



MAHAVEER INFOWAY LIMITED



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23rd ANNUAL REPORT
2013-2014



Mahaveer
Infoway Ltd

**23rd ANNUAL REPORT
2013-2014**

7-1-24/2/C, 301/A, Dhansi Surabhi Complex,
Greenlands, Ameerpet, Hyderabad - 500 016.

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CORPORATE INFORMATION

1. BOARD OF DIRECTORS

1.	Mr. Ashok Kumar Jain	Managing Director	(DIN: 00043840)
2.	Mr. Vinit Maharia	Director	(DIN: 02075755)
3.	Mr. Vijay Jain	Director	(DIN: 02321195)
4.	Mr. Jeetendra Kumar Bhansali	Director	(DIN: 02894546)
5.	Mr. Ramesh Prasanna Dixit	Director	(DIN: 02894687)
6.	Mr. Rajender Kumar Jain	Director	(DIN: 03093801)
7.	Mr. Budhi Prakash Toshniwal	Director	(DIN: 00147869)
8.	Ms. A Neelima Reddy	Additional Director	(DIN: 00162177)
9.	Mr. Ravi Kumar Joshi	CFO	

2. **COMPANY SECRETARY** : Ms. Neha Kalpande
3. **REGISTERED OFFICE** : 7-1-24/2/C, 301/A, Dhansi Surabhi Complex,
Greenlands, Ameerpet, Hyderabad-500016, Telangana
4. **AUDITORS** : KALYANA & CO.
Chartered Accountants
3-6-520, Flat No. 204, 2nd Floor, Ashoka Scintilla,
Opp. KFC, Himayat Nagar, Hyderabad – 500029.
5. **INTERNAL AUDITORS** : M/s. Onkari & Associates
Chartered Accountants
6. **AUDIT COMMITTEE** : Mr. Budhi Prakash Toshniwal
Mr. Vinit Maharia
Ms. A Neelima Reddy
7. **NOMINATION AND
REMUNERATION COMMITTEE** : Mr. Vinit Maharia
Mr. Budhi Prakash Toshniwal
Ms. A Neelima Reddy
8. **STAKEHOLDERS
RELATIONSHIP COMMITTEE** : Ms. A Neelima Reddy
Mr. Budhi Prakash Toshniwal
Mr. Vinit Maharia
9. **BANKERS** : Axis Bank Ltd

- 10. LISTED / TRADED AT** : BSE Limited (Indonext Segment)
Ahmedabad Stock Exchange Limited
- 11. REGISTRAR & SHARE TRANSFER AGENTS** : M/s.Venture Capital & Corporate Investments Pvt. Ltd
12-10-167, Bharat Nagar, Hyderabad- 500018.
Ph: 040-23818475/ 23818476/ 23868023
Fax: 040-2386802
- 12. DEMAT ISIN NUMBER IN NSDL& CDSL** : **INE019D01016**
- 13. WEBSITE** : **www.minfy.com**
- 14. INVESTOR E-MAIL ID** : **cs@minfy.com**
- 15. CORPORATE IDENTITY NUMBER** : **L65910TG1991PLC012704**

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the Shareholders of **M/s Mahaveer Infoway Limited** will be held on Tuesday, the 30th September, 2014 at 11.00 A.M. at the Registered Office of the Company situated at 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad-500016, Telangana, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheet as at March 31st, 2014, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Annexure and Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. Jeetendra Kumar Bhansali who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Rajender Kumar Jain who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Kalyana & Co, Statutory Auditors to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of the next Annual General of the Company at remuneration as may be fixed by the Board of Directors.

SPECIAL BUSINESS:

5. **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, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Vinit Maharia (holding DIN 02075755), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

6. 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, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Budhi Prakash Toshniwal (holding DIN 00147869), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

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

“RESOLVED THAT Ms. A Neelima Reddy (holding DIN 00162177), who was appointed as

an additional director of the Company pursuant to the provisions of section 152 and 161(1) of the Companies Act, 2013 by the Board of Directors w.e.f. 30.09.2013 and who holds office up to date of the ensuing annual general meeting and in respect of whom the company has received a notice in writing under section 160 of the said Act, along with requisite deposit proposing her as 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 for a term up to 31st March, 2019.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 14 of the Companies Act, 2013, the Articles of Association of the Company be and is hereby altered in the following manner:

- a) In interpretation clause of Article 2 the following definition is inserted after existing definition “writtin and Writing ”

‘Electronic mode’ means carrying out electronically-based, transactions whether main server is installed in India or not, including, but not limited to:

- I. business to business and business-to-consumer transactions, data interchange and other digital supply transactions;
- II. offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India;
- III. financial statements, web-based marketing, advisory and transactional services, database services and products, supply chain management;
- IV. online services such as telemarketing, telecommuting, education and information research; and all related data communication services;
- V. facsimile telecommunication when directed to the facsimile number or electronic mail directed to electronic mail addresses, using any electronic communication mechanism that the message so sent, received or forwarded is storable and retrievable;
- VI. posting of an electronic message board or network that the company or the officer has designated for such communications, and which transmission shall be validly delivered upon the posting; or
- VII. other means of electronic communication, in respect of which the Company or the officer has put in place reasonable systems to verify that the sender is the person purporting to send the transmission; and
- VIII. video conferencing, audio-visual mode, net conferencing and/or any other electronic communication facility.

- b) A new Article 150 is being inserted after Article 149 which is as under:

“150. Maintenance of registers and records in electronic mode

Notwithstanding anything contained in these Articles, Registers, Index, Agreement, Memorandum, Minutes, Books of Accounts or any other documents required to be kept by the Company under the Companies Act, 2013 may be kept in electronic form in such form and manner as may be prescribed under Section 120 of the Companies Act, 2013 and rules made there under.”

- c) A new clause 61(4) is being inserted under Article 61 (3) which is as under:

“ 61(4) Voting by members through electronic mode

A member may exercise his vote at a General Meeting or Postal Ballot by electronic mode in accordance with Section 108 of the Companies act, 2013 and rules made there under and shall be eligible to vote only once for a single resolution.”

- d) A new clause 107A is being inserted after deleting the existing text-in Article of Association 107A:

“107A Participation in Meeting of the Board by Directors through electronic mode

Notwithstanding anything contained herein, the director(s) may participate in the meeting(s) of the Board or any committee thereof through electronic mode by video conferencing or other audio visual modes as may be prescribed, and the Director(s) so participating shall be deemed to be present at the meeting for the purposes of quorum, voting, recording of minutes and all other relevant provisions in this regard by following procedure specified under applicable laws for the time being in force and rules, regulations, circulars, notifications, guidelines etc. issued/to be issued from time to time by competent/ statutory authority(ies).”

- e) A new Clause 147(a) is being inserted under Article 147 which is as under:

“147(a). Service of documents through electronic mode

Notwithstanding anything contained in these articles and as per Section 20 & 134 of the Companies Act, 2013 read with rules made thereunder, a Company may serve copies of the Balance sheet, Statement of Profit and loss, Auditors' Report, Directors' Report, Notice of the General Meeting along with explanatory statements etc. and any other documents to the members through electronic mode, by following conditions laid down under the relevant Rules.”

- f) A new Article 151 is being inserted after Article 150 which is as under

151 “General Clause – Overriding effect of Companies Act, 2013”

The intention of these Articles is to be in consonance with the contemporary Act, Rules and Regulations prevailing in India. If there is an amendment in any Act, Rules and Regulations allowing what was not previously allowed under the Statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles. In case of any of the provisions contained in these articles is inconsistent or contrary to the provisions of the Companies Act, 2013 and rules made thereunder, the provisions of Companies Act, 2013 and rules made thereunder shall override the provisions of these Articles and these Articles shall be deemed to have been amended to include such provisions of the Companies Act, 2013. All references to sections of Companies Act, 1956 shall be deemed to include the corresponding sections/provisions of the Companies Act, 2013 if any.”

9. To consider and if thought fit, to pass with or without modification s, the following resolution as a Special Resolution:

RESOLVED THAT in supersession of the earlier resolution passed at the general meeting and pursuant to Section 180(1)(c) and all other enabling provisions of the Companies Act, 2013, or any other law for the time being in force (including any statutory modification or

amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may deem fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that the total amount of money/ moneys so borrowed shall not exceed Rs.15.00 Crores (Rupees Fifteen Crores Only).

RESOLVED FURTHER THAT the Board or any of its duly constituted committee be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution."

10. To consider and if thought fit, to pass with or without modification s, the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provision of section 196, 197, 198 and 203 read with schedule V of the Companies act, 2013 Mr. Ashok Kumar Jain, be and is hereby appointed as Managing Director for a term of 5 years with effect from 08/08/2014 initially at a remuneration of Rs. 3,00,000 p.a. till such date during his tenure as may be decided by the Board and with liberty to the Board of Directors to fix, alter or vary from time to time the term and condition of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in schedule V of the said Act. Central Government in that behalf or any amendments thereto as may be agreed by the Board of Director and Mr. Ashok Kumar Jain, in this behalf.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Ashok Kumar Jain, the remuneration, perquisites and other allowances, if any fixed by the Board of Director shall be governed by the limits prescribed in Schedule V to the Act, 2013.

For and on behalf of the Board of
Mahaveer Infoway Limited

Sd/-

Ashok Kumar Jain
Managing Director
(DIN: 00043840)

Place: Hyderabad

Date: 08.08.2014

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2014 to 30th September, 2014 (both days inclusive).
4. As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of up to five consecutive years and are not liable to retire by rotation. Accordingly, resolutions proposing appointment of Independent Directors are given at item nos. 5 to 7.
5. The relevant details of Directors seeking appointment / re-appointment under item no. 5, 6 and 7 of this Notice are provided in the Annual Report.
6. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form' available on the website of the Company www.minfy.com to M/s Venture Capital and Corporate Investments Private Limited / Investor Service Department of the Company. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
7. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
8. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 26.09.2014, i.e. the date prior to the commencement of book closure

date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may vote physically in the Annual General Meeting and approach the Company for copy of Annual Report. The e-voting period will commence at 9.00 a.m. on 25.09.2014 and will end at 6.00 p.m. on 26.09.2014. The Company has appointed Mr. Vivek Surana, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCEDURE FOR E-VOTING:

In case of members receiving e-mail:

- a) Log on to the e-voting website www.evotingindia.com
- b) Click on “Shareholders” tab.
- c) Now, select the “**COMPANY NAME**” from the drop down menu and click on “SUBMIT”
- d) 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.
- e) Next enter the Image Verification as displayed and Click on Login.
- f) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- g) If you are a first time user follow the steps given below:**

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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 8 digits of the sequence number (Available on the Address label pasted in the cover and/or in the e-mail sent to the members) in the PAN field. • In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.
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#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • 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 member id / folio number in the Dividend Bank details field.

- h) After entering these details appropriately, click on “SUBMIT” tab.
- i) 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 take utmost care to keep your password confidential.
- j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- l) 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.
- m) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- n) 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.
- o) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- p) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- q) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 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.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - 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.
 - 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.
 - 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.

In case of members receiving the physical copy:

- (i) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- ii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorized to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.

- iii) The voting period begins on 25.09.2014 at 9.00 A.M. and ends on 26.09.2014 at 6.00.P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the 29.08.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - iv) 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.com under help section or write an email to helpdesk.evoting@cdslindia.com.
 - v). The voting rights of shareholders 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 29.08.2014 for e voting purpose.
 - vi). Mr. Vivek Surana, Practicing Company Secretary, C.P. No. 12901 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - vii). 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.
 - viii). The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.minfy.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
 - ix). Since the Company is required to provide members facility to cast their vote by electronic means, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 29.08.2014 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
9. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participant(s), with whom they maintain their demat accounts, will be used by the Company. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their Depository Participants immediately.
 10. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Venture Capital and Corporate Investments Private Limited / Investor Service Department of the Company immediately.
 11. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Venture Capital and Corporate Investments Private Limited / Investor Service Department of the Company.
 12. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
 13. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

**Brief Details of Directors seeking re-appointment at this Annual General Meeting
(Pursuant to Clause 49 of the Listing Agreement)**

Particulars	Mr. Jeetendra Kumar Bhansali Mr. B Prakash Toshniwal	
Date of Birth	14/01/1977	20/01/1958
Date of Appointment	30/10/2004	30/05/2010
Qualifications	Bachelor of Engineering (Mech)	Graduate in Commerce
No.of Shares held in the Company	NIL	NIL
Directorships held in other companies (excluding private limited and foreign companies)	NIL	NIL
Positions held in mandatory committees of other companies	NIL	NIL
Particulars	Ms. A Neelima Reddy	Mr. Vinit Maharia
Date of Birth	27/12/1987	14/11/1981
Date of Appointment	30/09/2013	23/08/2003
Qualifications	Master of Business Management (HR)	Graduate in Commerce
No.of Shares held in the Company	NIL	NIL
Directorships held in other companies (excluding private limited and foreign companies)	NIL	NIL
Positions held in mandatory committees of other companies	NIL	NIL
Particulars	Mr. Rajender Kumar Jain	Mr. Ashok Kumar Jain
Date of Birth	02/04/1964	04/03/1959
Date of Appointment	30/04/1996	13/05/1991
Qualifications	Graduate	Graduate
No.of Shares held in the Company	2,96,000	5,02,718
Directorships held in other companies (excluding private limited and foreign companies)	1	1
Positions held in mandatory committees of other companies	1	1

For and on behalf of the Board of
Mahaveer Infoway Limited

Sd/-

Ashok Kumar Jain
Managing Director
(DIN: 00043840)

Place: Hyderabad
Date: 08.08.2014

STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

ITEM NO.5-7

In accordance with the relevant provisions of the Articles of Association of the Company and the erstwhile provisions of the Companies Act, 1956, Mr. Vinit Maharia, Mr. Budhi Prakash Toshniwal and Ms. Neelima Reddy, Independent Directors were appointed as independent directors by the Members of the Company. The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint them, as Independent Directors on the Board of the Company for a term up to five consecutive years, commencing from 01.04,2014. A brief profile of proposed Independent Directors, including nature of their expertise, is provided in this Annual Report.

Notices have been received from Members proposing candidature of the above Directors for the office of Independent Director of the Company. In the opinion of the Board, they fulfil the conditions specified in the Companies Act, 2013 and the Rules made there under for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company www.minfy.com

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors, Mr. Vinit Maharia, Mr. Budhi Prakash Toshniwal and Ms. A Neelima Reddy for their respective appointments, are concerned or interested, financially or otherwise, in these Resolutions. The Board commends the Ordinary Resolutions as set out at item no. 5 to 7 for approval of the Members.

ITEM NO.8

Due to the enactment of majority provisions of the Companies Act, 2013 certain changes are required to be made in the Articles of Association of the Company. Some new articles/clauses are proposed to be inserted in relation to use of electronic mode for voting by members, participation in meeting of the Board by Directors, service of documents and maintenance of registers and records.

A general clause is also proposed to be inserted to the effect that if any provision as mentioned in the articles is inconsistent with the provisions of the Companies Act, 2013 and Rules made therein, then the provisions of the Companies Act, 2013 and rules made therein shall override the provisions of these Articles.

The Board therefore recommends the resolution under section 14 of the Companies Act, 2013 as a special resolution for your approval.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested in the resolution.

ITEM NO.9

In terms of the resolution passed pursuant to Section 293(1)(d) of the Companies Act, 1956 by the Shareholders at the Annual General Meeting, the Board of Directors of the Company was authorised to borrow upto a sum of Rs. 10 Crores (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business). In view of the increased scale of operations since then, the mobilization of the funds has been substantially increased. Therefore, it is considered desirable to increase the Board's borrowing powers in Supersession of existing limit to Rs. 15 Crores Accordingly, the consent of the Shareholders at the General Meeting is sought under Section 180 (1) (c) of the Companies Act, 2013.

The Directors recommend the Resolution in the best interest of the Company for your approval.

None of the Directors or Key Managerial Person of the Company or their relatives is deemed to be concerned or interested in the aforesaid Resolution.

ITEM NO.10

The Board of Director in its meeting held on 08/08/2014 appointment Mr. Ashok Kumar Jain as a managing Director of the Company for a period of 5 year with effect from 08/08/2014 as per terms and conditions explained in the resolution.

As per the provision of Schedule V of the Companies Act, 2013, appointment of Mr. Ashok Kumar Jain, as Managing Director, requires the approval of the members in the General Meeting. Hence, the above resolution at item no. 10 is submitted for approval of members by passing Special Resolution.

Mr. Ashok Kumar Jain is the promoter Director of the Company and he oversees company's Strategic Directions and all day-to-day operation of the Company. He has wide experience of 23 years and expertise in the software field and he also has the experience in finance, Management and infrastructure. His stewardship has been the driving force behind one of the fastest growing software service firms with Fifteen years of consecutive growth.

Mr. Ashok Kumar Jain, satisfy all the condition set out in part-1 schedule V to the Companies Act,2013 as also condition set out under sub – section (3) of section 196 of the Companies Act, 2013 for being eligible for their re-appointment.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Ashok Kumar Jain under section of the companies Act, 2013.

For and on behalf of the Board of
Mahaveer Infoway Limited

Sd/-

Ashok Kumar Jain
Managing Director
(DIN: 00043840)

Place: Hyderabad
Date: 08.08.2014

DIRECTOR'S REPORT

To,

The Shareholders

Your Directors have pleasure in presenting the 23rd Annual Report with Audited Statements of Accounts of the Company for the financial year ended 31st March 2014.

FINANCIAL RESULTS:

The financial results of the company are as follows:

PARTICULARS	2013-2014(in Rs.)	2012-2013(in Rs.)
Sales and Services	721,853,872	513,708,554
Income From IT Activities	24,974,633	19,964,547
Other Income	32,968,972	26,595,250
Profit before tax	2,894,006	2,454,067
Provision for Tax (Including Deferred Tax)	978,867	87,619
Profit After Tax	1,915,138	2,366,450
Profit Brought From Previous Year	10,513,644	81,47,194
Profit available for appropriation	12,428,782	10,513,644
Dividend on Equity Shares	NIL	NIL
Provision Corporate Dividend Tax	NIL	NIL
Balance carried to Balance Sheet	12,428,782	10,513,644

OPERATIONS AND PROSPECTS: REVIEW OF OPERATIONS:

The Company has recorded a turnover of Rs. 72.19 Crores in the current year and made a net profit of Rs. 19.15 lacs compared to Rs. 51.37 Crores and 23.66 lacs respectively for the financial year 2012-13.

DIVIDEND:

Keeping the Company's expansion and growth plans in mind, your Directors have decided not to recommend dividend for the year.

OPERATIONS:

The performance of the company during the year under review has been satisfactory. The company is making all its efforts to get further orders apart from the existing one.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec. 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

LISTING/TRADING:

The equity shares of your company are listed on the Ahmedabad Stock Exchange and are being traded on IndoNext Model of BSE Limited.

CAPITAL OF THE COMPANY:

The Authorized capital of the company stands at Rs. 6,00,00,000 divided into 60,00,000 equity

shares of Rs. 10/- each. The Paid up capital of the company stands at Rs. 5,50,90,000/- divided into 55,09,000 equity shares of Rs.10/- each.

SUBSIDIARY COMPANY:

The Company has 2 (Two) Indian Subsidiaries as on 31.3.2014 – M/s. Minfy Technologies Private Limited (Formerly known as Mahaveer Projects Private Limited) and Mahaveer Telecom Private Limited.

MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed review of operations, performance and future outlook of your Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Report.

INSURANCE:

The company's properties have been adequately insured against major risks. All the insurable interests of your Company including inventories, buildings, plant and machinery and liabilities under legislative enactments are adequately insured.

DIRECTORS:

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. With the changes in the Companies Act, the Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by the provisions of Companies Act, 2013. In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint existing independent directors, as Independent Directors on the Board of the Company for a term up to five consecutive years. A brief profile of proposed Independent Directors, including nature of their expertise, is provided in this Annual Report.

Notices have been received from Members proposing candidature of the Directors namely Mr. Jeetendra Kumar Bhansali, Mr. Rajender Kumar Jain and Ms. A Neelima Reddy for the office of Independent Directors of the Company. In the opinion of the Board, they fulfil the conditions specified in the Companies Act, 2013 and the Rules made there under for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company www.minfy.com

During the year, Ms. A Neelima Reddy was appointed as Additional Director w.e.f. 30.09.2013 to hold office up to the date of ensuing annual general meeting. Pursuant to notice in writing by member along with requisite deposit, your directors recommend the appointment.

During the year, Mr. Hanuamandas Malu resigned from the board w.e.f. 30.07.2013 and Mr. Vijay Kumar Taori, Director passed away during the year. The Board placed on record its sincere appreciations for the valuable services rendered by them during their tenure as Directors of the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Sec.217 (2AA) of the Companies Act, 1956 the Board of Directors of your Company hereby certifies and confirms that:

- i. in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the Directors have 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;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the Annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:

The required information as per Sec.217 (1) (e) of the Companies Act 1956 is provided hereunder:

A. Conservation of Energy

Adequate measures have been taken to reduce energy consumption, wherever possible. Total energy consumption and energy consumption per unit of production is not applicable as company is not included in the industries specified in the schedule

B. Technology Absorption

1. Research and Development (R&D)	:	Nil
2. Technology absorption, adoption and innovation	:	Nil

C. Foreign Exchange Earnings and Out Go

Foreign Exchange Earnings	:	Rs. 45.46 Lakhs
Foreign Exchange Outgo	:	Rs. NIL

PARTICULARS OF EMPLOYEES:

There is no employee whose remuneration exceeds the limits as prescribed under 217(2A) of the Companies Act, 1956. Therefore, the disclosures required under section 217(2A) read with the Companies (Particulars of employees) Rules, 1975 are not applicable.

CODE OF CONDUCT:

The code has been circulated to all the members of the Board and Senior management and the compliance of the same has been affirmed by them. A declaration signed by the Director is given in Annexure.

AUDITORS:

M/s. Kalyana & Co., Chartered Accountants, Hyderabad retires at the ensuing Annual General Meeting and being eligible has expressed their willingness for re-appointment. Your directors propose the appointment of M/s. Kalyana & Co., Chartered Accountants, as statutory auditor to hold office until the conclusion of the next Annual General Meeting of the company.

CORPORATE GOVERNANCE:

As a listed company, necessary measures have been taken to comply with the listing agreements of Stock Exchanges. A report on Corporate Governance, along with a certificate of compliance from the Auditors forms part of this Report as Annexure.

ACKNOWLEDGEMENTS:

Your Directors express their gratitude to the Central and State Governments, for their kind co-operation and constructive policies. They are thankful to Consortium of Bank, Financial institutions and investors for extending the support to the Management. Your Directors place on record their appreciation for the invaluable contribution made by the employees to the success of your Company.

Declaration by Director of affirmation by Directors and senior Management personnel of compliance with the code of conduct

The shareholders

I, Ashok Kumar Jain, Managing Director of the Company do hereby declare that the Directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board of
Mahaveer Infoway Limited

Sd/-

Ashok Kumar Jain

Managing Director

(DIN: 00043840)

Place: Hyderabad

Date: 08.08.2014

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Mahaveer Infoway Limited (MIL) has its business operations across three Business Verticals viz. Telecom, IT Services & BPO and Education. Each Business vertical is headed by able, experienced and proven professionals to take the company to the next level of growth. The company is looking at diversification in telecom sector in a big way and in this direction have plans of acquiring telecom companies to achieve rapid inorganic growth in the coming years.

BUSINESS LINES:

1. **Telecom:** C & F & Distributors for brands like Micromax, Panasonic, Gionee and Videocon.

SWOT ANALYSIS

Strengths

- Young, Dynamic & Experience Management team from diverse backgrounds and geographies.
- Existing large Distributor Network.
- Software for Online Tracking of Sales and Service.
- Wide Distribution reach in South India.

Weaknesses

- Price Fluctuation, Dollar inflation & sensitive Telecom markets.
- Low management bandwidth.
- Lower Exposure to overseas Telecom markets.

Opportunities

- Building handset manufacturing capabilities in India.
- Export opportunities to emerging African markets in Telecom and IT.
- Building own Retail formats to cater to the growing telecom market.

Threats

- Strong lobbying by Class 'A' Players against the emerging manufacturers
- Government Policies against imported assembled Handsets.

2. IT Services

At Mahaveer Infoway, under managed services our focus is to bring value to our clients through continuous innovation with end to end software lifecycle for Web based and Mobile based solutions in various domains like Healthcare, Realty, KPO, Lab Facility, Education CMS, logistics and many more. A team comprising of senior tech leads and managers from various diverse backgrounds have joined hands and are focused on building robust solutions.

Under Unmanaged services, Mahaveer Infoway has incubated several startups as strategic partners by providing technology and resource incubation along with technology resource augmentation to various CMMI Level Organizations and SME'S.

SWOT ANALYSIS

Strengths

- Senior Management from various IT Organizations.
- Presence in Chennai, Bangalore and head quartered in Hyderabad.
- MIL partners with Amazon Web Services ,HP software, Cenzic, IBM and Microsoft.

Weaknesses

- Attrition in Human resources in middle and lower management.
- Low management bandwidth.
- Lower Exposure to overseas IT markets.

Opportunities

- In pursuit of appointing Country Managers in both US and UK for Managed services.
- Exploring untapped markets like tier 2 cities in India and African markets abroad.

Threats

- Mass Hiring by Larger Organizations, leaving SME's with not much quality consultants.
- Anti-outsourcing policies from the hugely profitable US and European IT Markets.

3. Education:

The company has started Distance Education in IT and Management Programs. It enjoys Exclusive agreement and collaboration with KSOU (Karnataka State Open University). 500+ Students successfully passed out. It plans to reach out to more than 5000 professionals for coming next year which is at 1000% growth.

SWOT ANALYSIS

Strengths

- Very Niche programmes' and very few players in the same domain.
- Planning to come up with Online Learning for the same.

Weaknesses

- Recognition by Private bodies for distance education is not great.

Opportunities

- Huge Market for distance education as it is the most viable form of education for both working and job-seekers who fall under below poverty line in India.

Threats

- Foreign Universities entering Indian Market providing distance education programmes.

Segment -wise performance

• TELECOM BUSINESS

Increasing the sales and revenue with the fastest growing brands in India, the world's biggest market in telecom sector.

Target Markets include tier-2 cities and rural areas of Southern India.

SOFTWARE SERVICES- OVERVIEW

Service Offering Include

- Providing web (.net/sharepoint/java/php) and mobile based (android/iphone) business applications and solutions for various domains.
- Staff augmentation by maintain bench resources of bright and outstanding performers on various technologies.
- Functional Manual testing, Functional Automation Testing-QTP, Silk Test, Selenium, Performance Testing and Re-engineering-Silk Performer, Load Runner, Jmeter and building Automation Frameworks, API Testing , Scalability Testing etc.

DISTANCE EDUCATION

Exclusive agreement with Karnataka State Open University (KSOU), Mysore

- Information Technology
- Management Programs.

KSOU is recognized by

- UGC (University Grants Commission)
- DEC (Distance education council)

Huge demand for distance education for people to upgrade their skill/degree working professionals

- Discounted education
- Diploma holders.

INTERNAL CONTROL SYSTEMS:

The internal control system of our Company is effective and adequate.

SENIOR MANAGEMENT DISCLOSURES:

The Company's senior management makes disclosures to the Board relating to all material financial and commercial transactions as when they occur.

HUMAN RESOURCES/INDUSTRIAL RELATIONS:

Almost the entirety of our workforce comprises of highly qualified personnel. We have an effective strategy to nurture and grow our people so much so that employee turnaround has been much lower.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Mahaveer Infoway Limited is committed to conducting its business in accordance with applicable laws, rules and regulations. Your Company which follows the highest standards of business ethics and ethical conduct is known for adopting corporate best practices. In line with this approach, your Company has been complying with Clause 49 of the Equity Listing Agreement on Corporate Governance framed by the Securities and Exchange Board of India (SEBI).

Adherence to the highest standards of integrity, transparency, fair practice and ethical behavior are fundamental to your Company's business model.

Governance Philosophy

The Company consciously follows the best governance practices to make it acceptable and respectable in the society in which it functions. The management is proactive in meeting mandated standards and practicing Corporate Governance in spirit and not just the letter of law. Realizing that the company is a perpetual organization, the management tries to enhance the long-term value for shareholders without ignoring their short-term expectations.

Your Company's philosophy on Corporate Governance is based on following principles:

- i. To uphold ethical values in day-to-day management and conduct the business of the company with transparency and integrity.
- ii. To safeguard the interests of all stakeholders and also serve the society at large to the extent possible within its limits.
- iii. To protect environment for its own benefit and the benefit of the members of the society at large.
- iv. To emphasize on research to find new products and processes to keep the company as a front-runner in technological applications.

II. Board of Directors:

The Board of Directors consists of 8 Members of whom 4 are Non-Executive Directors.

The details of the Directors being appointed/ re-appointed on retirement by rotation at the ensuing Annual General Meeting, as required pursuant to Clause 49(IV)(G) of the Listing Agreement, are mentioned in the Notice to the Annual General Meeting, forming part of the Report.

The Board of Directors met 4 times during the year on 30.05.2013, 30.07.2013, 30.09.2013 and 12.02.2014 and the maximum gap between any two meetings was less than four months, as stipulated under Clause 49.

The details of Composition of Board of Directors, directors' attendance at Board Meetings, AGM and details of other directorships, committee chairmanships/memberships held by the Directors during the year are as follows:

S. No	Name of the Directors	Category	Attendance Particulars		Last AGM	Other Directorships	Committee Membership Chairman-	No. of Shares held
			No. of Board meetings Held during tenure of the director					
			Held	Attended				
1	Mr. Ashok Kumar Jain	Promoter & Executive Director	4	4	Yes	1	1	5,02,718
2	Mr. Vijay Jain	Promoter & Executive Director	4	4	Yes	NIL	NIL	4,28,500
3	Mr. Jeetendra Kumar Bhansali	Professional & Executive Director	4	4	Yes	NIL	NIL	NIL
4	Mr. Ramesh Prasanna Dixit	Professional & Executive Director	4	4	Yes	NIL	NIL	NIL
5	Mr. Rajender Kumar Jain	Promoter & Non Executive Director	4	4	Yes	1	1	2,96,000
6	Mr. Vinit Maharia	Independent & Non Executive Director	4	4	Yes	NIL	NIL	NIL
7	*Ms. A. Neelima Reddy	Independent & Non Executive Director	2	2	Yes	NIL	NIL	NIL
8	Mr. Budhi Prakash Toshniwal	Independent & Non Executive Director	4	4	Yes	NIL	NIL	NIL

* Appointed w.e.f. 30.09.2013

Board's Procedure:

Agenda papers along with statements were circulated to the directors in advance for each of these meetings. All relevant information as per Clause 49 of the Listing Agreement was placed before the Board from time to time.

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

III. AUDIT COMMITTEE

- a) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 177 of the Companies Act, 2013.
- b) The terms of reference of the Audit Committee include a review of;
 - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Discussion with external auditors before the audit commences, of the nature and scope

of audit as well as post-audit discussion to ascertain any area of concern.

- Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
 1. Any changes in accounting policies and practices;
 2. Qualification in draft audit report;
 3. Significant adjustments arising out of audit;
 4. The going concern concept;
 5. Compliance with accounting standards;
 6. Compliance with stock exchange and legal requirements concerning financial statements;
 7. Any related party transactions
- Reviewing the company's financial and risk management's policies.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the 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.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

c) The previous Annual General Meeting of the Company was held on 30th September, 2013 and Mr. Jeetendra Kumar Bhansali, Chairman of the Audit Committee, attended previous AGM.

d) The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Clause 49 (II) (A) of the Listing Agreement relating to the composition of the Audit Committee. During the financial year 2013-14, (4) four meetings of the Audit Committee were held on the on 30.05.2013, 30.07.2013, 30.09.2013 and 12.02.2014.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of meetings attended
Mr. Budhi Prakash Toshniwal	Chairman	NED (I)	4
Mr. Vinit Maharia	Member	NED (I)	4
Mr. Jeetendra Kumar Bhansali *	Member	ED (P)	2
Ms. A Neelima Reddy #	Member	NED (I)	2
Mr. Vijay Kumar Taori **	Member	NED (I)	2

appointed in committee w.e.f. 30.09.2013

* resigned from committee w.e.f. 30.09.2013

** resigned (Death) from committee w.e.f. 28.09.2013

NED (I): *Non Executive Independent Director*

ED (P): *Promoter Executive Director*

The necessary quorum was present at all the meetings.

IV. NOMINATION & REMUNERATION COMMITTEE:

The details of composition of the Committee are given below:

Name	Designation	Category
Mr. Vinit Maharia	Chairman	NED (I)
Mr. Budhi Prakash Toshniwal	Member	NED (I)
Ms. A Neelima Reddy #	Member	NED (I)
Mr. Jeetendra Kumar Bhansali *	Member	ED (P)
Mr. Vijay Kumar Taori **	Member	NED (I)

appointed in committee w.e.f. 30.09.2013

* resigned from committee w.e.f. 30.09.2013

** resigned (Death) from committee w.e.f. 28.09.2013

NED (I): *Non Executive Independent Director*

ED (P): *Promoter Executive Director*

Terms of reference:

The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Whole Time Director/ other key employees of the Company and while approving:

- To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

Remuneration Policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

The details of remuneration paid to the Executive Directors for the financial year 2013-14 are given below:

1.	Ashok Kumar Jain	-	3.00 lakhs
2.	Jeetendra Kumar Bhansali	-	2.17 lakhs
3.	Prasanna Ramesh Dixit	-	3.19 lakhs
4.	Vijay Jain	-	3.00 lakhs

V. STAKEHOLDER RELATIONSHIP COMMITTEE (SHAREHOLDERS / INVESTOR GRIEVANCE AND SHARE TRANSFER COMMITTEE):

A). Composition:

The Shareholders/Investors Grievance Committee was constituted to look into the redressing of Shareholders and Investors complaints concerning transfer of shares, non receipt of Annual Reports, and non receipt of Dividend and other allied complaints.

The Details of composition of the Committee of the members at the meetings are given below:

Name	Designation	Category
Ms. A Neelima Reddy #	Chairperson	NED (I)
Mr. Vinit Maharia	Member	NED (I)
Mr. Budhi Prakash Toshniwal	Member	NED (I)
Mr. Jeetendra Kumar Bhansali *	Member	ED (P)
Mr. Vijay Kumar Taori **	Member	NED (I)

appointed in committee w.e.f. 30.09.2013

* resigned from committee w.e.f. 30.09.2013

** resigned (Death) from committee w.e.f. 28.09.2013

NED (I): *Non Executive Independent Director*

ED (P): *Promoter Executive Director*

B.) Powers:

The committee has been delegated with the following powers:

- To redress shareholders and investor complaints relating to transfer of shares, dematerialization of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.
- To approve, transfer, transmission, and issue of duplicate/ fresh share certificate(s).
- Consolidate and sub-division of share certificate etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc. received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and share Transfer Agents, who process share transfers within a week of lodgment in the case of shares held in physical form.

The Board has designated Ms. Neha Kalpande Company Secretary of the Company as the Compliance Officer.

The Company has designated an exclusive e-mail ID **cs@minfy.com** for redressal of shareholders' complaints/grievances.

Complaints received and redressed by the Company during the financial year:

During the year no complaints were received.

Details of remuneration paid to Directors.

S.No.	Name	Salary
1.	At the beginning of the year	NIL
2.	Received during the year	NIL
3.	At the end of the year	NIL

VI. General Body Meetings

The details of last 3 AGM's/ EGM's are as under:

Year	Date	Time	Venue	Special resolutions passed
2012-13	30.09.2013	11.00 A.M	7-1-24/2/C, 301/A, Dhansi Surabhi, Complex, Greenlands, Ameerpet, Hyderabad-500016	No Special Resolution was passed
2011-12	29.09.2012	11.30 A.M	7-1-24/2/C, 301/A, Dhansi Surabhi, Complex, Greenlands, Ameerpet, Hyderabad-500016	Alteration of articles to permit participation in meetings by directors and members through electronic mode including video conferencing.
2010-11	16.08.2011	10.00A.M	7-1-24/2/C, 301/A, Dhansi Surabhi, Complex, Greenlands, Ameerpet, Hyderabad-500016	(i) Increase in authorised Share Capital of the Company. (ii) Issue of equity shares on the basis of follow on Public Issue. (iii) Raising of funds through issue of ABR/ GDR/FCCB/QIP.

The Company did not pass any resolution through postal ballot during the last year.

VII. Means of Communication:

As per the listing requirements quarterly, half yearly and yearly financial results of the Company are published in leading English and regional newspapers for public information.

VIII. General Shareholder Information

i) Annual General Meeting

Day : Tuesday
Date : 30th September, 2014
Time : 11.00 A.M
Venue : 7-1-24/2/C, 301/A, Dhansi Surabhi Complex,
Greenlands, Ameerpet, Hyderabad

ii) Financial Calendar:

Financial Reporting for 2014-2015 (tentative) On or before

The First Quarter results	08.08.2014
The Second quarter results	14.11.2014
The Third quarter results	14.02.2015
The Fourth quarter results	30.05.2015

iii) Book Closure: 26th September, 2014 to 30th September, 2014 (both dates inclusive)

iv) Dividend payment: Keeping the Company's expansion and growth plans in mind, Directors have decided not to recommend dividend for the year.

v) Listing on Stock Exchanges:

The Shares of the company are listed on Ahmedabad Stock Exchange Limited and Traded on BSE Limited (Indonext Model). The Company has paid Annual Listing Fees for the year 2014-15.

vi) Market Price Data:

The monthly high / low prices of shares of the Company from April, 2013 to March, 2014 at BSE Limited. The Company's shares are not traded on Ahmedabad Stock Exchange.

Month	High (Rs.)	Low (Rs.)
April, 2013	5.76	4.47
May, 2013	7.45	5.35
June, 2013	7.75	6.40
July, 2013	9.25	7.00
August, 2013	8.79	4.82
September, 2013	9.90	5.82
October, 2013	10.00	8.53
November, 2013	11.90	8.51
December, 2013	9.71	5.35
January, 2014	5.35	4.40

February, 2014	5.35	4.40
March, 2014	5.50	3.69

vii) Shareholding pattern as on 31st March, 2014:

CATEGORY		No. of Shares Held	%of Share Holding
A. Promoters Holding			
1	Promoters & group		
	-Indian Promoters	23,54,328	42.74
	-Foreign Promoters	--	--
B. Public Share Holding			
2.	Institutional Investors	--	--
	a. Mutual Funds/UTI	--	--
	b. Banks, FIs, Insurance Companies	--	--
	c. FIs	--	--
3.	Others		
	a. Body Corporate	2,34,449	4.26
	b. Indian Public (Holding more than 1 lac)	18,91,306	34.33
	c. Indian Public (Holding less than 1 lac)	8,27,953	15.03
	d. NRIs/s & OCB'S	77,441	1.40
	e. Clearing member	1,23,523	2.24
Grand Total		55,09,000	100

viii) Distribution of shareholding of the Company by number of shares held as on 31st March, 2014 is as follows:

Particulars	Share Holders		Share Holders	
	Number	%	Number	%
UPTO - 500	746	61.65	152798	2.77
501 - 1000	201	16.61	163547	2.97
1001 - 2000	94	7.77	151710	2.75
2001 - 3000	37	3.06	95265	1.73
3001 - 4000	18	1.49	65864	1.2
4001 - 5000	9	0.74	42411	0.77
5001 - 10000	32	2.64	231702	4.21
10001 AND ABOVE	73	6.03	4605703	83.6
TOTAL	1210	100	5509000	100

ix) Registrar and Transfer Agents:

Venture Capital and Corporate Investments Private Limited,
12-10-167, Bharat Nagar, Hyderabad - 500018
Email: info@vccilindia.com
Ph: 040-23868023

x) Delegation of Share Transfer Formalities:

The Board has delegated share transfer formalities to the Registrars and Transfer Agents:
Venture Capital and Corporate Investments Private Limited
12-10-167, Bharat Nagar, Hyderabad - 500018
Email: info@vccilindia.com
Ph: 040-23868023

All communications regarding Share Transfers, Transmissions Change in Address and any other correspondence etc., may be addressed to the Registrars & Transfer Agents. The company has constituted Share Transfer Committee. Physical transfers are affected within the statutory period of 15 days. The Board has designated Ms. Neha Kalpande as the Compliance Officer. Hence, in case of any grievances the shareholders are free to approach the Share Transfer Committee for due redressal of their grievances. The Company has created an exclusive E-mail ID for the benefit of the share holders: cs@minfy.com.

xi) Dematerialization of shares:

The Company's shares are dematerialized on National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited. The Company's ISIN is INE019D01016. 50,61,899 equity shares are dematerialized which is around 91.88% of the paid up capital of the Company and out of which 41,99,963 shares are in CDSL and 8,61,936 shares are in NSDL and the balance in physical.

xii) Address for Correspondence

The Shareholders may correspond with the Company for the redressal of their grievances, if any to the Registered office of the company as detailed below:-

7-1-24/2/C, 301/A, Dhansi Surabhi Complex,
Greenlands, Ameerpet, Hyderabad - 500016.

ix) Disclosures:

No transactions of material nature has been entered into by the Company with the Promoters, Directors, the Management or relatives, etc., that may have potential conflict with the interest of the Company. Transactions with related parties are disclosed in the notes to the accounts in this Annual Report.

There are no penalties, strictures imposed on the company by stock exchange or SEBI or any statutory authority on any matter related to capital markets during the last 3 years.

For and on behalf of the Board of Directors of
M/s. Mahaveer Infoway Limited

Sd/-

Ashok Kumar Jain
Managing Director
(00043840)

Place:Hyderabad
Date: 08.08.2014

Dear Shareholder,

Please find below the Director certificate as per Clause 49(V) of the Listing Agreement:

DIRECTOR CERTIFICATE

I, Mr. Ashok Kumar Jain, Managing Director of M/s Mahaveer Infoway Limited certify that:

1. We have reviewed the financial statements for the year 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 present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including 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 which are fraudulent, illegal or in violation of Company's code of 'conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any e action taken with regard to significant deficiencies and material weakness.
4. **We indicate to the Auditors and to the Audit Committee:**
 - (a) Significant changes in internal controls over financial reporting during the year;
 - (b) Significant changes in the accounting policies during the year;
 - (c) No instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

For and on behalf of the Board of Directors of
M/s. Mahaveer Infoway Limited

Sd/-

Ashok Kumar Jain
Managing Director
(00043840)

Place:Hyderabad
Date: 08.08.2014

DECLARATION

To

The Members Mahaveer Infoway Limited

This is to declare that the Code of Conduct envisaged by the Company for members of the Board and the Senior Management Personnel have been complied with by all the members of the Board and the Senior Management Personnel of the Company respectively.

For and on behalf of the Board of Directors of
M/s. Mahaveer Infoway Limited

Sd/-

Ashok Kumar Jain
Managing Director
(00043840)

Place:Hyderabad
Date: 08.08.2014

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Mahaveer Infoway Limited

We have examined the compliance of conditions of corporate governance by M/s. **MAHAVEER INFOWAY LIMITED** for the year ended 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange (s). The compliance of conditions of corporate governance is the responsibility of 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 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the shareholder/investor grievance committee.

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

Sd/-

CA. N.KALYANA SUNDAR
Partner

For and on behalf of
M/s. KALYANA & Co.,
Chartered Accountants
Membership No. 204247

Place: Hyderabad
Date: 08.08.2014.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAHAVEER INFOWAY LIMITED,**

Report on the Financial Statements

We have audited the accompanying financial statements of M/s **MAHAVEER INFOWAY LIMITED**, Hyderabad which comprise the Balance Sheet as at 31st March 2014, and the statements of Profit and Loss and Cash Flow Statement for the year then ended 31st March 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of 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 auditing accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with 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 for the year ended on that date; and
- c) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

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

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- iii. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- v. On the basis of written representations received from the directors, as on 31st March, 2014, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

Sd/-

(CA. N.KALYANA SUNDAR)
Partner, M.No :- 204247
M/s. KALYANA & Co.,
Chartered Accountants
FRN: 007095S

Place : Hyderabad

Date: 30.05.2014

ANNEXURE TO THE AUDITOR'S REPORT
(Referred to in our Report of even date)

As required by the companies (Auditor Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

1.
 - a. The Company is in the process of updating records to show full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, all the assets have not been physically verified by the management during the year but there is a regular program of verification which in our opinion, is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
 - c. Fixed assets disposed off, if any, during the year were not substantial, and therefore, do not affect the going concern assumption.
2.
 - a. The physical verification of inventory, as per the management's certificate, has been conducted at reasonable intervals by the management.
 - b. The procedures for 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 any discrepancies noticed on physical verification are being properly dealt in the books of accounts.
3. According to the information and the explanations given to us the regarding whether company has granted or taken any loans, secured or unsecured to or from Companies, firms or other parties covered in the register maintained under section 301 of the Act.
 - a) The company has given unsecured loans to Eight parties covered in the register maintained under section 301 of Companies Act, 1956. The yearend balance of such loan is Rs. 3,26,77,913/-
 - b) In our opinion, the rates of interest for above loans are not prima facie, prejudicial to the interest of the company. However, the above loans include Rs. 6,89,062/- given to directors & Rs. 2,36,08,815/- to subsidiary company as interest free loans. Tenure and repayment terms for such loans have not been specified.
 - c) The company has taken unsecured loans from Six parties covered in the register maintained under section 301 of Companies Act, 1956. The yearend balance of such loans are Rs. 62,95,428/-
 - d) The above loans taken from directors and relatives of directors are interest free loans and the tenure, repayment terms have not been specified for such loans.
 - e) According to the information and explanation given to us, the tenure and repayment terms not been specified for the above mentioned loans. Consequently we are unable to comment on paragraph 4(iii) (c),(d) & (g) of the order.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to inventory and for sale of services, purchase of fixed assets.

5.
 - a) In our opinion, and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 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 contracts and arrangements referred to in 5(a) above and exceeding the value of Rs.5 lakhs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted deposits from the public and the provisions of Section 58A and 58AA of the Act, rules framed there under and other relevant directives issued by the Reserve Bank of India are not applicable to the Company.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business. However, the scope and extent of internal audit need to be enlarged having regards to complexity and expanded operation of the company.
8. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
9. According to information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:
 - a. The company is regular in depositing undisputed statutory dues including provident fund, investor education and protection Fund, or employees' state insurance, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess as applicable have been regularly deposited with appropriate authorities.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.
 - b. According to the information and explanation given to us, no disputed amounts payable in respect of provident fund, income tax, wealth tax, sales tax, customs duty, excise duty and cess, and other material statutory dues were in arrears as on 31.03.2014 for a period of more than six months from the date they became payable.
 - c. According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute. In respect of statutory dues:
10. The Company has not incurred cash loss during the current financial Year and the previous financial year and there are no accumulated losses as on the balance sheet date.
11. According to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
12. According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of share, debentures and other securities.
13. According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from bank or financial institutions.
14. The term loans were applied for the purpose for which the loans were obtained.

15. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment
16. The Company has not made Preferential Allotment of shares to parties and companies covered in the register maintained U/s.301 of the Act during the year.
17. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
18. The provisions of special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
19. The Company is not dealing or trading in shares, securities, debentures or other investments and therefore Paragraph 4(xiv) of the order is not applicable.
20. During the year covered by our Audit Report, the Company has not raised any money by public issue.
21. During the course of our examination of books and records of the company, carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the company was noticed or reported during the year, nor have we been informed of any such case by the management of the company.

Place : Hyderabad
Date: 30.05.2014

Sd/-
(CA. N.KALYANA SUNDAR)
Partner, M.No :- 204247
M/s. KALYANA & Co.,
Chartered Accountants
FRN: 007095S

MAHAVEER INFOWAY LTD
BALANCE SHEET AS AT MARCH 31, 2014

(Amount in Rupees)

Particulars	Note No.	As at the 31st March 2014	As at the 31st March 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	55,090,000	55,090,000
(b) Reserves and surplus	3	12,908,530	10,993,392
2 Non-current liabilities			
(a) Long-term borrowings	4	266,532	1,011,641
(b) Deferred tax liabilities (net)	5	214,484	190,162
3 Current liabilities			
(a) Short-term borrowings	6	54,057,016	49,887,233
(b) Trade payables	7	57,998,450	21,921,542
(c) Other current liabilities	8	17,306,162	13,509,966
(d) Short-term provisions	9	4,833,932	4,336,069
TOTAL		202,675,107	156,940,004
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		6,139,010	6,555,638
(ii) Capital work-in-progress		3,746,860	2,246,860
(b) Non-current investments	11	18,299,310	18,896,340
2 Current assets			
(a) Inventories	12	42,380,377	26,675,509
(b) Trade receivables	13	99,340,704	52,223,493
(c) Cash and cash equivalents	14	4,483,355	11,637,386
(d) Short term loans and advances	15	23,207,501	34,270,912
(e) Other current assets	16	5,077,990	4,433,867
TOTAL		202,675,107	156,940,004

Significant Accounting Policy 1

The Notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For and on behalf of
M/s. KALYANA & CO
Firm Registration Number: 007095S
Chartered Accountants
Sd/-

CA N Kalyana Sundar
Partner
Membership No. 204247
Place: Hyderabad
Date: 30.05.2014

For and on behalf of the Board of Directors
Sd/-
Ashok Kumar Jain
Managing Director

Sd/-
Rajender Kumar Jain
Director

MAHAVEER INFOWAY LTD
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014
(Amount in Rupees)

Particulars	Refer Note No.	For the Year ended 31st March , 2014	For the Year ended 31st March , 2013
I. Revenue From Operations			
Sales less Returns		721,853,872	513,708,554
II. Other income	17	57,943,605	46,559,798
III. Total Revenue (I + II)		779,797,477	560,268,352
IV. Expenses:			
Purchases less Returns		720,722,836	466,513,486
(Increase)/Decrease in Stock		(11,748,501)	31,717,895
Operating Expenses	18	31,851,812	18,749,071
Administrative and Other Expenses	19	29,933,212	34,593,556
Depreciation expense	10	852,568	1,014,670
Interest	20	5,291,545	5,225,605
Total expenses		776,903,472	557,814,283
V Profit before tax (III- IV)		2,894,006	2,454,069
VI Tax expense:			
(1) Current tax		954,545	878,185
(2) Minimum Alternate Tax			-
(3) Deferred tax		24,322	(790,566)
		978,867	87,619
VII Profit (loss) for the period (V- VI)		1,915,139	2,366,450
VIII Earnings per equity share:			
(1) Basic	21	0.35	0.43
(2) Diluted			

Significant Accounting Policies 1

The Notes referred to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit & Loss. referred to in our Report of even date.

For and on behalf of

M/s. KALYANA & CO

Firm Registration Number: 007095S

Chartered Accountants

Sd/-

CA N Kalyana Sundar

Partner

Membership No. 204247

Place: Hyderabad

Date: 30.05.2014

For and on behalf of the Board of Directors

Sd/-

Ashok Kumar Jain

Managing Director

Sd/-

Rajender KumarJain

Director

MAHAVEER INFOWAY LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014

Particulars	2013-2014	2012-2013
Net Profit for Year carried to B/S	1,915,139	2,366,450
Adjustments for :		
Provisions for income tax	954,545	878,185
Deferred Tax Income	24,322	(790,566)
Depreciation	852,568	1,014,670
Financial Charges	5,291,545	5,225,605
Interest Received	(1,866,206)	(2,184,847)
Dividend Received	(6,903)	(6,943)
Sundry Balances Written Off	82,211	150,717
Donations	7,200	258,400
Cash Flow before Working Capital Changes	7,254,420	6,911,671
(Increase)/Decrease in Debtors	(47,117,211)	3,341,876
(Increase)/Decrease in stock	(15,704,868)	27,593,119
(Increase)/Decrease in Advances	11,063,411	(8,121,533)
(Increase)/Decrease in other Current Assets	(644,123)	3,438,230
Increase/(Decrease) in Current Liabilities	39,416,422	(23,863,427)
Cash Flow after Working Capital Changes	(5,731,949)	9,299,936
Less : Tax paid		-
<i>Net Cash Flow from Operating Activities before Extra ordinary items</i>	<i>(5,731,949)</i>	<i>9,299,936</i>
Less: Sundry Balance Written Off	(82,211)	(150,717)
Less: Donations	(7,200)	(258,400)
Cash Flow after Extra ordinary Items	(5,821,360)	8,890,819
Cash Flow From Investing Activity :		
Sale/(Purchase) of Fixed Assets	(1,935,939)	(1,718,402)
Interest Received	1,866,206	2,184,847
Dividend received	6,903	6,943
Sale/(Purchase) of Investment	597,030	(2,155,434)
Net Cash Flow from Investing Activities	534,200	(1,682,046)
Cash Flow From Financing Activity :		
Financial Charges	(5,291,545)	(5,225,605)
Secured Loan raised	4,867,231	150,445
Repayment of Long Term Borrowings	(745,109)	
Loans from Directors	613,619	
Unsecured Loans raised/(repaid)	(1,311,067)	4,915,201
Net Cash Flow from Financing Activities	(1,866,871)	(159,959)
Net Cash Flow from Operating Activities	(5,821,360)	8,890,819
Net Cash Flow from Investing Activities	534,200	(1,682,046)
Net Cash Flow from Financing Activities	(1,866,871)	(159,959)
	(7,154,030)	7,048,814
Add: Opening Cash and Cash Equivalents	11,637,386	4,588,572
Closing Cash and Cash Equivalents	4,483,355	11,637,386

AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of Mahaveer Infoway Ltd derived from the audited annual accounts for the year ended 31-3-2014 and found the same to be drawn in accordance therein and also with the requirement of Clause 32 of Listing Agreement with Ahmedabad Stock Exchange Limited & Trade Agreement with Bombay Stock Exchange Limited.

Sd/-

CA. N.KALYANA SUNDAR

Partner

Membership No. 204247

Place : Hyderabad

Date : 30-05-2014

Note 1

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Assumptions

The Financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), Accounting Standards ('AS') prescribed by Companies (Accounting Standards), Rules, 2006 (as amendment) the provisions of the Companies Act, 1956, to the extent applicable. These accounting policies will be consistently applied. The Board will evaluate the effect of accounting standards issued on an on-going basis and ensure they are adopted as mandated by the ICAI.

Use of Estimates

In the preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires Board to make estimates and assumptions that will affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates will be recognized prospectively in current and future periods.

Fixed Assets and Depreciation

Fixed Assets are stated at cost of acquisition less depreciation. Cost of acquisition is inclusive of freight, duties levies and all incidentals attributable to bringing the assets to its working condition. Assets under installation or under construction as at balance sheet date are shown as capital work in progress.

Depreciation is provided pro rata to the period of use on the written down value method at the rates specified under Schedule XIV of the Companies Act, 1956 except the Temporary structures. Depreciation on Temporary structures is provided over the construction period on straight line method.

Individual assets costing less than Rs.5,000 are fully depreciated in the year of acquisition.

Revenue Recognition

Income is recognized on accrual basis unless otherwise stated in these accounts.

a) Sale of Trading goods:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales tax and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

b) Sale of services:

- i) Revenue for services is recognized after completion of each stage of service.
- ii) Revenue from software development (on time or material basis) is recognized based on software developed and billed to the clients.

The company collects service tax on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

Foreign Exchange Transactions

The transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction. Gains / Losses arising out of fluctuations in exchange rates are accounted for in the Profit and Loss Account on realization / payment.

Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and resultant gain or loss is recognised in the Profit and Loss Account.

Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

All investments are stated at cost, i.e., cost of acquisition inclusive of expenditure incidental to acquisition. Income from investments is recognised in the accounts in the year in which it is accrued and stated at gross values.

Short Term Investments are valued at cost or market value whichever is lower. In case of Long Term Investments, provision for diminution in value is made when it is permanent and material.

Inventories:

Items of inventories are measured at lower of cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

Employee Benefits

- a) Retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the profit and loss account in the year the contributions to the fund are due. There are no other obligations other than the contributions payable to the provident fund authorities.
- b) Gratuity liability under the Payment of Gratuity Act, if any, accrued and provided for on cash basis.

Borrowing Costs

Borrowing costs are recognized as expenditure in the year in which they are incurred.

Earnings per Share

The earnings considered in ascertaining the Company's Earnings per Share (EPS) comprise the net profit/ (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares where applicable. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later date.

Taxes on Income

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

- a) Provision for current taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.
- b) The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in the 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.
- c) The Company offsets current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Cash flow statement

Cash flows are reported using indirect method, whereby the net profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require outflow or resources.

NOTES TO ACCOUNTS

2. Share Capital

(Amount in Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
Authorised		
60,00,000 Equity Shares of Rs. 10 each	60,000,000	60,000,000
Issued, Subscribed & fully Paid up		
55,09,000 Equity Shares of Rs. 10 each	55,090,000	55,090,000
Total	55,090,000	55,090,000

a) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	Equity Shares As at 31 March 2014		Equity Shares As at 31 March 2013	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Ashok Kumar Jain	9.13	502,718	7.87	433,789
Vijay Kumar Kothari	7.78	428,500	7.78	428,500
Rajender Kumar Jain	5.37	296,000	5.37	296,000

3. Reserves and Suplus

(Amount in Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
a. Reserve Fund (Statutory)		
Opening Balance	479,748	479,748
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	479,748	479,748
b. Surplus		
Opening balance	10,513,644	8,147,195
(+) Net Profit/(Net Loss) For the current year	1,915,139	2,366,450
(-) Dividend paid	-	-
(-) Dividend Tax and Surcharge thereon	-	-
Closing Balance	12,428,782	10,513,645
Total	12,908,530	10,993,392

4. Long term borrowings

Particulars	As at 31 March 2014	As at 31 March 2013
Axis bank Term Loan	266,532	1,011,641
Total	266,532	1,011,641

5. Computation of Deferred Income Taxes

Particulars	Book Value	31-Mar-14	
		Tax Value	Difference
Fixed Assets	6,139,010	6,833,133	(694,123)
Total of Fixed Assets (Deferred Liability)	6,139,010	6,833,133	(694,123)
Total Deferred Assets	-	-	-
Total timing difference	6,139,010	6,833,133	(694,123)
Deferred Tax (Liability) Asset as at 31.03.2014			(214,484)
Deferred Tax (Liability) Asset as at 31.03.2013			(190,162)
Balance to be credited to P & L A/C			(24,322)

6. Short term borrowings (Amount in Rs.)

Particulars	As at	
	31 March 2014	31 March 2013
Cash Credit from Axis Bank	43,407,018	38,539,787
Loans from Directors	2,854,400	2,240,781
Others	7,795,598	9,106,665
Total	54,057,016	49,887,233

7. Trade Payables

Dues to Micro and Small Enterprises		
Dues to other than Micro and Small Enterprises		
(a) Trade Payables (including LC Payments)	57,998,450	21,921,542
Total	57,998,450	21,921,542

8. Other current liabilities

Other current Liabilities	17,306,162	13,509,966
Total	17,306,162	13,509,966

9. Short term provisions

Provision for taxation	954,545	878,185
Dividend on Equity Shares		
Provision for Corporate Dividend Tax		
Other provisions	3,879,387	3,457,884
Total	4,833,932	4,336,069

10. Depreciation Schedule as per Companies Act, 1956
SCHEDULE 5

S. No.	Particulars	GROSS BLOCK			DEPRECIATION				NETBLOCK		
		As on 1.04.2013	Additions	Deletions	As on 31.03.14	As on 1.04.2013	For Current year	Dep Adjustment	As on 31.03.14	As on 31.03.14	As on 31.03.13
1	Land & Building	3,299,678	-	-	3,299,678	-	-	-	-	3,299,678	3,299,678
2	Plant & Machinery	674,518	-	-	674,518	292,483	53,141	-	345,624	328,894	382,035
3	Computers	3,007,293	148,385	-	3,155,678	2,547,376	202,480	-	2,749,856	405,822	459,917
4	Office Equipment	39,087	251,967	-	291,054	15,145	9,026	-	24,171	266,883	23,942
5	Furniture & Fixtures	2,160,672	21,600	-	2,182,272	1,690,579	87,218	-	1,777,797	404,475	470,093
6	Vehicles	4,157,796	-	-	4,157,796	2,223,835	500,702	-	2,724,538	1,433,258	1,933,961
		13,339,044	421,952	-	13,760,996	6,769,419	852,568	-	7,621,986	6,139,010	6,569,625
	Previous Year	12,932,351	392,706	-	13,325,057	5,754,749	1,014,670	-	6,769,419	6,555,638	7,177,602

11. Non-current investments

(Amount in Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
Mahaveer Skyscraper Limited (Equity)	2,619,000	2,619,000
Mahaveer Telecom Pvt Limited (Equity)	281,000	81,000
Mahaveer Projects Pvt Limited (Equity)	98,000	98,000
Leo Infrastructure	-	800,000
Arihant Optics Ltd	500,000	500,000
Hygrowth Finance	15,000	15,000
Minfy Impex	533,340	533,340
AP Mahes Co-op Bank	-	-
Others	14,252,970	14,250,000
Total	18,299,310	18,896,340

12. Inventories

(As certified by the management, at cost or net realisable value which ever is less)

Closing Stock	42,380,377	26,675,509
Total	42,380,377	26,675,509

13. Trade Receivables

Outstanding for a period less than six months from the date they are due for payment

Unsecured, considered good	99,340,704	52,223,493
Total	99,340,704	52,223,493

14. Cash and bank balances

(Amount in Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
Cash and cash equivalents		
Cash on hand	4,567,618	8,152,537
Bank balances In current accounts In OD	94,522 (178,788)	3,484,849 -
Total	4,483,355	11,637,386

15. Short term loans and advances**Unsecured Considered good**

Advances recoverable in cash or kind or for value to be received	20,896,530	33,092,822
Other Loan advances		
Advance income tax and TDS	2,310,971	1,178,090

Total	23,207,501	34,270,912
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16 Other current assets**Unsecured Considered good:**

Deposits	4,684,088	4,433,867
Other Current Assets	393,902	-

Total	5,077,990	4,433,867
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17. Other Income

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest Income	1866206	2,184,847
Other Income	402231	3,311,981
Videocon Income	24027432	19,964,547
Activation Charges	552550	549,594
Rate Difference Income	-	6,389,011
Staffing Income	15558213	11,087,616
Discount received	3258511	2,899,713
Dividend Income	6903	6,943
Miscellaneous Income	2745106	6,596
Export Service Income	5079352	-
Scheme Incentive Income	2099800	-
Web Development Income	2205227	-
Education Division Income	142075	158,950
Total	57,943,606	46,559,798

18. Operating Expenditure

Particulars	For the year ended	For the year ended
	31 March 2014	31 March 2013
Advertisement Expenses	54360	35,934
Electricity Charges	380155	232,544
Communication Expenses	176388	328,610
Travelling and Conveyance	580032	570,693
Other Expenses	2935614	1,828,530
Postage & Courier Expenses	12258	61,100
Rent	906800	911,100
Staff Welfare Expenses	102998	182,188
Salaries and Bonus	22552478	10,793,221
Directors Remuneration	0	300,000
Other Directors Remuneration	0	758,473
Repairs and Maintenance	265351	121,276
Office Maintenance	1283275	317,943
Exchange gain/loss	1069438	134,101
Costing Expenses	1532665	2,161,310
CST Paid	0	12,048
Total	31,851,812	18,749,071

19. Administrative and Other Expenses

Rates and Taxes	1602987	9,169,037
Legal and Consultancy Charges	279255	142,949
Insurance	142607	180,003
Payment to Auditors	25000	75,000
DTH & other related Exp. (Videocon & Reliance)	24888371	21,304,872
Printing & Stationary	54425	90,334
Bank Charges	396584	613,143
Commission paid	265666	113,775
General Expenses	184106	28,063
Annual Charges	115493	112,339
Filing & Listing Fees	0	21,500
Business Promotions	474219	901,999
Staffing Expenses	387615	579,319
Other Expenses	1116885	1,261,223
Total	29,933,212	34,593,556

20. Interest & Finance Charges

Interest & Finance Charges	5,291,545	5,225,605
Total	5,291,545	5,225,605

21. Earnings per Share (EPS)

Particulars	2014	2013
Net Profit/ (Loss) after taxes for the year (Rs.)	1,915,139	23,66,450
Weighted average number of Equity Shares of Rs.10 each outstanding during the period (Used for calculation of Basic and Diluted Earnings Per Share)	5,509,000	5,509,000
Earnings per Share Basic and Diluted (Rs.)	0.35	0.43
Nominal value per share (Rs.)	10	10

22. Contingent Liabilities and Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for, net of advances is Rs. Nil

23. Investments

- Investment includes 5000 shares of Arihant Optics Limited amounting to Rs.5,00,000/-.
- Investment includes Rs.98,000/- towards subscription of shares in Mahaveer Projects Private Limited.
- Investment includes Rs.281,000/- towards subscription of shares in Mahaveer Telecom Private Limited.
- Investments in Skyscrapers unquoted equity shares of worth Rs. 26,19,000./-
- Rs. 5,33,340/- Minfy Impex (sole proprietor ship of MIL 100% fully owned).

24. Fixed Assets

Capital Work-in-progress:

Company has incurred an expenditure on construction of building of Rs. 37,46,860/- which is certified by the management of the company is shown as capital work-in-progress along with the opening Capital work-in-progress.

25. Segment Reporting

In the opinion of the management, the company's business activity carried on during the year consists of more than one reportable segment and as such report is given separately by management.

26. Related Party transactions

The company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made. No amounts have been written off or written back during the year in respect of debts due from or related parties. There are no other related parties where control exists that need to be disclosed.

a) Names of related parties and description of relationship:

Nature of Relationship	Name of the Related Party
Subsidiary	Mahaveer Projects Private Limited Mahaveer Telecom Private Limited
Key Management Personnel (KMP)	Mr. Ashok Kumar Jain Managing Director

Mr. Rajender Kumar Jain	Director
Mr. Vijay Jain	Director
Mr. Jeetendra Bhansali	Director
Mr. Prasanna Dixit	Director
Mrs. Allola Neelima Reddy	Director
Mr. Vinit Maharia	Director
Mr. Budhi Prakash	Director

Enterprises where KMP have significant influence

Mahaveer Skyscrapers Ltd

b) Summary of Transactions with the above related parties are as follows:

(Amount in Rs.)

Particulars	2014	2013
Investment in Enterprises where KMP have significant influence	26,19,000	26,19,000
Remuneration to KMP	11,88,096	10,58,473
Rent Paid to relative of KMP	6,00,000	6,00,000
Loans and advances taken from KMP (Interest free loans)	7,96,511	15,28,256
Loans and advances given to KMP (Interest free loans)	8,19,082	2,95,952
Loans and advances taken from relatives of KMP (Interest free loan)	1,34,892	18,81,665
Loans and advances given to relatives of KMP	6,21,951	35,72,114
Purchase of goods from Subsidiary (MTPL)	19,82,59,798	14,49,33,834

Transactions and outstanding balances in the nature of reimbursement of expenditure incurred by one Company on behalf of the other have not been considered above.

27. Taxation

Current income tax is ascertained on the basis of assessable profits computed in accordance with the provisions of the income tax Act, 1961 and it is charged to the profit and loss of the year.

28. The Company has not having the suppliers who are registered as Micro, Small, Medium Enterprise as on March 31, 2014 in terms of the provisions of "The Micro, Small, and Medium Enterprises Development Act, 2006".

29. Managerial Remuneration

Particulars	2014	2013
Salaries and Allowances	11,88,096	10,58,473
Total	11,88,096	10,58,473

30. Auditor's Remuneration

Particulars	2014	2013
Audit Fees (excluding service tax)	75,000	75,000
Total	75,000	75,000

31. In the opinion of the Management and to the best of their knowledge and belief realization of current assets and loans and advances are not less than the amount at which they are stated in the Balance Sheet and are subject to confirmation from respective parties.

32. Foreign Exchange Outflow

Particulars	2014	2013
Purchase of Mobiles and other traded goods	Nil	542.22
Total	Nil	542.22

33. Foreign Exchange Inflow

Particulars	2014	2013
Services rendered	45.46	28.80
Total	45.46	28.80

34. The management is of the opinion that the carrying amounts of fixed assets and other assets are not less than their respective net realizable values.
35. Additional Information pursuant to paragraphs 3, 4, 4-C and 4-D of part-II of Schedule VI to the Companies Act, 1956 to the extent either "Nil" or "Not Applicable" has not been furnished.
36. Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to those of the current year.

For and on behalf of
Kalyana & Co.,
Chartered Accountants
Sd/-
CA. N.KALYANA SUNDAR
Partner
M.No:- 204247

For and on behalf of the Board

Sd/-
Ashok Kumar Jain
Managing Director

Sd/-
Rajendra Kumar Jain
Director

Place: Hyderabad
Date: 30.05.2014

INDEPENDENT AUDITOR'S REPORT

To the members of

M/s. Mahaveer Infoway Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **M/s Mahaveer Infoway Limited** (the "Company") and its subsidiaries by their respective Statutory Auditors (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March' 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date and summary of significant accounting policies and other explanatory statement

Management's Responsibility for the Consolidated Financial Statements

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 flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the 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 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, 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 internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of such other auditors on the financial statements of the Subsidiaries, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

For Kalyana & Co.,
Chartered Accountants
Firm Registration Number: 007095S
Sd/-
CA N V Raghu
Partner
Membership No.208581

Place: Hyderabad
Date: 30.05.2014

**MAHAVEER INFOWAY LIMITED
CONSOLIDATED BALANCE SHEET**

(Amount in Rupees)

Particulars	Note No.	As at the 31st March 2014	As at the 31st March 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	55,090,000	55,090,000
(b) Reserves and surplus	3	14,025,143	11,661,735
2 Minority Interest		202,000	227,000
3 Non-current liabilities			
(a) Long-term borrowings	4	12,761,112	8,294,958
(b) Deferred tax liabilities (net)	5	214,852	190,530
4 Current liabilities			
(a) Short-term borrowings	6	54,057,016	49,887,233
(b) Trade payables	7	119,599,745	53,057,209
(c) Other current liabilities	8	17,312,520	14,298,803
(d) Short-term provisions	9	5,237,210	4,649,184
TOTAL		278,499,599	197,356,653
II. ASSETS			
Non-current assets			
1 (a) Fixed assets	10		
(i) Tangible assets		6,141,155	6,559,213
(ii) Capital work-in-progress		3,746,860	2,246,860
(b) Non-current investments	11	17,920,310	18,717,340
(c) Other non-current assets	12	32,525	32,525
(d) Long term Loans & Advances	13	1,532,800	6,000,00
2 Current assets			
(a) Inventories	14	61,217,744	36,172,036
(b) Trade receivables	15	152,676,158	76,271,887
(c) Cash and cash equivalents	16	5,253,277	12,281,081
(d) Short term loans and advances	17	23,334,721	39,462,373
(e) Other current assets	18	6,644,050	5,013,338
TOTAL		278,499,599	197,356,653

Significant Accounting Policy 1

The Notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For and on behalf of

M/s. KALYANA & CO

Firm Registration Number: 007095S

Chartered Accountants

Sd/-

CA N V Raghu

Partner, Membership No. 208581

Place: Hyderabad

Date: 30.05.2014

For and on behalf of the Board of Directors

Sd/-

Ashok Kumar Jain

Managing Director

Sd/-

Rajender Kumar Jain

Director

MAHAVEER INFOWAY LTD
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in Rupees)

Particulars	Refer Note No.	For the Year ended 31st March , 2014	For the Year ended 31st March , 2013
I. Revenue From Operations			
a Sale less Returns		1,097,618,793	800,627,524
II. Other income	19	68,754,971	49,216,063
		-----	-----
III. Total Revenue (I + II)		1,166,373,764	849,843,586
IV. Expenses:			
Purchases less Returns		1,112,479,035	757,148,020
(Increase)/Decrease in Stock		(21,089,341)	24,846,813
Operating Expenses	20	33,717,627	19,862,904
Administrative and Other Expenses	21	30,341,667	36,755,514
Depreciation expense	10	853,998	1,017,055
Finance Expenses	22	6,420,733	5,989,244
Selling & Distribution Expenses	23	-	804,000
		-----	-----
V Total expenses		1,162,723,718	846,423,550
		-----	-----
VI Profit before tax (III- IV)		3,650,045	3,420,036
VII Tax expense:			
(1) Current tax		1,262,312	1,176,300
(2) Minimum Alternate Tax		-	-
(3) Deferred tax		24,322	(790,198)
		-----	-----
		1,286,634	386,103
		-----	-----
VIII Profit (loss) for the period (V- VI)		2,363,412	3,033,934
IX Earnings per equity share:	24		
(1) Basic		0.43	0.55
(2) Diluted			

Significant Accounting Policy 1

The Notes referred to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit & Loss referred to in our Report of even date

For and on behalf of

For and on behalf of the Board of Directors

M/s. KALYANA & CO

Firm Registration Number: 007095S

Chartered Accountants

Sd/-

Sd/-
Ashok Kumar Jain
Managing Director

Sd/-
Rajender Kumar Jain
Director

CA N V Raghu

Partner,

Membership No. 208581

Place: Hyderabad

Date: 30.05.2014

MAHAVEER INFOWAY LTD
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014

Particulars	2013-2014	2012-2013
Cash Flow From Operating Activity :		
Net Profit for Year carried to B/S	2,671,178	3,332,416
Adjustments for :		
Provisions for tax	1,035,846	878,185
Deferred Tax Income	24,322	(790,566)
Depreciation	853,998	1,017,055
Finanacial Charges	5,291,545	5,225,605
Interest Received	(1,866,206)	(2,184,847)
Dividend Received	(6,903)	(6,943)
Sundry Balances Written Off	82,361	150,717
Donations	7,200	258,400
Interest Paid	964,805	763,639
Cash Flow before Working Capital Changes	9,058,145	8,643,661
(Increase)/Decrease in Debtors	(76,404,271)	(13,450,046)
(Increase)/Decrease in stock	(25,045,708)	20,722,037
(Increase)/Decrease in Advances	15,369,852	(13,416,474)
(Increase)/Decrease in other Current Assets	(1,630,713)	2,990,994
Increase/(Decrease) in Current Liabilities	69,099,570	655,397
Cash Flow after Working Capital Changes	(9,553,124)	6,145,569
Less : Tax paid	299,058	385
Net Cash Flow from Operating Activities before Extrordnary items	(9,852,182)	6,145,184
Less: Sundry Balance Written Off	(82,211)	(150,717)
Less: Donations	(7,200)	(258,400)
Cash Flow after Extraordinary Items	(9,941,593)	5,736,067
Cash Flow From Investing Activity :		
Sale/(Purchase) of Fixed Assets	(1,935,939)	(1,724,362)
Interest Received	1,866,206	2,184,847
Dividend received	6,903	6,943
Sale/(Purchase) of Investment	597,030	(2,155,434)
Net Cash Flow from Investing Activities	534,200	(1,688,006)
Cash Flow From Financing Activity :		
Financial Charges	(5,291,545)	(5,225,605)
Secured Loan raised	4,867,231	150,445
Unsecured Loans raised/(repaid)	3,900,197	8,729,317
Repayment of Long Term Borrowings		
Loans from Directors		
Interest Paid	(964,805)	(763,639)
Increase in Share Capital	-	400,000
Net Cash Flow from Financing Activities	2,511,078	3,290,518
Net Cash Flow from Operating Activities	(9,941,593)	5,736,067
Net Cash Flow from Investing Activities	534,200	(1,688,006)
Net Cash Flow from Financing Activities	2,511,078	3,290,518
	(6,896,315)	7,338,579
Add: Opening Cash and Cash Equivalents	12,281,081	4,942,502
Closing Cash and Cash Equivalents	5,253,277	12,281,081

Note 1

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Assumptions

The Financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), Accounting Standards ('AS') prescribed by Companies (Accounting Standards), Rules, 2006 (as amendment) the provisions of the Companies Act, 1956, to the extent applicable. These accounting policies will be consistently applied. The Board will evaluate the effect of accounting standards issued on an on-going basis and ensure they are adopted as mandated by the ICAI.

Use of Estimates

In the preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires Board to make estimates and assumptions that will affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates will be recognized prospectively in current and future periods.

Fixed Assets and Depreciation

Fixed Assets are stated at cost of acquisition less depreciation. Cost of acquisition is inclusive of freight, duties levies and all incidentals attributable to bringing the assets to its working condition. Assets under installation or under construction as at balance sheet date are shown as capital work in progress.

Depreciation is provided pro rata to the period of use on the written down value method at the rates specified under Schedule XIV of the Companies Act, 1956 except the Temporary structures. Depreciation on Temporary structures is provided over the construction period on straight line method. Individual assets costing less than Rs.5,000 are fully depreciated in the year of acquisition.

Revenue Recognition

- a) Income is recognized on accrual basis unless otherwise stated in these accounts.
- b) Revenue from sale is recognized after dispatch of goods to customers.
- c) Revenue for services is recognized after completion of each stage of service
- d) Revenue from software development (on time or material basis) is recognized based on software developed and billed to the clients.

Foreign Exchange Transactions

The transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction. Gains / Losses arising out of fluctuations in exchange rates are accounted for in the Profit and Loss Account on realization / payment.

Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and resultant gain or loss is recognised in the Profit and Loss Account.

Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

All investments are stated at cost, i.e., cost of acquisition inclusive of expenditure incidental to

acquisition. Income from investments is recognised in the accounts in the year in which it is accrued and stated at gross values.

Short Term Investments are valued at cost or market value whichever is lower. In case of Long Term Investments, provision for diminution in value is made when it is permanent and material.

Employee Benefits

Gratuity liability under the Payment of Gratuity Act, if any, accrued and provided for on cash basis.

Borrowing Costs

Borrowing costs are recognized as expenditure in the year in which they are incurred.

Earnings per Share

The earnings considered in ascertaining the Company's Earnings per Share (EPS) comprise the net profit/ (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares where applicable. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later date.

Taxes on Income

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

- a) Provision for current taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.
- b) The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in the 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.
- c) The Company offsets current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Cash flow statement

Cash flows are reported using indirect method, whereby the net profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require outflow or resources.

CONSOLIDATED NOTES TO ACCOUNTS

2. Share Capital

(Amount in Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
Authorised		
60,00,000 Equity Shares of Rs. 10 each	60,000,000	60,000,000
Issued, Subscribed & fully Paid up		
55,09,000 Equity Shares of Rs. 10 each	55,090,000	55,090,000
Total	55,090,000	55,090,000

3. Reserves and Suplus

a. Reserve Fund (Statutory)

Opening Balance	479,748	479,748
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	479,748	479,748

b. Surplus

Opening balance	11,181,983	8,148,051
(+) Net Profit/(Net Loss) For the current year	2,363,412	3,033,933
(-) Dividends Paid	-	-
(-) Dividend Tax and Surcharge thereon	-	-
Closing Balance	13,545,395	11,181,983

Total	14,025,143	11,661,731
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4. Long term borrowings

Unsecured Loan - others	12,761,112	8,294,958
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Total	12,761,112	8,294,958
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5. Consolidated Statement of Defered Tax Liability

Particulars	31-Mar-14		
	Book Value	Tax Value	Difference
Fixed Assets	6,141,155	6,834,086	(692,931)
Total of Fixed Assets (Deferred Liability)	6,141,155	6,834,086	692,931
Total Deferred Assets	-	-	-
Total timing difference	6,141,155	6,834,086	(692,931)
Deferred Tax (Liability) Asset (@33.2175%) As at 31.03.14			214,852
Deferred Tax (Liability) asset provided up to 31.03.13			(190,530)
Balance to be credited to P & L A/C			24,322

6. Short term borrowings

(Amount in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
Cash Credit from Axis Bank	43,407,018	38,539,787
Loans from Directors	2,854,400	2,240,781
Others	7,795,598	9,106,665
Total	54,057,016	49,887,233

Particulars	As at 31 March 2014	As at 31 March 2013
7. Trade Payables		
Dues to Micro and Small Enterprises	-	-
Dues to other than Micro and Small Enterprises		
(a) Trade Payables (including LC Paments)	119,599,745	53,057,209
Total	119,599,745	53,057,209
8. Other current liabilities		
Other current Liabilities	17,312,520	14,298,803
Total	17,312,520	14,298,803
9. Short term provisions		
Provision for taxation	1,262,311	1,176,300
Dividend on Equity Shares	-	-
Provision for Corporate Dividend Tax	-	-
Other provisions	3,974,899	3,472,884
Total	5,237,210	4,649,184

10. Consolidated Depreciation Schedule as per Companies Act, 1956 **SCHEDULE 5**

S. No.	Particulars	GROSS BLOCK			DEPRECIATION				NETBLOCK		
		As on 1.04.2013	Additions	Deletions	As on 31.03.14	As on 1.04.2013	For Current year	Dep Adjustment	As on 31.03.14	As on 31.03.14	As on 31.03.13
1	Land & Building	3,299,678	-	-	3,299,678	-	-	-	-	3,299,678	3,299,678
2	Plant & Machinery	674,518	-	-	674,518	292,483	53,141	-	345,624	328,894	382,035
3	Computers	3,010,868	148,385	-	3,159,253	2,547,376	203,910	-	2,751,286	407,967	463,492
4	Office Equipment	39,087	251,967	-	291,054	15,145	9,026	-	24,171	266,883	23,942
5	Furniture & Fixtures	2,160,672	21,600	-	2,182,272	1,690,579	87,218	-	1,777,797	404,475	470,093
6	Vehicles	4,157,796	-	-	4,157,796	2,223,835	500,702	-	2,724,538	1,433,258	1,933,961
		13,342,619	421,952	-	13,764,571	6,769,419	853,998	-	7,623,416	6,141,155	6,573,200
	Previous Year	12,932,351	392,706	-	13,325,057	5,754,749	1,014,670	-	6,769,419	6,559,213	7,177,602

11. Non-current investments (Amount in Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
Mahaveer Skyscraper Limited (Equity)	2,619,000	2,619,000
Mahaveer Telecom Pvt Limited (Equity)	-	-
Mahaveer Projects Pvt Limited (Equity)	-	-
Leo Infrastructure	-	800,000
Arihant Optics Ltd	500,000	500,000
Hygrowth Finance	15,000	15,000
Minfy Impex	533,340	533,340
AP Mahes Co-op Bank	-	-
Others	14,252,970	14,250,000
Total	17,920,310	18,717,340

(Amount in Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
12. Other Non-Current Assets		
Pre-operative Expenses	32,525	32,525
Total	32,525	32,525
13. Long term loans & Advances		
Unsecured - Mahaveer Infoway Ltd	1,532,800	600,000
Total	1,532,800	600,000
14. Inventories		
(As certified by the management, at cost or net realizable value whichever is less)		
Closing Stock	61,217,744	36,172,036
Total	61,217,744	36,172,036
15. Trade Receivables		
Outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	152,676,159	76,271,887
Total	152,676,159	76,271,887
16. Cash and bank balances		
Cash and cash equivalents		
Cash on hand	5,233,037	8,414,293
Bank balances		
In current accounts	20,238	3,866,789
Total	5,253,276	12,281,081
17. Short term loans and advances		
Unsecured Considered		
Advances recoverable in cash or kind or for value to be received	21,023,750	38,284,283
Other Loan advances		
Advance income tax and TDS	2,310,971	1,178,090
Total	23,334,721	39,462,373
18. Unsecured Considered		
Deposits	4,964,924	4,438,867
Other Current Assets	1,679,126	574,471
Total	6,644,050	5,013,338

(Amount in Rupees)

Particulars	As at 31 March 2014	As at 31 March 2013
Consolidated		
Revenue from Operations		
Sale less Returns	1,097,618,793	800,627,524
Total	1,097,618,793	800,627,524

19. Other Income

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest Income	1,866,206	2,184,847
Other Income	402,231	3,311,981
Videocon Income	24,027,432	19,964,547
Activation Charges	552,550	549,594
Rate Difference Income	-	6,389,011
Staffing Income	15,558,213	11,087,616
Discount received	3,266,511	2,899,713
Dividend Income	6,903	6,943
Miscellaneous Income	3,063,759	827,302
Education Division Income	142,075	158,950
Target achievement incentive scheme	2,955,032	1,803,219
Trade incentive scheme	-	32,340
Export Service Income	5,079,352	-
Scheme Incentive Income	2,099,800	-
Special discount / Scheme	7,493,191	-
Round off Account	67	-
Sundry written off	36,423	-
Web Development Income	2,205,227	-
Total	68,754,971	49,216,063

20. Operating Expenditure

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Advertisement Expenses	54,360	35,934
Electricity Charges	380,155	232,544
Communication Expenses	176,388	328,609
Travelling and Conveyance	863,461	933,835
Other Expenses	2,935,614	1,828,530
Postage & Courier Expenses	425,329	519,871
Rent	996,500	1,000,800
Staff Welfare Expenses	130,403	189,188
Salaries and Bonus	23,529,193	11,856,316
Managing Directors Remuneration	-	300,000
Other Directors Remuneration	-	758,473
Reparis and Maintanance	265,351	121,276

Office Maintenance	1,283,275	317,943
Exchange gain/loss	1,069,438	134,101
Costing Expenses	1,532,665	2,161,311
CST Paid	-	12,048
Insurance	67,345	64,494
Discount Allowed	8,150	678,730

Total	33,717,627	21,474,003
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21. Administrative and Other Expenses

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Rates and Taxes	1,676,987	9,169,037
Legal and Consultancy Charges	323,255	142,949
Insurance	142,607	180,003
Payment to Auditors	53,090	104,430
DTH & other related Exp. (Videocon & Reliance)	24,888,371	21,304,872
Printing & Stationary	62,855	96,965
Bank Charges	408,439	758,997
Commission paid	265,666	113,775
General Expenses	185,214	45,873
Annual Charges	115,493	112,339
Filing & Listing Fees	-	21,500
Business Promotions	474,219	902,466
Staffing Expenses	387,615	579,319
Other Expenses	1,267,766	1,595,981
Miscellaneous Expenses	87,590	13,410
Professional Tax	2,500	2,500

Total	30,341,667	35,144,416
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22. Interest & Finance Charges

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest & Finance Charges	6,420,733	5,989,244

Total	6,420,733	5,989,244
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23. Selling & Distribution Expenses

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Commission on Sales Promotion	-	804,000

Total	-	804,000
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24. Earning per Share (EPS)

Particulars	2014	2013
Net Profit/ (Loss) after taxes for the year (Rs.)	23,63,412	30,33,933
Weighted average number of Equity Shares of Rs.10 each outstanding during the period (Used for calculation of Basic and Diluted Earnings Per Share)	5,509,000	5,509,000
Earnings per Share Basic and Diluted (Rs.)	0.43	0.55
Nominal value per share (Rs.)	10	10

25. Contingent Liabilities and Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for, net of advances is Rs. Nil

26. Investments

- Investment includes 5000 shares of Arihant Optics Limited amounting to Rs.5,00,000/- are to be transferred in the name of the Company.
- Investments in Skyscrapers unquoted equity shares of worth Rs. 26,19,000./-
- Rs. 5,33,340/- Minfy impex (sole proprietor ship of MIL 100% fully owned).

27. Fixed Assets

Capital Work-in-progress:

Company has incurred an expenditure on construction of building of Rs. 37,46,860/- which is certified by the management of the company is shown as capital work-in-progress along with the opening Capital work-in-progress.

28. Segment Reporting

In the opinion of the management, the company's business activity carried on during the year consists of more than one reportable segment and as such report is given separately by management.

29. Related Party transactions

The company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made. No amounts have been written off or written back during the year in respect of debts due from or related parties. There are no other related parties where control exists that need to be disclosed.

- Names of related parties and description of relationship:

Nature of Relationship

Subsidiary

Name of the Related Party

Mahaveer Projects Private Limited

Mahaveer Telecom Private Limited

Key Management Personnel (KMP)

Mr. Ashok Kumar Jain

Managing Director

Mr. Rajender Kumar Jain

Director

Mr. Vijay Jain

Director

Mr. Jitendra Bhansali

Director

Mr. Prasanna Dixit

Director

Mr. Vinit Maharia

Director

Mr. Budhi Prakash

Director

Enterprises where KMP have significant influence

Mahaveer Skyscrapers Ltd

b) Summary of Transactions with the above related parties are as follows:

(Amount in Rupees)

Particulars	2014	2013
Investment in Enterprises where KMP have significant influence	26,19,000	26,19,000
Remuneration to KMP	11,88,096	10,58,473
Rent Paid to relative of KMP	6,00,000	6,00,000
Loans and advances taken from KMP (Interest free loans)	796,511	1,528,256
Loans and advances given to KMP (Interest free loans)	819,082	295,952
Loans and advances taken from relatives of KMP (Interest free loan)	134,892	18,81,665
Loans and advances given to relatives of KMP	621,951	3,572,114
Rent deposits with relatives of KMP	8,00,000	8,45,000
Purchase of goods from Subsidiary (MTPL)	19,82,59,798	14,49,33,834

Transactions and outstanding balances in the nature of reimbursement of expenditure incurred by one Company on behalf of the other have not been considered above.

30. Taxation

Current income tax is ascertained on the basis of assessable profits computed in accordance with the provisions of the income tax Act, 1961 and it is charged to the profit and loss of the year.

31. The Company has not having the suppliers who are registered as Micro, Small, Medium Enterprise as on March 31, 2014 in terms of the provisions of "The Micro, Small, and Medium Enterprises Development Act, 2006".

32. In the opinion of the Management and to the best of their knowledge and belief realization of current assets and loans and advances are not less than the amount at which they are stated in the Balance Sheet and are subject to confirmation from respective parties.

33. Foreign Exchange Outflow:

(Amount in Lakhs)

Particulars	2014	2013
Purchase of Mobiles and other traded goods	Nil	542.22
Total	Nil	542.22

34. Foreign Exchange Inflow:

Services rendered	45.46	28.80
Total	45.46	28.80

35. The management is of the opinion that the carrying amounts of fixed assets and other assets are not less than their respective net realizable values.

36. Additional Information pursuant to paragraphs 3, 4, 4-C and 4-D of part-II of Schedule VI to

the Companies Act, 1956 to the extent either "Nil" or "Not Applicable" has not been furnished.

- 37.** According to the information and explanations given to us the Company is regular in depositing the statutory dues.
- 38.** Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to those of the current year.

For and on behalf of
Kalyana & Co.,
Chartered Accountants

For and on behalf of the Board

Sd/-
CA. N.V Raghu
Partner
M.No:- 208581
Place: Hyderabad
Date: 30.05.2014

Sd/-
Ashok Kumar Jain
Managing Director

Sd/-
Rajender Kumar Jain
Director

Form No. MGT-11

PROXY FORM

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

CIN : L65910TG1991PLC012704

Name of the company: Mahaveer Infoway Limited

Registered office: 7-1-24/2/C, 301/A, Dhansi Surabhi Complex,
Greenlands, Ameerpet, Hyderabad - 500016

Name of the member(s) :

Registered Address :

E-mail Id :

Folio No./Client Id :

DP ID :

I / We, being the Member(s) of _____ share of Mahaveer Infoway Limited, hereby appoint

1. Name: _____

Address: _____

E-mail ID: _____ Signature _____ or failing him

2. Name: _____

Address: _____

E-mail ID: _____ Signature _____ or failing him

3. Name: _____

Address: _____

E-mail ID: _____ Signature _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the company, to be held on the Tuesday, 30th day of September, 2014 at 11.00 A.M. at 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad - 50001 any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1 Approval of financial statements for the year ended 31.03.2014
- 2 Appointment of Mr. Jeetendra Kumar Bhansali as Director who retires by rotation
- 3 Appointment of Mr. Rajender Kumar Jain as Director who retires by rotation
- 4 Appointment of statutory auditors and fixation of their remuneration
- 5 Appointment of Mr. Vinit Maharia as Independent Director
- 6 Appointment of Mr. Budhi Prakash Toshniwal as Independent Director
- 7 Appointment of Ms. A Neelima Reddy as Independent Director
- 8 Alteration of Article of Association
- 9 Authority to borrow money exceeding Net Worth
10. Appointment of Managing Director.

Signed this day of..... 2014

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

MAHAVEER INFOWAY LIMITED

7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet,
Hyderabad - 500 016

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 23rd Annual General Meeting of the members of the Company to be held on Tuesday, 30th day of September, 2014 at 11.00 A.M at 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad - 500016

Shareholders/Proxy's Signature _____

Shareholders/Proxy's full name _____ (In block letters)

Folio No./ Client ID _____

No. of shares held _____

Note: Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.



Subsidiaries :

M/s. MAHAVEER TELECOM PRIVATE LIMITED

M/s. MINFY TECHNOLOGIES PRIVATE LIMITED

(Formerly known as Mahaveer Projects Private Limited)

www.minfy.com

Head Office:

MAHAVEER INFOWAY LIMITED

**7-1-24 / 2 / C, 301 / A, Dhansi Surabhi Complex,
Greenlands, Hyderabad - 500 016, Telangana**

Branch :

**1st Floor, Old Incomtax Building,
Vidya Nagar, Hubli - 580032 Karnataka**