



ANNUAL REPORT 2014

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growth



Annual

Report

2013-14





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Company Information

Board of Directors (As on 9th August, 2014)

Brig. S.V.S Chowdhry
CHAIRMAN, Independent Non Executive Director

Dr. Naveen Gupta
CEO & Managing Director

Mr. Ramesh Lal Gupta
Non Executive Director

Mr. Kailash Nath
Independent Non Executive Director

Mr. Sarabjit Singh Saini
Independent Non Executive Director

Mr. Girish Narang
Independent Non Executive Director (Add.)

Mr. Rasik Makkar
Independent Non Executive Director

Mr. Jaideep Kumar Bhola
Independent Non Executive Director

Committees of The Board

Audit Committee

Mr. Sarabjit Singh Saini
Chairman, Independent &, Non Executive Director

Mr. Jaideep Kumar Bhola
Member, Independent & Non Executive Director

Mr. Kailash Nath
Member, Independent & Non Executive Director

Stakeholder Relationship Committee

Brig. S.V.S Chowdhry
Chairman, Independent & Non Executive Director

Mr. Sarabjit Singh Saini
Member, Independent & Non Executive Director

Mr. Kailash Nath
Member, Independent & Non Executive Director

Nomination & Remuneration Committee

Mr. Rasik Makkar
Chairman, Independent & Non Executive Director

Mr. Sarabjit Singh Saini
Member, Independent & Non Executive Director

Brig. S.V.S Chowdhry
Member, Independent & Non Executive Director

Registered Office

5, Sant Nagar, East of Kailash, New Delhi - 110065

Corporate Office

M-92, Connaught Place, New Delhi-110001

Auditors

Nath & Hari, Chartered Accountants

Listed At

- Bombay Stock Exchange Limited
- Delhi Stock Exchange Limited
- Jaipur Stock Exchange Limited

Company Secretary

Mr. Mohnish Dutta

Registrar & Transfer Agents

Alankit Assignments Limited
2E/21, Alankit House, Jhandewalan Extn.
New Delhi - 110055

Website: www.iecgroup.in

Subsidiary Companies

IEC Leasing and Capital Management Limited
IEC Learning and Management Limited
IEC Education and Infrastructure Limited



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Notice of the Annual General Meeting

Notice is hereby given that 20th Annual General Meeting of IEC Education Limited will be held on Monday, 22nd September, 2014 at 10.00 A.M. at Sri Sathya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110003 to transact the following Business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Financials as at 31st March, 2014 and Profit and Loss account for the year ended on that date along with Director's Report and Auditor's Report thereon.
2. To Consider and appoint a Director in place of Mr. Ramesh Lal Gupta (DIN: 00097185), who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s Nath and Hari Chartered Accountants as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting to be held after this meeting and to fix their remuneration and to pass with or without modification(s), the following resolution as ordinary resolution:

"RESOLVED THAT pursuant to Section 141 and other applicable provisions if any, of Companies Act, 2013, M/s Nath and Hari, Chartered Accountants, be and is hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as shall be determined by Board of Directors."

Special Business

4. Appointment of Mr. Girish Narang as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 Act and clause 49 of the Listing Agreement Mr. Girish Narang (DIN : 00001100), who was earlier appointed as an Additional Director of the Company by the Board of Directors w.e.f. February 08, 2014 and who holds office until the date of ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Mr. Girish Narang as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years starting from the date of 20th Annual General Meeting not liable to retire by rotation."

5. Appointment of Mrs. Shalini Gupta as a Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Mrs. Shalini Gupta (DIN : 00114181), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Mrs. Shalini Gupta as a candidate for the office of Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."

6. Appointment of Mr. Kailash Nath, as an Independent Director

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



“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 Act and clause 49 of Listing Agreement, Mr. Kailash Nath (DIN : 01409788), who was earlier appointed as Non Executive Independent Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Mr. Kailash Nath as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years starting from the date of 20th Annual General Meeting not liable to retire by rotation.”

7. Appointment of Brig. Surendra Vir Singh Chowdhry as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 Act and clause 49 of Listing Agreement, Brig. Surendra Vir Singh Chowdhry (DIN : 00097256), who was earlier appointed as Non Executive Independent Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Brig. Surendra Vir Singh Chowdhry as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years starting from the date of 20th Annual General Meeting not liable to retire by rotation.”

8. Appointment of Mr. Sarabjit Singh Saini as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 Act and clause 49 of Listing Agreement, Mr. Sarabjit Singh Saini (DIN : 00104558), who was earlier appointed as Non Executive Independent Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Mr. Sarabjit Singh Saini as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years starting from the date of 20th Annual General Meeting not liable to retire by rotation.”

9. Appointment of Mr. Rasik Makkar as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 Act and clause 49 of Listing Agreement, Mr. Rasik Makkar (DIN : 00104285), who was earlier appointed as Non Executive Independent Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Mr. Rasik Makkar as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years starting from the date of 20th Annual General Meeting not liable to retire by rotation.”

10. Appointment of Mr. Jaideep Kumar Bhola as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 Act and clause 49 of Listing Agreement, Mr. Jaideep Kumar Bhola (DIN : 02191970), who was earlier appointed as Non Executive Independent Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies



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Act, 2013, signifying their intention to propose Mr. Jaideep Kumar Bhola as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years starting from the date of 20th Annual General Meeting not liable to retire by rotation.”

NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business as set out above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT 5, SANT NAGAR, EAST OF KAILASH, NEW DELHI – 110065, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ATTACHED WITH THE ANNUAL REPORT. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL.
3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. All the documents referred in the Notice, Annual Report, as well as Annual Accounts of the subsidiary companies and Register of Director's Shareholding are open for inspection, during the business hours, at the Registered Office of the Company upto and including the date of Annual General Meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed during the Book Closure period i.e. 13.09.2014 to 22.09.2014, both days inclusive.
6. The members holding shares in the same name of same order of names under different folios are requested to send the share certificates for consolidation of such shares to the Company.
7. Shareholder seeking any information with regard to the accounts are requested to write to the Company at an early date but not later than 10 days before the scheduled date of holding of A.G.M.
8. Pursuant to clause 49 of the Listing Agreement additional information on directors seeking appointment / re-appointment at the A.G.M. is provided in the Annual Report.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. The notice of the Annual General Meeting of the Company is also been uploaded on the website of the Company. i.e. www.iecgroup.in.
11. SEBI vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 had mandated the companies to use any of the RBI approved electronic mode of payment such as ECS (Local ECS / Regional ECS / National ECS), NEFT, RTGS etc. for distribution of dividends and other cash benefits to investors. The Circular also mandated the companies or their registrar & share transfer agents (RTA) to maintain bank details of investors. In case the securities are held in demat mode, the companies or their RTA shall seek relevant bank details from depositories and in case the securities are held in physical mode, the companies or their RTA shall take necessary steps to maintain updated bank details at their end. The members are requested to ensure that correct and updated particulars of their bank account are available with their respective depository participants and the Company / its RTA to facilitate necessary payments through electronic mode.



12. E-voting

Pursuant to General Circular No.20/2014 dated June 17, 2014 issued by the Ministry of Corporate Affairs, Government of India, the e-voting process has not been considered as mandatory till December 31, 2014. Pursuant to Clause 35B of the listing agreement, the Company is providing facility of e-voting and voting through ballot to all members as per the applicable regulations. The voting facility is being provided through e-voting services provided by Central Depository Services (India) Limited (CDSL). The instructions for members for voting electronically and through ballot are given in below paragraphs. Such voting facility is in addition to voting that may take place at the meeting venue on September 22, 2014.

A. The instructions for members for voting electronically:-

- i. Log on to e-voting website; www.evotingindia.com.
- ii. Click on the "Shareholders" tab to cast your votes.
- iii. Now, select "IEC Education Limited" from the drop down menu and click on "SUBMIT".
- iv. Now enter your User ID
 - a) **For CDSL:** 16 digits beneficiary ID,
 - b) **For NSDL:** 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Captcha Code as displayed and Click on Login.
- vi. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below and fill up the following details in the appropriate boxes:

Details	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (in Capital) (Applicable for both Demat shareholders as well as physical shareholders).</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</p> <p>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</p>
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.</p>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly the company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and please take utmost care to keep your password confidential.



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- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xi. Click on the EVSN for IEC Education Ltd.
 - xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option “YES” or “NO” as desired. The option “YES” implies that you assent to the Resolution and option “NO” implies that you dissent to the Resolution.
 - xiii. Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
 - xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
 - xvii. If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code, click on “Forgot Password” & enter the details as prompted by the system.
 - xviii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - xix. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - xx. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - xxi. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - xxii. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
 - xxiii. The voting period begins on September 15, 2014 (9.00 a.m.) and ends on September 16, 2014 (6.00 p.m.). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 22, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - xxiv. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- B.** The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of August 22, 2014.
- C.** A copy of this notice has been placed on the website of the Company and the website of CDSL.
- D.** Mr. Deepak Bhandari, Practicing Company Secretary (Membership No. 25203) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- E.** The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- F.** In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is sent along with this Notice. A member desiring to exercise vote by Ballot shall complete the said Ballot Form with assent (for) or dissent (against) and send it to Mr. Deepak Bhandari, Scrutinizer, C/o. Deepak Bhandari Practicing Company Secretary, Unit: IEC Education Ltd., 11708/3, IIIrd Floor, Sat Nagar, Karol Bagh, New Delhi-110005, Tel. No.: 011-25733658, +91-9871164889, Email: csprofessional3@gmail.com so as to reach him on or before September 16, 2014 by 6.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
- G.** The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared alongwith the Scrutinizer’s Report shall be placed on the Company’s website www.iecgroup.in and on the website of CDSL within 2 (two) days of



passing of the resolutions at the annual general meeting and will be communicated to BSE Limited and National Stock Exchange of India Limited.

- 13.** THE COMPANY WHOLE HEARTEDLY WELCOMES MEMBERS / PROXIES AT THE ANNUAL GENERAL MEETING OF THE COMPANY. THE MEMBERS / PROXIES MAY PLEASE NOTE THAT NO GIFTS / GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.

Explanatory Statement

Item no. 4

Appointment of Mr. Girish Narang as an Independent Director of the Company

Mr. Girish Narang (DIN: 00001100) aged 36 Years joined the Board of Directors of the Company w.e.f. February 08, 2014 as an Additional Director, Non-Executive and Independent Director.

Mr. Narang started his career as a Corporate Lawyer and pursued a mid-career MBA from Manchester Business School, University of Manchester, UK. He has advised various clients on Mergers and Amalgamations, Fund-raising, Capital Markets and International Diversification. Mr. Narang was also elected as youngest representative on Regional Council of Institute of Company Secretaries of India.

Apart from being a director on the Board of Director of this Company, he is also on the Board and Committee thereof of the Companies as detailed in **Annexure A**. He currently holds Nil shares in the Company.

Mr. Narang is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, he shall hold office of the Director, as such, up to the date of ensuing Annual General Meeting. The Company has received a notice in writing from a Member of the Company along with a deposit of ₹.1,00,000 proposing the candidature of Mr. Girish Narang under the provisions of Section 160 of the Companies Act, 2013 for the office of Independent Director of the Company.

The company has also received declaration(s) from Mr. Narang that he meets criteria of Independence as prescribed under Section 149 of the Act.

In the opinion of the Board, Mr. Narang fulfills the conditions for appointment as Independent Director as specified in the Act. It is proposed that Mr. Narang should be appointed for five consecutive terms starting from the date of the 20th Annual General meeting of the Company.

Copy of the draft letter for appointment of Mr. Narang as an Independent Director setting out terms and conditions would be available for inspection without any fee to the members at the registered office of the Company during 11.00A.M. to 1.00 P.M. on working day excluding Saturday.

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

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



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Except Mr. Narang, being an appointee, none of the Directors of and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item no. 5

Appointment of Mrs. Shalini Gupta as Director of the Company

Mrs. Shalini Gupta (DIN: 00114181) age 40 has completed her graduation from Chandigarh. Besides holding membership of Vocational Education Foundation, a non Profit Organisation She holds membership in many Trusts operating in Educational field for last ten years. Her prior position included Chief Administrative Officer of IEC College of Engineering and Technology and currently she is serving as Chief Administrative Officer of IEC University promoted by Vocational Education Foundation. She is also member of various non government organisations.

Apart from being a director on the Board of Director of this Company, She is also on the Board and Committee thereof of the Companies as detailed in **Annexure A**. She currently holds 2167835 shares in the Company.

Mrs. Shalini Gupta is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as Director.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, the candidature of Mrs. Shalini Gupta is proposed for the office of Non -Executive Director, liable to retire by Rotation.

The Board Considers that her continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Mrs. Shalini Gupta as an Non- Executive Director.

Accordingly, the Board recommends the Ordinary Resolution in relation to appointment of Mrs. Shalini Gupta as an Director for the approval by the Shareholders of the Company.

Except Mrs. Shalini Gupta, Dr. Naveen Gupta and Mr. Ramesh Lal Gupta being relatives, none of the Directors of and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item no. 6

Appointment of Mr. Kailash Nath as an Independent Director of the Company

Mr. Kailash Nath (DIN: 01409788) age 76 Years joined the Board of Directors of the Company w.e.f. March 11, 2003 as Non-Executive and Independent Director liable to retire by Rotation.

Mr. Nath has the diverse experience of working in various Government Departments including Ministry of Urban Development, Ministry of Agriculture and Personnel, Public Grievances and Pensions. He has held the position of Head of the office and Chief Executive officer under Grih Kalyan Kendra, Ministry of Personnel, Public Grievances and Pensions and retired as a secretary from the same office. He has also served as the Director in Ministry of Agriculture under Government of India for around 5 years.

Apart from being a director on the Board of Director of this Company, he is not holding any Directorship in any other Company. He currently holds Nil shares in the Company.

Mr. Nath is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.



Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a Member of the Company proposing the candidature of Mr. Kailash Nath for the office of Independent Director of the Company.

The company has also received declaration(s) from Mr. Nath that he meets criteria of Independence as prescribed under Section 149 of the Act.

In the opinion of the Board, Mr. Nath fulfills the conditions for appointment as an Independent Director as specified in the Act. It is proposed that Mr. Nath should be appointed for 5 consecutive Directors starting from the date of the 20th Annual General meeting of the Company.

Copy of the draft letter for appointment of Mr. Nath as an Independent Director setting out terms and conditions would be available for inspection without any fee to the members at the registered office of the Company during 11.00A.M. to 1.00 P.M. on working day excluding Saturday.

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

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

Except Mr. Nath, being an appointee, none of the Directors of and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item no. 7

Appointment of Brig. Surendra Vir Singh Chowdhry as an Independent Director of the Company

Brig. Surendra Vir Singh Chowdhry (DIN: 00097256) age 81 Years joined the Board of Directors of the Company w.e.f. April 01, 1995 as Non-Executive and Independent Director liable to retire by Rotation.

Being former Chairman of the Computer Society of India and Institution of Electronics & telecommunication Engineers, Brig. Chowdhry has very wide experience in the field of Information technology. He was also Adviser, Centre for Development of Advanced Computing (C-DAC), Noida for nearly ten years. He had a long association with the South East Asia Regional Computer Confederation (SEARCC) and has also represented the country in the International Federation of Information Processing (IFIP). Brig. Chowdhry is a Distinguished Fellow of the IETE and a Fellow of both the CSI and the Institution of Engineers (India).

Apart from being a director on the Board of Director of this Company, he is also on the Board and Committee thereof of the Companies as detailed in **Annexure A**. He currently holds Nil shares in the Company.

Brig. Chowdhry is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a Member of the Company proposing the candidature of Brig. Chowdhry for the office of Independent Director of the Company.

The company has also received declaration(s) from Brig. Chowdhry that he meets criteria of Independence as prescribed under Section 149 of the Act.



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In the opinion of the Board, Brig. Chowdhry fulfills the conditions for appointment as and Independent Director as specified in the Act and is Independent of the Management. It is proposed that Brig. Chowdhry should be appointed for 5 consecutive Directors starting from the date of the 20th Annual General meeting of the Company.

Copy of the draft letter for appointment of Brig. Chowdhry as an Independent Director setting out terms and conditions would be available for inspection without any fee to the members at the registered office of the Company during 11.00A.M. to 1.00 P.M. on working day excluding Saturday.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Brig. Chowdhry as an Independent Director.

Accordingly, the Board recommends the Ordinary Resolution in relation to appointment of Brig. Chowdhry as an Independent Director for the approval by the Shareholders of the Company.

Except Brig. Chowdhry, being an appointee, none of the Directors of and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 8

Appointment of Mr. Sarabjit Singh Saini as an Independent Director of the Company

Mr. Sarabjit Singh Saini (DIN: 00104558) aged 42 Years joined the Board of Directors of the Company w.e.f. October 10, 2005 as Non Executive and Independent Director liable to retire by Rotation.

Mr. Sarabjit Singh Saini is a successful industrialist having wide experience in running industry and business. He has a rich experience in administration, finance and various aspects of business dealing.

Apart from being a director on the Board of Director of this Company, he is also on the Board and Committee thereof of the Companies as detailed in **Annexure A**. He currently holds 4500 shares in the Company.

Mr. Saini is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a Member of the Company proposing the candidature of Mr. Saini for the office of Independent Director of the Company.

The company has also received declaration(s) from Mr. Saini that he meets criteria of Independence as prescribed under Section 149 of the Act.

In the opinion of the Board, Mr. Saini fulfills the conditions for appointment as an Independent Director as specified in the Act and is Independent of the Management. It is proposed that Mr. Saini should be appointed for 5 consecutive Directors from the date of the 20th Annual General meeting of the Company.

Copy of the draft letter for appointment of Mr. Saini as an Independent Director setting out terms and conditions would be available for inspection without any fee to the members at the registered office of the Company during 11.00A.M. to 1.00 P.M. on working day excluding Saturday.



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

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

Except Mr. Saini, being an appointee, none of the Directors of and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 09

Appointment of Mr. Rasik Makkar as an Independent Director of the Company

Mr. Rasik Makkar (DIN: 00104285) age 51 Years joined the Board of Directors of the Company w.e.f. January 20, 2007 as Director of the Company as a Non Executive and Independent Director liable to retire by Rotation.

Mr. Rasik Makkar is a practicing Chartered Accountant by profession. He possesses rich experience in taxation matters and other financial matters. He is partner in chartered accountants firm M/s Akar and Associates located in New Delhi.

Apart from being a director on the Board of Director of this Company, he is not holding any Directorship in any other Company. He currently holds 400 shares in the Company.

Mr. Makkar is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a Member of the Company proposing the candidature of Mr. Makkar for the office of Independent Director of the Company.

The company has also received declaration(s) from Mr. Makkar that he meets criteria of Independence as prescribed under Section 149 of the Act.

In the opinion of the Board, Mr. Makkar fulfills the conditions for appointment as an Independent Director as specified in the Act and is Independent of the Management. It is proposed that Mr. Makkar should be appointed for 5 consecutive Directors from the date of the 20th Annual General meeting of the Company.

Copy of the draft letter for appointment of Mr. Makkar as an Independent Director setting out terms and conditions would be available for inspection without any fee to the members at the registered office of the Company during 11.00A.M. to 1.00 P.M. on working day excluding Saturday.

The Board Considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Mr. Makkar as an Independent Director.

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

Except Mr. Makkar, being an appointee, none of the Directors of and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.



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Item No. 10

Appointment of Mr. Jaideep Kumar Bhola as an Independent Director of the Company

Mr. Jaideep Kumar Bhola (DIN: 02191970) age 48 Years joined the Board of Directors of the Company w.e.f. January 04, 2008 as Director of the Company as a Non Executive and Independent Director liable to retire by rotation.

Mr. J.K. Bhola is an advocate by profession, practicing before Hon'ble Supreme Court of India, High Courts, District Courts of various states including Delhi, Mumbai, Kolkata, Haryana, Chandigarh, Allahabad, Himachal Pradesh and Gujarat. He has rich experience in handling civil and criminal cases, consumer cases and cases under Negotiable Instrument Act. Mr. Bhola has experience of over 20 years. His expertise is in handling industrial and labour cases.

Apart from being a director on the Board of Director of this Company, he is not holding any Directorship in any other Company. He currently holds Nil shares in the Company.

Mr. Bhola is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a Member of the Company proposing the candidature of Mr. Bhola for the office of Independent Director of the Company.

The company has also received declaration(s) from Mr. Bhola that he meets criteria of Independence as prescribed under Section 149 of the Act.

In the opinion of the Board, Mr. Bhola fulfills the conditions for appointment as an Independent Director as specified in the Act and is Independent of the Management. It is proposed that Mr. Bhola should be appointed for 5 consecutive Directors from the date of the 20th Annual General meeting of the Company.

Copy of the draft letter for appointment of Mr. Bhola as an Independent Director setting out terms and conditions would be available for inspection without any fee to the members at the registered office of the Company during 11.00A.M. to 1.00 P.M. on working day excluding Saturday.

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

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

Except Mr. Bhola, being an appointee, none of the Directors of and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary resolution set out at Item No. 10. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Place: Delhi

Date: August 09, 2014

by order of the Board

Sd/-

Mohnish Dutta

Company Secretary

Annexure A to Notice

S.No.	Name of the Director DIN	Status	Type of Company	Directorship Held
1.	Mr. Girish Narang (00001100)	NEID	Private	Ujjwal Green Energy Pvt. Ltd.
			Private	Tripower Solar Pvt. Ltd.
			Private	Factum Legal Pvt. Ltd.
			Private	Surya Day Pvt. Ltd.
2.	Mrs. Shalini Gupta (00114181)	NED	Private	R.L.N.G Infrastructure Pvt. Ltd.
			Private	VEF. Housing Developers Pvt. Ltd.
			Private	V.E.F. Hotels and Resorts Pvt. Ltd.
			Private	Satguru Infracon Pvt. Ltd.
			Private	V.E.F. Biotech Pvt. Ltd.
			Public	IEC Learning and Management Limited
			Private*	Vocational Education Society
			Private	Novel Equipments Pvt. Ltd.
			Public	IEC Education and Infrastructure Limited
Private	Sunway Energy Pvt. Ltd.			
3.	Mr. Kailash Nath (01409788)	NEID	-	NIL
4.	Brig. Surendra Vir Singh Chowdhry (00097256)	NEID	Public	IEC Leasing and Capital Management Limited
			Private	Netcomm Labs Private Limited
5.	Mr. Sarabjit Singh Saini (00104558)	NEID	Private	Alltime Consultancy Pvt. Ltd.
			Private	Saini Polymers Pvt. Ltd.
			Private	Saini Brakes System Pvt. Ltd.
6.	Mr. Rasik Makkar (00104285)	NEID	-	NIL
7.	Mr. Jaideep Kumar Bhola (02191970)	NEID	-	NIL

Abbreviations used:

1. NEID: Non Executive Independent Director
2. NED: Non Executive Director

Private*: Section 25 Company as per the provisions of erstwhile Companies Act, 1956



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Director's Report

To the Members,

Your Directors have pleasure in presenting before you the Twentieth Annual Report, together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2014.

Financial Highlights

The highlights of your Company's Financial Results for the financial year ended March 31, 2014 are as follows:

(Amount in ₹. Lacs)

Title	Year ended 31.03.2014	Year ended 31.03.2013
Revenue from Operations	345.54	446.27
Other Income	126.39	6.62
Total Expenditure except Depreciation and Finance Cost	383.78	333.62
Interest	5.99	15.67
Depreciation and Amortization	58.96	62.84
Profit before Tax	23.20	40.76
Provision for Tax (adjusted)	4.17	7.66
Profit for the year	19.03	33.10

Operations and Business Review

During the Year under consideration your Company's income from operations stands out at ₹ 345.54 Lacs as compared to ₹ 446.27 Lacs in the year ended March 31, 2014. Other Income contributes ₹. 126.39 Lacs on account of sale. Profit before Tax stood at ₹. 23.20 Lacs as against ₹.40.76 Lacs in previous year. After providing for Income tax, profit after Tax is ₹.19.03 Lacs which includes Profit of ₹ 125 Lacs from sale of one of the asset. It was decided to transfer the amount realized as profit to Reserves of the Company. The rising costs, government policies and stagnant industry growth had led to down turnover and profits.

Business Activities

The company is envisaged towards providing and conducting Personality Development Program (PDP) in various Colleges and Universities. Other Business include ICT projects and IT Training.

Dividend

Your Directors had not recommended any dividend for the financial year ended March 31, 2014.

Subsidiary Companies

As per the provisions of Section 212 of the Companies Act, 1956, your Company is required to attach the Directors' Report, Auditors' Report, Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies to its Balance Sheet. However, the Ministry of Corporate Affairs, Government of India vide its General Circular No. 2/2011 dated February 8, 2011, has granted a general exemption under Section 212(8) of the Companies Act, 1956 to all the companies from annexing the annual accounts and other documents/statements of subsidiary companies with the Annual Report of the holding company subject to certain conditions. As the Company complies with all the specified conditions of the above-mentioned Circular, it is not required to attach the audited accounts and



other documents of the subsidiary companies to the Annual Report of your Company for the financial year 2013-14. A statement of the Company's interest in the subsidiaries and a summary of the financials of the subsidiaries are given along with the consolidated accounts. The annual accounts of the subsidiaries, along with the related detailed information, will be made available to the Members of the Company/subsidiary Companies seeking such information at any point of time. The annual accounts of the subsidiaries are also available for inspection for any Member, during the business hours, at the Registered Office of the Company and subsidiary companies and the same can be accessed from the website of the Company <http://iecgroup.in/sfinancials.html>.

Consolidated Financial Statements

In compliance with Clause 32 of the Listing Agreement, the consolidated financial statements are prepared in accordance with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 read with the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements together with Auditors' Report thereon form part of the Annual Report.

Disclosures pursuant to Clause 5A of Listing Agreement

Pursuant to insertion of clause 5A in Listing Agreement as per SEBI notification no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 the details in respect of the shares lying in the suspense account till March 31, 2014 is as under:

Description / No. of Cases / No. of Shares

1. Aggregate Number of Shareholders and the Outstanding shares in the initiation of suspense account	:	8 Shareholders / 1700 Shares
2. Number of Shareholders who approached the Company for transfer of shares from suspense account during the year 2013-14	:	NIL
3. Number of Shareholders to whom shares were transferred from suspense account during the year 2012-13	:	NIL
4. Aggregate Number of Shareholders and the outstanding shares in the Suspense Account lying as on March 31, 2014	:	8 Shareholders / 1700 Shares

Changes in Capital Structure

There was no change in the Capital of the Company. The Authorised Capital and Paid Up Capital of the Company stood same at ₹. 21,00,00,000 and ₹. 15,26,00,000 respectively. The Company has Nil Preference Share Capital. No issue of shares through Rights Issue / Preferential Issue / Bonus Issue / were reported during the fiscal.

Meetings of the Board of Directors

During the financial year ended March 31, 2014, the Meeting of Directors of your Company held 5 times on 23.04.2013, 30.05.2013, 10.08.2013, 09.11.2013 and 08.02.2014.

Directors

During the year under consideration Mr. Harindera Pal Singh, Independent Director on the Board vacated the office of Directorship on 08.02.2014, another Independent Director Dr. Avadhesh Kumar Khare resigned from the Board on 08.02.2014, owing to his busy schedule, his resignation was accepted by Board in their Meeting dated 08.02.2014. During the same meeting Mr. Girish Narang was appointed as Additional Director on the Board of the Company designated as Non Executive - Independent Director, he shall hold office till the ensuing Annual General Meeting. The Board at present comprises of Eight (8) Directors.

Reserves

The reserves of the Company stood at ₹ 1946.15 Lacs as against ₹. 1927.12 Lacs in the last financial year.



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Auditors and Auditor's Report

M/s Nath and Hari Chartered Accountants, continued the Statutory Auditors of the Company for the year ended 31.03.2014. The term of office of M/s Nath and Hari Chartered Accountants expires at the conclusion of the ensuing AGM. The Auditors being eligible offer themselves to be re-appointed.

Auditors submitted their report on the financials of the Company for the year ended March 31, 2014. The report was subjected to the following observations by the Auditor:

(i) Note No: 2.8 of financial statements relating to non registration of title deeds in respect of one building premises, (Net book value as at year end ₹. 51.92 lacs , Previous year ₹.53.15 lacs)

Management's Response: The property originally belongs to two of the promoters jointly. One of the promoters passed away and legal heirs were not available to complete the registration process. The property is in possession of the company since two decades and company runs their Corporate Office on the same. The company is still putting its efforts to get this done. All legal Documents have been signed by Transferor in favor of the Company by means of will, Affidavit, Surrender deed etc.

(ii) Note No.: 2.22 at serial no.2 of financial statements relating to adjustments of entries arising out of confirmation/reconciliation of the accounts of parties and banks;

Management's Response:

- i. The amount include an investment of ₹. 8.56 Lacs in one of the erstwhile subsidiary IEC Infotech Sdn. Bhd. against which shares were not issued, the matter is disputed and subject to Enquiry / Complaint,
- ii. An amount advanced against supply of building material to one of the Supplier from whom material is to be received. The Company is continuously putting pressure on the supplier either to refund the money or supply the material.
- iii. An amount advanced to one party during companies project of "School of Arts and Fashion" which shall be recoverable during this current year.

(iii) Note No.2.22 at serial no.5 of financial statements relating to non provision of trade receivables and long term loans and advances considered doubtful amounting to ₹ 128.85 Lacs and ₹ 28.03 Lacs respectively;

Management's Response: Company was awarded "Computer Education Project" by Delhi Government during year 2000, company successfully completed the project however the payment was disputed by then Delhi Government and the matter is subject to Arbitration between both the parties. The management is confident that the money will be received from the Government.

Registrar and Share Transfer Agents

M/s Alankit Assignments Ltd., in the capacity of Registrar and Share Transfer Agents of your Company, is looking after all the matters relating to shares in transfer and dematerialisation.

Members are hereby requested to send their correspondence regarding transfer of shares, Demat of shares and other queries to Registrar and Share Transfer Agents Alankit Assignments Ltd. , 2E/21, Alankit House, Jhandewalan Ext., New Delhi - 110 055

Statutory Disclosure

None of the Directors of your Company is disqualified as per the provisions of section 164 of the Companies Act, 2013 (erstwhile section 274(1)(g) of the Companies Act, 1956. The Directors of your Company has made necessary disclosure as required under various provisions of Companies Act, 2013 and Listing Agreement.

Listing of Shares

The shares of your Company are listed at:



1. Bombay Stock Exchange, Phirozee Jeejeebhoy Tower, 25th floor, Dalal Street, Mumbai-400001
2. The Delhi Stock Exchange Association Limited, DSE house, 3/1 Asaf Ali Road, New Delhi-110002
3. The Jaipur Stock Exchange Limited, JLN Marg, Malviya Nagar, Jaipur-302017

The listing fee for the year 2014-15 has already been paid. Along with that annual Custodian fee to NSDL and CDSL for financial year 2014-15 has also been paid.

Public deposits

The Company had not invited or accepted public deposits during the year.

Investments

The Company has not made any fresh investment during the financial year 2013-14.

Particulars of the Employee as per section 217(2A) of Companies Act, 1956.

Particulars of employees as required under section 217(2A) of the Companies Act, 1956, read with companies (Particular of Employees) Rules, 1975, as amended, are given in **Annexure A**.

Information under section 217(1)(e) of Companies Act, 1956

The particulars are prescribed under section 217(1) (e) of the companies Act, 1956, read with the Companies (Disclosure of particulars in the report of Board of Director s) Rules, 1988 are set out in an **Annexure B** attached to this report.

Director's responsibility Statement as per Section 217(2AA) of the Companies Act, 1956

In pursuance of section 217(2AA) of the Companies Act, 1956, we hereby affirm that:

1. In the preparation of the Annual Accounts for the period ended as on 31st March, 2014 the applicable Accounting Standards have been followed and no material departure has been identified.
2. Accounting Policies have been consistently applied in a reasonable and prudent manner so as to give true and fair view of the affairs of the Company for the financial year ended 31st March, 2014 and of the Statement of Profit And Loss ended that date for the financial year ended 31st March, 2014.
3. Proper and sufficient care has been taken for the maintenance of adequate records in accordance with the applicable provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts for the Financial Year ended 31st March, 2014 have been prepared on going concern basis.

Disclosures

The details of related party transactions are disclosed under the notes to accounts, as required under Accounting Standard 18 issued by The Institute of Chartered Accountant of India.

Companies Policy on Appointment and Remuneration of Director

Forms Part of Corporate Governance Report

Consolidated Financial Statements

As required under the Listing Agreement, Consolidated Financial Statements of the Company and all its subsidiaries are attached. The Consolidated financial statements have been prepared in accordance with Accounting Standard 21, Accounting Standard 23, and



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Accounting Standard 27, as applicable issued by The Institute of Chartered Accountants of India and showing the financial resources, assets, liabilities, income, profits and other details of the Company and its subsidiaries as a single entity, after elimination of Minority Interest.

Material Changes between the end of Financial Year ended March 31, 2014 and date of Board Report.

No material transaction has taken place between the end of Financial Year ended March 31, 2014 and date of Board Report.

Code of Conduct

As per clause 49(I)(D) of listing agreement, the Company has laid down Code of Conduct for all Board Members of the Company and Senior Management as well and same has been posted on website of the Company. Annual Compliance Report for the Year ended 31st March, 2014 has been received from all the Board Members and Senior Management of the Company regarding compliance of all the Provisions of Code of Conduct. Declaration regarding compliance by Board members and senior management personnel with the Companies Code of Conduct is hereby attached as **Annexure C** to this report.

Additionally, company has also adopted code of conduct for Independent Directors of the Company in accordance with Companies Act, 2013 and Listing Agreement.

Notes to Accounts

Notes to Accounts are self explanatory and do not require any clarification.

Report on Corporate Governance and Management Discussion and Analysis

The essence of existence of Corporate lies in good Corporate Governance Practice. Your Company has always adhered itself towards best governance practice. Your Company has maintained high level of integrity and transparency towards compliance of all laws, regulations, rules, guidelines whether provided by any enactment or issued by SEBI.

As required under clause 49 of Listing Agreement, a report on Corporate Governance and Management Discussion and Analysis Report are annexed to this Annual Report and forms part of it.

Acknowledgement

Your Directors wish to place on record their gratitude in receipt of continued support and co-operation from various stakeholders including and not limiting to Shareholders, Customers, institutions, Governmental and Semi Governmental Agencies, Consultants other business Associates and Employees of the Company.

for and on behalf of the Board

Date: (09/08/2014)
Place: New Delhi

sd/-
Brig. S.V.S Chowdhry
(Chairman)
(DIN 00097256)

Annexure A to Directors Report

Name	Dr. Naveen Gupta
Age	43 Years
Experience	23 Years
Designation	Managing Director
Qualification	Bachelor of Arts
Remuneration	₹18,00,000/- (rupees Eighteen Lacs Only)
Date of Appointment	June 27 th , 2013
No of shares held as on March 31st, 2014	42,85,935
Previous employment details	Held designation of Vice President from 30 th October, 2007 till October 30 th , 2007 in IEC Education Limited
Relationship with any Director of the Company	Son of Mr. Ramesh Lal Gupta (Non Executive)

Annexure B to Directors Report

Information under section 217(1) (e) of the Companies Act, 1956

Conservation of Energy

The operations of the Company are not energy intensive. However, as per general policy of the company appropriate measures wherever possible are taken to conserve energy.

Technology Absorption

The present global business scenario is comprised of Competition and Innovation. Your Company endeavors to move with the time, in order to keep pace with fast changing technological innovation.

Foreign Exchange Earning & Outgo

During the current Financial Year, there is no foreign exchange earnings and/ or outgo.



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Annexure C to Directors Report

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that Company has adopted a Code of Conduct for its employees including managing director. The Code of Conduct as adopted is available on the Companies' website. I confirm that the Company has in respect of the financial year ended March 31st, 2014 received from the Senior Management team of the Company and the members of the Board, a declaration on Compliance with the Code of Conduct as applicable to them.

For the Purpose of this declaration, Senior Management Team means the Company Secretary, Board Members including Chairman and Managing Director.

For and on Behalf of Directors

**S/d
Naveen Gupta
(CEO and MD)
(DIN: 00097128)**

**Date: August 09, 2014
Place: Delhi**



Corporate Governance Report

At IEC Education Limited, the Company's philosophy on Corporate Governance is founded upon ethical and transparent governance practices by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Corporate Governance practices followed by the Company and its subsidiaries are compatible with standards and best practices. Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

The Corporate Governance philosophy is further strengthened with the adherence to the Balanced Scorecard methodology for tracking progress on long term strategic objectives and the Code of Conduct which articulates the values, ethics and business principle sand serves as the ethical road map for the Company, its directors and employees supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the said Code. The Company is in full compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges ("the Listing Agreement").

The company has complied with all the compliances as stipulated under Clause 49 of the Listing Agreement.

I. BOARD OF DIRECTORS

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

A. Composition

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors as required under Clause 49 of Listing Agreement and Companies Act, 2013 (extent as applicable). The Board currently comprises of eight Directors out of which seven Directors are Non- Executive Directors and among these six are Independent Directors complying with the requirement of atleast 1/3 of Directors as independent Director on the Board.

According to Clause 49 of the Listing Agreement with Indian stock exchanges, an independent director is a person who is not an officer or employee of the company or its subsidiaries. The Listing Agreement also states that the person should not have a material pecuniary relationship or transactions with the company, which in the opinion of the Board, would interfere in exercising independent judgment and carrying out the responsibilities of a director. The Companies Act, 2013, has also provided a definition of independence. The Independent Directors on the Board fulfills the laid criteria for Independence, a declaration in the applicable form has also been availed from Independent Directors to this effect. Further Company has an Independent Director as the Chairman of the Board. Dr. Naveen Gupta, Managing Director of the company is not required to retire by rotation. Mr. Ramesh Lal Gupta, Promoter is the only Non-Executive non Independent Director in the company currently serving on Board.

During the reporting period Mr. Girish Narang has been appointed as Additional Director on the Board, he serves as an Independent Director on the Board. The Board does not have any nominee Director, alternate Director or filled any casual vacancy during the period under review. During the reporting period Mr. Avadhesh Kumar Khare, Non Executive Independent Director owing to his busy schedule resigned on 08.02.2014 and Mr. Harindera Pal Singh, Non Executive Independent Director, has vacated from office of Directorship on 08.02.2014.

None of the Directors of the Company's Board is a Member of more than ten Committees or Chairman of more than five Committees (committees being, Audit Committee and Investors' Grievance Committee) across all the Indian public limited companies in which they are Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than fifteen public companies. None of the Directors of the Company are related to each other



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Except Mr. Ramesh Lal Gupta and Dr. Naveen Gupta. The re-appointment of Dr. Naveen Gupta as the Managing Director including the tenure and terms of remuneration was approved by the members at the Last AGM of the Company held on 23.09.2013.

The meetings of Board of Directors of the Company during the financial year 2013-14 were held five times on 23.04.2013, 30.05.2013, 10.08.2013, 09.11.2013 and 08.02.2014. Meetings are usually held at E-216, East of Kailash, New Delhi-1100065. The maximum time-gap between any two consecutive meetings did not exceed four months.

The Companies Act, 2013 provides for appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 (Effective April 1, 2014) provides that independent directors shall hold office for a term of up to five consecutive years on the Board of a company; and shall be eligible for re-appointment on passing a special resolution by the shareholders of the company. Sub-section (11) states that no independent director shall be eligible for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in sub sections (6) and (7) of Section 152 of the Act shall not apply to such independent directors. Our non executive (independent) directors were appointed as directors liable to retire by rotation under the provisions of the erstwhile Companies Act, 1956.

The composition of the Board, attendance at Board Meetings held during the Financial Year under review and at the last Annual General Meeting, number of directorships memberships/chairmanships of the Board and Committees of public companies and their shareholding as on March 31, 2014 in the Company are as follows:

S. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Whether Last AGM Attended	Directorship in other Companies- Public companies	Directorship in other Companies- Private companies	No. of Membership in Committees and in other Companies
1.	Brig. Surendra Vir Singh Chowdhry (00097256)	Independent Director, Chairman of the Board	4	Yes	1	1	NIL
2.	Dr. Naveen Gupta (00097128)	Managing Director	5	Yes	4	9	NIL
3.	Mr. Ramesh Lal Gupta (00097185)	Non-Executive Director	5	Yes	3	3	NIL
4.	Mr. Rasik Makkar (00104285)	Non-Executive and Independent Director	5	Yes	NIL	NIL	NIL
5.	Mr. Jaideep Kumar Bhole (02191970)	Non-Executive and Independent Director	4	No	NIL	NIL	NIL
6.	Mr. Sarabjit Singh Saini (00104558)	Non-Executive and Independent Director	5	Yes	NIL	3	NIL

7.	Mr. Kailash Nath (01409788)	Non-Executive and Independent Director	5	Yes	NIL	NIL	NIL
8.	Mr. Girish Narang (00001100)*	Non-Executive and Independent Director	1	NA	NIL	4	NIL
9.	Dr. Avadhesh Kumar Khare** (01677626)	Non-Executive and Independent Director	3	No	NIL	NIL	NIL
10.	Mr. Harindera Pal Singh** (00927975)	Non-Executive and Independent Director	-	No	NIL	NIL	NIL

NOTES:

- The Committees considered are those prescribed under clause 49(l)(c)(iii) of Listing Agreement viz. Audit Committee, Nomination and Remuneration Committee and Shareholder / Investor grievance Committee of Public Limited Companies and Private Limited Companies which are Public Limited Companies in terms of Section 3(1)(iv)(c) of the erstwhile Companies Act, 1956.
- * Mr. Girish Narang was Appointed as Additional Director of the Company in the category Non- Executive, Independent Director by Board of Directors at their Meeting held on 08.02.2014.
- ** Mr. Avadhesh Kumar Khare and Mr. Harindera Pal Singh left the Board on 08.02.2014.
- None of the Directors on the Board, are members of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which they are Directors. Necessary disclosures regarding committee positions in other Public Companies as on March 31, 2014 have been made by Directors.

A. SHAREHOLDING OF DIRECTORS AS ON MARCH 31, 2014

NAME OF THE DIRECTOR	AS ON MARCH 31, 2014		AS ON MARCH 31, 2013	
	No. of Shares held	No. of Warrants held	No. of Shares held	No. of Warrants held
Brig. Surendra Vir Singh Chowdhry (00097256)	NIL	NIL	NIL	NIL
Dr. Naveen Gupta (00097128)	4285935	NIL	3815935	NIL
Mr. Ramesh Lal Gupta (00097185)	2255595	NIL	2255595	NIL
Mr. Rasik Makkar (00104285)	400	NIL	400	NIL
Mr. Jaideep Kumar Bhola (02191970)	NIL	NIL	NIL	NIL



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Mr. Sarabjit Singh Saini (00104558)	4500	NIL	2800	NIL
Mr. Kailash Nath	NIL	NIL	NIL	NIL
Mr. Girish Narang (00001100)	NIL	NIL	NIL	NIL
Dr. Avadhesh Kumar Khare (01677626)	NIL	NIL	NIL	NIL
Mr. Harindera Pal Singh (00927925)	NIL	NIL	NIL	NIL

B. DETAILS OF BOARD MEETING

Meetings of Board of Directors of your Company are usually held at E-216, East of Kailash, New Delhi – 110065. The time gap between two Board Meetings didn't exceed four Months. All the matters are passed in physical meetings and no matter is considered and approved through circular resolution

C. COMMITTEES OF BOARD

Presently the Board has three committees viz, Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee. The composition of all the Committees consist of Independent Directors only.

AUDIT COMMITTEE

1. Broad terms of Reference

The Audit Committee functions according to requirement of the Section 177 of the Companies Act, 2013 and clause 49 of Listing Agreement that defines its composition, authority, responsibility and reporting functions as applicable to the Company and is reviewed from time to time. Company Secretary acts as Secretary to the Committee. Statutory Auditors, Internal Auditors and Senior Management Personnel of the Company also attend the meetings by invitation. The terms of reference of Audit Committee include interalia the following:

Powers of Audit Committee

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee.
- iii. To obtain outside legal or other professional advice
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Key responsibilities of Audit Committee

- ii. To recommend Board on terms of appointment, reappointment, replacement, removal or any remuneration/any other fees of Statutory Auditor / Internal Auditor.
- iii. Oversee Company's financial reporting process and disclosure of its financial information to ensure itself to its accuracy.
- iv. Examination of Auditor's Report.
- v. Reviewing with the management, the Annual / Quarterly financial statements before submission to the Board for Approval with particular reference to:
 - a. Matters required to be included in Director's Responsibility Statement to be included in the Board's Report
 - b. Changes if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by Management
 - d. Significant adjustments made in the financial statements arising out of Audit Findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.



- f. Disclosure of Related Party Transactions.
- g. Qualification in Draft Audit Report.
- h. The Quality and acceptability of:
 - I. The accounting policies and practices, including without limitation critical accounting policies and practices, all alternative accounting treatments within generally accepted accounting principles for policies and procedure related to material items that have been discussed with management, ramifications of the use of such alternative treatments and the treatment preferred by the external auditors; and
 - II. Financial reporting disclosure and changes thereto, including a review of any material items of correspondence between the Company and external Auditors;
- i. The extent to which the financial statements are affected by any unusual transactions or any off Balance.
- j. Other matters as per Clause 49 of the Listing Agreement and as required under Companies Act 2013.

Constitution of Audit Committee

During the year under consideration, the composition of Audit Committee included only Independent Directors. The Audit Committee met five times during the Financial Year on 23.04.2013, 30.05.2013, 10.08.2013, 09.11.2013 and 08.02.2014. The details pertaining the same are hereunder:

Name of the Members	Status	Category of Directorship	No. of Meetings held	No. of Meetings Attended
Mr. Harindera Pal Singh	Chairman	Non Executive, Independent	5	-
Dr. Avadhesh Kumar Khare	Member	Non Executive, Independent	5	5
Mr. Sarabjit Singh Saini	Member	Non Executive, Independent	5	5

The composition of Audit Committee was changed by Board of Directors at their Meeting held on 08.02.2014. The revised composition of Audit Committee is as under:

Name of the Members	Status	Category of Directorship
Mr. Sarabjit Singh Saini	Chairman	Non Executive, Independent
Mr. Kailash Nath	Member	Non Executive, Independent
Mr. Jaideep Kumar Bholra	Member	Non Executive, Independent

Mr. Shrey Rustagi, Company Secretary of the Company acted as Secretary to the Committee till his resignation later on Ms. Preeti Rani, appointed as the Company Secretary of the Company acted as Secretary to the Committee. Consequent upon resignation of Ms. Preeti Rani, Mr. Mohnish Dutta Company Secretary is presently serving as secretary to the committee.

B. NOMINATION AND REMUNERATION COMMITTEE (erstwhile Remuneration Committee)

The Nomination and Remuneration Committee of the Company (erstwhile Remuneration Committee) is constituted to identify persons who are qualified to become directors and who may be appointed in senior management and to formulate the criteria for determining qualifications, positive attributes recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and to carry out evaluation of every director's performance and to lay the matters as enumerated under Companies Act, 2013 and Clause 49 of the Listing Agreement.



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Composition

The Nomination and Remuneration Committee (erstwhile Remuneration Committee) of the Company consists of three Independent Directors:

Name of Members	Status	Category of Directorship
Mr. Sarabjit Singh Saini	Chairman	Non Executive, Independent
Mr. Harindera Pal Singh	Member	Non Executive, Independent
Dr. Avadhesh Kumar Khare	Member	Non Executive, Independent

The Board at their Meeting held on 09.08.2014 changed the composition of Nomination and Remuneration Committee as under:

Name of Members	Status	Category of Directorship
Mr. Rasik Makkar	Chairman	Non Executive, Independent
Mr. Sarabjit Singh Saini	Member	Non Executive, Independent
Brig. S.V.S. Chowdhry	Member	Non Executive, Independent

The Remuneration/sitting fees paid to Directors of your Company during the year 2013-14 is given hereunder:

Name of the Director	Category of Directorship	Remuneration including Incentives etc. (in ₹.)	Sitting Fees (in ₹.)
Brig. Surendra Vir Singh Chowdhry	Non- Executive Independent, Chairman	Nil	4000
Dr. Naveen Gupta	Managing Director	18,00,000	Nil
Mr. Ramesh Lal Gupta	Non Executive	Nil	Nil
Mr. Kailash Nath	Non Executive and Independent	Nil	4750
Mr. Sarabjit Singh Saini	Non Executive and Independent	Nil	Nil
Dr. Avadhesh Kumar Khare	Non Executive and Independent	Nil	2250
Mr. Rasik Makkar	Non Executive and Independent	Nil	3750
Mr. Jaideep Kumar Bhola	Non Executive and Independent	Nil	3000
Mr. Harindera Pal Singh	Non Executive and Independent	Nil	Nil
Mr. Girish Narang	Non Executive and Independent	Nil	750

Criteria for making the payment of the Company

- The Remuneration Committee of the Company recommends the salary payable to the executive Directors.
- The Remuneration paid to the Executive Directors are determined keeping in view the Industry Benchmarks, experience of the Directors and their contribution earlier.
- The remuneration is then fixed by Board of Directors and if required Shareholder's Approval then it is place in General Meeting.



- iv. The Payment to Non Executive Directors is made in the form of sitting fee for attending the Board Meeting as well as meeting of the Committee. The sitting fee for attending the meeting of Board of Directors is ₹. 750/- per Board Meeting and ₹. 250/- for Committee.

C. STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee (erstwhile Shareholders Grievance Committee) was constituted to ensure that all commitment to share holders and investors are met and thus strengthen their relationship with the Company. The composition of the Stakeholders Relationship Committee is as below:

Name of Members	Status	Category of Directorship
Mr. Harindera Pal Singh	Chairman	Non Executive, Independent
Dr. Avadhesh Kumar Khare	Member	Non Executive, Independent
Mr. Sarabjit Singh Saini	Member	Non Executive, Independent

The Board at their Meeting held on 09.08.2014 changed the composition of Stakeholder Committee as under:

Name of Members	Status	Category of Directorship
Brig. S.V.S. Chowdhry	Chairman	Non Executive, Independent
Kailash Nath	Member	Non Executive, Independent
Sarbjit Singh Saini	Member	Non Executive, Independent

The Board terms of reference includes the following:

- Redressal of shareholders and investors complaints including but not limited to transfer of shares and issue of duplicate certificates, non receipt of Balance Sheet, non Receipt of Declared Dividends, etc. and
- monitoring transfer, transmissions, dematerialisation, Rematerialisation, splitting and consolidation and consolidation of shares issued by Company, and other matters as envisaged by the Companies Act, 2013 and Listing Agreement.

Legal Proceedings

Under agreement with Govt. of NCT of Delhi, IEC Education Ltd. implemented three computer education project In year 2000 and were subsequently completed but due to some difference of opinions that arose subsequently with regard to due payment this matter is Sub - Judice before the Hon'ble Arbitrator.

Shareholders holding more than 1% of the shares

The details of shareholders (Non - promoter) holding more than 1% of the equity as on March 31, 2014 are as follows:

Name of Shareholders	As at March 31, 2014		As on March 31, 2013	
	No. of Shares	% of Total	No. of Shares	% of Total
Evergreen Business Consortium Pvt Ltd.	930000	6.09	930000	6.09
Pardeep Kumar	791794	5.19		
Prem Khanna	580000	3.80	580000	3.80
Rajesh Patney	201891	1.32	201891	1.32
Sakshi Sharma	165000	1.08	165000	1.08
Religare Finvest Ltd.	223950	1.47	223950	1.47
Rajender Prasad Bhushan	-	-	695265	4.56
Vikram Badhwar	-	-	470000	3.08
Total	2892635	18.96	3266106	21.40



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Designated email address for investor services

In terms of Clause 47(f) of the Listing Agreement, the designated email address for investor complaints is cs@iecgroupp.in.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Shrey Rustagi acted as Company Secretary and Compliance Officer of the Company till his resignation, there after Ms. Preeti Rani was appointed as Company Secretary post her resignation Mr. Mohnish Dutta, member of ICSI is appointed as Company Secretary and Compliance officer of the Company and is responsible for complying with requirement of Listing Agreement with Stock Exchanges and various compliance towards shareholders.

The Compliance officer can be contacted at:

IEC Education Limited

5, Sant Nagar, East of Kailash,
New Delhi-110065

Tel: +91-11-26231339

Fax: +91-11-26231340

Email: cs@iecgroupp.in

Status on Complaints during the year 2013-14

PARTICULARS	COMPALINTSRECEIVED	COMPLAINTSREDRESSED	PENDING COMPLAINTS
COMPLANTS	NIL	NIL	NIL

The Board at its Meeting held on 09.08.2014 changed the composition of Stakeholder Relationship Committee as follows:

NAME OF DIRECTORS	CATEGORY OF DIRECTORSHIP
BRIG. SURENDER VIR SINGH CHOWDHRY	NON EXECUTIVE, INDEPENDENT
KAILASH NATH	NON EXECUTIVE INDEPENDENT
SARABJIT SINGH SAINI	NON EXECUTIVE, INDEPENDENT

D.GENERAL BODY MEETING

a.The details in respect of Last three Annual General Meetings are furnished below:

YEAR	DATE OF AGM	VENUE	TIME
2010-11	29-Sep-11	Sri Satya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110003	10:00 AM
2011-12	24-Sep-12	Sri Satya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110003	10:00 AM
2012-13	23-Sep-13	Sri Satya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110003	2:00 PM



Following resolutions passed by Shareholders during last three Annual General Meetings:

AGM 2011: none of the resolution was passed as Special Resolution at 17th AGM of the Company held on September 29th, 2011.

AGM 2012: In the Annual General Meeting of the Company held on Friday, September 24, 2012, at Sri Sathya Sai International Centre, Lodhi Road, New Delhi at 10.00 A.M.

“RESOLVED THAT pursuant to sections 198, 269, 309, 310, 311 read with Schedule XIII and other enabling provisions of Companies’ Act, 1956 and all guidelines for managerial remuneration issued by the Central Government from time to time and such other consent and approval as may be required, consent of the members be and is hereby accorded for fixing the remuneration of Dr. Naveen Gupta, Managing Director of the Company, effective 1st July, 2011 till the remaining period of this tenure with the liberty to the Board of Directors and remuneration Committee to alter and vary the terms and conditions within the limits of Schedule XIII and the other terms and conditions as set out in the Explanatory Statement annexed hereto”

“RESOLVED FURTHER THAT if the Company has no profit or inadequate profit, the remuneration as set out in the Explanatory Statement annexed hereto shall also be the minimum remuneration payable to Dr. Naveen Gupta pursuant to Section 198 and 309 and any other applicable provisions of Companies’ Act, 1956”

AGM 2013: In the Annual General Meeting of the Company held on Monday, September 23, 2013, at Sri Sathya Sai International Centre, Lodhi Road, New Delhi at 02.00 P.M.

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311, 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals as may be necessary, the members of the Company do hereby approve the re-appointment of Dr. Naveen Gupta as Managing Director of the Company for a further period of 5 years w.e.f. 27th June 2013 to 26th June 2018 and shall not be liable to retire by rotation, upon terms and conditions including remuneration as set out by the Board of Directors, the Board of Directors shall also have the power to alter and vary the terms and conditions of said appointment so as not to exceed the limit specified in schedule XIII to the Companies Act, 1956 or any amendments thereto.

“RESOLVED FURTHER THAT in his new tenure remuneration has been kept unchanged as per Company’s policies and as approved by Remuneration Committee within the meaning of Schedule XIII, Part II Section II (A) of the Companies Act, 1956 notwithstanding the fact that the Company has no profits or inadequate profits in any financial year and/or any increments over the aforesaid remuneration as may be granted to him during his tenure provided that such remuneration or incremental remuneration shall be within the ceilings stipulated in Schedule XIII of the Companies Act, 1956.

“RESOLVED FURTHER THAT Directors of the Company including Company Secretary of the Company be and are hereby severally authorized on behalf of the Company to do all such acts, deeds, matters, things as are considered necessary and expedient to give effect to this resolution including issuing notices to the members of the Company and filing necessary forms with the Office of Registrar of Companies.”

b. Resolution passed through Postal Ballot and E-Voting

No resolution was passed through postal ballot in financial year 2010-11, 2011-12, 2012-13.

No resolution(s) is proposed to be passed through Postal Ballot at the ensuing Annual General Meeting.

The company has provided the facility to the shareholders to pass resolutions mentioned in the Notice through Electronic means.

E. DISCLOSURES

Related Party Transactions

The company has not entered into any transaction of material nature with Promoters Directors or the Management, their subsidiaries or relatives or associated that may have potential conflicts with interest of the company at large. Relevant Disclosures have been made as per AS-18 under Schedules / Notes as annexed to the Balance Sheet.



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Your Company has neither been penalized, nor have any strictures been imposed by Stock Exchanges, SEBI or any other Statutory Authority during the period of last three years on any matter related to Capital Market.

Whistle Blower Policy

The Audit Committee has adopted a Whistle-Blower Policy which provides a formal mechanism for all employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Company affirms that no employee of the Company has been denied access to the Audit Committee.

Disclosure of Accounting Treatment

The company follows accounting standard notified by Ministry of corporate Affairs under Accounting Standard Rules, 2006 in preparation of Financial statement. The company has not adopted a treatment different from that prescribed in any Accounting Standards.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of this Annual Report.

Mandatory Clauses of Clause 49

- The Company has duly complied with Mandatory Clauses of Clause 49 of Listing Agreement from time to time.

The company has not accepted any Public Deposits under Section 58A and 58AA of the Companies Act 1956.

The company is prompt in making Payment of statutory dues to various statutory authorities, other than in exceptional and unforeseen financial circumstances and as reported by Auditor.

F. MEANS OF COMMUNICATION

The Quarterly Un-Audited and Audited Annual Results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement wherein the shares of your Company are listed and are generally published in Prominent Newspapers viz. Financial Express (English Daily) and Jansatta (Vernacular Newspaper) and are also posted on the website of the company www.iecgroup.in.

The Annual Report, Quarterly Results, Shareholding Pattern, Intimation of the Board Meeting and Issuance of shares and other required details of the Company are posted on companies' website. www.iecgroup.in

G. GENERAL INFORMATION FOR MEMBERS

ANNUAL GENERAL MEETING

Day, Date, Time	Monday, September 22, 2014 at 10.00 A.M.
Venue	Sri Satya Sai International Centre, Lodhi Road, New Delhi
Financial Year	2013-14
Date of Book closure	September 13, 2014 to September 22, 2014 (both days inclusive)



Other Information about the company :

Stock Exchange Listing	The Bombay Stock Exchange Limited, Mumbai (BSE) The Delhi Stock Exchange Limited, Delhi (DSE) The Jaipur Stock Exchange Limited, Jaipur (JSE)
Stock Code	The Stock Exchange, Mumbai - 531840 The Delhi Stock Exchange, Delhi – 8254 The Jaipur Stock Exchange Ltd. – 881
ISIN	INE 172B01017
CIN	L74899DL1994PLC061053
Total shares held in Demat Form as on March 31, 2014	14300048
Total share held in Physical mode as on March 31, 2014	959952

General information about the company:

- 1. Name of the company :** IEC education Limited
- 2. Registered address :** 5, Sant Nagar, East of Kailash, New Delhi - 110065
- 3. Website :** www.iecgroup.in
- 4. E-mail ID :** cs@iecgroup.in
- 5. Financial Year reported :** April 1, 2013 to March 31, 2014
- 6. Paid up capital :** 1,52,60000 Shares
- 7. Authorized Capital :** 2,10,00,000 Shares

SHARE TRANSFER SYSTEM

The Transfer of the shares in the Demat form is done as per guidelines of SEBI, Stock Exchanges and Depositories Act, 1996. For transfer of shares in physical form, the Share Certificates sent for transfer by the transferee or transferor or their agent is received by the Registrar M/s Alankit Assignments Ltd. To look into the matter of share transfers, the Board has delegated the power to Mr. Sandeep Kumar-Manager Administration to attend and to look into the share transfer matters every fortnight. RTA readily submit with company any shareholder query received and quarterly update the status via letter to company same is placed before their approval / comments. Online complaints through SCORES are available to both company as well as RTA and company is committed to resolve them immediately.

The Company obtains from a Company Secretary in practice Half-Yearly Certificate of Compliance with the Share Transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate Stock exchanges.

CODE OF CONDUCT

The IEC Code of Conduct is applicable to Directors and employees of the company, which is available on the Company's website. All the Board members and senior management of the Company as on March 31, 2014 have affirmed compliance with their respective Codes of Conduct. The Code of Conduct is available on the Company's website: <http://iecgroup.in/codeofconduct.html>. A declaration signed by the Chief Executive Officer (CEO) to this effect is annexed to this report.



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CEO AND CFO CERTIFICATION

In terms of Clause 49 (V) of the Listing Agreement Certificate issued by Chief Executive Officer and Chief Financial Officer confirming that the financial statement presents the true and fair view of the Company's affairs and are in compliance with existing accounting standards, internal control and disclosures, is annexed to this report.

STOCK MOVEMENT

MONTHLY HIGH AND LOW DURING 2013-14

MONTH	OPEN PRICE	HIGH PRICE	LOW PRICE	CLOSE PRICE	NO. OF SHARES	NO. OF TRADES	TOTAL TURNOVER	SPREAD	
								H-L	C-O
Apr-13	-	-	-	-	-	-	-	-	-
May-13	-	-	-	-	-	-	-	-	-
Jun-13	4	4	4	4	100	1	400	0	0
Jul-13	4	4	3.81	3.81	501	2	2003	0.19	-0.19
Aug-13	3.62	3.78	3.08	3.08	2495	19	8577	0.7	-0.54
Sep-13	3	3	2.28	2.5	5996	25	15935	0.72	-0.5
Oct-13	2.39	2.42	2.2	2.42	3982	13	9336	0.22	0.03
Nov-13	2.3	2.3	1.91	2	1500	10	3051	0.39	-0.3
Dec-13	2	2.2	2	2.2	2324	6	5035	0.2	0.2
Jan-14	2.31	4.27	2.31	4.27	9216	38	28961	1.96	1.96
Feb-14	4.35	5.4	4.35	5.4	8027	34	39571	1.05	1.05
Mar-14	5.3	5.3	4.85	4.85	7056	29	34909	0.45	-0.45

(SOURCE: BSE)

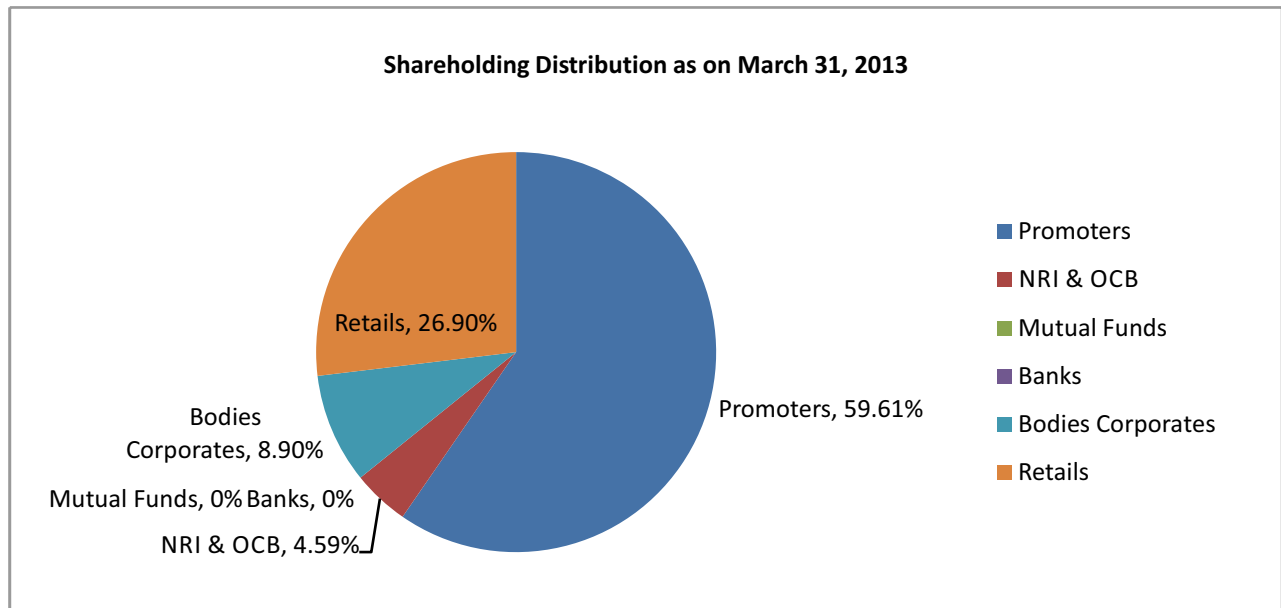
CATEGORYWISE DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2014

PARTICULARS	2012-13		2013-14	
	NO. OF SHARES AS ON MARCH 31, 2013	% OF SHARES AS ON MARCH 31, 2013	NO. OF SHARES AS ON MARCH 31, 2014	% OF SHARES AS ON MARCH 31, 2014
PROMOTERS	9095828	59.61	9565828	62.69
NRI & OCB	700275	4.59	703376	4.61
MUTUAL FUNDS	NIL	NIL	NIL	NIL
BANKS	100	0.00	100	0.00
BODIES CORPORATE	1357840	8.9	1337005	8.76
RETAILS	4105957	26.90	3653691	23.94



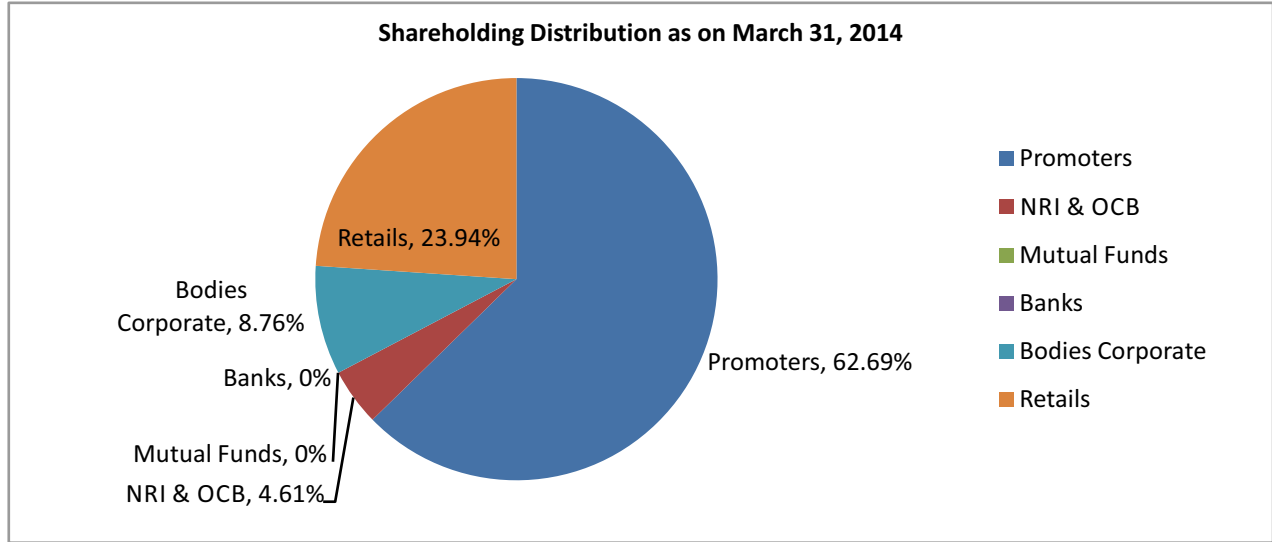
SHAREHOLDING DISTRIBUTION AS ON MARCH 31, 2014

SHAREHOLDING		SHAREHOLDERS		SHAREHOLDING	
RS.	NUMBER	% TO TOTAL	NUMBER	% TO TOTAL	
UPTO 5000	4644	87.94	6851450	4.49	
5001-10000	348	6.59%	2852810	1.87	
10001 - 20000	134	2.54%	2046010	1.35	
20001 - 30000	49	0.92%	1214210	0.80	
30001 - 40000	24	0.45	861300	0.56	
40001 - 50000	17	0.32	786720	0.51	
50001 - 100000	23	0.44	1798200	1.17	
100001 AND ABOVE	42	0.80	136189300	89.25	
TOTAL	5281	100%	15260000	100%	





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For and on behalf of Board of Directors
Sd/-
Brig S.V.S. Chowdhry
Chairman
(00097256)



Annexure to Corporate Governance Report

Declaration regarding affirmation of Code of Conduct

In terms of the requirements of amended clause 49 of the Listing Agreement, this is to confirm that all the members of the Board and the Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended 31 March 2014.

Place : Delhi

Date : 30 May, 2014

S/d

Naveen Gupta

Managing Director

(00097128)



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Certificate by Chief Executive Officer and Chief Financial Officer on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To,
The Board of Directors,
IEC Education Limited,
5, Sant Nagar, East of Kailash
New Delhi – 110065

We hereby certify that for the financial year 2013-14:

1. We have reviewed the financial statements and the cash flow statement and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain Statements that might be misleading
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2013-14 which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, if any, of which we are aware, in the design or operation of the internal control systems and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - Significant changes, if any, in internal control over financial reporting during this year;
 - Significant changes, if any, in accounting policies during this year 2013-14 and that the same have been disclosed in notes to the Financial Statements; and
 - Instances of significant fraud of which we are aware and involvement therein, if any, of the management or employee having a significant role in the Company's internal control system over financial reporting.

Date: 09.08.2014
Place: New Delhi

S/d
Dr. Naveen Gupta
Managing Director and
Chief Executive Officer
(00097128)

S/d
Mr. Ashutosh Jha
Chief Financial Officer



Auditors Certificate on Corporate Governance

To
The Member of IEC Education Ltd.

We have examined the compliance of conditions of Corporate Governance by IEC Education Ltd. ("the Company") for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreements of the Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of 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 management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

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

For Nath & Hari
Chartered Accountants
(Firm Registration No.007403N)

Place : Delhi
Date : 9th August, 2014

(Kailash Hari)
Partner
M.No.- 082285



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Management Discussion and Analysis Report

CAUTIONARY STATEMENT:

Certain statements made in the management discussion and analysis report relating to Company's objectives, Projections, outlooks, expectations, estimates and others may constitute forward looking statements within the meaning of applicable laws & regulations. Actual results may differ from such expectations, projections and son on whether express or implied. However, company has also submitted various risks associated with the business.

INDUSTRY OVERVIEW:

The Indian education sector is one of the largest sunrise sectors contributing to the country's economic and social growth. The Indian education system, considered as one of the largest in the world, is divided into two major segments of core and non-core businesses. While, schools and higher education for the core group, the non-core business consists of pre-schools, vocational training and coaching classes. The education sector in India is evolving, led by the emergence of new niche sectors like vocational training, finishing schools, child-skill enhancement and e-learning. India has emerged as a strong potential market for investments in training and education sector, due to its favorable demographics (young population) and being a services-driven economy.

It is expected that the Indian education sector's market size will increase to ₹. 602,410 crore (US\$ 100.23 billion) by FY 15 from ₹. 341,180 crore (US\$ 56.77 billion) in FY 12, due to the expected strong demand for quality education.

The present Indian higher education system comprises of about 700 universities and over 35,500 colleges. More than 85 per cent of these students are enrolled in bachelor's degree programmes and about one-sixth of all Indian students are enrolled in Engineering/Technology degree programmes.

To increase the percentage of students going for higher education to 30 per cent by 2020, India will need 800 more universities and another 35,000 colleges, according to the Ministry of Human Resource Development (HRD).

The interest of entrepreneurs and private equity players to invest in this sector is generated due to the fact that the sector is not affected much by recession and requires minimal working capital.

Government Initiatives

Union Budget 2014-14 Highlights relating to Education Sector are as follows:

- Sports University to be set up in Manipur; ₹.100 cr provided in current financial year.
- Govt will set up national sports academy for different sports in different parts of India FTII Pune, SRFTI Kolkata to get special status of National Importance.
- Proposal to set up 5 new IIMs and 5 new IITs.
- Proposal 12 more Govt. Medical colleges with Dental Facilities.
- Proposal to set up four more AIIMS; ₹. 500 crore set aside for this. Six new AIIMS started recently have become functional. The four new AIIMS will be in Andhra, West Bengal, Vidarbha and Purvanchal.
- Finance Minister laments apathy towards girl child, announces 'Beti padhao, beti badhao yojana', sets aside ₹. 100 crore for this.
- Proposal to allocate ₹. 100 crore for upgradation of Madrasas.
- Proposal to ease and simplify norms to facilitate education loans for higher studies.
- Pandit Madan Mohan Malviya New Teachers Training Programme worth ₹. 500 crore to be launched.
- Sarva Shiksha Abhiyan worth ₹. 28,635 crore and Rashtriya Madhyamik Shiksha Abhiyan worth ₹. 4,966 crore to be initiated.
- A School Assessment Programme to start up at a cost of ₹. 30 crore.



- Two new institutes for farming and Agro technology to be set up in Assam and Jharkhand.
- Lok Nayak National Centre for Higher Education to be established.
- New research centres to be set up in Assam and Jharkhand.
- ₹. 200 crore allocated to set up Agriculture Universities in various states like Andhra Pradesh and Rajasthan.
- Horticulture Universities to be set up in Haryana and Telangana.
- A programme for the upgradation of skills and training in ancestral arts for development for the minorities called "Up gradation of Traditional Skills in Arts, Resources and Goods" would be launched to preserve the traditional arts and crafts which are rich heritage.
- Two new biotechnology clusters to be established at Bangalore and Faridabad.
- The government proposes ₹. 100 crore for the Young Leader Programme.
- The government has proposed to establish national level institutes for Universal Inclusive Design and Mental Health Rehabilitation and also a Centre for Disability Sports.
- Government to allocate ₹. 500 crore as part of digital India programme to ensure broadband connectivity at village level as well as to ensure transparency in governance.
- Government proposes that the school curriculum must have a separate chapter on gender mainstreaming.
- A national multi-skill programme called Skill India is proposed to be launched. It would skill the youth with an emphasis on employability and entrepreneur skills. It will also provide training and support for traditional professions like welders, carpenters, cobblers, masons, blacksmiths, weavers etc. Convergence of various schemes to attain this objective is also proposed.
- E-visas to be introduced at nine airports of the country.
- Apprenticeship Act will be suitably amended to make it more responsive to industry and youth. MSMEs will also be encouraged to avail the benefits of this scheme.
- Proposal to set up a Hastkala Academy for the preservation, revival and documentation of the handloom/handicraft sector in PPP mode in Delhi. An amount of ₹. 30 crore has been set aside for this purpose.
- Five technical research centres to be strengthened through PPP for nanotechnology.
- National Academy for Customs & Excise to be established at Hindupur, Andhra Pradesh.
- Employment exchanges will be transformed into career centres and information and counselling will also be provided for job availability.

Educational highlights of Union Budget 2013-14:

- ₹. 4,727 crore to be allocated for medical education and research; ₹. 1,650 crore allocated for the purpose of setting up of medical colleges in six more AIIMS-like institutions;
- ₹. 13,215 crore for mid-day meal programme;
- Government committed to reconstruction of Nalanda University" - But no specific funds for the project was announced;
- ₹. 27,250 crore to Sarva Shiksha Abhiyaan.

Road Ahead

The Budget and Government policies aimed to grow the Education Sector as part of shining India though the formal education sector needs to be run as not for profit sector and may only be conducted under registered trust or societies in few avenues Companies registered under section 25 of the erstwhile Companies Act, 1956. However, with the growth of non-formal education sector (sector running education and training programs without providing degrees from any registered university) and increasing bent towards professional Management Services in educational sector the demand for quality educational services intend to grow. The currently drafted Five Year Plan proposes to provide inclusive and qualitative expansion of higher education in India. It also aims to propel the gross enrolment rate across levels; establish new entities; liberalise the sector, that is, allow private universities and foreign players; and take other measures including access enhancement so as to revive and sustain the demand for this sector.



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SWOT

Strengths

- More than 32 years experience in Education sector
- Decades of experience in conducting training programs
- Strong tie-ups in Education space
- Handled extreme projects in field of training and Education
- Alliances with institutions of national repute

Weakness

- Restricted access in Formal Education sector due to Regulatory measures
- Lack of pan India presence
- Limited resources

Opportunities

- Rising opportunities in Non- Formal education sector
- Growing trend of corporate training programs in corporate sector
- Rise in personality developments programs by colleges and universities for their students and faculties
- Government initiatives for mandatory contribution by corporates in CSR activities including Education sector
- Increasing Private Participation in Education
- Opening up of new avenues like BOTs and PPPs
- Use of distance education, flexible learning and adoption of new information and communications technologies to increase access

Threats

- Excessive Competition
- Entry of corporate houses
- Entrance of foreign Universities in India
- Shortage of Competent faculties

PERFORMANCE

The company is into providing personality development programs trainings, ICT programs and also holds collaborations with education groups to provide services. The total revenue from operations stood at ₹. 345.54 Lacs, last year it was ₹. 446.27 Lacs down by around 22%, intense competition and entry of new entrants into this sector, completion of few projects attributed to this fall of revenue. Personality Development Program (PDP) remains the major revenue generator with its contribution of ₹. 343.74 Lacs last year it stood at ₹. 438.40 Lacs down by 21%, downsize of demand by the client colleges / universities in PDP majorly contributed to this fall. The Company has several niche Colleges of Northern India as its Clients to whom company provides PDP services. In past IEC as part of its business activities has been involved in providing IT consultancy to various Government departments and business houses. Training and Education income of the Company stood at ₹.1.00 Lacs as compared to ₹.4.90 lacs in the last fiscal. Training and Education Segment constitutes 0.30% of total revenue generated compared to 1.10% during last fiscal. Completion of various (information and communications technology) ICT programs is the reason for fall in the revenues of this segment. The Company is in the process of procuring new ICT projects and programs issued by Government time to time. IT Franchise segment has contributed ₹.0.34 Lacs as compared to ₹.1.83 Lacs in the previous year.

Forward looking management of the company is looking to increase the PDP business participation by controlling cost and build it more competitive in the market. To seek opportunities in new avenues in non-formal education and training sectors, to bag more contracts for providing Management Services in education sector, the management is also committed to revive the ICT business space of the company.



EXPENDITURE

Due to rising cost and of personnel and other charges the cost has increased during the period under review in comparison to the revenue generated. Total expenses of the Company were ₹.448.73 Lacs as compared to ₹.412.13 lacs in the previous year. PDP expenses the major revenue generator contributes largest share of expenses with ₹.129.89 lacs last year it was ₹. 115.63Lacs, increased by 7.57% rising cost of training professionals lead the increase in cost. Course education charges were ₹. 2.79Lacs in comparison to ₹.4.08 Lacs last year. ₹. 1.93 Lacs contributes to other Training and Education charges. Employee Benefit expenses were ₹.63.91 Lacs last year they were ₹.64.18 Lacs.

Depreciation on the assests of the company was ₹.58.96 Lacs, last year it was ₹.62.84 Lacs.

FIXED ASSETS

The fixed Assets of the Company stood at ₹.370.82 Lacs for the fiscal Year under consideration, last year it was ₹.704.15 Lacs. Company during the period under review sold one of the assets, a Building at profit.

Personnel Assets

Company always has an encouraging work environment that leads to higher caliber and encouragement among employees, contribute to the overall growth and performance of the personnel while adhering to the highest degree of quality and integrity. Company believes that even a pin of an organization matter that is every employee irrelevant the place he holds is a contribution in the growth of the company.

Internal Control System

Your Company has a proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and applicable statutes, codes of conduct and corporate policies are duly complied with. The Internal Audit Department reviews the adequacy and efficacy of the key internal controls. The scope of the audit activity is guided by the annual audit plan, which is approved by the Audit Committee of the Board.

For and on behalf of Board of Directors

Sd/-
Brig. S.V.S. Chowdhry
(Chairman)
(00097256)



ANNUAL REPORT 13-14

Independent Auditor's Report

To The Members of
IEC Education Limited

Report on the Financial Statements

We have audited the accompanying financial statement of IEC Education Ltd ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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 flow of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. 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 the 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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.

Basis for qualified opinion

Attention is invited to:

- (I) Note No: 2.8 of financial statements relating to non registration of title deeds in respect of one building premises, (Net book value as at year end ₹. 51.92 lacs, Previous year ₹.53.15 lacs)
- (ii) Note No.: 2.22 at serial no.2 of financial statements relating to adjustments of entries arising out of confirmation/reconciliation of the accounts of parties and banks;
- (iii) Note No.2.22 at serial no.5 of financial statements relating to non provision of trade receivables and long term loans and advances considered doubtful amounting to ₹.128.85 lacs and ₹.28.03 lacs respectively;



Qualified opinion:

In our opinion and to the best of our information and according to the explanation given to us, except for possible effects of the matter described in the basis for qualified opinion, the financial statement 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 31st March, 2014.
- (b) In the case of the Statement of profit and Loss, of the Profit of the Company for the year ended on that date and
- (c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of profit and Loss and the Cash flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Statement of profit and Loss and the Cash Flow statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs).
 - (e) On the basis of written representations received from the Directors as on 31st March, 2014 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274 (1)(g) of the Act.

Place : Delhi

Date:- 30th May, 2014

For NATH & HARI
Chartered Accountants
FR No: 007403N

(Kailash Hari)
M.No:- 082285
Partner



Annexure to The Independent Auditor's Report to The Members of IEC Education Limited

(Referred to in paragraph I under 'Report on Other legal and Regulatory Requirements' section of our report of even date)

- I. Having regard to the nature of the Company's business, clauses (ii),(xiii),(xiv),(xix) and (xx) of the paragraph 4 of CARO are not applicable.
- II. In respect of its fixed assets:
 - a) The Company has maintained fixed assets register. However in some cases item wise depreciation, location or quantity were not maintained in the fixed asset register.
 - b) The management has not carried out a physical verification of all the fixed assets but there is a regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its assets. To the best of our knowledge, no material discrepancies were noticed in respect of assets verified during the year.
 - c) During the year, the Company has not disposed off substantial part of its fixed assets.
- III.
 - a) The Company has not granted any loan, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act,1956. Accordingly Clause (iii)(b) to (iii) (d) of the order are not applicable.
 - b) The company has not taken any loan, secured or unsecured, from companies, firms, or other parties covered in the register maintained under section 301 of Companies Act,1956. Accordingly Clause (iii)(f) and (iii) (g) of the order are not applicable.
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and nature of its business with regards to purchase of components, plant and machinery, equipments and similar assets and also for sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system in respect of these areas.
- V.
 - a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act have been entered in the register required to be maintained under that Section.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevalent market prices at the relevant time other than transactions of special nature for which competitive quotations are not available. However on the basis of information and explanations provided, the same appear reasonable.
- VI. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provision of section 58A and 58 AA of the Companies Act, 1956 and the rules framed hereunder, are not applicable to the Company.
- VII. In our opinion, the Company's present internal audit system is commensurate with the size and nature of its business.
- VIII. Since the Company is not a manufacturing, mining or processing industry, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.
- IX. According to the information and explanation given to us and the records of the Company examined by us, in our opinion the Company has been generally regular in depositing undisputed statutory dues including Provident fund, Investor education and protection fund, Employees state insurance, Income tax, Sales tax, Service tax, Wealth tax, Custom duty, Excise duty and Cess and



any other statutory dues applicable to it, with the appropriate authorities and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable except Income tax of ₹.12.04 lacs and TDS of ₹.5.91 lacs. There are no dues of any aforesaid nature outstanding that have not been deposited on account of any disputes.

- X. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- XI. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions or bank during the year. The Company did not have any outstanding dues to any debenture holders during the year.
- XII. According to the information and explanation given to us and based on the documents and records produced 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.
- XIII. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions during the year.
- XIV. According to the information and explanation given to us, no term loan has been raised during the year.
- XV. According to information and explanation given to us and on an overall examination of Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long-term investment and no long term funds have been prima facie used to finance short term assets.
- XVI. The Company has not made during the year any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- XVII. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Delhi

Date:- 30th May, 2014

For NATH & HARI
Chartered Accountants
FR No: 007403N

(Kailash Hari)
M.No:- 082285
Partner



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IEC EDUCATION LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

(₹. in Lacs)

Sl. No.	Particulars	Note No.	As at 31st March, 2014		As at 31st March, 2013	
I	<u>EQUITY AND LIABILITIES</u>					
1	Shareholders' funds					
	(a) Share capital	2.1	1,526.00		1,526.00	
	(b) Reserves and surplus	2.2	1,946.15	3,472.15	1,927.12	3,453.12
2	Non-current liabilities					
	(a) Long term borrowings	2.3		-		18.85
	(c) Long-term provisions			-		-
3	Current liabilities					
	(a) Short term borrowings	2.4	170.60		170.60	
	(b) Trade payables	2.5	76.06		16.85	
	(c) Other current liabilities	2.6	81.09		334.18	
	(d) Short term provisions	2.7	7.31	335.06	6.73	528.36
	Total			3,807.21		4,000.33
II	<u>ASSETS</u>					
1	<u>Non-current assets</u>					
	(a) Fixed assets					
	Tangible assets	2.8	370.82		704.15	
	(b) Non-current investments	2.9	76.00		76.00	
	(c) Deferred tax assets (net)	2.10	24.18		20.74	
	(d) Long-term loans & advances	2.11	2,470.57		2,169.79	
	(e) Other non-current assets		-	2,941.57	-	2,970.68
2	<u>Current assets</u>					
	(a) Trade receivables	2.12	744.65		693.33	
	(b) Cash & bank balances	2.13	120.99		173.29	
	(c) Short-term loans & advances	2.14	-		163.03	
	(d) Other current assets		-	865.64	-	1,029.65
	Total			3,807.21		4,000.33
	Significant accounting policies	1				
	Notes to accounts	2				
	The notes are an integral part of the financial statements					

In terms of our report attached

For Nath & Hari
Chartered Accountants
F.R.No.007403N

(Kailash Hari)
M.No.082285
Partner

Place:- Delhi
Date:- 30th May, 2014

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For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman) (00097256)
Naveen Gupta (Managing Director) (00097128)
R.L Gupta (Director) (00097185)
Kailash Nath (Director) (01409788)
Girish Narang (Add. Director) (00001100)
Rasik Makkar (Director) (00104285)
Sarabjit S. Saini (Director) (00104558)
J.K. Bhola (Director) (02191970)
Mohnish Dutta (Company Secretary)
Ashutosh Kumar Jha (Chief Finance Officer)



IEC EDUCATION LIMITED

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31/03/2014

(₹. in Lacs)

Sl. No.	Particulars	Note No.	Year ended		
			31st March, 2014	31st March, 2013	
I	Revenue from operations	2.15		345.54	446.27
II	Other Income	2.16		126.39	6.62
	Total Revenue			471.93	452.89
III	Expenses :				
(a)	Training & education expenses	2.17		134.61	125.14
(b)	Employee benefits expenses	2.18		63.91	64.18
(c)	Other expenses	2.19		185.26	144.30
(d)	Finance costs	2.20		5.99	15.67
(e)	Depreciation and amortisation expenses	2.21		58.96	62.84
	Total Expenses			448.73	412.13
	Profit before exceptional and extraordinary items and tax (III-IV)			23.20	40.76
IV	Exceptional items			-	-
V	Profit before extraordinary items tax (V-VI)			23.20	40.76
VI	Extraordinary items			-	-
VII	Profit before tax (VI-VII)			23.20	40.76
VIII	Tax expense :				
IX	a Current tax		(10.62)	(12.38)	
	b Write back of excess provision for tax/income tax refund related to earlier years (net)		3.01	5.57	
	c Deferred tax		3.44	(4.17)	(7.66)
X	Profit for the year			19.03	33.10
XI	Earnings per share				
	a Basic (₹.)			0.10	0.18
	b Diluted (₹.)			0.10	0.18
	Significant accounting policies	1			
	Notes to accounts				
	The notes are an integral part of the financial statements	2			

In terms of our report attached

For Nath & Hari

Chartered Accountants
F.R.No.007403N

(Kailash Hari)

M.No.082285
Partner

Place:- Delhi

Date:- 30th May, 2014

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman) (00097256)
Naveen Gupta (Managing Director) (00097128)
R.L Gupta (Director) (00097185)
Kailash Nath (Director) (01409788)
Girish Narang (Add. Director) (00001100)
Rasik Makkar (Director) (00104285)
Sarabjit S. Saini (Director) (00104558)
J.K. Bhola (Director) (02191970)
Mohnish Dutta (Company Secretary)
Ashutosh Kumar Jha (Chief Finance Officer)



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IEC EDUCATION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before exceptional items and tax		23.20		40.76
Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities				
Depreciation and amortisation expense	58.96		62.84	
Miscellaneous Expenditure written off	0.00		0.00	
(Profit) / Loss on sale of fixed assets	(125.64)		3.53	
Finance Cost	5.99		15.67	
Interest Received	(0.67)		(6.54)	
Provision for income tax of earlier year written back	3.01	(58.35)	5.57	81.07
Operating Profit before working capital changes		(35.15)		121.83
Adjusted for :				
(Increase)/Decrease in Trade and other receivables	(51.32)		(24.78)	
(Increase)/Decrease in loans and advances	(137.75)		(443.38)	
Increase/(Decrease) in Trade payables	59.21		(3.43)	
Increase/ (Decrease) in Other current liabilities	(193.48)		231.36	
Increase / (Decrease) in provision	(3.11)	(326.45)	(4.90)	(245.13)
Cash generated from operation		(361.60)		(123.30)
Income tax paid / Refunds received (Net)		(6.93)		(9.37)
Net Cash (used) in / from Operating Activities		(368.53)		(132.67)
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	0.00		(9.08)	
Sale of fixed assets	400.01		5.75	
Interest received	0.67		6.54	
Investments	0.00		0.00	
Net Cash (used) in / from Investing Activities		400.68		3.21
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds of Long Term and other borrowings	0.00		0.00	
Repayment of Long Term and other borrowings	(78.46)		(78.46)	
Interest Paid	(5.99)		(15.67)	
Net Cash(used)in/ from Financing Activities		(84.45)		(94.13)
Net increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(52.30)		(223.59)
Cash and Cash Equivalents-Opening Balance		173.29		396.88
Cash and Cash Equivalents-Closing Balance		120.99		173.29



1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified under the Companies (Accounting Standards) Rules, 2006.
2. Cash and cash equivalents include ₹.2.24 Lacs (Previous year ₹.2.15 lacs) on account of fixed deposit earmarked and pledged which are not available for use in the Company.
3. Cash and cash equivalents as at the balance sheet date consists of:

(₹. in Lacs)

Particulars		As at 31st March, 2014	As at 31st March, 2013
a)	Balance with bank on current account	98.80	3.96
b)	Cheques on hand	0.00	99.69
c)	Cash on hand	19.95	67.49
d)	Fixed Deposit (earmarked and pledged)	2.24	2.15
Total		120.99	173.29

4. Figure in brackets represent cash out flow from respective activities.
5. As breakup of Cash and cash equivalents is also available in Note No.2.13 reconciliation of items of Cash and cash equivalents as per Cash Flow Statement with the equivalents items reported in the Balance Sheet is not required and hence not provided.
6. Previous year figures have been regrouped/recasted wherever necessary.

In terms of our report attached

For Nath & Hari

Chartered Accountants
F.R.No.007403N

(Kailash Hari)

M.No.082285
Partner

Place:- Delhi

Date:- 30th May, 2014

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman) (00097256)
Naveen Gupta (Managing Director) (00097128)
R.L Gupta (Director) (00097185)
Kailash Nath (Director) (01409788)
Girish Narang (Add. Director) (00001100)
Rasik Makkar (Director) (00104285)
Sarabjit S. Saini (Director) (00104558)
J.K. Bhola (Director) (02191970)
Mohnish Dutta (Company Secretary)
Ashutosh Kumar Jha (Chief Finance Officer)



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Company Overview

IEC Education Limited (the “Company”) was incorporated on 23rd August, 1994 in India as a public limited Company. The Company made an initial public offer in March, 1996. As at 31st March, 2014 the Company is listed on Three Stock exchanges in India namely Bombay Stock Exchange, Delhi Stock Exchange and Jaipur Stock Exchange. The Company has three Subsidiaries located in India. The Company’s business consists of Computer education, Franchisee business & Personality development programme.

1. Significant Accounting Policies

1.1) Basis of preparation:

The financial statements are prepared under the historical cost convention on the accrual basis, in accordance with the Indian Generally Accepted Accounting Principles (“GAAP”) and mandatory accounting standards as prescribed in the Companies (Accounting Standard) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (“SEBI”)

1.2) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the Financial Statements. Although these estimates are based on the management’s best knowledge of current events and actions, the actual outcome may be different from the estimates. Difference between actual results and estimates are recognized in the period in which results are known or materialise.

1.3) Fixed assets:

- 1) Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost of acquisition or construction is inclusive of freight, duties, taxes and incidental expenses related to such acquisition or construction.
- 2) Intangible fixed assets are stated at cost less amortization.

1.4) Depreciation and Amortization

- 1) Depreciation on tangible fixed assets is provided on the straight-line method at the rates and in the manner laid down in schedule XIV to the Companies Act, 1956.
- 2) Depreciation has been provided on pro-rata basis in respect of addition to/deletion from the intangible fixed assets with reference to the date of addition/deletion of the assets.
- 3) Goodwill arising on acquisition of business unit is amortized over a period of ten years.
- 4) Leasehold land in the nature of perpetual lease is not amortized.

1.5) Investments:

Investments are classified into long term and current investments based on the intent of management at the time of acquisition. Long-term investments are stated at cost of acquisition and related expenses. Provision is made to recognize a decline, other than temporary, in the value of long term investments on an individual basis.

Current investments are carried at the lower of cost and net realizable value.

1.6) Employee Benefits:

Short term employee benefits are recognized as an expense at the undiscounted amount. in the Statement of Profit & Loss Account of the year in which the relative service is rendered.

Provision for gratuity is made, in the books of account as per the provisions of Payment of Gratuity Act, 1972 on the assumption that all the employees are entitled to gratuity at the end of the accounting year. Provision for leave encashment is provided for at the end of financial year on the basis of last month drawn salary of the employees.

1.7) Revenue Recognition:

The revenue in respect of sale of courseware is recognized on delivery of materials. The revenue from training and education activity is recognized over the period of the course program. Revenue in respect of other consultancy receipts is recognized upon rendering of the service. All other income are accounted for on accrual basis. Claims including insurance claims are accounted for on the acceptance and determination of the amounts recoverable by the concerned authorities.



1.8) Dividend:

Dividend proposed, if any, by the Board of Directors as appropriation of profit is provided for in the books of account pending approval of the shareholders at the annual general meeting.

1.9) Miscellaneous Expenditure:

Preliminary, share issue and deferred revenue expenditure are being written off over a period of five years from the date of commencement of commercial operation.

1.10) Taxes on Income:

The expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The impact of current year timing differences between taxable income and accounting income for the year is recognized as a deferred tax asset or deferred tax liability. The tax effect is calculated on accumulated timing differences at the end of accounting year, based on effective tax rate substantively enacted by the balance date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future; however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

1.11) Borrowing Cost:

Financing costs relating to borrowed funds attributable to construction or acquisition of qualifying assets for the period up to the completion of construction or acquisition of such assets are included in the costs of the assets. Other financing costs are recognized as an expense in the period in which they are incurred.

1.12) Leases:

Lease arrangements where the risk and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Payments under operating lease are recognized in statement of profit & loss account on an accrual basis over the lease term. Assets lease out under operating leases are Capitalised. Rental income is recognized on accrual basis over the lease term.

1.13) Impairment of Assets:

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

1.14) Provision and Contingencies :

The Company recognized a provision when there is a present obligation as results of a past event and it is probable that it would involve an outflow of resources and a reliable estimate can be made of the amount of such obligation. Such provisions are not discounted to their present value and are determined based on the management's estimation of the obligation required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect management's current estimates.

A disclosure for a contingent liability is made where it is more likely than not that a present obligation or possible obligation may result in or involve an outflow of resources. When no present or possible obligation exists and the possibility of an outflow of resources is remote, no disclosure is made.

Contingent assets are not recognised in the financial statements.

1.15) Operating cycle :

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



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IEC EDUCATION LIMITED

Notes forming part of the Financial Statements

2. Notes to accounts

Note 2.1: Share capital

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised: Equity shares of ₹.10/- each	21000000	2,100.00	21000000	2,100.00
(b) Issued, subscribed and fully paid up: Equity shares of ₹.10/- each	15260000	1,526.00	15260000	1,526.00
		1,526.00		1,526.00

- (c) There is no change in the number of shares outstanding at the beginning and at the end of the period.
- (d) The company does not have any holding company.
- (e) The company has only one class of equity shares having par value of ₹.10/- per share. Each holder of equity shares is entitled to one vote per shares. In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (f) The details of shareholders holding more than 5% of the equity shares in the Company :

(₹. in Lacs)

Name of the shareholders	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares held	% of Total paid-up equity share capital	No. of shares held	% of Total paid-up equity share capital
1 Navin Gupta	4285935	28.09	3,815,935	25.01
2 R L Gupta	2255595	14.78	2,255,595	14.78
3 Shalini Gupta	2167835	14.21	2,167,835	14.21
4 Evergreen Business Consortium Pvt.Ltd	930000	6.09	930,000	6.09
5 Pradeep Kumar	791794	5.19	-	-
Total	10,431,159	68.36	9,169,365	60.09

- (g) The company has issued an aggregate of 20,00,000 upto 31/03/2014 (Previous period 50,00,000 upto 31/03/2013) equity shares in the last five years immediately preceding the balance sheet date to the warrant holders upon conversion of sharewarrants into fully paid equity shares of ₹.10/- each.



Note 2.2: Reserves and surplus

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
(a) Capital reserves				
Balance as per last account	60.00		60.00	
Addition during the year	-	60.00	-	60.00
(b) Securities premium account				
Balance as per last account	1,050.12		1,050.12	
Addition during the year	-	1,050.12	-	1,050.12
(c) General reserves				
Balance as per last account	222.34		222.34	
Addition during the year	-	222.34	-	222.34
(d) Surplus in the Statement of Profit and Loss				
Balance as per last account	594.66		561.56	
Profit for the year	19.03	613.69	33.10	594.66
		1,946.15		1,927.12

Note 2.3: Long-term borrowings

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Secured				
Term loan:				
Vehicle Loan from banks	18.85		97.31	
Less - Amount disclosed under other current liabilities (refer note 2.6)	18.85		78.46	
		-		18.85

(a) Nature & Securities :- Term loan from banks is secured by charge by way of hypothecation of vehicles purchased under Vehicle Finance Scheme.

(b) Repayment Terms :-

- 35 monthly instalments of ₹. 1,76,140/- from 15-08-2011
- 35 monthly instalments of ₹. 1,93,980/- from 05-06-2011
- 35 monthly instalments of ₹. 1,93,980/- from 05-06-2011
- 36 monthly instalments of ₹. 1,43,873/- from 15-07-2011

(c) The interest rate for above term loan varies from 10.75% to 13.33%.



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Note 2.4: Short-term borrowing

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
(a) Secured				
Term loan from bank (Refer Note No. C. given below)		2.41		2.41
(b) Unsecured				
Term loan from others		168.19		168.19
		170.60		170.60

c) Short Term Loan from ICICI Bank is secured by hypothecation of Computers. The entire amount has been long overdue

Note 2.5 : Trade payables

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Total outstanding dues of Micro, Small and Medium Enterprises (To the extent identified with available information)		-		-
Total outstanding dues other than Micro, Small and Medium Enterprises		76.06		16.85
		76.06		16.85

Note 2.6 : Other current liabilities

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Current maturities of long term borrowings (Refer note no.2.3)		18.85		78.46
Other payables :-				
1 Statutory dues		27.88		24.19
2 Others		34.36		231.53
		81.09		334.18

Note 2.7 : Short-term provisions

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Provisions for :-				
Employee benefits		3.62		3.72
Income tax (net of tax)		3.69		3.01
		7.31		6.73

Note 2.8: Fixed assets

(₹. in Lacs)

Particulars	Tangible assets						Intangible assets	Grand total
	Land (lease hold)	Building	Plant and equipment	Office equipment	Furniture & fixtures	Vehicle	Goodwill	
Gross block :								
Gross carrying amount as at 01/04/2013	50.01	331.62	104.18	49.05	166.67	327.02	10.00	1038.56
Addition during the year	-	-	-	-	-	-	-	-
Disposals/deductions during the year	50.01	256.12	-	-	-	-	-	306.13
Gross carrying amount as at 31.03.2014	0.00	75.50	104.18	49.05	166.67	327.02	10.00	732.43
Depreciation/amortisation								
Opening accumulated depreciation/amortisation	-	53.44	79.32	27.52	89.68	74.47	10.00	334.41
Depreciation /amortisation for the year	-	1.92	12.53	2.33	10.55	31.64	-	58.97
Disposals/deductions during the year	-	31.78	-	-	-	-	-	31.78
Closing accumulated depreciation/amortisation	-	23.58	91.85	29.85	100.23	106.11	10.00	361.60
Net block as at 31/03/2014	0.00	51.92	12.33	19.20	66.44	220.91	0.00	370.82

Note2.8 : Fixed assets (previous period)

(₹. In Lacs)

Particulars	Tangible assets						Intangible assets	Grand total
	Land (lease hold)	Building	Plant and equipment	Office equipment	Furniture & fixtures	Vehicle	Goodwill	
Gross block :								
Gross carrying amount as at 01/04/2012	50.01	322.54	104.18	49.05	166.67	339.19	10.00	1041.65
Addition during the year	-	9.08	-	-	-	-	-	9.08
Disposals/deductions during the year	-	-	-	-	-	12.17	-	12.17
Gross carrying amount as at 31.03.2013	50.01	331.62	104.18	49.05	166.67	327.02	10.00	1038.56
Depreciation/amortisation								
Opening accumulated depreciation/amortisation	-	48.16	66.79	25.19	79.11	45.21	10.00	274.46
Depreciation /amortisation for the year	-	5.28	12.53	2.33	10.55	32.15	-	62.84
Disposals/deductions during the year	-	-	-	-	-	2.89	-	2.89
Closing accumulated depreciation/amortisation	-	53.44	79.32	27.52	89.66	74.47	10.00	334.41
Net block as at 31/03/2013	50.01	278.18	24.86	21.53	77.01	252.55	0.00	704.15

(a) The Building purchased by the Company at M-92, Connaught Place, New Delhi, from the promoters in the earlier years is yet to be registered in the Company's name.



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Note 2.9 : Non current investments

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	Amount	No. of shares	Amount
Non trade investments				
Unquoted (Valued at cost)				
In equity shares of companies				
Fully paid up:				
Subsidiary companies:				
IEC Leasing & Capital Mgt. Ltd.	250,000	25.00	250,000	25.00
IEC Learning & Mgt. Ltd.	255,000	25.50	255,000	25.50
IEC Education & Infrastructure Ltd.	255,000	25.50	255,000	25.50
OTHERS				
IEC infotech sdn.bhd.				
Shares of Malaysian ringetts one each (Rupees value 12.45/- per Ringett)	2	0.00	2	0.00
		76.00		76.00

Note 2.10 : Deferred tax assets (net)

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Deferred tax assets				
Provision allowed under tax on payment basis		370.88		370.55
Deferred tax liabilities				
Accumulated depreciation		346.70		349.81
		24.18		20.74

Note 2.11 : Long-term loans and advances

(unsecured, considered good unless stated otherwise)

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Loans & advances to related parties		7.00		7.00
Security deposits to related parties		2353.25		2058.25
Security deposits to others		10.00		10.00
Other loans & advances				
Others		100.32		94.54
		2470.57		2169.79

Note 2.12 : Trade receivables (unsecured, considered good)

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Trade receivables outstanding for a period exceeding six months		698.10		621.16
Other trade receivables		46.55		72.17
		744.65		693.33

a) Trade receivables include an amount of ₹.2,30,30,000 due from trust in which two directors of the Company are interested.



Note 2.13 : Cash and bank balances

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Cash & Cash Equivalents				
Balances with banks				
on current accounts		98.80		3.96
Cheques on Hand		-		99.69
Cash on hand		19.95		67.49
Other bank balances				
Fixed deposit (earmarked and pledged)		2.24		2.15
		120.99		173.29

Note 2.14 : Short-term loans and advances (unsecured, considered good)

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Other loans & advances				
Others		-		163.03
		-		163.03

Note 2.15 : Revenue from operations

(₹. in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2014		31st March, 2013	
(a) Franchises royalty		0.34		1.83
(b) Income from personality dev. Programme (PDP)		343.74		438.40
(c) Diploma charges		0.46		1.14
(d) Training & education income		1.00		4.90
Total		345.54		446.27

Note 2.16 : Other income

(₹. in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2014		31st March, 2013	
Interest income				
		0.67		6.54
Other non operating income				
Miscellaneous income		0.08		0.08
Profit on Sale of Assets		125.64		-
Total		126.39		6.62

Note 2.17 : Training & education expenses

(₹. in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2014		31st March, 2013	
Consultancy charges		1.78		1.78
Courses execution charges		2.79		4.08
Franchises expenses		0.15		3.65
P.D.P expenses		129.89		115.63
Total		134.61		125.14



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Note 2.18 : Employee benefits expenses

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Salaries, bonus, gratuity & allowances		58.51		56.55
Contribution to provident and other fund		1.01		0.96
Staff welfare expenses		4.39		6.67
Total		63.91		64.18

Note 2.19 : Other expenses

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Auditor's remuneration		2.36		2.45
Loss on sale of assets		-		3.53
Bus & taxi hire charges		3.44		3.32
Bank charges		0.62		0.48
Directors' sitting fees		0.19		0.27
Directors' Remuneration		18.00		18.00
General meeting expenses		3.31		2.20
Water and electricity expenses		0.07		0.94
Ignou expenses		2.85		2.83
Inst.of hospitality management expenses		3.18		3.19
Rent rates and taxes		0.02		7.98
Miscellaneous expnses		38.69		16.70
Photography expenses		3.01		1.97
Insurance		-		1.49
Legal & Professional expenses		1.96		0.23
Share transfer expenses		0.88		0.78
Students welfare expenses		5.71		3.04
Postage & telephone expenses		4.73		3.35
Printing & stationery		7.46		7.34
Repairs & maintenance building		19.77		12.63
Repairs & maintenance plant & machinery		15.37		13.13
Repairs & maintenance others		9.62		7.65
Sanitation watch & ward		13.79		8.23
Vehicle running & maintenance		6.48		3.19
Advertisement expenses		6.48		6.78
Conference & seminar		9.15		7.94
Travelling expenses		8.12		4.66
Total		185.26		144.30

Note 2.20 : Finance costs

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Interest expense				
On long-term borrowings		5.99		14.44
Others		-		1.23
Total		5.99		15.67

Note 2.21 : Depreciation and amortization expenses

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Depreciation on tangible assets		58.96		62.84
Total		58.96		62.84

Note No. 2.22 - Other Disclosures

1) Contingent Liabilities not provided for:

	Current Year (₹. in lacs)	Previous Year (₹. in lacs)
Claims against the company not Acknowledged as debt	72.84	72.84

2) In view of the confirmation not having been obtained from the Trade receivables, Loans and Advances (both Long-term and Short-term) and Trade payables, the accounts are subject to adjustment on receipt of confirmation of balance and /or reconciliation of accounts the impact where of on account cannot be ascertained at this stage.

3) In the opinion of the Board of Directors, the Tangible Fixed Assets, the Trade receivables and Loans and Advances (both Long-term & Short-term) have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

4) Auditor's Remuneration (Including Service Tax):

	Current Year (₹. in lacs)	Previous Year (₹. in lacs)
Audit Fee	1.68	1.68
Tax Audit Fee	0.34	0.34
Misc.Certification & Other Charges	0.34	0.43
	<u>2.36</u>	<u>2.45</u>

5) No provision for doubtful Trade receivable and Long term loans & advances of ₹.128.85 lacs (Previous year ₹. 128.85 lacs) and ₹.28.03 lacs (Previous year ₹.38.03 lacs) respectively has been made because in the opinion of management, these amounts are still good in nature and management is hopeful of their recovery.

6) The Subsidiaries Companies made a combined net Loss of ₹.6.81 lacs for the year ended 31st March,2014. This loss together with the brought forward loss of ₹.48.46 lacs has been carried to the Balance Sheet. The holding Company's Share of loss out of ₹.55.27 lacs has not been dealt with in the holding Company's books of accounts.



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- 7) **Deferred Tax:** In accordance with Accounting Standard (AS)-22 on “Accounting for Taxes on Income Tax” issued by the Institute of Chartered Accountants of India and based on the reasonable certainty that sufficient future taxable income will be available, the company has accounted for deferred tax during the year.

(₹. in Lacs)

Particulars	Deferred Tax (Assets)/Liabilities as at 01/04/2013	Current Year Charges/ (Credit)	Deferred Tax (Assets)/Liabilities as at 31/03/2014
Deferred Tax Assets :			
Provision allowed under tax on payments basis	370.55	0.33	370.88
	370.55	0.33	370.88
Deferred Tax Liabilities :			
Accumulated Depreciation	342.86	(3.11)	339.75
Payments allowed under tax not expensed in books	6.95	0.00	6.95
	349.81	3.11	346.70
Net Deferred Tax Assets	20.74	(3.44)	24.18

8) Segment Reporting - Basis of Preparation

The segment reporting policy complies with the accounting policies adopted for preparation and presentation of financial statements of the company and is in conformity with Accounting Standard-17 on “Segment Reporting”, as specified in the Companies (Accounting Standard) Rules, 2006. The primary segmentation is based on the nature and type of Services rendered. Segment assets and liabilities represent the net assets and liabilities of that segment.

Primary Segment Information-Business Segment

(₹. in Lacs)

Particulars	Training & Education	P.D.P Receipts	Others	Total
Revenue :-				
Revenue External	1.00 (4.90.)	343.74 (438.40)	127.19 (9.59)	471.93 (452.89)
Inter Segment	- (-)	- (-)	- (-)	- (-)
Total Revenue	1.00 (4.90)	343.74 (438.40)	127.19 (9.59)	471.93 (452.89)
Results Segment Results (Profit before tax)	-18.56 (-15.67)	54.79 (66.93)	-13.03 (-20.50)	23.20 (40.76)
Income Tax :-				
Current Tax	- (-)	- (-)	- (-)	-10.62 (12.38)
Deferred Tax	- (-)	- (-)	- (-)	3.44 (-0.85)
Written back of provision for Tax	- (-)	- (-)	- (-)	3.01 (5.57)
Net Profit	- (-)	- (-)	- (-)	19.03 (33.10)

Other Information :-				
Assets	513.36 (1329.08)	2891.25 (797.97)	8.11 (22.57)	3412.72 (2149.62)
Unallocated Corporate Assets	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	370.31 (1829.97)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	3783.03 (3979.59)
Liabilities	168.19 (168.19)	18.85 (97.31)	0.00 (0.00)	187.04 (265.50)
Unallocated Corporate Liabilities	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	148.02 (281.71)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	335.06 (547.21)
Depreciation	3.87 (4.04)	53.10 (56.64)	1.99 (2.16)	58.96 (62.84)
Unallocated Corporate Depreciation	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	58.96 (62.84)
Capital Expenditure	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Unallocated Corporate Capital Expenditure	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)

Figures in brackets represent Previous Year's amount.

Note: - As the Assets are used inter changeably by different segment, segment wise capital employed is not ascertainable.

9) Earning Per Share (EPS):

(₹. in Lacs)

Particulars	2013-2014	2012 - 2013
(A) Basic EPS :		
(i) Net Profit attributable to Equity Shareholders (₹.)	16.02	27.53
(ii) Weighted average number of Equity Shares Outstanding (Nos.)	15260000	15260000
Basic EPS (₹.) (i) / (ii)	0.10	0.18
(B) Diluted EPS :		
(i) Net Profit attributable to Equity Shareholders (₹.)	16.02	27.53
(ii) Weighted average number of Equity Shares Outstanding	15260000	15260000
Diluted EPS (₹.) B (i)/B (ii)	0.10	0.18
Face Value per shares (in ₹.)	10.00	10.00



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10) Related Party Disclosures (Pursuant to Accounting Standard (AS) -18), are given below:

Relationship:

a) Subsidiary Companies

IEC Leasing & Capital Management Ltd.
IEC Learning and Managements Ltd.
IEC Education and Infrastructure Ltd.

b) Other related parties where transactions have taken place:

Vocational Education Foundation.
Vocational Educational Trust.
IEC College of Engg.& Technology
RLNG Infrastructure Pvt. Ltd.

c) Directors of the Company:

Brig.S.V.S.Chowdhry	Non Executive Director
Mr. R.L. Gupta	Non Executive Director
Mr. Kailash Nath	Non Executive Director
Mr. Sarabjit Singh Saini	Non Executive Director
Mr. Rasik Makker	Non Executive Director
Mr. Girish Narang	Non Executive Director
Dr. Naveen Gupta	Managing Director
Mr. J.K. Bhola	Non Executive Director

d) Relative of Directors and their enterprises where transactions have taken place:

Mrs. Shalini Gupta
Mr. Dheeraj Mangal

Note: Related party relationship is as identified by the Company and relied upon by the auditors.

(₹. in Lacs)

Nature of transaction	Referred in 10 (a)	Referred in 10 (b)	Referred in 10 (c)	Referred In 10 (d)	Total (₹.)
- Director's sitting fees			0.18 (0.27)		0.18 (0.27)
- Income received during the year		266.15 (258.84)			266.15 (258.44)
- Remuneration paid during the year			18.00 (18.00)		18.00 (18.00)
- Amount received during the year		540.30 (165.80)	0.00 (0.00)	0.00 (0.00)	540.30 (165.80)
- Amount paid during the year		540.30 (165.80)	0.00 (0.00)	0.00 (0.00)	540.30 (165.80)
- Security given during the year		295.00 (800.00)	0.00 (0.00)	0.00 (0.00)	295.00 (800.00)

Note: Figures in brackets represent Previous Year's amount.



- 11) There are no transaction which are required to be disclosed under clause 32 of the Listing Agreement with the Stock Exchange where the equity shares of the Company are listed.
- 12) Previous year's expenditure accounted for under the respective heads of accounts during the current year is ₹.0.10 Thousands (Previous year ₹.2.06 lacs)
- 13) Additional information pursuant to paras 3, 4C and 4D of Part-II of the Schedule - VI of the Companies Act, 1956 is given below to the extent applicable.

	Current Year	Previous Year
Expenditure incurred in foreign currency	0.00	0.00
Earning in foreign exchange	0.00	0.00

- 14) Previous year's figures have been regrouped / rearranged wherever considered necessary.

In terms of our report attached

For Nath & Hari

Chartered Accountants
F.R.No.007403N

(Kailash Hari)

M.No.082285
Partner

Place:- Delhi

Date:- 30th May, 2014

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman) (00097256)
Naveen Gupta (Managing Director) (00097128)
R.L Gupta (Director) (00097185)
Kailash Nath (Director) (01409788)
Girish Narang (Add. Director) (00001100)
Rasik Makkar (Director) (00104285)
Sarabjit S. Saini (Director) (00104558)
J.K. Bholra (Director) (02191970)
Mohnish Dutta (Company Secretary)
Ashutosh Kumar Jha (Chief Finance Officer)



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Statement Pursuant To Section 212 of The Companies Act, 1956 Relating to Subsidiary Companies

(₹. in Lacs)

Sl No.	Name of the Subsidiary Companies	IEC Leasing & Capital Management Ltd.	IEC Learning & Management Ltd.	IEC Education & Infrastructure Ltd.
1.	Financial year of the Subsidiaries Company ended on	March, 31, 2014	March 31, 2014	March 31, 2014
2.	Holding Company's Interest			
	a) Number of Shares fully paid	250000	255000	255000
	b) Extent of holding	99.72 %	51%	51%
3.	Net aggregate amount of Profit/(Loss) of the subsidiary, so far as they concern members of the IEC Education Ltd	₹	₹	₹
	i) for the financial year of the subsidiary			
	a) Dealt with in the account of the holding Company	-----	-----	-----
	b) Not dealt with in the accounts of the holding Company	0.01	(3.35)	(3.47)
	ii) For the previous financial years of the subsidiary since it became the holding company's subsidiary			
	a) Dealt with in the account of the holding company	-----	-----	-----
	b) Not dealt with in the accounts of the holding company	(24.71)	(11.83)	(11.92)

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman) (00097256)
 Naveen Gupta (Managing Director) (00097128)
 R.L Gupta (Director) (00097185)
 Kailash Nath (Director) (01409788)
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 Sarabjit S. Saini (Director) (00104558)
 J.K. Bhola (Director) (02191970)
 Mohnish Dutta (Company Secretary)
 Ashutosh Kumar Jha (Chief Finance Officer)



Independent Auditor's Report To The Board of Directors of IEC Education Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of IEC Education Ltd ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flow of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 Consolidated 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments the auditor considers the internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for qualified opinion

Attention is invited to:

- (i) Note No: 2.8 of Consolidated financial statements relating to non registration of title deeds in respect of one building premises, (Net book value as at year end ₹. 51.92 lacs, Previous year ₹. 53.15 lacs)
- (ii) Note No.: 2.22 at serial no.2 of Consolidated financial statements relating to adjustments of entries arising out of confirmation/reconciliation of the accounts of parties and banks;
- (iii) Note No.2.22 at serial no.5 of Consolidated financial statements relating to non provision of trade receivables and long term loans and advances considered doubtful amounting to ₹.128.85 lacs and ₹.28.03 lacs respectively;



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Qualified opinion:

In our opinion and to the best of our information and according to the explanation given to us, except for possible effects of the matter described in the basis for qualified opinion, the consolidated financial statement 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 Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014.
- b) In the case of the Consolidated Statement of profit and Loss, of the Profit of the Group for the year ended on that date and
- c) In the case of Consolidated Cash Flow Statement, of the cash flows of the group for the year ended on that date.

Place : Delhi

Date:- 30th May, 2014

For NATH & HARI
Chartered Accountants
FR No: 007403N

(Kailash Hari)
M.No:- 082285
Partner



IEC EDUCATION LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(₹. in Lacs)

Sl. No.	Particulars	Note No.	As at 31st March, 2014		As at 31st March, 2013	
I	<u>EQUITY AND LIABILITIES</u>					
1	Shareholders' funds					
	(a) Share capital	2.1	1,525.60		1,525.60	
	(b) Reserves and surplus	2.2	1,906.24	3,431.84	1,890.67	3,416.27
2	Minority Interest			34.02		37.36
3	Non-current liabilities					
	(a) Long term borrowings	2.3		-		18.85
	(b) Other long-term liabilities			-		-
	(c) Long-term provisions			-		-
4	Current liabilities					
	(a) Short term borrowings	2.4	170.60		170.60	
	(b) Trade payables	2.5	76.06		16.85	
	(c) Other current liabilities	2.6	81.57		334.66	
	(d) Short term provisions	2.7	7.31	335.54	6.73	528.84
	Total			3,801.40		4,001.32
II	<u>ASSETS</u>					
1	<u>Non-current assets</u>					
	(a) Fixed assets					
	Tangible assets	2.8	370.82		704.15	
	(b) Non-current investments	2.9	0.00		0.00	
	(c) Deferred tax assets (net)	2.10	24.18		20.74	
	(d) Long-term loans & advances	2.11	2,470.57		2,169.79	
	(e) Other non-current assets		0.00	2,865.57	0.00	2,894.68
2	<u>Current assets</u>					
	(a) Trade receivables	2.12	744.65		693.33	
	(b) Cash & bank balances	2.13	191.18		250.28	
	(c) Short-term loans & advances	2.14	0.00		163.03	
	(d) Other current assets		0.00	935.83	0.00	1,106.64
	Total			3,801.40		4,001.32
	Significant accounting policies	1				
	Notes to accounts	2				
	The notes are an integral part of the financial statements					

In terms of our report attached

For Nath & Hari

Chartered Accountants

F.R.No.007403N

(Kailash Hari)

M.No.082285

Partner

Place:- Delhi

Date:- 30th May, 2014

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman) (00097256)

Naveen Gupta (Managing Director) (00097128)

R.L Gupta (Director) (00097185)

Kailash Nath (Director) (01409788)

Girish Narang (Add. Director) (00001100)

Rasik Makkar (Director) (00104285)

Sarabjit S. Saini (Director) (00104558)

J.K. Bhola (Director) (02191970)

Mohnish Dutta (Company Secretary)

Ashutosh Kumar Jha (Chief Finance Officer)



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CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31/03/2014

(₹. in Lacs)

Sl. No.	Particulars	Note No.	Year ended 31st March, 2014		Year ended 31st March, 2013	
I	Revenue from operations	2.15		345.54		446.40
II	Other Income	2.16		126.54		6.62
III	Total Revenue			472.08		453.02
IV	Expenses :					
(a)	Training & education expenses	2.17		134.61		125.14
(b)	Employee benefits expenses	2.18		68.54		67.69
(c)	Other expenses	2.19		187.58		147.78
(d)	Finance costs	2.20		5.99		15.67
(e)	Depreciation and amortisation expenses	2.21		58.96		62.84
	Total Expenses			455.68		419.12
V	Profit before exceptional and extraordinary items and tax (III-IV)			16.40		33.90
VI	Exceptional items			-		-
VII	Profit before extraordinary items tax (V-VI)			16.40		33.90
VIII	Extraordinary items			-		-
IX	Profit before tax (VI-VII)			16.40		33.90
	Tax expense :					
a	Current tax		(10.62)		(12.38)	
b	Write back of excess provision for tax/income tax refund related to earlier years (net)		3.01		5.57	
c	Deferred tax		3.44	(4.17)	(0.85)	(7.66)
X	Profit before minority interest			12.23		26.24
	Minority Interest			3.34		3.37
XI	Profit for the year			15.57		29.61
XII	Earnings per share					
	Basic (₹.)			0.06		0.14
	Diluted (₹.)			0.06		0.14
	Significant accounting policies	1				
	Notes to accounts					
	The notes are an integral part of the financial statements	2				

In terms of our report attached

For Nath & Hari

Chartered Accountants
F.R.No.007403N

(Kailash Hari)

M.No.082285
Partner

Place:- Delhi

Date:- 30th May, 2014

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For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman) (00097256)
Naveen Gupta (Managing Director) (00097128)
R.L Gupta (Director) (00097185)
Kailash Nath (Director) (01409788)
Girish Narang (Add. Director) (00001100)
Rasik Makkar (Director) (00104285)
Sarabjit S. Saini (Director) (00104558)
J.K. Bhola (Director) (02191970)
Mohnish Dutta (Company Secretary)
Ashutosh Kumar Jha (Chief Finance Officer)



IEC EDUCATION LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014 (₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before exceptional items and tax		16.40		33.90
Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities				
Depreciation and amortisation expense	58.96		62.84	
Miscellaneous Expenditure written off	0.00		0.72	
(Profit) / Loss on sale of fixed assets	(125.64)		3.53	
Finance Cost	5.99		15.67	
Interest Received	(0.67)		(6.54)	
Provision for income tax of earlier year written back	3.01	(58.35)	5.57	81.79
Operating Profit before working capital changes		(41.95)		115.69
Adjusted for :				
(Increase)/Decrease in Trade and other receivables	(51.32)		(24.78)	
(Increase)/Decrease in loans and advances	(137.75)		(443.38)	
(Increase)/Decrease in other non current assets	0.00		0.00	
Increase/(Decrease) in Trade payables	59.21		(3.43)	
Increase/ (Decrease) in Other current liabilities	(193.48)		231.53	
Increase / (Decrease) in provision	(3.11)	(326.45)	(4.92)	(244.98)
Cash generated from operation		(368.40)		(129.29)
Income tax paid / Refunds received (Net)		(6.93)		(9.37)
Net Cash (used) in / from Operating Activities		(375.33)		(138.66)
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	0.00		(9.08)	
Sale of fixed assets	400.01		5.75	
Interest received	0.67		6.54	
Investments	0.00		0.00	
Net Cash (used) in / from Investing Activities		400.68		3.21
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds of Long Term and other borrowings	0.00		0.00	
Repayment of Long Term and other borrowings	(78.46)		(78.46)	
Issue of Share Capital	0.00		0.00	
Interest Paid	(5.99)		(15.67)	
Net Cash(used)in/ from Financing Activities		(84.45)		(94.13)
Net increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(59.10)		(229.58)
Cash and Cash Equivalents-Opening Balance		250.28		479.86
Cash and Cash Equivalents-Closing Balance		191.18		250.28



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1. The above Cash Flow Statement has been prepared under the " Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified under the Companies (Accounting Standards) Rules, 2006.
2. Cash and cash equivalents include ₹. 2.24 Lacs (Previous year ₹. 2.15 Lacs) on account of fixed deposit earmarked and pledged which are not available for use th the Company.
3. Cash and cash equivalents as at the balance sheet date consists of :

(₹. in Lacs)

	Particulars	As at 31st March, 2014	As at 31st March, 2013
a)	Balance with bank on current account	99.10	3.95
b)	Cheques on hand	33.70	133.69
c)	Cash on hand	56.14	110.49
d)	Fixed Deposit (earmarked and pledged)	2.24	2.15
	Total	191.18	250.28

4. Figure in brackets represent cash out flow from respective activities.
5. As breakup of Cash and cash equivalents is also available in Note No.2.13 reconciliation of items of Cash and cash equivalents as per Cash Flow Statement with the equivalents items reported in the Balance Sheet is not required and hence not provided.
6. Previous year figures have been regrouped / recasted wherever necessary.

In terms of our report attached

For Nath & Hari

Chartered Accountants

F.R.No.007403N

(Kailash Hari)

M.No.082285

Partner

Place:- Delhi

Date:- 30th May, 2014

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman) (00097256)

Naveen Gupta (Managing Director) (00097128)

R.L Gupta (Director) (00097185)

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Rasik Makkar (Director) (00104285)

Sarabjit S. Saini (Director) (00104558)

J.K. Bhola (Director) (02191970)

Mohnish Dutta (Company Secretary)

Ashutosh Kumar Jha (Chief Finance Officer)



1. Basis of Consolidation and Significant Accounting Policies

1.1. Basis of accounting and preparation of the consolidated financial statements :

The consolidated financial statements of IEC Education Limited (the company), and its subsidiaries (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act /2013 Act ,as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

1.2. Principles of Consolidation:

These consolidated financial statements relate to IEC Education Ltd., the parent company and its subsidiaries (hereinafter collectively referred as "the Group"), which are as follows:

Name of the Company	Country of Incorporation	% Shareholding and Voting Power
(I) IEC Leasing & Capital Management Ltd	India	99.72 %
(II) IEC Learning and Managements Ltd	India	51 .00%
(III) IEC Education and Infrastructure Ltd	India	51.00 %

The financial statements of the parent company and its subsidiaries have been combined on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating inter company balances/transactions and resulting unrealised profits in full. Unrealised losses resulting from inter company transactions have also been eliminated except to the extent that the recoverable value of related assets is lower than their cost to the Group.

The consolidated financial statements are prepared , to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.

The consolidated financial statements are prepared using uniform accounting policies for the transaction and other events in similar circumstances, except as disclosed otherwise.

1.3. Significant Accounting Policies

1. Use of Estimates: The preparation of consolidated financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the consolidated financial statements and reported amount of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the consolidated Financial Statements. Although these estimates are based on the management's best knowledge of current events and actions, the actual outcome may be different from the estimates. Difference between actual results and estimates are recognized in the period in which results are known or materialise.

2. Fixed assets:

- 1) Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost of acquisition or construction is inclusive of freight, duties, taxes and incidental expenses related to such acquisition or construction.
- 2) Intangible fixed assets are stated at cost less amortization.

3. Depreciation and Amortization

- 1) Depreciation on tangible fixed assets is provided on the straight-line method at the rates and in the manner laid down in schedule XIV to the Companies Act, 1956.



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- 2) Depreciation has been provided on pro-rata basis in respect of addition to/deletion from the intangible fixed assets with reference to the date of addition/deletion of the assets.
- 3) Goodwill arising on acquisition of business unit is amortized over a period of ten years.
- 4) Leasehold land in the nature of perpetual lease is not amortized.
4. **Investments:** Investments are classified into long term and current investments based on the intent of management at the time of acquisition. Long-term investments are stated at cost of acquisition and related expenses. Provision is made to recognize a decline, other than temporary, in the value of long term investments on an individual basis.

Current investments are carried at the lower of cost and net realizable value.
5. **Employee Benefits:** Short term employee benefits are recognized as an expense at the undiscounted amount. in the consolidated Statement of Profit & Loss Account of the year in which the relative service is rendered.

Provision for gratuity is made, in the books of account as per the provisions of Payment of Gratuity Act, 1972 on the assumption that all the employees are entitled to gratuity at the end of the accounting year. Provision for leave encashment is provided for at the end of financial year on the basis of last month drawn salary of the employees.
6. **Revenue Recognition:** The revenue in respect of sale of courseware is recognized on delivery of materials. The revenue from training and education activity is recognized over the period of the course program. Revenue in respect of other consultancy receipts is recognized upon rendering of the service. All other income are accounted for on accrual basis. Claims including insurance claims are accounted for on the acceptance and determination of the amounts recoverable by the concerned authorities.
7. **Dividend:** Dividend proposed, if any, by the Board of Directors as appropriation of profit is provided for in the books of account pending approval of the shareholders at the annual general meeting.
8. **Miscellaneous Expenditure:** Preliminary, share issue and deferred revenue expenditure are being written off over a period of five years from the date of commencement of commercial operation.
9. **Taxes on Income :** The expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act,1961. The impact of current year timing differences between taxable income and accounting income for the year is recognized as a deferred tax asset or deferred tax liability. The tax effect is calculated on accumulated timing differences at the end of accounting year, based on effective tax rate substantively enacted by the balance date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future; however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.
10. **Borrowing Cost:** Financing costs relating to borrowed funds attributable to construction or acquisition of qualifying assets for the period up to the completion of construction or acquisition of such assets are included in the costs of the assets. Other financing costs are recognized as an expense in the period in which they are incurred.
11. **Leases:** Lease arrangements where the risk and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Payments under operating lease are recognized in statement of profit & loss account on a accrual basis over the lease term. Assets lease out under operating leases are Capitalised. Rental income is recognized on accrual basis over the lease term.
12. **Impairment of Assets:** Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise



from the continuing use of asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

13. Provision and Contingencies : The Company recognized a provision when there is a present obligation as results of a past event and it is probable that it would involve an outflow of resources and a reliable estimate can be made of the amount of such obligation. Such provisions are not discounted to their present value and are determined based on the management's estimation of the obligation required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect management's current estimates.

A disclosure for a contingent liability is made where it is more likely than not that a present obligation or possible obligation may result in or involve an outflow of resources. When no present or possible obligation exists and the possibility of an outflow of resources is remote, no disclosure is made. Contingent assets are not recognised in the Consolidated financial statements.

14. Operating cycle : Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



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IEC EDUCATION LIMITED

Notes forming part of the Financial Statements

2. Notes to consolidated accounts

Note 2.1: Share capital

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised: Equity shares of ₹.10/- each	21000000	2,100.00	21000000	2,100.00
(b) Issued, subscribed and fully paid up: Equity shares of ₹.10/- each	15256000	1,525.60	15256000	1,525.60
		1,525.60		1,525.60

- (c) There is no change in the number of shares outstanding at the beginning and at the end of the period.
- (d) The company has only one class of equity shares having par value of ₹.10/- per share. Each holder of equity shares is entitled to one vote per shares. In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (e) The details of shareholders holding more than 5% of the equity shares in the Company :

(₹. in Lacs)

Name of the shareholders	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares held	% of Total paid-up equity share capital	No. of shares held	% of Total paid-up equity share capital
1 Navin Gupta	4285935	28.09	3,815,935	25.01
2 R L Gupta	2255595	14.78	2,255,595	14.78
3 Shalini Gupta	2167835	14.21	2,167,835	14.21
4 Evergreen Business Consortium Pvt.Ltd	930000	6.09	930,000	6.09
5 Pradeep Kumar	791794	5.19	-	-
Total	10,431,159	68.36	9,169,365	60.09

- (f) The company has issued an aggregate of 20,00,000 upto 31/03/2014 (Previous period 50,00,000 upto 31/03/2013) equity shares in the last five years immediately preceding the balance sheet date to the warrant holders upon conversion of sharewarrants into fully paid equity shares of ₹.10/- each.



Note 2.2: Reserves and surplus

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
(a) Capital reserves				
Balance as per last account	60.00		60.00	
Addition during the year	-	60.00	-	60.00
(b) Securities premium account				
Balance as per last account	1,050.12		1,050.12	
Addition during the year	-	1,050.12	-	1,050.12
(c) General reserves				
Balance as per last account	222.34		222.34	
Addition during the year	-	222.34	-	222.34
(d) Surplus in the Statement of Profit and Loss				
Balance as per last account	558.21		528.59	
Profit for the year	15.57	573.78	29.61	558.21
		1,906.24		1,890.67

Note 2.3: Long-term borrowings

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Secured				
Term loan:				
Vehicle Loan from banks	18.85		97.31	
Less - Amount disclosed under other current liabilities (refer note 2.6)	18.85		78.46	
		-		18.85

(a) Nature & Securities :- Term loan from banks is secured by charge by way of hypothecation of vehicles purchased under Vehicle Finance Scheme.

(b) Repayment Terms :-

- 35 monthly instalments of ₹. 1,76,140/- from 15-08-2011
- 35 monthly instalments of ₹. 1,93,980/- from 05-06-2011
- 35 monthly instalments of ₹. 1,93,980/- from 05-06-2011
- 36 monthly instalments of ₹. 1,43,873/- from 15-07-2011

(c) The interest rate for above term loan varies from 10.75% to 13.33%.



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Note 2.4: Short-term borrowing

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
(a) Secured				
Term loan from bank (Refer Note No. C. given below)		2.41		2.41
(b) Unsecured				
Term loan from others		168.19		168.19
		170.60		170.60

c) Short Term Loan from ICICI Bank is secured by hypothecation of Computers. The entire amount has been long overdue

Note 2.5 : Trade payables

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Total outstanding dues of Micro, Small and Medium Enterprises (To the extent identified with available information)		-		-
Total outstanding dues other than Micro, Small and Medium Enterprises		76.06		16.85
		76.06		16.85

Note 2.6 : Other current liabilities

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Current maturities of long term borrowings (Refer note no.2.3)		18.85		78.46
Other payables :-				
1 Statutory dues		27.88		24.19
2 Others		34.84		232.01
		81.57		334.66

Note 2.7 : Short-term provisions

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Provisions for :-				
Employee benefits		3.62		3.72
Income tax (net of tax)		3.69		3.01
		7.31		6.73

Note 2.8: Fixed assets

(₹. in Lacs)

Particulars	Tangible assets						Intangible assets	Grand total
	Land (lease hold)	Building	Plant and equipment	Office equipment	Furniture & fixtures	Vehicle	Goodwill	
Gross block :								
Gross carrying amount as at 01/04/2013	50.01	331.62	104.18	49.05	166.67	327.02	10.00	1038.56
Addition during the year	-	-	-	-	-	-	-	-
Disposals/deductions during the year	50.01	256.12	-	-	-	-	-	306.13
Gross carrying amount as at 31.03.2014	0.00	75.50	104.18	49.05	166.67	327.02	10.00	732.43
Depreciation/amortisation								
Opening accumulated depreciation/amortisation	-	53.44	79.32	27.52	89.68	74.47	10.00	334.41
Depreciation /amortisation for the year	-	1.92	12.53	2.33	10.55	31.64	-	58.97
Disposals/deductions during the year	-	31.78	-	-	-	-	-	31.78
Closing accumulated depreciation/amortisation	-	23.58	91.85	29.85	100.23	106.11	10.00	361.60
Net block as at 31/03/2014	0.00	51.92	12.33	19.20	66.44	220.91	0.00	370.82

Note2.8 : Fixed assets (previous period)

(Rs.In Lacs)

Particulars	Tangible assets						Intangible assets	Grand total
	Land (lease hold)	Building	Plant and equipment	Office equipment	Furniture & fixtures	Vehicle	Goodwill	
Gross block :								
Gross carrying amount as at 01/04/2012	50.01	322.54	104.18	49.05	166.67	339.19	10.00	1041.65
Addition during the year	-	9.08	-	-	-	-	-	9.08
Disposals/deductions during the year	-	-	-	-	-	12.17	-	12.17
Gross carrying amount as at 31.03.2013	50.01	331.62	104.18	49.05	166.67	327.02	10.00	1038.56
Depreciation/amortisation								
Opening accumulated depreciation/amortisation	-	48.16	66.79	25.19	79.11	45.21	10.00	274.46
Depreciation /amortisation for the year	-	5.28	12.53	2.33	10.55	32.15	-	62.84
Disposals/deductions during the year	-	-	-	-	-	2.89	-	2.89
Closing accumulated depreciation/amortisation	-	53.44	79.32	27.52	89.66	74.47	10.00	334.41
Net block as at 31/03/2013	50.01	278.18	24.86	21.53	77.01	252.55	0.00	704.15

(a) The Building purchased by the Company at M-92, Connaught Place, New Delhi, from the promoters in the earlier years is yet to be registered in the Company's name.



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Note 2.9 : Non current investments

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	Amount	No. of shares	Amount
Non trade investments				
Unquoted (Valued at cost)				
IEC infotech sdn.bhd.				
Shares of Malaysian ringetts one each (Rupees value 12.45/- per Ringett)	2	0.00	2	0.00
		0.00		0.00

Note 2.10 : Deferred tax assets (net)

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Deferred tax assets				
Provision allowed under tax on payment basis		370.88		370.55
Deferred tax liabilities				
Accumulated depreciation		346.70		349.81
		24.18		20.74

Note 2.11 : Long-term loans and advances

(unsecured, considered good unless stated otherwise)

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Loans & advances to related parties		7.00		7.00
Security deposits to related parties		2353.25		2058.25
Security deposits to others		10.00		10.00
Other loans & advances				
Others		100.32		94.54
		2470.57		2169.79

Note 2.12 : Trade receivables (unsecured, considered good)

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Trade receivables outstanding for a period exceeding six months		698.10		621.16
Other trade receivables		46.55		72.17
		744.65		693.33

a) Trade receivables include an amount of ₹.2,30,30,000 due from trust in which two directors of the Company are interested.



Note 2.13 : Cash and bank balances

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Cash & Cash Equivalents				
Balances with banks				
on current accounts		99.10		3.95
Cheques on Hand		33.70		133.69
Cash on hand		56.14		110.49
Other bank balances				
Fixed deposit (earmarked and pledged)		2.24		2.15
		191.18		250.28

Note 2.14 : Short-term loans and advances (unsecured, considered good)

(₹. in Lacs)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
Other loans & advances				
Others		-		163.03
		-		163.03

Note 2.15 : Revenue from operations

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
(a) Franchises royalty		0.34		1.83
(b) Income from personality dev. Programme (PDP)		343.74		438.40
(c) Diploma charges		0.46		1.27
(d) Training & education income		1.00		4.90
Total		345.54		446.40

Note 2.16 : Other income

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Interest income				
		0.67		6.54
Other non operating income				
Miscellaneous income		0.23		0.08
Profit on Sale of Assets		125.64		-
Total		126.54		6.62

Note 2.17 : Training & education expenses

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Consultancy charges		1.78		1.78
Courses execution charges		2.79		4.08
Franchises expenses		0.15		3.65
P.D.P expenses		129.89		115.63
Total		134.61		125.14



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Note 2.18 : Employee benefits expenses

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Salaries, bonus, gratuity & allowances		62.83		59.73
Contribution to provident and other fund		1.01		0.96
Staff welfare expenses		4.70		7.00
Total		68.54		67.69

Note 2.19 : Other expenses

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Auditor's remuneration		2.54		2.64
Loss on sale of assets		-		3.53
Bus & taxi hire charges		3.44		3.32
Bank charges		0.63		0.83
Directors' sitting fees		0.19		0.27
Director's Remuneration		18.00		18.00
General meeting expenses		3.31		2.20
Water and electricity expenses		0.07		0.94
Ignou expenses		2.85		2.83
Inst.of hospitality management expenses		3.18		3.19
Rent rates and taxes		0.02		7.98
Miscellaneous expnses		39.10		17.12
Photography expenses		3.10		1.97
Insurance		-		1.49
Legal & Professional expenses		2.27		0.54
Share transfer expenses		0.88		0.78
Students welfare expenses		5.71		3.04
Postage & telephone expenses		4.98		3.63
Printing & stationery		7.80		7.85
Repairs & maintenance building		19.77		12.63
Repairs & maintenance plant & machinery		15.37		13.13
Repairs & maintenance others		9.62		7.65
Sanitation watch & ward		14.15		8.57
Vehicle running & maintenance		6.48		3.19
Advertisement expenses		6.48		6.78
Conference & seminar		9.15		7.94
Miscellaneous expenditure written off		-		0.71
Travelling expenses		8.49		5.03
Total		187.58		147.78

Note 2.20 : Finance costs

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Interest expense				
On long-term borrowings		5.99		14.44
Others		-		1.23
Total		5.99		15.67

Note 2.21 : Depreciation and amortization expenses

(₹. in Lacs)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
Depreciation on tangible assets		58.96		62.84
Total		58.96		62.84

Note No. 2.22 - Other Disclosures

1) Contingent Liabilities not provided for :

	Current Year (₹. in lacs)	Previous Year (₹. in lacs)
Claims against the company not Acknowledged as debt	72.84	72.84

2) In view of the confirmation not having been obtained from the Trade receivables, Loans and Advances (both Long-term and Short-term) and Trade payables, the accounts are subject to adjustment on receipt of confirmation of balance and /or reconciliation of accounts the impact where of on account cannot be ascertained at this stage.

3) In the opinion of the Board of Directors, the Tangible Fixed Assets, the Trade receivables and Loans and Advances (both Long-term & Short-term) have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

4) Auditor's Remuneration (Including Service Tax):

	Current Year (₹. in lacs)	Previous Year (₹. in lacs)
Audit Fee	1.86	1.87
Tax Audit Fee	0.34	0.34
Misc.Certification & Other Charges	0.34	0.43
	<u>2.54</u>	<u>2.64</u>

5) No provision for doubtful Trade receivable and Long term loans & advances of ₹.128.85 lacs (Previous year ₹. 128.85 lacs) and ₹. 28.03 lacs (Previous year ₹.38.03 lacs) respectively has been made because in the opinion of management, these amounts are still good in nature and management is hopeful of their recovery.

6) **Deferred Tax:** In accordance with Accounting Standard (AS)-22 on "Accounting for Taxes on Income Tax" issued by the Institute of Chartered Accountants of India and based on the reasonable certainty that sufficient future taxable income will be available the company has accounted for deferred tax during the year.



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The major components of deferred tax assets/ liabilities are as under:

(₹. in Lacs)

Particulars	Deferred Tax (Assets)/Liabilities as at 01/04/2013	Current Year Charges/ (Credit)	Deferred Tax (Assets)/Liabilities as at 31/03/2014
Deferred Tax Assets :			
Provision allowed under tax on payments basis	370.55	0.33	370.88
	370.55	0.33	370.88
Deferred Tax Liabilities :			
Accumulated Depreciation	342.86	(3.11)	339.75
Payments allowed under tax not expensed in books	6.95	0.00	6.95
	349.81	3.11	346.70
Net Deferred Tax Assets	20.74	(3.44)	24.18

7) Segment Reporting - Basis of Preparation

The segment reporting policy complies with the accounting policies adopted for preparation and presentation of financial statements of the company and is in conformity with Accounting Standard-17 on "Segment Reporting", as specified in the Companies (Accounting Standard) Rules, 2006. The primary segmentation is based on the nature and type of Services rendered. Segment assets and liabilities represent the net assets and liabilities of that segment.

Primary Segment Information-Business Segment

(₹. in Lacs)

Particulars	Training & Education	P.D.P Receipts	Others	Total
Revenue :-				
Revenue External	1.00 (4.90.)	343.74 (438.40)	127.34 (9.72)	472.08 (453.02)
Inter Segment	- (-)	- (-)	- (-)	- (-)
Total Revenue	1.00 (4.90)	343.74 (438.40)	127.34 (9.72)	472.08 (453.02)
Results Segment Results (Profit before tax)	-18.56 (-15.67)	54.79 (66.93)	-19.83 (-17.36)	16.40 (33.90)
Income Tax :-				
Current Tax	- (-)	- (-)	- (-)	-10.62 (12.38)
Deferred Tax	- (-)	- (-)	- (-)	3.44 (-0.85)
Written back of provision for Tax	- (-)	- (-)	- (-)	3.01 (5.57)
Net Profit	- (-)	- (-)	- (-)	12.23 (26.24)

Other Information :-				
Assets	513.36 (1329.08)	2891.25 (797.97)	8.11 (22.57)	3412.72 (2149.62)
Unallocated Corporate Assets	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	364.50 (1830.96)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	3777.22 (3980.58)
Liabilities	168.19 (168.19)	18.85 (97.31)	0.00 (0.00)	187.04 (169.49)
Unallocated Corporate Liabilities	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	148.50 (378.20)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	335.54 (547.69)
Depreciation	3.87 (4.04)	53.10 (56.64)	1.99 (2.16)	58.96 (62.84)
Unallocated Corporate Depreciation	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	58.96 (62.84)
Capital Expenditure	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Unallocated Corporate Capital Expenditure	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)

Figures in brackets represent Previous Year's amount.

Note: - As the Assets are used inter changeably by different segment, segment wise capital employed is not ascertainable.

8) Earning Per Share (EPS):

(₹. in Lacs)

Particulars	2013-2014	2012 - 2013
(A) Basic EPS :		
(i) Net Profit attributable to Equity Shareholders (₹.)	9.22	20.67
(ii) Weighted average number of Equity Shares Outstanding (Nos.)	15256000	15256000
Basic EPS (Rs.) (i) / (ii)	0.06	0.14
(B) Diluted EPS :		
(i) Net Profit attributable to Equity Shareholders (₹.)	9.22	20.67
(ii) Weighted average number of Equity Shares Outstanding	15256000	15256000
Diluted EPS (₹.) B (i)/B (ii)	0.06	0.14
Face Value per shares (in ₹.)	10.00	10.00



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9) Related Party Disclosures (Pursuant to Accounting Standard (AS) -18), are given below:

Relationship:

a) Other related parties where transactions have taken place:

Vocational Education Foundation.
Vocational Educational Trust.
IEC College of Engg.& Technology
RLNG Infrastructure Pvt. Ltd.

b) Directors of the Company:

Brig.S.V.S.Chowdhry	Non Executive Director
Mr. R.L. Gupta	Non Executive Director
Mr. Kailash Nath	Non Executive Director
Mr. Sarabjit Singh Saini	Non Executive Director
Mr. Rasik Makker	Non Executive Director
Mr. Girish Narang	Non Executive Director
Dr. Naveen Gupta	Managing Director
Mr. J.K. Bhola	Non Executive Director

c) Relative of Directors and their enterprises where transactions have taken place:

Mrs. Shalini Gupta
Mr. Dheeraj Mangal

Note: Related party relationship is as identified by the Company and relied upon by the auditors.

(₹. in Lacs)

Nature of transaction	Referred in 10 (a)	Referred in 10 (b)	Referred In 10 (c)	Total (₹.)
- Director's sitting fees		0.18 (0.27)		0.18 (0.27)
- Income received during the year	266.15 (258.84)			266.15 (258.44)
- Remuneration paid during the year		18.00 (18.00)		18.00 (18.00)
- Amount received during the year	540.30 (165.80)	0.00 (0.00)	0.00 (0.00)	540.30 (165.80)
- Amount paid during the year	540.30 (165.80)	0.00 (0.00)	0.00 (0.00)	540.30 (165.80)
- Security given during the year	295.00 (800.00)	0.00 (0.00)	0.00 (0.00)	295.00 (800.00)

Note: Figures in brackets represent Previous Year's amount.



- 10) There are no transaction which are required to be disclosed under clause 32 of the Listing Agreement with the Stock Exchange where the equity shares of the Company are listed.
- 11) Previous year's expenditure accounted for under the respective heads of accounts during the current year is ₹.0.10 Thousands (Previous year ₹.2.06 lacs)
- 12) Additional information pursuant to paras 3, 4C and 4D of Part-II of the Schedule - VI of the Companies Act, 1956 is given below to the extent applicable.

	Current Year	Previous Year
Expenditure incurred in foreign currency	0.00	0.00
Earning in foreign exchange	0.00	0.00

- 13) Previous year's figures have been regrouped / rearranged wherever considered necessary.

In terms of our report attached

For Nath & Hari

Chartered Accountants
F.R.No.007403N

(Kailash Hari)

M.No.082285
Partner

Place:- Delhi

Date:- 30th May, 2014

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman) (00097256)
Naveen Gupta (Managing Director) (00097128)
R.L Gupta (Director) (00097185)
Kailash Nath (Director) (01409788)
Girish Narang (Add. Director) (00001100)
Rasik Makkar (Director) (00104285)
Sarabjit S. Saini (Director) (00104558)
J.K. Bhola (Director) (02191970)
Mohnish Dutta (Company Secretary)
Ashutosh Kumar Jha (Chief Finance Officer)

Statement Pursuant To Section 212 of the Companies Act, 1956 Relating to Subsidiary Companies											
(Pursuant to General Circular No. 2/2011 dated February 8, 2011 issued by Ministry of Corporate Affairs)											
(₹. in thousands)											
Name of the Subsidiary	Currency	Share Capital (Paid up)	Reserves	Total Assets*	Total Liabilities**	Investment	Turnover***	Profit/ (Loss) Before Taxation	Provision for Tax/Deferred tax charge/ (credit)	Profit After Tax	Dividend (Proposed / Paid)
IEC Leasing & Capital Management Ltd.	INR	2507000	(2469.47)	44.22	6.70	12.00	14.50	1.68	0.51	1.16	NIL
IEC Learning & Management Ltd.	INR	5000000	(1518.00)	3505.76	23.43	-	-	(334.69)	-	(334.69)	NIL
IEC Education & Infrastructure Ltd.	INR	5000000	(1539.66)	3479.88	18.54	-	-	(347.38)	-	(347.38)	NIL

*includes Current Assets

** includes Current Liabilities

***includes other income

IEC EDUCATION LTD

CIN- L74899DL1994PLC061053

Regd. Office: - 5, Sant Nagar, New Delhi - 110065

Phone No- 011-26291141 / 26210804

Website- www.iecgroup.in

Email - cs@iecgroup.in

Sl. No.....

BALLOT FORM

20th Annual General Meeting of the Members of the Company on Monday, 22nd September, 2014, at Sri Sathya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110003 at 10:00 A.M.

Signature of the Company Secretary/ Authorized Officer of the Company (Issuing Officer)

1. Name of the Shareholder Folio No. /Client ID
2. Voting Power held (No. of Shares)
3. If a proxy:
 - (a) Name of the Proxy
 - (b) Name of the Member the proxy represents

Resolution No. and Brief Description of Item	Type of Resolution	(For)	(Against)
1. To receive consider and adopt the Audited Financials as at 31st March, 2014 and Profit and Loss account for the year ended on that date along with Director's Report and Auditor's Report thereon	Ordinary		
2. To Consider and appoint a Director Mr. Ramesh Lal Gupta (DIN-00097185), who retires by rotation and being eligible offers himself for reappointment	Ordinary		
3. Re-appointment of M/s Nath and Hari Chartered Accountants as Statutory Auditors of the Company	Ordinary		
4. Appointment of Mr. Girish Narang as an Independent Director	Ordinary		
5. Appointment of Mrs. Shalini Gupta as a Director	Ordinary		
6. Appointment of Mr. Kailash Nath, as an Independent Director	Ordinary		
7. Appointment of Brig. Surendra Vir Singh Chowdhry as an Independent Director	Ordinary		
8. Appointment of Mr. Sarabjit Singh Saini as an Independent Director	Ordinary		
9. Appointment of Mr. Rasik Makkar as an Independent Director of the Company	Ordinary		
10. Appointment of Mr. Jaideep Kumar Bhola, as an independent director of the company	Ordinary		

SIGNATURE OF THE MEMBER / PROXY VOTING

VALID/INVALID

SCRUTINIZERS

Notes:

- 1) Please put tick mark (v) in the relevant column only mentioned above to indicate casting of your vote "FOR or AGAINST" the resolution.
- 2) Any wrong/ defective/incomplete/ confusing/ overlapping remark/ statement, herein by the member/proxy concerned will make the ballot invalid or subject to rejection.

Place:

Date:

IEC EDUCATION LTD

CIN- L74899DL1994PLC061053

Regd. Office: - 5, Sant Nagar, New Delhi - 110065

Phone No- 011-26291141 / 26210804

Website- www.iecgroup.in

Email - cs@iecgroup.in

Sl. No.....

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

DP Id : _____ Client Id : _____

Regd. Folio No.*: _____ No. of Shares : _____

I / We _____ are R/o of _____ in the district of _____ being a member/members of the Company hereby appoint Mr./Ms. _____ R/o _____ in the district of _____ or failing him Mr./Ms. _____ R/o _____ in the district of _____ as my / our proxy to vote for me / us on my / our behalf at the 20th (Twentieth) ANNUAL GENERAL MEETING of the Company to be held on Monday, the 22nd day of September, 2014 at 10:00 A.M. at Sri Sathya Sai International Centre, Institutional Area, Pragati Vihar, Lodhi Road, New Delhi-110003 and at any adjournment (s) thereof.

Resolution No. and Brief Description of Item	Type of Resolution	(For)	(Against)
1. To receive consider and adopt the Audited Financials as at 31st March, 2014 and Profit and Loss account for the year ended on that date along with Director's Report and Auditor's Report thereon	Ordinary		
2. To Consider and appoint a Director Mr. Ramesh Lal Gupta (DIN-00097185), who retires by rotation and being eligible offers himself for reappointment	Ordinary		
3. Re-appointment of M/s Nath and Hari Chartered Accountants as Statutory Auditors of the Company	Ordinary		
4. Appointment of Mr. Girish Narang as an Independent Director	Ordinary		
5. Appointment of Mrs. Shalini Gupta as a Director	Ordinary		
6. Appointment of Mr. Kailash Nath, as an Independent Director	Ordinary		
7. Appointment of Brig. Surendra Vir Singh Chowdhry as an Independent Director	Ordinary		
8. Appointment of Mr. Sarabjit Singh Saini as an Independent Director	Ordinary		
9. Appointment of Mr. Rasik Makkar as an Independent Director of the Company	Ordinary		
10. Appointment of Mr. Jaideep Kumar Bhola, as an independent director of the company	Ordinary		

Signed this ___ day of _____ 2014

*Applicable for investor holding shares in Physical form

Affix
Revenue
Stamp

Signature of the Shareholder

Note: The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the company not less than 48 hrs before the time for holding the aforesaid meeting. The Proxy need not be a member of the company.

IEC EDUCATION LTD

CIN- L74899DL1994PLC061053

Regd. Office: - 5, Sant Nagar, New Delhi - 110065

Phone No- 011-26291141 / 26210804

Website- www.iecgroup.in

Email - cs@iecgroup.in

ADMISSION SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

DP Id : _____ Client Id : _____

Regd. Folio No.: _____ No. of Shares : _____

Name(s) and address of the shareholder in full Mr./Ms. _____

R/O _____

I / we hereby record my / our presence at the 20th (Twentieth) ANNUAL GENERAL MEETING of the Company to be held on Monday, the 22nd day of September, 2014 at 10:00 A.M. at Sri Sathya Sai International Centre, Institutional Area, Pragati Vihar, Lodhi Road, New Delhi-110003.

Please tick in the box

MEMBER

PROXY

Signature of Member / Proxy



Regd. Office:
5, Sant Nagar,
East of Kailash,
New Delhi - 110 065, India