



**Indo-City
Infotech Limited**

**16th ANNUAL REPORT
2007-2008**

CONTENTS

PAGE NO.

Notice	1
Director's Report	2
Report on Corporate Governance	5
Auditor's Report	10
Balance Sheet	13
Profit & Loss Account	14
Schedules	15
Notes to Accounts	18
Cash Flow Statement	20

REGISTERED OFFICE

2/6, Mittal Estate,
Andheri- Kurla Road,
Andheri (East),
Mumbai-400 059.

SHARE TRANSFER OFFICE

Sharepro Services
Satam Estate, 3rd Floor, Above Bank of Baroda,
Cardinal Gracious Road, Chakala, Andheri (E),
Mumbai- 400 099.

BANKERS

HDFC Bank
The Bharat Co-op. Bank Ltd.
Tamilnad Mercantile Bank Ltd.

AUDITORS

S. K. Patodia & Associates
Chartered Accountants
Mumbai-400 072.

INVESTOR HELP DESK

Telephone :- +91 22 2850 62 76
E-Mail : indocity@bom8.vsnl.net.in

NOTICE

NOTICE is hereby given that 16th Annual General Meeting of **INDO-CITY INFOTECH LTD.** will be held on Monday, 29th September, 2008 at 11.00 A.M. at the Registered Office of the Company at 2/6, Mittal Estate, Andheri-Kurla Road, Andheri (E), Mumbai-400059, for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and Profit and Loss Account for the financial year ended on that date and to receive and consider the Directors Report and Auditor's Report thereon;
2. To appoint a director in place of Smt. Shashi Jain, who retires by rotation and, being eligible, offers herself for reappointment;
3. To consider the reappointment of M/s S. K. PATODIA & ASSOCIATES, Chartered Accountants, as the Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

By Order of the Board
For Indo-City infotech Ltd.

Place: Mumbai
Dated: 11th August, 2008

(Anil Jain)
Chairman & Managing Director

Registered Office:
2/6 Mittal Estate, Andheri-Kurla Road,
Andheri (E), Mumbai-400 059.

NOTES: -

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy form should, however be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. Members are requested to notify immediately changes in their respective addresses, if any, to the Company's Registrars quoting their Folio No.
3. The register of members and the share transfer book will remain closed from 26/09/2008 to 29/09/2008 (both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.
4. Members intending to require information about accounts to be explained in the meeting are requested to inform the company in writing at least seven days in advance of the Annual General Meeting.
5. Shareholders are requested to please bring their Copies of Annual Report in the Meeting.

DIRECTOR'S REPORT

To,
The Members of Indo-City Infotech Limited,

Your Directors have pleasure in presenting the Sixteenth Annual Report and Audited Accounts of the Company for the year ended 31st March, 2008.

	(Rupees)	
I. FINANCIAL RESULTS:	<u>2007-08</u>	<u>2006-07</u>
PROFIT BEFORE TAX	13,49,440.61	15,12,662.50
Less: Provision for Tax (including Deferred Tax & Fringe Benefit Tax)	3,41,237.00	5,85,160.00
Total	<u>10,08,203.61</u>	<u>9,27,502.50</u>
Add: Amount Brought Forward	30,97,139.51	21,69,637.01
Balance Carried to Balance Sheet	<u><u>41,05,343.12</u></u>	<u><u>30,97,139.51</u></u>

II. DIVIDEND:

To conserve the resources, your directors express their inability to recommend any dividend for the year under review.

III. PERFORMANCE:

Total income of the company during the year under review is Rs. 896.17 Lacs as against Rs. 568.73 Lacs for the previous year and the profit after tax for the year stood at Rs. 10.08 Lacs as against Rs. 9.27 lacs for the previous year.

IV. FUTURE OUTLOOK:

Your Company is planning for expanding their existing business as well as other projects also the work on which is going on. Your directors foresee bright future and higher earning in the coming years.

V. DIRECTORS:

Smt. Shashi Jain, Director who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

VI. CORPORATE GOVERNANCE:

Your company has been proactive in following the principle and practice of good corporate governance. The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges are complied with.

A separate statement on corporate governance is annexed as a part of the Annual Report along with the Auditors certificate on its compliance. A report in the form of Management Discussion and Analysis pursuant to clause 49 of the Listing Agreement, as a part of this report is annexed hereto.

VII. AUDITORS:

M/s S. K. PATODIA & ASSOCIATES, Chartered Accountants, retire at the forthcoming Annual General Meeting. The Company has received the certificate of their eligibility, under section 224 (1-B) of the Companies Act, 1956. Your directors recommend their appointment.

VIII. AUDITORS REPORT.

Observation made in the Auditor's Report are self-explanatory and therefore do not call for any further comment under section 217(3) of the Companies Act, 1956.

IX. FIXED DEPOSIT:

Your Company has not accepted any fixed deposit from public within the meaning of section 58A of the Companies Act, 1956 and the Rules made there under.

X. PARTICULARS OF EMPLOYEES:

The information required U/s. 217 (2A) of the Companies Act, 1956 with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company, as the Company has not employed any employee whose salary exceeds Rs. 24,00,000/- per annum or Rs. 2,00,000/- per month.

XI. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE AND OUTGO:

Details of energy conservation and research and development activities undertaken by the Company along with the information in accordance with the provisions of Section 217 (1) (a) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 absorption is not being given, since the Company is not engaged in manufacturing activity during the year. The Company did not earn and spend any foreign exchange.

XII. DIRECTORS' RESPONSIBILITY STATEMENT:

As required under section 217 (2AA) of the Companies Act, 1956, it is hereby stated that ;

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

XIII. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation and acknowledgement with gratitude for the support and assistance extended to the Company by the Bankers, Shareholders and Customers. Your Directors place on record their deep sense of appreciation for the devoted service of the executives and staff at all levels of the Company.

For and on behalf of the Board
For Indo-City Infotech Limited.

Place : Mumbai.
Date : 30th June, 2008.

Anil Jain
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS:

1. Industry Structure and Developments

The Company was incorporated on 22/09/1992. In 1999 the Company changed its name and thereafter started its business in IT. The Company had a humble beginning and is restructuring itself year by year to make a name in the IT industry. With its dedicated team of professionals the company is planning to grow strength by strength. Due to the recent setback in USA and global recession in IT industry, the activities of the company were slightly affected. However, after launch of the new project on hand on which the work is in progress, the company will have its name reckoned with the industry.

2. Opportunities, threats risk and concerns

The Company is progressively in contact with end users of its products the work on which is continue and with the launch of these products, the Company expects more cliental base in its activities.

The low economic growth worldwide may affect the activities of the company. However, with continuous technological advancement and measures taken for cost effectiveness for the company's product, the Company is expected to face the emerging challenges in a confident and optimistic manner.

3. Segment-wise or product-wise performance.

The Company recognizes Hardware / software as its only primary segment. The overall performance of the company is the segment wise performance of the company.

4. Business Outlook.

As a forward looking statement it can be noted that the company appears to heading better all round performance during the coming years. Towards this, the company is working on various software packages.

5. Internal Control System and their adequacy.

The Company has adequate internal control procedures commensurate with the size and nature of its business. The internal control system provides for policies, guidelines, authorization and procedures. The Audit Committee of the Board of Directors headed by an independent director periodically reviews the internal audit reports, significant risk area assessment and adequacy of internal controls for ensuring checks and balances.

6. Discussion on Financial Performance:

The financial results and performance for the year are elaborated in the Director's Report.

7. Human resources:

Harmonious relations continued to prevail throughout the year. The focus is on maintaining a high level of motivation and on leadership development and the number of employees are maintained according to business development.

8. Cautionary Statement:

This report contains estimates and expectations, which the company believes or may be considered to be Forward Looking Statements within the meaning of applicable laws and regulations. Actual results could differ or vary materially from those expressed or implied due to various factors.

For and on behalf of the Board

Place : Mumbai.
Date : 30th June, 2008

Anil Jain
Chairman & Managing Director

Report on Corporate Governance

1) Company's Philosophy:

The Company has the principle of treating their shareholders as the most valued assets of the Company. The Company emphasizes in customer-focused creativity. The Company keeps on identifying the latest business requirements in terms of products etc. and fulfilling the requirements thereby enhancing the value of Company.

The Company provides the customers with various dynamic productivity and with total satisfaction. The Company's core vision is to place belief in clients, customers, investors and associates. The Company is prompt in discharging its statutory obligations and duties. The Board has adequate representation of professional, qualified; Non – executive and Independent directors.

2) Board of Directors:

The Composition of Board with reference to number of Executive, Non-executive and Independent Directors, meets the requirement of code of Corporate Governance.

Composition and Category of Directors:

Name	Category	No. of Board Meeting Attended	Attendance At last AGM	No. of Other Directorship	No. of other Committees In which Chairman / Member	
					Member	Chairman
Sh. Anil Jain	Chairman & Managing Director	8	Yes	4	—	—
Smt. Shashi Jain	Non-Executive Director	8	Yes	4	6	5
Sh. Anirudh Goyal	Non Executive Independent Director	8	Yes	1	6	—
Sh. Brij Kishor Gupta	Non Executive Independent Director	7	Yes	7	6	1

During the financial year 2007-2008, the Company has held 8 Board Meeting as against the minimum requirement of 4 meetings. The meetings were held on 06/06/2007, 29/06/2007, 30/07/2007, 10/08/2008, 14/08/2007, 31/10/2007, 28/12/2007, 30/01/2008.

3) Audit Committee:

During the financial year 2007-08, the company held 3 meetings of the audit committee. The composition of committee and attendance are as under:-

Name	Category	No. of Meeting Attended
Smt. Shashi Jain	Non-Executive Director	3
Sh. Anirudh Goyal	Non Executive Independent Director	3
Sh. Brij Kishor Gupta	Non Executive Independent Director	3

The following were the major tasks assigned to the Audit Committee:

- i. Review of Company's financial reporting process and financial statements i.e. quarterly and annual financial statements and ensure their compliance with the requirements of various authorities, before they are adopted by the Board.
- ii. Review of Accounting and financial policies and practices.
- iii. Review of internal control and internal audit system.
- iv. Recommendation to the Board of Directors the selection of Auditors, considering their independence and effectiveness, and approval of their fees for audit and for non-audit services.
- v. Discussion with Auditors on any significant findings and follow up thereon.
- vi. Considering and approving the present accounting principles and policies being followed by the Company, suggested changes in the same, if so required, and assessing whether the changes accepted by the management have been implemented.

The terms of reference stipulated by the Board to the Audit Committee are, as contained under Clause 49 of the Listing Agreement, as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board, focusing primarily on i) any changes in accounting policies and practices, ii) major accounting entries based on exercise of judgment by management, iii) qualifications in draft audit report, iv) significant adjustments arising out of audit, v) the going concern assumption, vi) compliance with accounting standards, vii) compliance with Stock Exchange and legal requirements concerning financial statements and viii) any related party transaction i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit functions.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with external auditors before the audit commences nature and scope of audit as well as had post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the creditors.

4) Remuneration Committee:

Composition of Remuneration Committee and Attendance:

Name	Category	No. of Meeting Attended
Smt. Shashi Jain	Non-Executive Director	3
Sh. Anirudh Goyal	Non Executive Independent Director	3
Sh. Brij Kishor Gupta	Non Executive Independent Director	3

INDO-CITY INFOTECH LIMITED

The remunerations paid to the Executive Directors is in accordance with the provisions of Schedule XIII of the Companies Act, 1956.

Non-Executive Director: Non-Executive Directors have not been paid any sitting fees for attending Board and Committee meetings.

5) Shareholders / Investors Grievance Committee:-

- The Company has constituted the Shareholders / Investors Grievance Committee comprising of Mrs. Shashi Jain, Mr. Anirudh Goyal and Mr. Birj Kishor Gupta. The Committee is headed by Mr. Anirudh Goyal.
- The committee oversees the performance of the Registrars and Transfer Agents and recommends measures to improve the level of investor services.
- The Company has authorized Mrs. Shashi Jain and Mr. Anirudh Goyal, jointly & severally, to approve the share transfers.
- The Board has designated Mr. Ramesh Chandra Pusola, as the compliance officer.

a) The function of the committee include:

To specifically look into redressing investors' grievances pertaining to:

- 1) Transfer of Shares;
- 2) Dividends, if any applicable;
- 3) Dematerialization of Shares;
- 4) Replacement of lost/stolen/mutilated share certificates;
- 5) Non-receipt of right/bonus/split share certificates;
- 6) Any other related issues;

There are no valid requests pending for share transfers / dematerialization of shares as on the date of Director's Report.

6) Date, Venue and Time for the last three Annual General Meetings :-

Date	Venue	Time	No of special resolution
30 th September, 2005	Registered Office	4.30 P.M.	—
30 th September, 2006	Registered Office	4.30 P.M.	—
28 th September, 2007	Registered Office	3.00 P.M.	—

7) Disclosures:

There were no materially significant related party transactions i.e., transactions, material in nature, with its promoters, the directors or the management or relatives etc. that may potentially conflict with the interest of the Company at large. There was no instances of non – compliance or penalty, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

8) Means of Communication:

Half yearly results are not sent to shareholders since it is not mandatory. The Company has a system of sending Annual Report only once in a year.

INDO-CITY INFOTECH LIMITED

The Quarterly results of the Company are sent to Stock Exchanges in their format as per requirement of Listing Agreement format and hence the quarterly financial results of the Company are available on the BSE's website. The company has its own website www.indo-city.com.

No presentation was made to the Institutional Investors or to the Analysts during the Financial Year 2007-2008. Management Discussion and Analysis Report forms a part of this Annual report.

9) General Shareholders Information:

9.1 Annual General Meeting

Date & Time : 29th September 2008 at 11.00 A.M.

Venue : **Registered Office**

9.2 Financial Calendar : 1st April to 31st March

9.3 Date of Book Closure: : 26.9.2008 to 29.9.2008 (both days inclusive)

9.4 Dividend Payment Date : No dividend has been recommended by the Board for the financial year 2007-2008.

9.5 Listing of Equity Shares : Bombay Stock Exchange Ltd.

BSE Code : **532100**

9.6 Market Price Data : **High, Low during each month in last Financial Year,**

Month	High (Rs.)	Low (Rs.)
April, 2007	5.53	4.63
May, 2007	7.30	4.83
June, 2007	6.25	5.00
July, 2007	5.65	4.35
August, 2007	6.09	4.25
September, 2007	6.01	4.86
October, 2007	5.27	4.18
November, 2007	6.41	4.00
December, 2007	9.17	4.00
January, 2008	11.57	5.80
February, 2008	6.79	5.19
March, 2008	7.00	5.15

9.7 Performance in comparison to Broad based indices such as BSE, Sensex, CRISIL Index etc. : Not linked to any Sensex / Index.

9.8 Registrar and Transfer Agents : **SHAREPRO SERVICES**
: **Salam Estate, 3rd Floor, Chakala,**
: **Andheri (East), Mumbai – 400 099 INDIA**

9.9 Share Transfer System:

Share Transfer request received in physical form are registered within 15 days from the date of receipt and Demat request are normally confirmed within an average of 15 days from the date of receipt.

INDO-CITY INFOTECH LIMITED

9.10 Shareholding Pattern as on 31st March, 2008:

Category	No. of Shares held	% of Shareholding
Promoters	29,48,600	28.35 %
Private- Bodies Corp.	8,64,314	8.31 %
Public- Individuals	65,80,036	63.27 %
NRI's/OCB's	7,050	0.07 %
Total	10,400,000	100.00%

9.11 Dematerialization of Shares & Liquidity

The Company's equity shares are included in the list of Companies whose scripts have been mandated by the SEBI for settlement only in dematerialized form by all investors. The Company has signed agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") to offer depository services to its shareholders. 63,62,865 Equity Shares of the total number of equity shares of the Company have been dematerialized as on 31/03/2008.

9.12 Outstanding GDR/ADR/Warrants or any convertible instrument, Conversion date and likely impact on equity. : N.A.

9.13 Address for Investor Correspondence :
i) for transfer / dematerialization of shares : SHAREPRO SERVICES
: Satam Estate, 3rd Floor, Chakala,
: Andheri (East), Mumbai – 400 099 INDIA
ii) for any query on Annual Report : Registered Office of the Company.

Investors Relations Cell :

Company has appointed an independent agency to maintain smooth relations with the investors, who give details of all-important events to the investors from time to time.

There are no valid requests pending for share transfers as on the date of Directors' Report.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of INDO-CITY INFOTECH LIMITED.

We have examined the compliance of conditions of Corporate Governance by Indo-City Infotech Limited, for the year ended 31st March, 2008 as stipulated in Clause-49 of the Listing Agreements of the said Company with the stock exchange in India.

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

In our opinion and to the best of our information and according to the explanations given to us:

- (i) We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements.
- (ii) We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For S.K. PATODIA & ASSOCIATES
Chartered Accountants

S. K. Patodia
Partner
M.No. 45489

Place : Mumbai
Date : 30th June, 2008

AUDITORS' REPORT

To,
The Members of **INDO-CITY INFOTECH LIMITED**.

We have audited the attached Balance Sheet of Indo-City Infotech Limited, as at 31st March, 2008 and also the Profit and Loss Account for the year ended on that dated annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in Terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we have enclosed an annexure on the matter specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to above, we report that :

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of those audit;
2. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
3. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
4. In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.

On the basis of written representation received from the directors, as on 31st March, 2008 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2008 from being appointed as a director in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956;

In our opinion and to the best of our information and according to the explanations given to us the financial accounts give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008; and
- ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date and ;
- iii) In the case of cash flow statement, of the cash flows of the company for the year ended on that date .

For S.K. Patodia & Associates
Chartered Accountants

S.K. PATODIA
Partner
M. No. 45489

Place : Mumbai
Date : 30th June, 2008

Annexure to the Auditor's Report.

(Referred to in paragraph (3) of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantity details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.
- (c) No. substantial part of fixed assets was disposed off during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has granted loans to five person covered in the registered maintained under maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 52.50 lacs and the year end balance of the loans granted to such persons is Rs. 23.50 lacs.
- (b) In our opinion and according to information and explanation given to su, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.
- (c) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest is also Generally regular.
- (d) The company has taken loan from one person covered in the registered maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 23 Lac and the year end balance of the loans granted to such persons is NIL
- (e) In our opinion and according to information and explanation given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.
- (f) In respect of loans taken, payment of the principal amount is as stipulated and payment of interest is also generally regular.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control in respect of these areas.
- (v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where prices are available.
- (vi) The Company has not accepted any deposits from public hence we do not have anything to comment on that.
- (vii) In our opinion and according to the information and explanation given to us, the company has an adequate internal audit system commensura.e with the size and nature of its business.

INDO-CITY INFOTECH LIMITED

- (viii) To the best of our knowledge and according to the information given to us, the Central government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the product of the company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income- Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, custom duty, excise duty or any other statutory dues were in arrears as at 31st March, 2008 for a period of more than six months from the date they become payable.
(c) According to the records available of the company, there are no dues outstanding of income tax, sales tax, Wealth tax, service tax, custom duty, excise duty and cess on account of any dispute.
- (x) The company does not have any accumulated losses at the end of the financial year and it has not incurred any Cash losses in the current and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanation given to us, the company has not defaulted n repayment of dues to financial institutions, banks or debentures holders, if any.
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the order are not applicable to the company
- (xiv) (a) In our opinion and according to the information & explanation given to us, in respect of dealing/ trading In shares, securities, debentures, and other investments, the company is maintaining proper records of the Transactions and contracts and timely entries have been made therein.
(b) The Shares, securities, debenture and other investments have been held by the company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not obtained any term loan during the year.
- (xvii) In our opinion and according to the information & explanation given to us, the fund raised by the company on short-term basis have not been used for long term investment, if any.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company does not have issued any debentures.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) To the best of our knowledge and belief and 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.

For S. K PATODIA & ASSOCIATES
Chartered Accountants

S. K PATODIA
Partner
M. No. 45489

Place: Mumbai
Date 30th June 2008

INDO-CITY INFOTECH LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2008.

(in Rupee's)

PARTICULARS	SCHEDULE	AS AT 31-03-2008	AS AT 31-03-2007
SOURCES OF FUNDS :			
Share Capital	A	104,000,000.00	104,000,000.00
Reserve & Surplus	B	24,659,343.12	23,651,139.51
Deferred Tax Liability	C	932,882.00	1,260,327.00
Total		<u><u>129,592,225.12</u></u>	<u><u>128,911,466.51</u></u>
APPLICATION OF FUNDS :			
FIXED ASSETS :			
	D		
Gross Block		14,775,272.15	15,217,340.15
Less : Depreciation		5,623,610.82	4,689,298.85
NET BLOCK		<u><u>9,151,661.33</u></u>	<u><u>10,528,041.30</u></u>
INVESTMENTS	E	8,444,754.62	8,212,249.37
CURRENT ASSETS, LOANS AND ADVANCES :			
	F		
Business Assets		1,902,000.00	1,902,000.00
Sundry Debtors		9,013,041.42	4,396,302.08
Cash and Bank Balance		34,643,031.55	34,062,406.32
Stock of Equity Share		3,372,326.00	-
Loans and Advances		72,117,952.43	75,739,683.00
		<u><u>121,048,351.40</u></u>	<u><u>116,100,391.40</u></u>
LESS : CURRENT LIABILITIES AND PROVISIONS	G	9,052,542.23	5,929,215.56
NET CURRENT ASSETS		<u><u>111,995,809.17</u></u>	<u><u>110,171,175.84</u></u>
Total		<u><u>129,592,225.12</u></u>	<u><u>128,911,466.51</u></u>
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS			
	J		

Schedule 'A' to 'G' & Schedule 'J' referred to above form part of the Balance Sheet.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For S.K. PATODIA & ASSOCIATES
Chartered Accountants

For and on behalf of Board

S. K. PATODIA
PARTNER
M. No. 45489

Anil Jain

Chairman & Managing Director

Shashi Jain

Director

PLACE : MUMBAI
DATED : 30TH JUNE, 2008

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

(in Rupee's)

PARTICULARS	SCHEDULE	YEAR ENDED 31-03-2008	YEAR ENDED 31-03-2007
INCOME :			
Income from Operation		81,451,293.08	49,855,904.29
Other Income	H	8,166,203.74	7,016,880.70
TOTAL		89,617,496.82	56,872,784.99
EXPENDITURE :			
Direct Expenses		75,324,245.00	48,254,635.20
Loss on Shares Trading		2,964,616.66	0.00
Administrative & other expenses.	I	8,436,431.37	5,662,382.31
Depreciation		1,542,763.18	1,443,104.98
TOTAL		88,268,056.21	55,360,122.49
PROFIT BEFORE TAXATION		1,349,440.61	1,512,662.50
Current Tax Provision		619,640.00	413,980.00
Deferred Tax		(327,445.00)	95,180.00
Fringe Benefit Tax		49,042.00	76000.00
NET PROFIT FOR THE YEAR		1,008,203.61	927,502.50
ADD: BALANCE BROUGHT FORWARD		3,097,139.51	2,169,637.01
BALANCE CARRIED TO BALANCE SHEET		4,105,343.12	3,097,139.51
BASIC & DILUTED EARNING PER SHARE		0.097	0.089

**SIGNIFICANT ACCOUNTING POLICIES
& NOTES ON ACCOUNTS**

J

Schedule 'H' to 'I' & Schedule 'J' referred to above form part of the Profit & Loss Account

AS PER OUR REPORT OF EVEN DATE ATTACHED

For S.K. PATODIA & ASSOCIATES
Chartered Accountants

For and on behalf of Board

S. K. PATODIA
PARTNER
M. No. 45489

Anil Jain

Chairman & Managing Director

Shashi Jain

Director

PLACE : MUMBAI
DATED : 30TH JUNE, 2008

INDO-CITY INFOTECH LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNTS

(in Rupee's)

PARTICULARS	AS AT 31-03-2008	AS AT 31-03-2007
SCHEDULE 'A' :		
SHARE CAPITAL :		
AUTHORIZED		
10750000 (Previous year 10750000) Equity shares of Rs. 10/- each.	<u>107,500,000.00</u>	<u>107,500,000.00</u>
	<u>107,500,000.00</u>	<u>107,500,000.00</u>
ISSUED, SUBSCRIBED AND PAID UP :		
10400000 (Previous year 10400000) Equity Shares of Rs. 10/- each fully paid up in cash	<u>104,000,000.00</u>	<u>104,000,000.00</u>
	<u>104,000,000.00</u>	<u>104,000,000.00</u>
SCHEDULE 'B' :		
RESERVES & SURPLUS :		
A. SHARE PREMIUM ACCOUNT	20,554,000.00	20,554,000.00
B. PROFIT & LOSS ACCOUNT		
Opening Balance	3,097,139.51	2,169,637.01
Add : Profit for the Year	1,008,203.61	927,502.50
Net Surplus for the Year	<u>4,105,343.12</u>	<u>3,097,139.51</u>
TOTAL (A+B)	<u>24,659,343.12</u>	<u>23,651,139.51</u>
SCHEDULE 'C' :		
DEFERRED TAX LIABILITY:		
Opening Balance	1,260,327.00	1,165,147.00
Add/(Less) : Deferred Tax Liability (Credit) during the year on account of dep.	<u>(327,445.00)</u>	<u>95,180.00</u>
Total	<u>932,882.00</u>	<u>1,260,327.00</u>

**SCHEDULE 'D':
FIXED ASSETS :**

ASSETS	Depreciation Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS AT 1.4.2007	ADDITIONS DURING THE YEAR	Sold	AS AT 31.03.08	UP TO 01.04.2007	FOR THE YEAR	UP TO 31.03.08	AS AT 31.03.08	AS AT 31.03.07
Land & Development	0.00%	3,252,501.00	53,881.00	-	3,306,382.00	-	-	-	3,306,382.00	3,252,501.00
Air Conditioners	4.75%	227,440.00	48,500.00	-	275,940.00	87,387.54	12,347.02	99,734.56	176,205.44	140,052.46
Computers	16.21%	7,483,287.00	163,500.00	-	7,646,787.00	3,272,611.64	1,237,318.18	4,509,929.82	3,136,857.18	4,210,675.36
Furniture & Fixture	6.33%	3,408,077.15	86,929.00	-	3,495,006.15	781,358.71	221,929.28	1,003,287.99	2,491,718.16	2,626,718.44
Motor Car	9.50%	802,733.00	-	802,733.00	-	539,347.48	69,103.73	0.00	-	-
Office Equipments	4.75%	15,262.00	7,855.00	-	23,117.00	556.93	733.09	1,290.02	21,826.98	14,705.07
Aqua Guard	4.75%	7,250.00	-	-	7,250.00	2,303.94	344.36	2,648.30	4,601.70	4,946.06
IFB Machine	4.75%	20,790.00	-	-	20,790.00	5,732.61	987.52	6,720.13	14,069.87	15,057.39
TOTAL		15,217,340.15	360,665.00	802,733.00	14,775,272.15	4689298.85	1,542,763.18	5623510.82	9,151,661.33	7,012,154.78
PREVIOUS YEAR Rs.		10,716,719.15	4,500,621.00	-	15,217,340.15	3246193.87	1,443,104.98	4689296.85	10,528,041.26	7,470,525.28

INDO-CITY INFOTECH LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNTS

(in Rupee's)

PARTICULARS	AS AT 31-03-2008	AS AT 31-03-2007
SCHEDULE 'E' :		
INVESTMENTS :(At Cost)		
A. QUOTED EQUITY SHARES (FULLY PAID UP):		
426000 Eq. Sh.of Indo-Castle Multimedia Ltd	2,144,502.62	2,144,502.62
1500 Equity Share of Tata Steels Ltd (Market Value as on 31.03.2007 Rs. 2,779800/-)	0.00	754,494.75
B. UNQUOTED EQUITY SHARES:		
25 Shares of Bharat Co-op Bank Ltd.	252.00	252.00
SHARES & SECURITIES SUBSCRIPTION	6,300,000.00	5,313,000.00
	<u>8,444,754.62</u>	<u>8,212,249.37</u>
SCHEDULE 'F' :		
CURRENT ASSETS, LOANS & ADVANCES :		
A) CURRENT ASSETS :		
Business Assets		
Software Development	1,692,000.00	1,692,000.00
Website Development	210,000.00	210,000.00
Total	<u>1,902,000.00</u>	<u>1,902,000.00</u>
Stock Of Shares		
Ispat Ind. 35000 Equity Share	1097250.00	0.00
RNRL 5580 Equity Share	556326.00	0.00
Reliance Petroluimum 11000 Eq. Shares	1718750.00	0.00
Total	<u>3,372,326.00</u>	<u>0.00</u>
Sundry Debtors		
Less than 6 months	9,013,041.42	4,396,302.08
Total	<u>9,013,041.42</u>	<u>4,396,302.08</u>
CASH & BANK BALANCE		
Cash in Hand	2,049,971.19	1,864,731.03
Balance with Scheduled Banks		
In Current Accounts	812,057.36	1,330,415.29
In Term Deposit Accounts	31,781,003.00	30,867,260.00
	<u>34,643,031.55</u>	<u>34,062,406.32</u>
	<u>48,930,398.97</u>	<u>40,360,708.40</u>
B) LOANS AND ADVANCES :		
(Unsecured. Considered good)		
Loans & Advances	69,767,851.00	72,641,782.00
Deposits	31,500.00	411,500.00
Tax Deducted at Sources	2,237,195.43	2,538,995.00
Advance Tax Paid (FBT)	81,406.00	147,406.00
	<u>72,117,952.43</u>	<u>75,739,683.00</u>
Total (A + B)	<u>121,048,351.40</u>	<u>116,100,391.40</u>
SCHEDULE 'G' :		
CURRENT LIABILITIES AND PROVISIONS :		
CURRENT LIABILITIES :		
Sundry Creditors	8,199,459.31	4173215.99
Other liabilities	184,400.92	171,285.00
	<u>8,383,860.23</u>	<u>4,344,500.99</u>
PROVISIONS:		
For Taxation	668,682.00	489,980.00
For Taxation (Old)	0.00	1,094,734.57
	<u>668,682.00</u>	<u>1,584,714.57</u>
	<u>9,052,542.23</u>	<u>5,929,215.56</u>

INDO-CITY INFOTECH LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNTS

(in Rupee's)

PARTICULARS	AS AT 31-03-2008	AS AT 31-03-2007
SCHEDULE 'H':		
OTHER INCOME		
Interest on I.T.Refund	0.00	19,838.00
Interest Income	8,159,054.00	6,940,065.00
Income from Investment	7,149.74	56,977.70
	<u>8,166,203.74</u>	<u>7,016,880.70</u>
SCHEDULE 'I':		
ADMINISTRATIVE AND OTHER EXPENSES :		
Audit Fees	36,047.00	22,448.00
Bank Charges	48,878.28	70,433.34
Books & Periodicals Expenses	145,156.00	37,531.00
Business Promotion Expenses	117,671.00	104,758.00
Computer Expenses	458,839.00	152,013.00
Computer Stationery Expenses	426,270.00	119,142.00
Conveyance Expenses	275,411.50	233,411.00
Directors Remuneration	902,700.00	902,700.00
Electricity Charges	65,373.00	51,885.00
Filing Fees	3,500.00	2,100.00
General expenses	362,487.30	146,385.00
Legal & Professional Charges	78,855.00	59,267.00
Listing Fees	30,000.00	30,000.00
Motor Car Expenses	184,224.58	166,481.00
Office Expenses	433,431.61	238,986.00
Postage & Courier Expenses	373,763.00	112,551.00
Printing & Stationery Expenses	398,640.00	154,115.00
Professional Tax - Companies	37,000.00	2,500.00
Publication & Advertisement Expenses	288,731.17	60,953.00
Rent, Rates & Taxes etc.	120,000.00	120000.00
Repairs & Maintenance	807,082.66	248,497.00
Salaries	1,843,404.00	1,873,774.00
Share Transfer Charges	64,300.00	62,987.97
Staff Welfare Expenses	380,514.92	375,814.00
Telephone Charges	116,246.85	93,674.00
Travelling Expenses	111,448.00	102,010.00
Xerox & Offset Expenses	326,456.50	117,966.00
TOTAL	<u>8,436,431.37</u>	<u>5,662,382.31</u>

SCHEDULE 'J'

SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS:

1. Significant Accounting Policies:

- A. Convention:**
The financial statements are prepared under the historical cost convention in accordance with generally accepted accounting principles and relevant presentational requirements of the Companies Act, 1956.
- B. Recognized of Income & Expenditure:**
All income and expenditure items are recognized on accrual basis.
- C. Fixed Assets:**
Fixed Assets are stated at historical cost less depreciation.
- D. Depreciation:**
Depreciation has been provided on Straight Line Method at the rate prescribed under Schedule XIV to the Companies Act, 1956.
- E. Investments:**
Investments have been shown at cost.
- F. Closing Stock:**
Stocks of Equity Shares are valued at lower of cost or net releasable value.
- G. Retirement benefits to the employees:**
Liabilities for retirement benefits, if any, are accounted on cash basis.
- H. Others:**
Accounting policies not specifically referred to otherwise are in accordance with normally accepted accounting principles.
- I. Deferred Tax:**
The deferred tax during the year for timing difference is accounted using tax rates that have been enacted, the net difference arising there on credited to Profit & Loss A/c.

II. NOTES ON ACCOUNTS:

- 1. The current assets, loans & advances are approximately of the same value states if realized in the ordinary course of the business.
- 2. Balances of Debtors, Creditors, and Loans & Advances are subject to Confirmation.
- 3. Contingent Liabilities not provided for NIL
- 4. No provision has been made for Interest Tax (if any), in view of that the same is recoverable from parties.
- 5. Payment to Directors : -

	<u>2007-2008</u>	<u>2006-2007</u>
Directors Remuneration	Rs. 9,02,700.00	9,02,700.00
- 6. Payment to Auditors :

Statutory Audit Fees	Rs. 25,281.00	16,836.00
Tax Audit Fees	Rs. 8,427.00	5,612.00
Other Matter	Rs. 2339.00	—
- 7. Segment Reporting:
The Company recognizes hardware / software as its only primary segment since its operation predominantly consists of providing a comprehensive range of software service to its countrywide customers operating in different industries.
- 8. Related Party Disclosures:
Disclosures as required by the Accounting Standard "18" Related Party Disclosures are given below:

INDO-CITY INFOTECH LIMITED

A) List of Related Parties:

Companies having Common Directors:

- | | |
|--------------------------------|--------------------------------|
| 1. Indo-Castle Multimedia Ltd. | 2. Towermatic Plastic Pvt. Ltd |
| 3. Rajkul Developers Pvt. Ltd. | 4. Cyning Com-Sec Pvt. Ltd. |

Key Management Personnel and Relatives:

1. Mr. Anil Jain

B) Transaction with related parties

Name : Anil Jain

	Nature of Transactions	Amount
1. Key Management Personnel and Relatives	Directors Remuneration	9,02,700/-

9. Earning Per Share (In Rs.)

(Nominal Value of Rs. 10/- per share)

	2007-2008	2006-2007
Basic Earning per share (Rs.)	0.097	0.089
Diluted Earning per Share (Rs.)	0.097	0.089

10. Previous year figures have been rearranged and re-grouped wherever considered necessary to make them comparable with current year figures.

11. Additional information pursuant to clause 4C and 4D of part II to Schedule VI to the Companies Act, 1956 are not given as these are either not applicable or nil.

12. Balance Sheet abstract and Company's General Business Profile.

I. Registration Details

Registration No.	68670	State Code	11
Balance Sheet Date	31.03.2008		

II. Capital Raised during the year

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilization and deployment of Funds

Total Liabilities	12,95,92,225.12	Total Assets	12,95,92,225.12
Sources of Funds			
Paid up Capital	104,000,000.00	Reserve & Surplus	2,46,59,343.12
Secured Loans	NIL	Unsecured Loans	NIL
Deferred Tax Liability	9,32,882.00		
Application of Funds			
Net Fixed Assets	91,51,661.33	Investments	84,44,754.62
Net Current Assets	11,19,95,809.17	Misc. Expenditure	—
Accounting Profits /Losses	—		

IV. Performance of the Company

Total Income	8,96,17,496.82	Total Expenditure	8,82,60,906.47
Profit before Tax	13,49,440.61	Profit After Tax	10,08,203.61
Earning per Share (Rs.)	0.097	Dividend	NIL

V. Generic Names of Principal Products / Services of the Company

(as per monetary terms)

Item Code No.	N.A.	Product Description	N.A.
---------------	------	---------------------	------

Schedule A to J form an integral part of the Balance Sheet and Profit and Loss Account and have been duly authenticated.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For S.K. PATODIA & ASSOCIATES
Chartered Accountants

For and on behalf of Board

S. K. PATODIA
PARTNER
M. No. 45489

Anil Jain Chairman & Managing Director

Shashi Jain Director

PLACE : MUMBAI
DATED : 30TH JUNE, 2008

CASH FLOW STATEMENT FOR THE YEAR 31ST MARCH, 2008

PARTICULARS	2007-2008	2006-2007
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax & extraordinary items	1,349,440.61	1,512,662.50
Adjusted for:		
1. Depreciation	1,542,763.18	1,443,104.98
2. Interest (Net) / Other Income	(8,159,054.00)	(7,016,880.70)
3. Income on sale of Investment	(7,149.74)	0.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(5,273,999.95)	(4,061,113.22)
Adjusted for:		
1. Inventories	(3372326.00)	(216,000.00)
2. Receivables	(4616739.34)	(4,396,302.08)
3. Trade Payables	4026243.32	4,173,215.99
4. Other Current Liabilities	13,115.92	467,504.00
CASH GENERATED FOR OPERATIONS	(9,223,706.05)	(4,032,695.31)
Taxes Paid	(1,584,714.57)	(489,980.00)
CASH FLOW BEFORE EXTRA ORDINARY ITEMS	(10,808,420.62)	(4,522,675.31)
NET CASH FROM OPERATING ACTIVITIES	(10,808,420.62)	(4,522,675.31)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(360,665.00)	(4,500,621.00)
Sale of Fixed Assets	194,281.79	0.00
Loans & Advances	3,621,730.57	(3,184,656.00)
Purchase/Sale of Investments	(232,505.25)	1,144,002.63
Interest (net)/Other Income	8,159,054.00	7,016,880.70
Income on Sale of Investment	7,149.74	0.00
NET CASH FLOW IN INVESTING ACTIVITIES	11,389,045.85	475,606.33
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share capital & Premium	0.00	0.00
NET CASH FLOW IN FINANCIAL ACTIVITIES	0.00	0.00
Net increase/decrease in Cash and Cash Equivalents	580,625.23	(4,047,068.98)
Cash and Cash Equivalents at the begning of the year	34,062,406.32	38,109,475.30
Cash and Cash Equivalents at the end of the year	34,643,031.55	34,062,406.32

NOTES TO CASH FLOW STATEMENTS

Components of cash and cash Equivalents includes cash & bank balances in current and deposit accounts

This is the Cash Flow Statement referred to in our report of even date.

For S.K. PATODIA & ASSOCIATES
Chartered Accountants

For and on behalf of Board

S. K. PATODIA
PARTNER
M. No. 45489

Anil Jain

Chairman & Managing Director

Shashi Jain

Director

PLACE : MUMBAI
DATED : 30TH JUNE, 2008

INDO-CITY INFOTECH LIMITED

Regd. Office : 2/6, Mittal Estate, Andheri-Kurla Road, Andheri (E), Mumbai-400 059.

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL
(Joint Shareholders may obtain additional Attendance Slips on request).

Regd. Folio No _____

D.P. ID* _____ Client ID _____

Name of the Shareholder (s) or Proxy _____
(IN BLOCK LETTERS)

No. of Shares held _____

I hereby record my presence at the Sixteenth Annual General Meeting of the Company on Monday, 29th September, 2008 at 2/6, Mittal Estate, Andheri-Kurla Road, Andheri (East), Mumbai-400 059. at 11.00 A.M.

SIGNATURE OF THE
SHAREHOLDER OR PROXY _____

* Applicable to Investors holding shares in electronic form.

INDO-CITY INFOTECH LIMITED

Regd. Office : 2/6, Mittal Estate, Andheri-Kurla Road, Andheri (E), Mumbai-400 059.

PROXY FORM

I/ We _____

of _____

being Member/Members of INDO-CITY INFOTECH LIMITED hereby

appoint _____ of _____ or

failing him _____ of _____

as my/our Proxy to vote for me/us and on my/our behalf at the Sixteenth Annual General Meeting of the Company to be held on Monday, 29th September, 2008 at 11.00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2008.

Affix
1 Rs.
Revenue
Stamp

Regd. Folio No _____

D.P. ID* No. _____ Client ID _____

Note : The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

Book-Post

If undelivered please return to :



INDO-CITY INFOTECH LIMITED

2/6, Mittal Estate,
Andheri-Kurla Road,
Andheri (E), Mumbai-400 059.

Sadguru Prints 9819195660