnitures & Fixtures | 15,921,302 | - | - | 15,921,302 | 11,048,255 | 882,022 | - | 11,930,277 | 3,991,025 | 4,873,047 |
| 5 | Vehicles | 85,476 | - | - | 85,476 | 74,980 | 2,717 | - | 77,697 | 7,779 | 10,496 |
| 6 | Office Equipment | - | - | - | - | - | - | - | - | - | - |
| 7 | Other (Specify) | - | - | - | - | - | - | - | - | - | - |
| | SUB TOTAL (A) | 29,657,894 | - | - | 29,657,894 | 23,200,484 | 1,514,286 | - | 24,714,770 | 4,943,124 | 6,457,410 |
| II | <u>Intangible Assets</u> | | | | | | | | | | |
| | Goodwill (Non Compete Fees) | 7,448,499 | - | - | 7,448,499 | 5,213,949 | 744,850 | - | 5,958,799 | 1,489,700 | 2,234,550 |
| | SUB TOTAL (B) | 7,448,499 | - | - | 7,448,499 | 5,213,949 | 744,850 | - | 5,958,799 | 1,489,700 | 2,234,550 |
| III | <u>Capital Work-in-progress</u> | - | - | - | - | - | - | - | - | - | - |
| | SUB TOTAL (C) | - | - | - | - | - | - | - | - | - | - |
| IV | <u>Intangible Assets Under Development</u> | - | - | - | - | - | - | - | - | - | - |
| | SUB TOTAL (D) | - | - | - | - | - | - | - | - | - | - |
| | Total [A + B + C + D] (Current Year) | 37,106,393 | - | - | 37,106,393 | 28,414,434 | 2,259,136 | - | 30,673,570 | 6,432,823 | 8,691,959 |
| | (Previous Year) | 37,106,393 | - | - | 37,106,393 | 25,539,725 | 2,874,709 | - | 28,414,434 | 8,691,959 | 11,566,668 |

Note 11 - Inventories

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|----------------|--------------------------|--------------------------|
| 1 | Stock-in-Trade | - | 3,326,070 |
| | Total | - | 3,326,070 |

Note 12 - Trade Recievables

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|--|--------------------------|--------------------------|
| 1 | <u>Outstanding for more than six months</u> | | |
| | a) Secured, Considered Good | - | - |
| | b) Unsecured, Considered Good | 14,612,836 | 128,330,860 |
| | c) Doubtful | 49,118,533 | - |
| | Less: Provision for Doubtful Debts | 49,118,533 | - |
| | Total | 14,612,836 | 128,330,860 |

Note 13 - Cash & Cash Equivalent

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|----------------------------|--------------------------|--------------------------|
| 1 | <u>Cash-in-Hand</u> | | |
| | Cash Balance | 2,530 | 3,650 |
| | Sub Total (A) | 2,530 | 3,650 |
| 2 | <u>Bank Balance</u> | 832 | 832 |
| | Sub Total (B) | 832 | 832 |
| 3 | <u>Cheques on Hand</u> (C) | - | - |
| | Total [A + B + C] | 3,362 | 4,482 |

Note 14 - Short Terms Loans and Advances

| Sr. No | Particulars | As at 31st March 2014 | As at 31st March 2013 |
|--------|---------------------------------|--------------------------|--------------------------|
| | a) Secured, Considered Good : | - | - |
| | b) Unsecured, Considered Good : | - | 9,831,337 |
| | c) Doubtful | - | - |
| | Total | - | 9,831,337 |

Note 15 - Revenue from Operations

| Sr. No | Particulars | For the year ended 31st March 2014 | For the year ended 31st March 2013 |
|--------|---|---------------------------------------|---------------------------------------|
| 1 | Sale of Computer hardware and accessories | 516,950 | 867,290 |
| | Total | 516,950 | 867,290 |

Note 16 - Change in Inventories

| Sr. No | Particulars | For the year ended 31st March 2014 | For the year ended 31st March 2013 |
|--------|-------------------------------|---------------------------------------|---------------------------------------|
| 1 | Opening Stock | 3,326,070 | 4,663,250 |
| | Less: Closing Stock | - | 3,326,070 |
| | Less: Inventories written off | 2,559,000 | - |
| | Total | 767,070 | 1,337,180 |

Note 17 - Employment Benefit Expenses

| Sr. No | Particulars | For the year ended 31st March 2014 | For the year ended 31st March 2013 |
|--------|------------------------|------------------------------------|------------------------------------|
| 1 | Staff Salaries | 180,000 | 180,000 |
| 2 | Directors Remuneration | 360,000 | 360,000 |
| | Total | 540,000 | 540,000 |

Note 18 - Financial Costs

| Sr. No | Particulars | For the year ended 31st March 2014 | For the year ended 31st March 2013 |
|--------|---|------------------------------------|------------------------------------|
| 1 | Net Loss/(Gain) on Foreign Exchange Transaction | (4,439,354) | (2,840,176) |
| | Total | (4,439,354) | (2,840,176) |

Note 19 - Depreciation & Amortised Cost

| Sr. No | Particulars | For the year ended 31st March 2014 | For the year ended 31st March 2013 |
|--------|---------------------------------|------------------------------------|------------------------------------|
| 1 | Depreciation | 1,514,286 | 2,129,859 |
| 2 | Amortisation of Non Compete Fee | 744,850 | 744,850 |
| | Total | 2,259,136 | 2,874,709 |

Note 20 - Other Expenses

| Sr. No | Particulars | For the year ended 31st March 2014 | For the year ended 31st March 2013 |
|--------|-----------------------------------|------------------------------------|------------------------------------|
| | Directors Sitting Fees | 42,000 | 42,000 |
| | Listing Fees | 187,368 | 90,000 |
| | Power | 10,000 | 24,000 |
| | Printing & Stationery | 6,000 | 97,200 |
| | Communication Expenses | 7,200 | 10,100 |
| | Postage & Courier Expenses | 8,350 | 118,480 |
| | Rent | 300,000 | 300,000 |
| | Repairs & Maintenance | 10,000 | 12,000 |
| | Travelling & Conveyance | 19,500 | 15,100 |
| | Audit Fees (refer Note (i) below) | 61,798 | 61,798 |
| | Miscellaneous Expenses | 76,101 | 45,001 |
| | Total [A + B] | 728,317 | 815,679 |

Note (i)

| Sr. No | Particulars | For the year ended 31st March 2014 | For the year ended 31st March 2013 |
|--------|-------------------------------------|------------------------------------|------------------------------------|
| 1 | Payment to the auditors comprises : | | |
| | Statutory Audit | 55,000 | 55,000 |
| | Tax Audit | - | - |
| | Service Tax | 6,798 | 6,798 |
| | Total | 61,798 | 61,798 |

| CASH FLOW STATEMENT | | |
|--|--|--|
| Cash Flow Statement for the year ended | For the year ended 31.03.2014 Rs. | For the year ended 31.03.2013 Rs. |
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit before tax | (99,573,922) | (1,860,102) |
| Adjustment for: | | |
| Depreciation and Amortisation | 2,259,136 | 2,874,709 |
| Preliminary & Capital Issue Expenses W/o | - | - |
| Loss /(Gain) on Forex Transactions | (4,439,354) | (2,840,176) |
| Operating Profit before Working Capital Changes | (101,754,139) | (1,825,569) |
| Adjustment for: | | |
| Decrease/(Increase) in Inventories | 3,326,070 | 1,337,180 |
| Decrease/(Increase) in Sundry Debtors | 118,157,375 | 6,547,751 |
| Decrease/(Increase) in Loans & Advances | 9,831,337 | - |
| Increase/(Decrease) in Current Liabilities | (29,561,764) | (6,058,363) |
| NET CASH FROM OPERATING ACTIVITIES | (1,121) | 999 |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| (Acquisition)/Sale of Fixed Assets | - | - |
| NET CASH FROM INVESTING ACTIVITIES | - | - |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Taxes Paid | - | - |
| NET CASH FROM FINANCING ACTIVITIES | - | - |
| NET INCREASE/(DECREASE) IN CASH AND CASH CASH EQUIVALENTS DURING THE YEAR | (1,121) | 999 |
| CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR | 4,482 | 3,482 |
| CASH AND CASH EQUIVALENTS AS AT END OF YEAR | 3,362 | 4,482 |
| <p>As per my report of even date attached</p> <p>For RAMRAJ & Co., Chartered Accountants Sd/- CA.A.Amarnatha Reddy Partner M.No.213102</p> <p>Place : Chennai Date : 30 May 2014</p> | | |
| <p>For and on behalf of the Board of Directors Crazy Infotech Limited Sd/- N Aravind Director</p> <p>Sd/- A Anitha Director</p> | | |

Note 21 - Additional information to the financial statements

- a) Contingent Liabilities : Rs. NIL
- b) Expenditure in Foreign Currencies: Rs. NIL
- c) Earnings in Foreign Exchange: Rs. NIL

d) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The company does not have specific information regarding whether any of its sundry creditors fall under the category of Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006 (MSMED Act). Therefore, no additional information as required under MSMED Act has been provided. However, the Company continues to take efforts to obtain relevant information from its Sundry Creditors in this regard.

- e) Balance reflected under Debtors is subject to confirmation.
- f) Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosure.

Note 22 -Disclosures under Accounting Standards**a)Segmental Information**

| Segmentwise Information | (Rs. In lacs) | |
|--|------------------------------------|------------------------------------|
| | For the year ended 31st March 2014 | For the year ended 31st March 2013 |
| 1. Segment Revenue | | |
| a) Computer Hardware | 5.16 | 8.67 |
| b) Software Development | - | - |
| c) IT Training | - | - |
| Total | 5.16 | 8.67 |
| 2. Segment Results (Profit+)/Loss(-) before interest and tax | | |
| a) Computer Hardware | 240.84 | (30.52) |
| b) Software Development | (490.40) | 20.08 |
| c) IT Training | (647.88) | (8.16) |
| Total | (897.44) | (18.60) |
| Less: Unallocable expenditure net of unallocable income | 98.31 | - |
| Total profit before tax | (995.75) | (18.60) |
| 3. Capital Employed (Segment Assets - Segment Liabilities) | | |
| a) Computer Hardware | 460.68 | 219.84 |
| b) Software Development | 159.85 | 650.25 |
| c) IT Training | (574.57) | 73.31 |
| d) Unallocated Assets (Net) | | |
| - Liquid | 0.04 | 0.05 |
| - Others | 98.31 | - |
| Total Capital Employed | (52.31) | 943.45 |

b) **Related Party Disclosures:**

Key Management Personnel (KMP):

- 1) Mr. N. Aravind - Chairman
- 2) Mrs. A. Anitha – Whole time Director
- 3) Mr. T. Rajendran – Independent Director
- 4) Mr. K. N. Anand – Chief Executive Officer

Related Party:

Aanjaay Software Limited

Transactions with KMP/ Related party

| Particulars | Key Management Personnel | Aanjaay Software Limited |
|-----------------------------|--------------------------|--------------------------|
| Directors Remuneration paid | 360,000 | - |

c) **Exceptional Items:**

Certain accounts receivables, amounts advanced and non-moving inventories were written off on an assessment of their realizable values and recoverability/collectability. Further, provision has been made for some of the accounts receivables which are doubtful of recovery. Similarly, the certain accounts payable items were also written back. As per Accounting Standard 5 (Net Profit or Loss for the period, prior period items and Changes in Accounting Policies), these write offs/write backs are shown as exceptional items in the profit and loss account. Details given below.

| Particulars | Rs. |
|------------------------------|--------------------|
| Debtors Written off | 69,038,843 |
| Provision for doubtful debts | 49,118,533 |
| Advances Written off | 9,831,337 |
| Inventories written off | 2,559,000 |
| Creditors Written back | (30,312,011) |
| Net | 100,235,702 |

d)

Earning Per Share:

| Particulars | For the year ended 31st March 2014 | For the year ended 31st March 2013 |
|---|------------------------------------|------------------------------------|
| Profit after Tax (Rs.) | (98,977,844) | (1,165,213) |
| No. of Basic Equity Shares (Weighted Average) | 66,881,000 | 66,881,000 |
| Basic earnings per share (R.s) | (1.48) | (0.02) |
| Nominal value of an equity share (Rs.) | 1 | 1 |

e) **Deferred Tax:**

During the year, the company has considered accounting for deferred tax in accordance with the Accounting Standard – 22 “Accounting for taxes on income” issued by the Institute of Chartered Accountants of India.

As at the year end date the company has a Net Deferred tax Asset of Rs.5,96,077/- representing timing difference arising out of depreciation for the current year.

For and on behalf of the Board of Directors

For RAMRAJ & Co.,
Chartered Accountants

Sd/-

Sd/-

Sd/-

CA.A.Amarnatha Reddy

Partner

M.No.213102

Director

Director

Place: Chennai

Date: 30 May 2014

Proxy Form

CRAZY INFOTECH LIMITED

Registered Office: 3/5, Alonkar Aadharsh, 7th Avenue, Ashok Nagar, Chennai-600083

I/We of in the district of being a member of the CRAZY INFOTECH LIMITED hereby appoint of or failing him of in the district of as my proxy to attend and vote for me/us on my/our behalf at the 22nd Annual General Meeting to be held on Tuesday, 30th September 2014 at 09:30 A.M. and at any adjournment thereof.

Signed this day of 2014

Regd. Folio/Client ID

No. of Shares

Signed by the said

Affix
One rupee
Revenue
Stamp

Note: The proxy must be deposited at the Registered Office of the company at : 3/5, Alonkar Aadharsh, 7th Avenue, Ashok Nagar, Chennai-600083, not less than 48 hours before the time of holding the meeting.

Proxy No.

ATTENDANCE SLIP

CRAZY INFOTECH LIMITED

Registered Office: : 3/5, Alonkar Aadharsh, 7th Avenue, Ashok Nagar, Chennai-600083

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE PLACE OF THE MEETING. Joint Shareholders may obtain additional attendance slips at the entrance.

| |
|---|
| Regd. Folio No./Client ID No. |
| Name of the Member..... (in Block Letters) |
| Name of the Proxy..... |
| No. of Shares held..... |

I hereby record my/our presence at the 22nd Annual General Meeting of the Members of the Company held at the registered office of the Company, Tuesday, 30th September, 2014 at 09:30 A.M.

TO

If undelivered please return to :



3/5, Alonkar Aadharsh
7th Avenue, Ashoknagar
Chennai - 600 083
Ph. No. 91- 44-24716633
Fax: 91- 44- 24744997
e-mail: crazyinfotech@gmail.com
website: www.crazyinfotech.com