

Annual Report 2011-2012

INDIACO VENTURES LIMITED

CORPORATE INFORMATION

STATUTORY AUDITORS

S.J.Agrawal & Associates,
Chartered Accountants,

BANKERS

Citibank,
HDFC Bank,
IDBI Bank

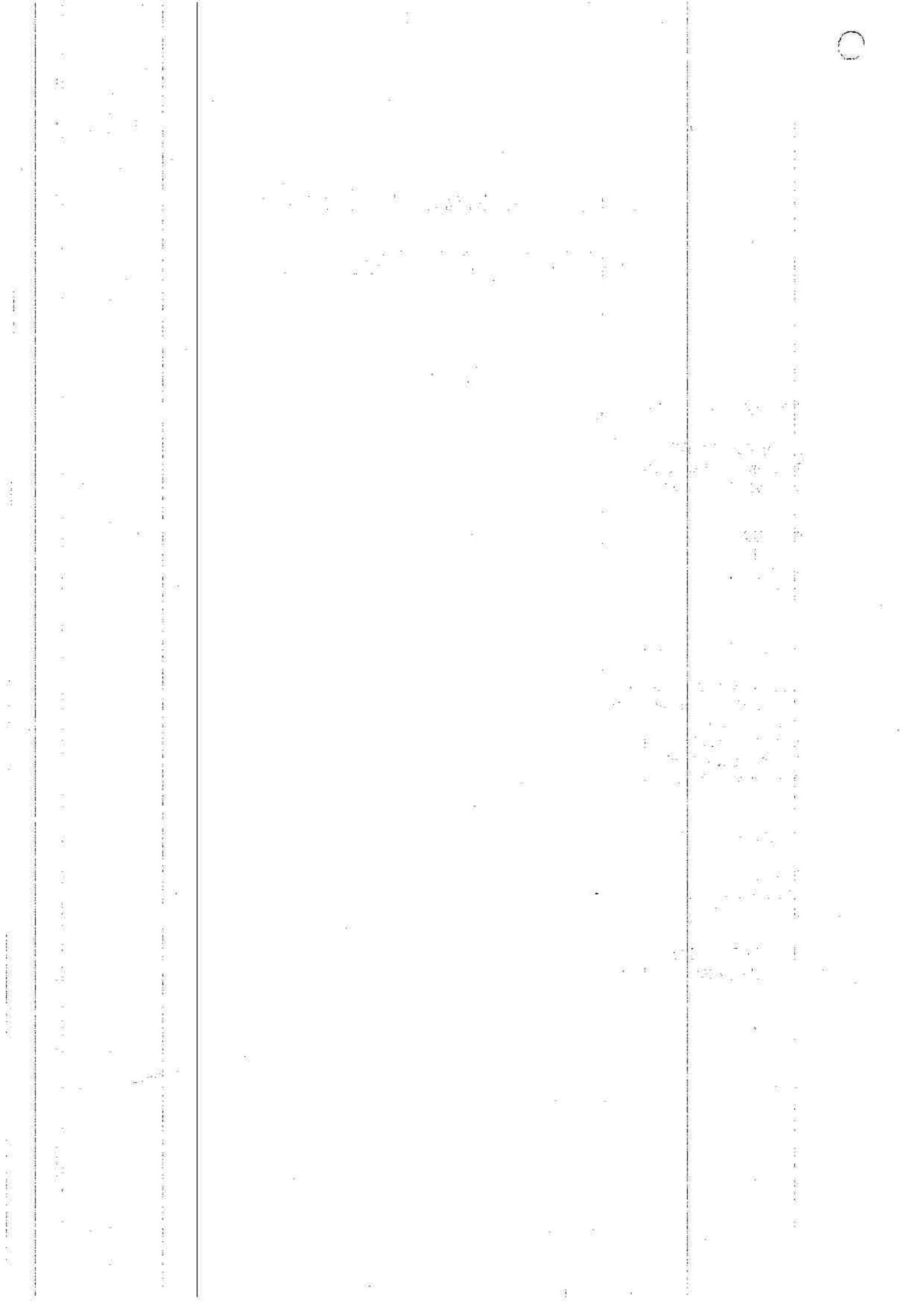
REGISTRAR & SHARE TRANSFER AGENT

Universal Capital Securities Pvt Ltd
Formerly Known as Mondkar Computers Pvt Ltd)
21,Shakil Niwas,
Opp.Satya Saibaba Temple,
Mahakali Caves Road,
Andheri (East),Mumbai-93

REGISTERED OFFICE

214, SURYA PLAZA,
LBS Road, Navi Peth,
PUNE 411030

Tel: +91 20 24336545
Fax: +91 20 24325710



DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the Twenty Ninth Annual Report of the Company together with the Audited Accounts for the year ended March 31, 2012.

FINANCIAL RESULTS

Particulars	2011-12	2010-11
Total Income	(1445994.66)	59,73,799.03
Less: Expenditure	13236578.26	2,01,73,160.83
Profit/(Loss) Before Tax	(14682572.92)	(1,41,99,361.80)
Tax expenses including deferred tax	4795000.00	43,44,000
Profit / (Loss) for the year	(9052630.92)	(83,74,692.80)
EPS		(0.53)

The due date to convene Annual General Meeting for the financial year ended 31st March, 2012 was 29th September, 2012. However, the financial accounts of the Company were not ready and as such the Company got extension from the Registrar of Companies, Pune to hold Annual General Meeting upto 31st December 2012.

DIVIDEND:

There being no profits the Board do not recommend any dividend for the year under review.

DEPOSITS:

The Company has not accepted any deposits pursuant to the provisions of Section 58A of the Companies Act, 1956 and as such, no amount of principal or interest was outstanding as of the Balance sheet date.

DIRECTORS:

As the members of the Company are aware of the sad demise of the Vice Chairman & Managing Director of the Company, Mr. Ramchandra alias Rahul Patwardhan on 1st July, 2012. The Board places on record the gratitude for the services rendered by him during his tenure as member of the Board. The Board of Directors of the Company, employees and its members convey our deepest condolences to the bereaved family.

During the period, Mrs. Monali Patwardhan who was appointed as the Director of the Company on 27th April, 2011 has resigned from the directorship of the Company on 12th November, 2012. The Board places on record the gratitude for the services rendered by her during her tenure as member of the Board.

Mr. Shyam Rajamani Iyer has resigned from the Board of the Company. The Board places on record the gratitude for the services rendered by him during his tenure as member of the Board.

Mr. Dhiren Shah who was appointed as the Director of the Company on 27th October, 2010 has resigned from directorship of the Company on 12th November, 2012. The Board places on record the gratitude for the services rendered by him during his tenure as member of the Board.

Mr. Suresh Ingale and Mr. Mohan Parmar were co-opted as additional Directors of the Company on 12th November, 2012. It is proposed to regularise their appointment at the ensuing meeting of members.

Mr. Brian Lee Brown is liable to retire by rotation & being eligible has offered himself for reappointment.

AUDITORS:

It is proposed to appoint M/s V C Venkatraman & Co., Chartered Accountants as auditors of the Company for the financial year 2012-2013 at the ensuing Annual General Meeting and fix their remuneration. M/s V C Venkatraman & Co., Chartered Accountants who has expressed their willingness and confirm their eligibility to be appointed as auditors of the company as per the provisions of Sec. 224 of the Companies Act, 1956. The members are requested to appoint the auditors of the company. The said auditors if appointed shall hold the office from the conclusion of the annual general meeting till the conclusion of the next annual general meeting. The audit committee has recommended their appointment and the annual audit fees.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

During the year the company has not made much business and investments. The main business of the company is that of an investment company and majority of investment of the company are in the nature of strategic investment in its subsidiary companies.

CORPORATE GOVERNANCE:

It has always been the company's endeavor to excel through better Corporate Governance and fair and transparent practices. As required by Clause 49 of the Listing Agreement, a separate report on Corporate Governance forms part of the Annual Report. The Auditors certificate on the compliance of Corporate Governance norms as stipulated in Clause 49 of the Listing Agreement with the stock exchange is attached and forms part of this Report. We have documented our internal policies on corporate governance. The Management's discussion & Analysis of the financial position of the Company is provided in this Annual report.

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956:

There were no employees employed during the year or part of the year, getting remuneration in excess of Rs. 500,000/- per month or Rs. 6,000,000/- per annum and particulars of which are required to be given pursuant to section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

INVESTORS' RELATIONS AND GRIEVANCES

Investors' Relations have been cordial during the year. As a part of compliance, the Company has formed Shareholders' and Investors' Grievance committee to address the issues relating to investors. There were no investor grievances pending as on 31st March, 2012. A detailed report on the above appears in Corporate Governance Report annexed to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, the Directors of the Company hereby state and confirm:

- i. That in the preparation of the Annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. That they had selected such Accounting policies, applied them consistently, made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the Loss of the Company for that period;
- iii. That they had 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. That they had prepared the annual accounts on going concern basis.

LISTING OF SHARES

The Company's shares continue to remain listed with Bombay Stock Exchange, where the shares are actively traded.

AUDITORS' REPORT

The observations of Auditors in their report, read with the relevant notes to accounts are self-explanatory and do not require further explanation.

SUBSIDIARIES

As on 31st March 2012 the company has four subsidiaries viz. **IndiaCo Telecom Private Limited, IndiaCo Healthcare Private Limited, IndiaCo Capital Private Limited, IndiaCo Advisors Private Limited.**

The board presents audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries and as prepaid in compliance with the accounting standards and listing agreement as prescribed by Securities and Exchange Board of India (SEBI).

Central Government vide circular dated 8th February 2011 issued directions u/s 212 of the Companies Act, 1956 granting general permission to all the companies for not attaching the annual accounts of subsidiary companies under certain conditions.

Accordingly the board of directors of the Company at its meeting held on 12th November 2012 decided not to attach annual accounts of its subsidiaries. The company has attached annual accounts, the audited consolidated financial statement as required by the said circular.

Further the company undertakes that the annual accounts of the subsidiary companies and the related detailed information shall be made available to the shareholders on demand at any point of time. The annual accounts of the subsidiary companies shall also be kept open for inspection by any shareholder at the registered office of the company.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the Government authorities and Bankers for the assistance, co-operation and encouragement they extended to the Company and also appreciate the trust reposed by them in the Company and look forward to their continued patronage. The Board also expresses its appreciation of the understanding and support extended by the shareholders and employees of the company.

CAUTIONARY STATEMENT

Statements made in the report, including those stated under the caption "Management Discussion & Analysis" describing the Company's plan, projections and expectations may constitute "forward looking statement" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied.

For and on behalf of the Board of Directors
of **INDIACO VENTURES LIMITED**

sd/-
Suresh Ingale
Director

sd/-
Mohan Parmar
Director

Place: Pune
Date: 07th December, 2012

ANNEXURES TO THE DIRECTORS' REPORT

ANNEXURE "I" TO THE DIRECTORS' REPORT

Statement of Particulars under Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 forming part of Directors' Report for the year ended 31st March, 2012.

1. CONSERVATION OF ENERGY

Company's Energy consumption is minimum. As the company is engaged in financial services sector, the directors have nothing significant to report under this head.

2. TECHNOLOGY ABSORPTION

The Company has not undertaken any Research & Development activity hence the Directors have nothing significant to report under this head.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Disclosure of information relating to foreign exchange earnings & outgo as required under Rule 2(c) is already given in 'Notes to Accounts' forming part of the Audited Annual Accounts.

For and on behalf of the Board of Directors
of **INDIACO VENTURES LIMITED**

sd/-
Suresh Ingale
Director

sd/-
Mohan Parmar
Director

Place: Pune

Date: 07th December, 2012

CORPORATE GOVERNANCE

INDIACO'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance sets forth guidelines for managing and sustaining a transparent, information-orientation culture wherein authority and responsibilities are co-existent and co-extensive. It also provides guidelines on accountability of various positions within the organization. These values govern not only the Board of Directors, but also the management and the employees of the Company. This Governance protects and balances the interests of all stakeholders thereby enhancing shareholder value.

The Company's goal is to find creative and productive ways to delight its stakeholders i.e. Investors, Associates and Society, thereby fulfilling the role of a responsible corporate representative committed to best practices. Corporate Governance assumes a great deal of importance in the business life of IndiaCo and is not just adherence to mandatory rules & guidelines but lies in observing the spirit behind the letter. The driving forces of Corporate Governance at IndiaCo are its core values-Associate Delight, Investor Delight, and the Pursuit of Excellence.

IndiaCo believes that sound Corporate Governance practices provide an important framework to help the Board of Directors fulfill its responsibilities. The Board is elected by shareholders. It is responsible for setting strategic objectives to management and ensuring that the stakeholders' long term interests are served. It does so by adhering to and enforcing the principles of sound corporate governance. Thus, the management is responsible to establish and implement policies, procedures and systems to enhance the long-term value of the Company and delight all of its stakeholders.

We believe that sound corporate governance is critical to enhance and retain stakeholders' trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long term shareholder value and respect minority rights in all our business decisions.

Our corporate governance philosophy is based on the principles:

Satisfy the spirit of law and not just the letter of the law. Corporate governance standards should go beyond the law.

Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose.

Make a clear distinction between personal conveniences and corporate resources.

Communicate externally, in a truthful manner, about how the Company is run internally.

Have a simple & transparent corporate structure driven solely by business needs.

Management is the trustee of the Shareholders' capital and not the owner.

The Board of Directors is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure highest standards of corporate governance.

This chapter, along with the chapters on Management Discussion & Analysis and Additional Shareholders Information, reports IndiaCo's compliance with existing as well as the revised Clause 49 and highlights the additional initiatives taken in line with international best practices.

1. BOARD OF DIRECTORS

Size and Composition of the Board

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and to separate the Board functions of governance and management. The Board consists of 4 members, 1 of whom is executive or full time director, and 1 is non-executive non-independent director and 2 are non-executive independent directors. One of the executive directors is founder of the company. The Company does not have any nominee director. The Board periodically evaluates the need for change in composition of its size.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 committees across all the Companies in which they hold Directorship. All the Directors have made necessary disclosures regarding committee positions occupied by them in other companies.

The Constitution of the Board as on March 31, 2012 is given below:

Name of Director	Category
Mr. Rahul Patwardhan	Vice Chairman & M.D. [Promoter]
Ms. Monali Patwardhan	Non-Executive Director (Non-Independent)
Mr. Dhiren Shah	Non-Executive Director [Independent]
Mr. Brian Brown	Non-Executive Director [Independent]

Scheduling & Selection of agenda items for Board meetings

The meetings of the Board are generally held at the registered office of the Company. The Company Secretary prepares the agenda for each meeting, along with explanatory notes, in consultation with the board members and circulates the same in advance to the Directors. Every Board member is free to suggest items for inclusion in the agenda. The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held, when necessary. Independent directors are expected to attend at least four Board meetings in a year. However, the Board being represented by independent directors from various parts of the world, it may not be possible for each one of them to be physically present at all the meetings. We effectively use teleconferencing facilities to enable their participation.

Board Meetings

Six (6) Board Meetings were held during the year 2011-12 and the maximum gap between any two meetings was less than 3 months.

The dates on which the Board Meetings were held are as follows:

Financial Quarter 2011-12	Dates of the Board Meetings
1st Quarter ended 30th June, 2011	27th April, 2011
2nd Quarter ended 30th September, 2011	12th August, 2011
3rd Quarter ended 31st December, 2011	1st November, 2011
	20th December, 2011
4th Quarter ended 31st March, 2012	5th January, 2012
	31st January, 2012

Directors' Attendance record and Directorships held

The information as required under Annexure 1A to the Clause 49 of the Listing Agreement is made available to the Board. The agenda for the Board meetings were circulated prior to the meeting. Adequate information is circulated as part of the Board papers containing all the important and adequate information for facilitating deliberation at the meeting. The dates on which the Board meetings were held and the attendance thereat during the financial year ending 31st March, 2012 are as follows:

S. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	27th April, 2011	3	2
2	12th August, 2011	4	3
3	1st November, 2011	8	3
4	20th December, 2011	8	3
5	5th January, 2012	8	4
6	31st January, 2012	10	5

Memberships in other Boards

Executive Directors may, with the prior consent of the Board of Directors, serve on the Board of one other business entity, provided that such a business entity is not in direct competition with our operations. Independent directors are not expected to serve on the Boards of competing Companies. Other than this there are no limitations on them, save those imposed by law and good corporate governance practices.

The details of outside directorships held by each of our directors in Public Limited Companies are given in the table below:

Name of the Director	Category of Directorship	Number of Directorships In other Public Limited Companies	Number of Committee positions held in other Companies	
			Chairman	Member
Mr. Rahul Patwardhan	Executive	-	-	2
Ms. Monali Patwardhan	Non-Executive Non-Independent	-	-	-
Mr. Dhiren Shah	Independent	-	-	-
Mr. Brian Brown	Independent	-	-	-

Shareholding of Non- Executive Directors

Mr. Vinayak Bhattacharjee Non- Executive Director of the company who resigned during the year holds 4,68,440 Equity shares of face value of Rs. 2/- of the company as of 31st March 2012.

Availability of Information to Board members

The Board has unfettered and complete access to any information within the Company and to any of our employees. Sufficient information is regularly provided to the Board as a part of agenda papers or is tabled in the course of the Board meeting. Where it is not practicable to attach or send relevant documents along with Agenda, the same are tabled at the meeting. At Board meetings officers who can provide additional insights into the items being discussed are invited.

Discussion with independent directors'

The Board's policy is to regularly have separate meetings with independent directors to update them on business- related issues and new initiatives. In such meetings, the executive directors and other members of the senior management make presentations on relevant issues.

Remuneration paid to Directors

The Company pays remuneration by way of Salary, Allowances and Perquisites to its Vice Chairman and Managing Director as approved by the Board of Directors.

Details of Remuneration paid to Mr. Rahul Patwardhan, Vice- Chairman & Managing Director during the period 1st April, 2011 to 31st March, 2012 are as follows:

Details of Remuneration:

(Rs. In lakhs per year)

Name of the Director	Salaries	Perquisites	Total
Rahul Patwardhan	15,05,649	3,000	15,08,649

IndiaCo has a well- defined policy framework, which lays down procedures to be followed by Board Members, Senior Management and employees for ethical professional conduct. The code outlines fundamental ethical considerations as well as specific considerations that need to be maintained for professional conduct. All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

2. COMMITTEES OF BOARD

IndiaCo has four Board level committees. All decisions pertaining to the constitution of committees, appointment of members and fixing of terms of service for committee members is taken by the Board of Directors.

- Audit Committee
- Compensation Committee
- Shareholders Grievance Committee and
- Investment Committee (non- mandatory).

Details on the role and composition of these committees etc. are provided below:

a) AUDIT COMMITTEE:

Purpose: The primary objective of the audit committee (the committee) shall be to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures, and transparency, integrity and quality of financial reporting.

The committee shall oversee the work carried out in the financial reporting process by the management, the internal auditors and the independent auditor and shall note the processes and safeguards employed by each.

The Audit Committee consists of the following members namely:

1. Mr. Kamlesh Thakur – Chairman (non- executive independent)
2. Mr. Mohan Parmar – Member (non- executive non-independent)
3. Mr. Suresh Ingale – Member (Executive)

The Audit Committee has been mandated with the terms of reference as are specified in Clause 49 of the Listing Agreement with the Stock Exchanges.

The Audit committee met four times on 27th April 2011, 12th August, 2011, 1st November, 2011, 31st January, 2012 during the year under review.

b) REMUNERATION/ COMPENSATION COMMITTEE:

The Board has formed a Compensation Committee, as an additional regulatory mechanism. The Committee was formed with the terms of reference of deciding the remuneration of executive and non- executive directors and having the power to administer & supervise the Employee Stock Option Scheme. It disconnects the Board of the responsibilities relating to compensation of the company's executive directors & senior management.

The Compensation committee presently consists of the following directors namely:

1. Mr. Mohan Parmar – Chairman (non- executive non-independent)
2. Mr. Kamlesh Thakur - Member (non- executive independent)
3. Mr. Brian Brown - Member (non- executive independent)

Mr. Mohan Parmar is the Chairman of the committee.

Compensation committee met four times on 27th April 2011, 12th August, 2011, 1st November, 2011, 31st January, 2012 during the year under review.

c) INVESTORS'/ SHAREHOLDERS' GRIEVANCE COMMITTEE:

The committee consists of one non- executive non-independent director and one executive director and one non-executive and independent director as Member. The functioning and terms of reference of the Committee are as prescribed and in due compliance with the Listing Agreement with the Stock Exchange and include reviewing existing Investor Redressal System, redressing of shareholder complaints like delay in transfer of shares, non- receipt of balance sheet, non- receipt of declared dividend, etc., and suggesting improvements in investor relations.

The Compensation committee presently consists of the following directors namely:

1. Mr. Suresh Ingale – Chairman (executive)
2. Mr. Mohan Parmar - Member (non- executive independent)
3. Mr. Brian Brown - Member (non- executive independent)

Name of the Chairman	Mr. Suresh Ingale
Name & Designation of Compliance Officer	Mr. Rohit Purandare, Company Secretary & Compliance Officer
No. of Shareholders' complaints received so far	Nil
No. not solved to the satisfaction of shareholders	Nil
No. of pending complaints	Nil

Compliance Officer

As per the Listing Agreement and guidelines and regulations issued by the Securities and Exchange Board of India (SEBI), Mr. Rohit Purandare, Company Secretary of the Company is the Compliance Officer of the Company and can be contacted at:

Mr. Rohit Purandare

IndiaCo Ventures Limited
214, SURYA PLAZA, LBS Road,
Navi Peth, Pune 411 030
Maharashtra, India

Tel: + 91.20.66873900
+91.20.66873904
Fax: +91.20.25513243
Email: investor-relations@indiaco.com

Further, no complaints have been received by the Company during the year under review.

d) INVESTMENT COMMITTEE

Members of the Committee:

1. Mr. Suresh Ingale
2. Mr. Mohan Parmar
3. Mr. Kamlesh Thakur

An Investment Committee, which although not mandatory as per SEBI guidelines, has been set up by IndiaCo as an additional regulatory mechanism after taking into consideration the objectives of the Company's operations. The committee:

1. Reviews and approves management's recommended investment objectives, policies and guidelines that direct the investment of the fund.
2. Reviews and evaluates the performance of the investment portfolio regularly, to assure adherence to policy guidelines and monitor progress towards achieving investment objectives.

3. MANAGEMENT:

Disclosures

a) Materially Significant Related Party Transactions

The particulars of transactions between the Company and its related parties as per Accounting Standard- 18 (AS-18) are set out at Note 16 in Notes to Accounts. However, these transactions are conflicting with interest of the company.

b) Details of non-compliances by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital markets, during the financial year.

The Company has complied with the requirements of the Listing Agreement with the Stock Exchange as well as the regulations & guidelines prescribed by SEBI. There were no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to the Capital markets during the year.

c) Proceeds from Public issues, rights issue, preferential issue

The Company did not make any public issue, rights issue, preferential issue in the financial year under review.

d) As regards non-mandatory requirements of Corporate Governance norms, the Company has complied with the constitution of Remuneration Committee/Compensation Committee.

e) Management Disclosure:

No transactions of material nature has been entered by the Company with its Directors or Management and their relatives, etc. that may have potential conflict with the interest of the Company. The register of the contract containing transactions in which Directors are interested is placed with the Board regularly.

Code of Ethics and Conduct

IndiaCo has a well- defined policy framework, which lays down procedures to be followed by employees for ethical professional conduct. The code outlines fundamental ethical considerations as well as specific considerations that need to be made maintained for professional conduct.

The Vice Chairman & Managing Director has affirmed to the Board that this Code of Ethics and Conduct has been complied by the Board members and Senior Management.

4. SHAREHOLDERS

GENERAL BODY MEETING:

a) Details of location and time of holding of last three AGMs

AGM	Financial year	Venue	Date	Time	No. of Special Resolutions passed
26th AGM	31st March, 2009	Hotel Sayaji, Mumbai-Banglore Highway, Wakad, Pune-411057	29th September, 2009	10.00 A.M	2
27th AGM	31st March 2010	Hotel Sayaji, Mumbai-Banglore Highway, Wakad, Pune-411057	24th September, 2010	10. A.M..	2

28th AGM	31st March 2011	IndiaCo Center, 4th Floor, Symphony, S. No. 210 A/1, Range Hills Road, Shivaji Nagar, Pune-411 020, Maharashtra, India	29th September, 2011	10. A.M.	0
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MEANS OF COMMUNICATION:

- a) Quarterly Reports: Quarterly reports are published in local newspapers.
- b) News Releases, Presentations, etc.: Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website www.indiaco.com. Official Media releases are sent to the Stock Exchanges.
- c) Website: The Company's website www.indiaco.com contains a separate dedicated section 'Investor relations' where shareholders' information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.
- d) Annual Report: Annual Report containing, inter- alia Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion & Analysis Report forms part of the Annual Report.
- e) Vice Chairman's Communique: Printed copy of the vice chairman's speech is distributed to all the shareholders at the Annual General Meetings. It is also sent to all shareholders who do not attend the Annual General Meeting. The same is also placed on the website of the Company.
- f) Designated Exclusive email-id: The Company has designated the following email- ids exclusively for investor servicing.

investor-relations@indiaco.com
info@indiaco.com

The Company does not send its half yearly report to each household of shareholders.

GENERAL SHAREHOLDER INFORMATION:

Company Registration Details:

The Company is registered in the state of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L51909PN1983PLC129492.

The financial year of the Company is for a period of 12 months from 1st April to 31st March every year.

AGM: Date, Time & Venue	29th Annual General Meeting on 31 st December, 2012 at 11.00 a.m. at 214, SURYA PLAZA, LBS Road, Navi Peth, Pune - 411 030, Maharashtra, India
Date of Book Closure	25 th December, 2012 to 31 st December, 2012
Financial Calendar (Tentative)	
Results for the quarter ending June 30, 2012	First week of August, 2012
Results for the quarter ending September 30, 2012	First week of November, 2012
Results for the quarter ending December 31, 2012	First week of February, 2013
Results for the quarter ending March 31, 2013	First week of May, 2013
Listing of Company's Shares	The Company's shares are listed on Bombay Stock Exchange (BSE)
Scrip Code	506131
ISIN No.	INE064E01028
Payment of listing fees	Annual listing fee for the financial year as applicable has been paid by the Company to the BSE.

STOCK MARKET DATA

Period	IndiaCo		Sensex	
	High	Low	High	Low
April, 2011	28.75	20.10	19811.14	18976.19
May, 2011	27.75	18.15	19253.87	17786.13
June, 2011	25.00	18.70	18873.39	17314.38
July, 2011	26.00	19.55	19131.70	18131.86
August, 2011	26.00	17.50	18440.07	15765.53
September, 2011	23.00	15.10	17211.80	15801.01
October, 2011	20.00	13.05	17908.13	15745.43

November, 2011	22.75	13.70	17702.26	15478.69
December, 2011	18.65	14.65	17003.71	15135.86
January, 2012	17.85	13.90	17258.97	15358.02
February, 2012	15.94	9.13	18523.78	17061.55
March, 2012	9.80	7.43	18040.69	16920.61

Source: BSE website

SHAREHOLDING PATTERN AS ON 31st March, 2012:

Category	No. of Shares	Percentage
Promoters	7342000	39.61
Mutual Funds & UTI	0	0
Banks, Financial Institutions & Insurance Companies	0	0
FII's	5,93,960	3.20
Corporates	54,13,372	29.20
Individuals	25,24,055	13.63
NRIs/ Foreign Nationals/ OCB	4,85,758	2.62
Clearing Members	65,430	0.35
Foreign Corporate Body	21,12,210	11.39
Total	1,85,36,785	100

REGISTRAR & TRANSFER AGENTS

The Company has appointed M/s Universal Capital Private Limited, whose address is given below, as its Registrars & Transfer Agents. The Registrar handles and is delegated all matters relating to the shares of the Company including transfer, transmission of shares, dematerialization of shares certificates, sub-division/ consolidation of share certificates.

M/s Universal Capital Private Limited

21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (E), Mumbai-400093

Tel: (022) 28366620

E-mail id: mondkar_computers@rediffmail.com

DEMATERIALISATION OF SHARES

The Company's shares are tradable compulsorily in electronic form. The Company has established through its Registrar and Share Transfer Agents, connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (I) Ltd. (CDSL).

SHARE TRANSFER SYSTEM

All share transfer and other communications regarding share certificates, change of address, dividends, etc., should be addressed to Registrar and Transfer Agents. Share transfers are registered and returned within maximum of 30 days from the date of lodgment if documents are

complete in all respects. In case, the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

COMPANY'S REGISTERED OFFICE ADDRESS

IndiaCo Ventures Limited,
214, SURYA PLAZA, LBS Road,
Navi Peth, Pune 411 020 Maharashtra
Phone#+91.20. 25560264/ 25560254
Fax: 25560243
e-mail: info@indiaco.com

S. J. Agrawal & Associates

Chartered Accountants

622, Makers Chamber V, Nariman Point, MUMBAI 400 021.

Branch : 201, Kedia Shopping Center, 2nd Floor, Opp. Malad Railway Station,
Malad (West), Mumbai - 400 064.

Tel. No. 022- 2888 1124. Mobile : 9820051984, 9892552202, 9422803324

Ref. No. _____

Date _____

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,
The Members of,
IndiaCo Ventures Limited,

We have examined the compliance of conditions of Corporate Governance by IndiaCo Ventures Limited, for the year ended on 31st March, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange.

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

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

As per the records available, we state that as on 30th September, 2012 there were no investor grievances remaining unattended/pending for more than 30 days.

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

For S. J. Agrawal & Associates
Chartered Accountants



S. J. Agrawal
Partner
Membership No.: 030273

Place: Pune
Date: 7th December, 2012



AUDITORS' REPORT

To the Members of M/s. INDIACO VENTURES LIMITED

1. We have audited the attached Balance Sheet of M/s INDIACO VENTURES LIMITED as at 31st March 2012, the Profit and Loss Account and also the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' 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.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of those books.
 - c. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representation received from the directors, as on 31st March 2012 and taken on record by the Board of Directors and on the basis of information and explanation given to us we report that none of the director is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

f. In our opinion and to the best of our information and according to the explanations given to us, the said 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:

- i) In the case of the balance sheet, of the state of the affairs of the Company as at 31st March 2012;
- ii) In the case of the Profit & Loss Account, of the Loss for the year ended on that date; and
- iii) In the case of the cash flow statement, of the Cash Flow for the year ended on that date.

**For S.J. AGRAWAL & ASSOCIATES,
Chartered Accountants**

**S. J. Agrawal
Partner
Membership No: 030273**

Place: Pune
Date: 7th December, 2012



Annexure to the Auditor's Report

Ref: M/s **INDIACO VENTURES LIMITED**

Referred to in paragraph 3 of our report of even date

- i) In respect of Fixed Assets
 - a. The Company has maintained memorandum of records showing details of fixed assets with original cost and depreciation written off in respect of identifiable units of assets and where such information for identifiable units of assets is not available, the records show the cost and depreciation written off in respect thereof as a group or class. However, comprehensive fixed assets register is being compiled.
 - b. All the assets have been physically verified by the management in accordance with the programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. During the year, the company has not disposed any assets.

ii) In respect of Inventories

According to the information and explanations given to us, the inventory of securities have been held in dematerialized form and are verified with the demat account statements at reasonable intervals.

According to the information and explanations given to us, in our opinion, the procedures of physical verification of shares held in Demat Account followed by the management are reasonable and adequate in relation of the size of the Company and the nature of its business.

The transaction-wise stock details are compiled for control over the stocks of securities and necessary details are obtained from the custodians of shares and securities from the Depository Participants. Discrepancies noticed on verification have been properly dealt with.

- iii) According to the information and explanations given to us, the Company has not granted any loan secured or unsecured to the Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clauses (iii) (b), (iii) (c) & (iii) d of the Order are not applicable.

As informed to us, the Company has not taken any loans, secured or unsecured, from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act 1956. Accordingly clauses (iii) (f) & (iii) g of the Order are not applicable.



- iv) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of audit, we have not observed any major weakness in such internal controls.
- v) According to the information and explanation provided by the management, there have been no contracts or arrangements during the period that needs to be entered into the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clauses (v) (a) and (b) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable.
- vi) As the Company has not accepted or renewed any deposit from the public, the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vii) The Company has an internal audit system commensurate with the size and nature of its business.
- viii) Paragraph 4(viii) of the Order is not applicable.
- ix) According to the information and explanations given to us and records examined by us, the Company is generally regular in depositing, with the appropriate authorities, undisputed statutory dues.

According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and cess which have not been deposited on account of any dispute other than following :

Name of statute	Nature of dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Assessment due	22.01	F.Y. 2005-06	ITAT Mumbai
	Assessment due	764.73	F.Y. 2007-08	CIT (Appeals) XXXII

- x) The Company does not have any accumulated losses at the end of the financial year and has incurred cash losses of Rs 92.24 Lacs (previous Year Rs 92.41 Lacs) during the financial year.
- xi) In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has no default as on the balance sheet date in repayment of dues to financial institutions or banks. The Company has not issued any debentures and hence any default for repayment on this account does not arise.



- xii) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) Paragraph 4(xiii) of the Order is not applicable
- xiv) In our opinion, proper records have been maintained of the transactions and contracts and timely entries have been made therein; also the shares, securities, debentures and other securities have been held by the company, in its own name.
- xv) According to information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
- xvi) Based on our examinations of the records and information and explanations given to us during the year no term loan has been obtained.
- xvii) According to the information and explanations given to us, and 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.
- xviii) The company has not made any preferential allotment of shares during the year.
- xix) The company has not issued any debentures during the year nor there is any outstanding as on 31st March 2012.
- xx) The company has not raised any money by public issues during the year
- xxi) According to the information and explanations given to us, no fraud on or by company has been noticed or reported during the course of our audit.

For S.J. AGRAWAL & ASSOCIATES
Chartered Accountants

S. J. Agrawal
Partner
Membership No: 030273

Place: Pune
Date: 7th December, 2012

INDIACO VENTURES LIMITED
Balance Sheet as At 31st March 2012

	Notes	31.03.2012 Amount Rs.	31.03.2011 Amount Rs.
I. EQUITY AND LIABILITIES			
Shareholders fund :			
Share Capital	2.1	37073570	37073570
Reserves and Surplus	2.2	235372670	245388970
Current Liabilities			
Other Current Liabilities	2.3	1060793	412635
Total :		273507033	282875175
II. Assets			
Non-Current Assets			
Fixed Assets			
- Tangible	2.4	34867248	37619899
- InTangible	2.4	1923711	2687759
Non Current Investment	2.5	210658924	223562304
Deferred Tax (Net)	2.6	8363000	3482000
Current assets			
Trade Receivables	2.7	549012	3473868
Cash and Cash Equivalents	2.8	24450	368050
Short-term Loans and Advances	2.9	17120688	11566038
Other Current Assets	2.10	0	115256
Total :		273507033	282875175

Significant Accounting Policies & Other Notes 1
Accompanying Notes are an integral part of the Financial Statements

As Per Our Report of Even Date
For S.J. AGRAWAL & ASSOCIATES,
Chartered Accountants

(S.J. AGRAWAL)
Partner
Mem. No. 030273

Pune. Dated : 7th December 2012

DIRECTOR
(MOHAN PARMAR)

DIRECTOR
(S.S.INGALE)

COMPANY SECRETARY
(ROHIT PURANDARE)

INDIACO VENTURES LIMITED
Profit & Loss for the Year Ended on 31st March 2012

	Notes	Current Year Amount Rs.	Previous Year Amount Rs.
Revenue From Operations	2.11	296560	2500000
Other Income	2.12	(1742555)	3473799
	a-->	<u>(1445995)</u>	<u>5973799</u>
EXPENDITURE			
Depreciation	2.4	4111695	4327817
Other Expenses	2.13	9251552	15845344
		<u>13363247</u>	<u>20173161</u>
Profit/(Loss) Before Tax		(14809242)	(14199362)
Current Tax		0	0
Deffered Tax		4881000	4344000
Reversal ESOP Expenses		834942	1480669
Profit/(Loss) After Tax		<u>(9093300)</u>	<u>(8374693)</u>

Significant Accounting Policies & Other Notes 1

Accompanying Notes are an integral part of the Financial Statements

As Per Our Report of Even Date
 For S.J. AGRAWAL & ASSOCIATES,
 Chartered Accountants

(S.J. AGRAWAL)
 Partner
 Mem. No. 030273

Pune, Dated : 7th December 2012

DIRECTOR
 (MOHAN PARMAR)

DIRECTOR
 (S.S. INGALE)

COMPANY SECRETARY
 (ROHIT PURANDARE)

STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNT

SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS FOR PREPARATION OF FINANCIAL STATEMENT

The Financial Statements are prepared on historical cost convention and the mercantile system of accounting. The accounts are prepared on going concern basis and are consistent with generally accepted accounting principles.

1.2 CASH FLOW STATEMENT

The cash flow statement is prepared under the suggestive 'Indirect Method' of Accounting Standard-3 'Cash Flow Statements' issued by the Institute of Chartered Accountants of India and the same is annexed herewith.

1.3 DEPRECIATION

Fixed Assets are stated at cost of acquisition including any attributable expenditure to bring asset to the working condition, less accumulated depreciation. Assets under installation or construction as at the Balance Sheet date are shown as capital work in progress.

Depreciation has been charged on the Fixed Assets under the written down value method, at the rates prescribed under Schedule XIV of the Companies Act, 1956.

1.4 REVENUE RECOGNITION

Income from professional fees is recognised on completion of services. Interest on deposits is recognised on accrual basis. Dividend income from investments is recognised on cash basis.

1.5 INVESTMENTS

- Long term Investments are valued at the cost of acquisition. Current Investments are valued at cost or market price which ever is less. Profit and loss on the current investments is calculated on First in First out (FIFO) basis.
- Investment is treated as current/ temporary; i.e., intention at the time of investing is to dispose the relevant investment in the 'near future' or the subsidiary operates under severe long-term restrictions impairing transfer of funds to the parent.

1.6 TAXATION

Tax expenses are recognised as per the provisions of Income tax Act, 1961 at the prescribed tax rates of the relevant assessment year. Tax expenses include current tax and deferred tax.

The deferred tax assets/ liabilities for the year, arising on account of timing differences, are recognised in the profit & Loss Account and the accumulated effect thereof is shown in the Balance Sheet as per the provisions of AS-22 'Accounting For Taxes on Income' issued by the Institute of Chartered Accountants of India.

1.7 FOREIGN CURRENCY

Transactions in Foreign Currencies are recorded at the exchange rate prevailing at the time of booking the contract/ transaction. Any gain or loss arising on receipt/payment due to foreign exchange rate fluctuation is recognized in the Profit and Loss Account.

1.8 EMPLOYEE STOCK OPTION SCHEME

The compensation cost relating to employee stock option scheme is determined by intrinsic value method. The compensation cost is amortised over the vesting period of the option on straight line basis.

1.9 PROVISIONS

Provisions for expenses and liabilities are made on the basis of reliable estimate of the financial obligation occurring as a result of past event wherein the probable outflows of resources exist.

NOTES TO ACCOUNT

1.10 SEGMENT REPORTING

During the Financial Year 2011-12, the Company has income under only one reportable segment i.e., Advisory and consultancy services. However company had substantial income from its investments.

1.11 RELATED PARTY DISCLOSURE

Related party disclosures as per the Accounting Standard-18 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are given as follows:

Related Parties:

Subsidiaries:

- Indiaco Telecom Private Limited (99.55% Holding)
- Indiaco Healthcare Private Limited (100% Holding)
- Indiaco Advisors Private Limited (97.50% Holding)
- Indiaco Capital Private Limited (99.01% Holding)

Others Concerns & Associates

- Indiaco India Fund

Key Management Personnel:

- Rahul Patwardhan Chairman & Managing

Note : Mr Rahul Patwardhan died on 1st July 2012. His untimely loss has impacted operations of the company considerably.

1.12 EARNING PER SHARE

The earning per share has been computed on the basis of profits attributable to the Equity Share Holders with respect to weighted number of equity shares according to the provisions of the Accounting Standard-20 'Earning Per Share' issued by the Institute of Chartered Accountants of India. The detailed working is given herein below.

Particulars	Amount (Rs.)	
	2011-12	2010-11
Net Profit(Loss) attributable to Equity share holders	(90,93,300)	(83,74,693)
Weighted Number of Equity Shares	1,85,36,785	1,85,36,785
Basic Earning Per Share	(0.49)	(0.45)

1.13 INCOME TAX & DEFERRED TAX PROVISION

In compliance with the Accounting Standard-22 'Accounting For Taxes on Income' issued by the Institute of Chartered Accountants of India, the company has accounted net debit of Rs. 2,22,000 on account of deferred tax liabilities. The major components of the deferred tax asset and liabilities arising on account of timing differences are:

Particulars	Amounts (Rs.)	
	2011-12	2010-11
Reversal of deferred tax liabilities pertaining to earlier years		
Deferred tax liability arising on account of timing difference of depreciation during the year	(2,01,000)	(3,05,000)
Deferred tax Asset arising on account of timing difference of Loss during the year	50,82,000	46,49,000
Net Deferred Tax (Liability)/ Asset	48,81,000	43,44,000

1.14 IMPAIRMENT OF ASSETS

There is no impairment of fixed assets during the financial 2010-11, as such the provision for impairment of assets as per Accounting Standard (AS-28) 'Impairment of Assets' issued by the Institute of Chartered Accountants of India is not made in the books of account.

1.15 Employee Stock option plan (ESOP)

During the financial year 2011-12 the company has granted Nil (Previous Year 1,950) employee stock options under 'Employee Stock Option Scheme' vide resolution passed by the compensation committee in its meeting held on 12th August, 2010. The compensation cost relating to employee stock option scheme is determined by intrinsic value method and amortised over the vesting period of four years in accordance with the SEBI (Employee stock option scheme and employee stock purchase scheme) Guidelines, 1999. The details of options granted are as follows:

ESOP Scheme details

Scheme	Vesting Period	Option Vesting each year				No. of Options At the Opening	No. of Options exercised during the year	No. of Options Cancelled / lapsed during the year	No. of Options outstanding at the end of the year
		I	II	III	IV				
		%	%	%	%	'000	'000	'000	'000
Grant- I A	29.10.2007 To 29.10.2011	25	25	25	25	-	-	-	-
Grant- I B	29.10.2007 To 29.10.2011	25	25	25	25	19.50	-	19.50	-
Grant- II	28.11.2007 To 28.11.2011	25	25	25	25	0.00	-	0.00	-
Grant- III	17.10.2008 To 17.10.2012	25	25	25	25	15.00	-	15.00	-
Grant- IV A	09.07.2009 To 09.07.2013	50	20	20	10	58.45	-	58.45	-
Grant- IV B	09.07.2009 To 09.07.2013	50	20	20	10	00.00	-	00.00	-
Total						91.550	-	91.550	-

1.16 Foreign Currency Out Flows and Inflows

Particulars of foreign currency Inflows and out flows:

I. Inflows:

Particulars	2011-12		2010-11	
	Foreign Exchange	Amounts (Rs.)	Foreign Exchange	Amounts (Rs.)
Export of Service	-	-	-	-
Reimbursement of Exps			9393 USD	4,38,653
Total				4,38,653

II. Outflow:

Particulars	2011-12		2010-11	
	Foreign Exchange	Amounts (Rs.)	Foreign Exchange	Amounts (Rs.)
Foreign Travel Expenditure			630 GBP	43,520
			1000 Euro	57,725
Total				101,245

1.17 Break-up of Auditor Remuneration:

Particulars	2011-12	2010-11
Statutory Audit	75,000	75,000
Certification	20,000	55,000

1.18 Previous Year Figure

During the year ended 31st March, 2012, the revised format of accounts was notified by modifying Schedule VI under the Companies Act, 1956. The new format has been followed for preparation and presentation of the financial statements. The adoption of revised Schedule VI, as aforesaid, does not impact recognition and measurement principles followed for preparation of the financial statements. The Company has reclassified the previous year's figures in accordance with the requirements applicable in the current year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2.1 SHARE CAPITAL

Particulars	31.03.2012		31.03.2011	
	Number	Rs	Number	Rs
2.1.1 Authorised Eq. Shares of Rs 2/- each	65000000	130000000	65000000	130000000
2.1.2 Issued, Subscribed & Paid Up: Eq. Shares of Rs 2/- each	18536785	37073570	18536785	37073570
Total	18536785	37073570	18536785	37073570
2.1.3 Reconciliation of number of shares.				
Particulars	Number	Rs	Number	Rs
Eq. Shares O/s at the beginning of the year	18536785	37073570	18536785	37073570
Add : Shares issued during the Year	-	-	-	-
Eq. Shares O/s at the End of the year	18536785	37073570	18536785	37073570

2.1.4 Rights, preference and restrictions attached to Equity Shares

The Company has only one class of equity shares having par value of Rs.2/- per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts.

2.1.5 Details of Share held by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	31.03.2012		31.03.2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Viral Management & Consultants Pvt.Ltd.	1167300	6.30%	958650	5.17%
Iaquavit Management Services Pvt Ltd	1120000	6.04%	1120000	6.04%
Iaquavit Consulting Pvt. Ltd	6222000	33.57%	6222000	33.57%
Shlok Management And Investment Pvt. Ltd	1611871	8.70%	1611871	8.70%
India Holding LLC	2000000	10.79%	2,000,000	10.79%

2.1.8 Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date

During the year ended March 31, 2010, the Company had issued 85,56,105 equity shares of Rs.2/- each as fully paid bonus shares by capitalisation of Rs.1,71,12,210 from profit and loss account.

2.2 RESERVES AND SURPLUS

Particulars	31.03.2012	31.03.2011
2.2.1 Share Premium Account		
Opening Balance	207571765	207571765
Current Year Transfer (Written Back)	-	-
Closing Balance	207571765	207571765
2.2.2 Share Options Outstanding Account		
Opening Balance	365000	923000
Current Year Transfer (Written Back)	-365000	-
Closing Balance	0	923000
2.2.3 Other Reserves - Forfeited Warrant Money		
Opening Balance	1725300	1725300
Current Year Transfer (Written Back)	-	-
Closing Balance	1725300	1725300
2.2.4 Surplus in Profit & Loss Statement		
Opening balance	35168905	43543597
(+) Net Profit/(Net Loss) For the current year	(8093300)	(8374693)
Closing Balance	26075605	35168905
Total Reserves	236372670	246388970

2.3 Other Current Liabilities

Statutory Dues	12755	50975
Related Parties Liability	671040	500
Other Expenses payable	376998	361180
	1060793	412635

INDIACO VENTURES LIMITED

2.4 Non-Current Assets

Fixed Assets	COST				DEPRECIATION				NET BLOCK	
	As At	Addition	Deduction	As At	For The	Deduction	As At	As At	As At	As At
	01.04.2011			31.03.2012	Year		31.03.2012	31.03.2012	31.03.2011	31.3.2011
TANGIBLE ASSETS										
OFFICE PREMISES	38191183	0	0	38191183	1582521	0	8123278	30067905	31650426	
FURNITURE & FIXTURES	6122638	78500	0	6201138	659120	0	3164602	30365536	3617156	
ELEC. FITTING & EQUIP.	123743	0	0	123743	7449	0	90037	33706	41155	
OFFICE EQUIPMENTS	1600616	42496	0	1643112	138770	0	847060	796052	892326	
COMPUTER	2412322	0	0	2412322	348611	0	1889406	522916	871527	
MOTOR VEHICLES	875504	0	0	875504	126669	0	512915	362589	489258	
AIR CONDITIONER	157895	0	0	157895	9997	0	112659	45236	55233	
TELEVISION	9490	0	0	9490	510	0	7182	2308	2818	
Sub -Total->a	49493391	120996	0	49614387	2873647	0	14747139	34867248	37619899	
INTANGIBLE ASSETS										
Software	6144420	474000	0	6618420	1238048	0	4694709	1923711	2687759	
Sub -Total->b	6144420	474000	0	6618420	1238048	0	4694709	1923711	2687759	
Gross Total	55637811	594996	0	56232807	4111695	0	19441848	36790959	40307658	
PREVIOUS YEAR	54299593	2600728	1262510	55637811	4327817	658865	15330153	40307658	42638392	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2.5 Non-Current Investment

Quoted :

Equities :

Warrant

Mutual Fund

UnQuoted

Investment in Fully Paid Equity Shares - Subsidiary
Investment in Fully Paid Equity Shares - Others
Investment in Units of Indlaco India Fund

380889 1215504
1650000
101435 10500000

11866800 11866800
91530000 91530000

210658824 223582304

2.6 Deferred Tax Net

Opening balance DTA
Opening balance DTL
DTA Originating (Reversing) during the current year
DTL (Originating) Reversing during the current year
Closing Balance

4649000
(1167000) (862000)
5082000 4649000
(201000) (305000)
8363000 3482000

2.7 Trade Receivables

Unsecured & Considered Good unless otherwise stated

O/s for a period exceeding six months from the date they are due for payment
Others

70715
549012 3403153

549012 3473868

2.8 Cash and Cash Equivalents

Cash on hand
Balances with Bank
In Current Account

2584 17214

21866 350836

24450 368050

2.9 Short-Term Loans and Advances

Unsecured & Considered Good unless otherwise stated

Advance
Advance to Related Parties
Advance recoverable in cash or in Kind
Advance with Authorities
Security Deposit

2563167 36910
10285582 4621300
324828 3145017
3933822 3748146
13289 14885

17120688 11568038

2.10 Other Current Asset

DEFERRED Expenditure

115256

115256

2.11 Revenue From Operations

Services Rendered

Current Year Previous Year

296560 2500000

296560 2500000

2.12 Other Income

INTEREST
DIVIDEND
PROFIT (Loss) ON SALE OF INVESTMENT
OTHER INCOME

1720 549067
170654 108055
(1916516) 2263465
1588 553182

(1742555) 3473799

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2.13 Other Expenses

ADVERTISEMENT & PUBLICITY	835218	973804
AUDITORS' REMUNERATION	75000	130000
FINANCIAL CHARGES & EXPS	65396	12917
COMMUNICATION EXPS	423825	560539
CONVEYANCE & TRAVELLING EXPS	1588156	903262
DIRECTOR'S REMUNERATION	4000	26000
ANNUAL FEES AND SUBSCRIPTION	15000	10000
INSURANCE	8600	25391
LEGAL & PROFESSIONAL FEES	544000	871350
GENERAL EXPENSES	69916	96705
PRINTING & STATIONERY	111314	258102
RENT & TAXES	220181	249837
REPAIRS AND MAINTANENCE - Others	698481	391357
SALARIES AND ALLOWANCES	3970471	10019092
LEGAL FEES & EXPENSES	20280	119270
STAFF WELFARE EXPENSES	118865	179471
ESOP Expenses	27198	231859
POSTAGE & COURIER	49491	87044
POWER & FUEL	405960	300786
LOSS ON SALE OF ASSET		398558
	9251552	15845344

Accompanying Notes are an Integral part of the Financial Statements

As Per Our Report of Even Date
For **S.J. AGRAWAL & ASSOCIATES**
Chartered Accountants

(S.J. AGRAWAL)
Partner
Mem. No. 030273

Pune, Dated : 7th December 2012

DIRECTOR
(MOHAN PARMAR)

DIRECTOR
(S.S. ZINGALE)

COMPANY SECRETARY
(ROHIT PURANDARE)

INDIACO VENTURES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Amount in Rupees	
	<u>11-12</u>	<u>10-11</u>
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit/(Loss) After tax	(9093300)	(8374693)
Adjustments for :		
ESOP W/off	27198	231859
Depreciation	4111695	4327817
Deferred Tax	(4881000)	(4344000)
Dividend Income	(170654)	(108055)
Interest Income	(1720)	(549067)
Prior Period Item	(834942)	(1480669)
(Profit)/Loss on sale of Fixed Assets (Net)	0	398558
<u>Operating Profit/(Loss) before working capital changes</u>	<u>-10842722.45</u>	<u>-9898250.27</u>
Adjustments for :		
(increase)/Decrease in Trade & Other receivables	(2629793)	(3650565)
increase/(Decrease) in sundry creditors & Other	648158	(2913337)
	<u>(1981635)</u>	<u>(6563902)</u>
<u>NET CASH FLOW FROM OPERATING ACTIVITIES</u>	<u>(12824358)</u>	<u>(16462152)</u>
<u>B. CASH FLOW FROM INVESTING ACTIVITIES</u>		
(Purchase)/Sale of fixed assets	(594996)	(2395641)
(Purchase)/Sale of Investments	12903380	7439312
Dividend Income	170654	108055
Interest Income	1720	549067
<u>NET CASH FLOW FROM INVESTING ACTIVITIES</u>	<u>12480757</u>	<u>5700793</u>
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>		
	0	4864338
<u>NET CASH FLOW</u>	<u>(343601)</u>	<u>(5897021)</u>
CASH OR CASH EQUIVALENTS AS BEGINNING	368050	6265071
CASH OR CASH EQUIVALENTS AT THE END	24450	368050
<u>NET</u>	<u>(343601)</u>	<u>(5897021)</u>

Total

DIRECTOR DIRECTOR COMPANY SECRETAR' Pune, Dated : 7th December 2012

We have verified the above Cash Flow Statement of M/s Indiaco Ventures Limited from the Audited Annual Accounts for the Year ended 31st March, 2012 and found the same to be drawn in accordance therewith.

For S.J. AGRAWAL & ASSOCIATES,
Chartered Accountants

(S.J. AGRAWAL)
Partner
Mem. Mo. 030273

DIRECTOR DIRECTOR COMPANY SECRETARY
(MOHAN PARMAR) (S.S. INGALE) (ROHIT PURANORE)

Pune, Dated : 7th December 2012

INDIACO VENTURES LIMITED

Statement Pursuant To Section 212 (3) And (5) Of The Companies Act, 1956

Name Of The Subsidiary :	Indiaco Telecom Private Limited	Indiaco Healthcare Private Limited	Indiaco Advisors Private Limited	Indiaco Capital Private Limited
1. Financial Year Of The Subsidiary Endend On :	31.3.2012	31.3.2012	31.3.2012	31.3.2012
2. No. Of Shares Held By Indiaco Venture Limited : Equity Holdings	219510 Shares Of Rs.10/- Each fully Paid	460000 Shares of Rs.10/-	390000 Shares of Rs.10/-	1005000 Shares of Rs.10/-
Extent Of Holdings	99.55%	100.00%	97.50%	99.01%
3. Net Aggregate Of Subsidiary'S Profit / Loss So Far As It Concerns The Members Of Indiaco Ventures Ltd.	Amount Rs. (3685463)	Amount Rs. (5036274)	Amount Rs. (9001921)	Amount Rs. (610373)
A. Not Dealt With In The Account Of Indiaco Ventures Ltd. For The Year Ended 31St March, 2012				
i. For The Subsidiary'S Financial Year Ended As In 1 Above	(29854)	(5274021)	(4290997)	(9834)
ii. For The Previous Years Of The Subsidiary Since It Became A Subsidiary Of The Holding Company	(3655609)	237747	(4710924)	(600539)
B. Dealt With In The Account Of Indiaco Ventures Ltd. For The Year Ended 31St March, 2012				
i. For The Subsidiary's Financial Year Ended As In 1 Above	NIL	NIL	NIL	NIL
ii. For The Previous Years Of The Subsidiary Since It Became A Subsidiary Of The Holding Company	NIL	NIL	NIL	NIL
4. Material Changes In The Interest Of Indiaco Ventures Ltd Between The End Of The Financial Year Of The Subsidiary Company And 31St March 2012				
A. Fixed Assets	NONE	NONE	NONE	NONE
B. Investments	NONE	NONE	NONE	NONE
C. Money Lent	NONE	NONE	NONE	NONE
D. Money Borrowed	NONE	NONE	NONE	NONE

For S.J. AGRAWAL & ASSOCIATES,
Chartered Accountants

(S.J. AGRAWAL)
Partner
Mem. Mo. 030273

PLACE : PUNE
DATED : 7th December 2012

Director
(MOHAN PARMAR)

Director
(S.S. INGALE)

Company Secretary
(ROHIT PURANDARE)

**AUDITOR'S REPORT TO THE MEMBERS OF
INDIA CO. TELECOM PRIVATE LIMITED**

We have audited the attached Balance Sheet of **INDIA CO. TELECOM PRIVATE LIMITED** as at 31st March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto. Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India, in terms of section 227 (4A) of the Companies Act, 1956, since in our opinion and according to the information and explanation given to us, the said order is not applicable to the company."

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 were necessary for the purposes of our audit.
- (ii) In our opinion, the company has kept proper books of accounts as required by law so far as appears from our examination of those books.
- (iii) The Balance Sheet and Profit and Loss Account dealt with in this report are in agreement with the books of accounts.

(iv) 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. On the basis of written representation received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

(v) 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 2012; and
- (b) In the case of Profit and Loss Account, of the profit for the year ended on that date.

**For V C Venkatraman
Chartered Accountants**

**Place:Pune
Date: 05.09.2012**

**(V.C Venkatraman)
(Membership No. 37730)**

INDIACO TELECOM PVT LTD**Balance Sheet**

Amount in Rs.

Particulars	Note	Year ended	
		31st March 2012	31st March 2011
Equities and Liabilities			
Shareholders Funds			
Share Capital	2	2,205,000	2,205,000
Reserves and Surplus	3	(3,685,463)	(3,655,609)
Share Application money Pending Allotment		54,788,500	54,788,500
Non Current Liabilities			
Deferred Tax Liabilities	4	(1,572,000)	(1,572,000)
Current Liabilities			
Trade Payable	5	16,854	25,500
Total		51,752,891	51,791,391
Assets			
Non Current Assets			
Non current Investment	6	45,601,030	45,601,030
Other Non-Current Assets	7	101,100	101,100
Current Assets			
Cash and Bank Balances	8	87,900	886,591
Short Term Loans and Advances	9	5,962,861	5,202,670
Total		51,752,891	51,791,391

The notes are integral part of these Financial Statement

For V C Venkatraman and Co.

Chartered Accountant

Regn No. 111372W

INDIACO TELECOM PVT LTD

V C Venkatraman

Proprietor

Membership No. 37730

Dated 5th September 2012 at Pune

Director

(SOM CHATTERJEE)

Director

(S.S. INGALE)

INDIACO TELECOM PVT LTD**Statement Of Profit And Loss**

Amount in Rs.

Particulars	Note	Year Ended	
		31st March 2012	31st March 2011
Other Income	10	-	326,746
Total Revenue		-	326,746
Finance Cost	11	-	1,526
Other Expenses	12	29,854	5,031,246
Total Expenses		29,854	5,032,772
Profit / (Loss) Before Tax		(29,854)	(4,706,026)
Tax Expense			
Current Tax		-	1,412,000
Deferred Tax			
Profit / (Loss) For The Year		(29,854)	(3,294,026)
Other Notes	13		
Earnings Per Equity Shares Of Rs. 10 Each			
Basic and Diluted		-0.14	-14.94

The Notes Are Integral Part Of These Financial Statement

For V C Venkatraman And Co.
Chartered Accountant
Regn No. 111372W

INDIACO TELECOM PVT LTD

V C Venkatraman
Proprietor
Membership No. 37730
Dated 5th September 2012 at Pune

Director
(Som CHATTERJEE)

Director
(S.S. INGALE)

INDIACO TELECOM PRIVATE LIMITED
Notes to the Financial Statements

SIGNIFICANT ACCOUNTING POLICIES:

1. Method of Accounting:

- a. The financial statements have been prepared under Historical Cost Convention and in accordance with the normally accepted accounting principles.
- b. The company generally follows mercantile system of accounting and recognizes Income & Expenditure on accrual basis except those with significant uncertainties.

2. Revenue Recognition:

- Incomes from various services rendered are recognized on accrual basis.
- All significant items of Income & Expenses are accounted for on accrual basis.

3. Fixed Assets:

Fixed Assets are stated at cost of acquisition less depreciation. All costs relating to the acquisition of assets and incidental expense attributable to bringing the asset to its working condition for intended use are capitalized.

4. Depreciation:

The company follows the policy of providing for depreciation on the Written down Value basis of the Assets at the rates prescribed by Schedule XIV of the Companies Act 1956.

5. Inventories:

Inventories are valued at Cost. The Cost is arrived at on FJFO basis.

6. Foreign Currency Transaction:

- a. Foreign currency transaction is recorded at the exchange rates prevailing on the date of the transaction.
- b. Current assets & liabilities as on the balance sheet date are translated at the year-end exchange rate and exchange difference arising there from is recognized in the Profit & Loss Account.

INDIACO TELECOM PRIVATE LIMITED
Notes to the Financial Statements

7. Preliminary Expenses:

Preliminary Expenses Comprise of legal and other expenses incurred for the Incorporation of the company. These expenses will be written off over a Year of five years.

8. Taxation:

Provision for current Income Tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The effect on deferred tax assets and liabilities of change in the tax rates is recognized using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets arising from unabsorbed depreciation or carry forward of losses under tax laws are recognized only to the extent that there is Virtual certainty of realization. Other deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty of realization.

9. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount is less than its carrying amount, the amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

INDIACO TELECOM PVT LTD
Notes forming part of the Financial Statement

2. Share Capital

Particulars	As at	
	31st March 2012	31st March 2011
Authorised Capital 600,000 Equity Shares of Rs. 10/- each	6,000,000	6,000,000
Issued, Subscribed and Paid-up Capital 220,500 Equity Shares of Rs. 10/- each fully paid up	2,205,000	2,205,000
TOTAL	2,205,000	2,205,000
Reconciliation of number of Shares:		
Balance at the beginning of the year	220,500	220,500
Add Shares Issued during the year		
Balance at the end of the year	220,500	220,500
Rights, Preferences and restrictions attached to the shares:		
Equity Shares		
The company has one class of Equity shares have a face value of Rs. 10 Each. Each Shareholder is eligible for one vote for one shares held. In the event of Liquidation, equity shares holders are eligible to receive the remaining assets of the company after distribution of all preferential amount , in proportion to their shareholding.		
Equity Shares	As at	
	31st March 2012	31st March 2011
Details of shares held by the shareholder holding more than 5% of the aggregate share capital of the company:		
Indicao Ventures Ltd	99.55%	99.55%
Shares reserved for issue under options:	-	-
Shares allotted as fully paid up by way of Bonus Shares: (during 5 years immediately preceding 31st March 2012)	-	-
Shares allotted as fully paid pursuant to contracts without payment being received in cash: (during 5 years immediately preceding 31st March 2012)	-	-
Aggregate number and Class of shares brought back: (during 5 years immediately preceding 31st March 2012)	-	-
Terms of securities convertible into equity shares:	-	-

INDIACO TELECOM PVT LTD
Notes forming part of the Financial Statement

3. RESERVES AND SURPLUS

Particulars	As at	
	31st March 2012	31st March 2011
Surplus in the statement of Profit and Loss		
Balance at the Beginning of the year	(3,655,609)	(361,583)
Profit for the year	(29,854)	(3,294,026)
Less Appropriation	-	-
	(3,685,463)	(3,655,609)
	-	-
Balance as at the end of the year	(3,685,463)	(3,655,609)

4 Deferred Tax Liabilities (net)

Particulars	As at	
	31st March 2012	31st March 2011
Deferred Tax Liabilities		
	1,572,000	(1,572,000)
	(1,572,000)	(1,572,000)

5. Trade Payables

Particulars	As at	
	31st March 2012	31st March 2011
Sundry Creditors	16,854	25,500
	16,854	25,500

INDIACO TELECOM PVT LTD**Notes forming part of the Financial Statement****6. Non current Investments**

Particulars	As at	
	31st March 2012	31st March 2011
Trade Investments		
Unquoted equity Instruments		
Others	45,601,030	45,601,030
	45,601,030	45,601,030

7. Other Non Current Assets

Particulars	As at	
	31st March 2012	31st March 2011
Others		
Unamortised Expenses	101,100	101,100
	101,100	101,100

8. Cash and Bank Balances

Particulars	As at	
	31st March 2012	31st March 2011
Cash and Cash equivalents		
Cash on hand	74,809	812,500
Bank balances		
On current account	13,091	74,091
	87,900	886,591

9. Short Term Loans and Advances

Particulars	As at	
	31st March 2012	31st March 2011
Unsecured considered good (unless otherwise stated):		
Loans and Advances to related parties		
Considered Good	5,962,861	5,202,670
	5,962,861	5,202,670

INDIACO TELECOM PVT LTD
Notes forming part of the Financial Statement

10. Other Income

Particulars	As at	
	31st March 2012	31st March 2011
Miscellaneous Income	-	326,746
Total Rs.	-	326,746

11. Finance Costs

Particulars	As at	
	31st March 2012	31st March 2011
Other Borrowing Cost	-	1,526
	-	1,526

12. Other Expenses

Particulars	As at	
	31st March 2012	31st March 2011
Directors Fees	-	9,900
Payments to Auditors	-	-
Audit Fees	16,854	10,000
Tax Audit Fees	-	15,000
Roc Expenses	8,000	17,334
Sales Promotion Expenses	-	423,790
Professional Fees	5,000	1,720,186
Loss on Sale of Investment	-	2,829,086
Preliminary Expense Written off	-	5,950
	29,854	5,031,246

INDIACO TELECOM PRIVATE LIMITED
Notes to the Financial Statements

OTHER NOTES - 13

1. Under the MSMED Act which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro, Small and medium Enterprises. Since the relevant information is not readily available, no disclosures have been made in the accounts.
2. Current Assets, Loans and Advances have a value on realization, in the ordinary course of business at least equal to the amount at which they are stated.
3. Contingent Liabilities:
 - Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances Rs. Nil.
 - Claims against the Company not acknowledged as debts: Nil

For V C Venkatramani & Co.
Chartered Accountants

For Indiacom Telecom Private Limited

V C Venkatramani
Proprietor

Date: 05/09/2012
Place: Pune

Director
(S.M. CHATTERJEE)

Director
(S.S. ZINGALE)

**AUDITOR'S REPORT TO THE MEMBERS OF
INDIA CO. HEALTH CARE PRIVATE LIMITED**

We have audited the attached Balance Sheet of **INDIACO HEALTH CARE PRIVATE LIMITED** as at 31st March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto. Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India, in terms of section 227 (4A) of the Companies Act, 1956, since in our opinion and according to the information and explanation given to us, the said order is not applicable to the company."

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 were necessary for the purposes of our audit.
- (ii) In our opinion, the company has kept proper books of accounts as required by law so far as appears from our examination of those books.
- (iii) The Balance Sheet and Profit and Loss Account dealt with in this report are in agreement with the books of accounts.

(iv) 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. On the basis of written representation received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

(v) 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 2012; and
- (b) In the case of Profit and Loss Account, of the profit for the year ended on that date.

**For V C Venkatraman
Chartered Accountants**

**Place: Pune
Date: 05.09.2012**

**(V.C Venkatraman)
(Membership No. 37730)**

INDIACO HEALTH CARE PVT LTD**Balance Sheet****Amount in Rs**

Particulars	Note	Year ended	
		31st March 2012	31st March 2011
Equities and Liabilities			
Shareholders Funds			
Share Capital	2	4,600,000	4,600,000
Reserves and Surplus	3	8,463,726	13,737,747
Non Current Liabilities			
Other Long Term Liabilities	4	114,213	114,213
Short Term Provisions	5	-	25,000
Current Liabilities			
Trade Payable	6	5,322,630	28,800
Total		18,500,569	18,505,760
Assets			
Non Current Assets			
Non Current Investments	7	17,712,500	17,712,500
Other Non Current Assets	8	123,975	123,975
Current Assets			
Trade Receivables	9	595,000	595,000
Cash and Bank Balances	10	2,559	7,750
Short Term Loans and Advances	11	66,535	66,535
Total		18,500,569	18,505,760

The notes are integral part of these Financial Statement

For V C Venkatraman and Co.
Chartered Accountant
Regn No. 111372W

INDIACO HEALTH CARE PVT LTD

V C Venkatraman
Proprietor
Membership No. 37730
Dated 5th September 2012 at Pune

Director
(SOM CHATTERJEE)

Director
(S.S. INGALE)

INDIACO HEALTH CARE PVT LTD**Statement of Profit and Loss**

Amount in Rs

Particulars	Note	Year ended	
		31st March 2012	31st March 2011
Revenue from Operations (Gross)	12		595,000
Less Excise Duty			
Revenue from Operations (Net)		-	595,000
Other Income		-	-
Total Revenue		-	595,000
Employee Benefit Expenses	13	-	82,500
Finance Cost	14	4,136	-
Other Expenses	15	5,269,885	142,880
Total Expenses		5,274,021	225,380
Profit / (Loss) Before Tax		(5,274,021)	369,620
Tax Expense			
Current Tax			114,213
Deferred Tax			-
Profit / (Loss) for the Year		(5,274,021)	255,407
Notes To Accounts	16		
Earnings Per Equity shares of Rs. 10 Each			
Basic And Diluted		(11.47)	0.56

The notes are integral part of these Financial Statement

For V C Venkatraman and Co.
Chartered Accountant
Regn No. 111372W

INDIACO HEALTH CARE PVT LTD

V C Venkatraman
Proprietor
Membership No. 37730
Dated 5th September 2012 at Pune

Director
(SOM CHATTERJEE)

Director
(S.S. INGALE)

INDIACO HEALTHCARE PRIVATE LIMITED

Notes forming part of Financial Statements

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES:

1. Method of Accounting:

- a. The financial statements have been prepared under Historical Cost Convention and in accordance with the normally accepted accounting principles.
- b. The company generally follows mercantile system of accounting and recognizes Income & Expenditure on accrual basis except those with significant uncertainties.

2. Revenue Recognition:

- Incomes from various services rendered are recognized on accrual basis.
- All significant items of Income & Expenses are accounted for on accrual basis.

3. Fixed Assets:

Fixed Assets are stated at cost of acquisition less depreciation. All costs relating to the acquisition of assets and incidental expense attributable to bringing the asset to its working condition for intended use are capitalized.

4. Depreciation:

The company follows the policy of providing for depreciation on the Written down Value basis of the Assets at the rates prescribed by Schedule XIV of the Companies Act 1956.

5. Inventories:

Inventories are valued at Cost. The Cost is arrived at on FIFO basis.

6. Foreign Currency Transaction:

- a. Foreign currency transaction is recorded at the exchange rates prevailing on the date of the transaction.
- b. Current assets & liabilities as on the balance sheet date are translated at the year-end exchange rate and exchange difference arising there from is recognized in the Profit & Loss Account.

7. Preliminary Expenses:

Preliminary Expenses Comprise of legal and other expenses incurred for the incorporation of the company. These expenses will be written off over a Year of five years.

INDIACO HEALTHCARE PRIVATE LIMITED

Notes forming part of Financial Statements

8. Taxation:

Provision for current Income Tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The effect on deferred tax assets and liabilities of change in the tax rates is recognized using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets arising from unabsorbed depreciation or carry forward of losses under tax laws are recognized only to the extent that there is Virtual certainty of realization. Other deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty of realization.

9. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount is less than its carrying amount, the amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

INDIACO HEALTH CARE PVT LTD
Notes forming part of the Financial Statement

2. Share Capital

Particulars	As at	
	31st March 2012	31st March 2011
Authorised Capital 1,000,000 (Previous Year 1,000,000) Equity Shares of Rs. 10/- each	10,000,000	10,000,000
Issued, Subscribed and Paid-up Capital Equity Shares of Rs. 10/- each fully paid up	4,600,000	4,600,000
TOTAL	4,600,000	4,600,000
Reconciliation of number of Shares:		
Balance at the beginning of the year	460,000	460,000
Add Shares Issued during the year	-	-
Balance at the end of the year	460,000	460,000
Rights, Preferences and restrictions attached to the shares:		
Equity Shares		
The company has one class of Equity shares have a face value of Rs. 10 Each. Each Shareholder is eligible for one vote for one shares held. In the event of Liquidation, equity shares holders are eligible to receive the remaining assets of the company after distribution of all preferential amount., in proportion to their shareholding.		
	As at	
Equity Shares	31st March 2012	31st March 2011
Details of shares held by the shareholder holding more than 5% of the aggregate the share capital of the company:		
Indico Ventures Ltd	99%	99%
Shares reserved for issue under options:	Nil	Nil
Shares allotted as fully paid up by way of Bonus Shares: (during 5 years immediately preceding 31st March 2012)	Nil	Nil
Shares allotted as fully paid pursuant to contracts without payment being received in cash: (during 5 years immediately preceding 31st March 2012)	Nil	Nil
Aggregate number and Class of shares brought back: (during 5 years immediately preceding 31st March 2012)	Nil	Nil
Terms of securities convertible into equity shares:	NA	NA

INDIACO HEALTH CARE PVT LTD
Notes forming part of the Financial Statement

3. RESERVES AND SURPLUS

Particulars	As at	
	31st March 2012	31st March 2011
Surplus in the statement of Profit and Loss		
Balance at the Beginning of the year	13,737,747	(17,660)
Profit for the year	(5,274,021)	255,407
Share Premium	-	13,500,000
Balance as at the end of the year	8,463,726	13,737,747

4. Trade Payables

Particulars	As at	
	31st March 2012	31st March 2011
Sundry Creditors	5,322,630	28,800
	5,322,630	28,800

5. Other Current Liabilities

Particulars	As at	
	31st March 2012	31st March 2011
Statutory dues including Provident fund and tax deducted at source	114,213	114,213
	114,213	114,213

6. Short Term Provisions

Particulars	As at	
	31st March 2012	31st March 2011
Other Provisions	-	25,000
	-	25,000

INDIACO HEALTH CARE PVT LTD
Notes forming part of the Financial Statement

7. Non current Investments

Particulars	As at	
	31st March 2012	31st March 2011
Unquoted equity Instruments		
Other	17,712,500	17,712,500.00
	17,712,500	17,712,500

8. Other Non Current Assets

Particulars	As at	
	31st March 2012	31st March 2011
Others		
Unamortised Expenses	123,975	123,975
	123,975	123,975.00

9. Trade Receivables

Particulars	As at	
	31st March 2012	31st March 2011
Unsecured considered Good		
Others	595,000	595,000
	595,000	595,000

10. Cash and Bank Balances

Particulars	As at	
	31st March 2012	31st March 2011
Cash and Cash equivalents		
Cash on hand	2,195	2,195
Bank balances		
On current account	364	5,555
	2,559	7,750

INDIACO HEALTH CARE PVT LTD
Notes forming part of the Financial Statement

11. Short Term Loans and Advances

Particulars	As at	
	31st March 2012	31st March 2011
Other Loans and Advances		
Others	66,535	66,535
	66,535	66,535

INDIACO HEALTH CARE PVT LTD
Notes forming part of the Financial Statement

12. Revenue

Particulars	As at	
	31st March 2012	31st March 2011
Other operating Revenue		595,000
Less: Excise Duty		595,000
Total Rs.		595,000

13. Employee Benefit Expenses

Particulars	As at	
	31st March 2012	31st March 2011
Salaries, wages and Bonus		82,500
		82,500

14. Finance Costs

Particulars	As at	
	31st March 2012	31st March 2011
Other Borrowing Cost	4,136	
	4,136	

15. Other Expenses

Particulars	As at	
	31st March 2012	31st March 2011
Travelling Expenses		14,555
Directors Fees		50,000
Payments to Auditors		
As auditors		
Audit Fees	16,854	15,000
Others		17,500
Professional Fees	4,590,276	39,300
Miscellaneous Expenses	662,755	6,525
	5,269,885	142,880

INDIACO HEALTHCARE PRIVATE LIMITED

Notes forming part of Financial Statements

OTHER NOTES: 17

1. Under the MSMED Act which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro, Small and medium Enterprises. Since the relevant Information is not readily available, no disclosures have been made in the accounts.
2. Current Assets, Loans and Advances have a value on realization, in the ordinary course of business at least equal to the amount at which they are stated.
3. Contingent Liabilities:
 - Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances Rs. Nil.
 - Claims against the Company not acknowledged as debts: Nil

For V C Venkatraman & Co.
Chartered Accountants

For Indiacore Healthcare Private Limited

V C Venkatraman
Proprietor

Director

Director

Date: 05/09/2012
Place: Pune

(SOM CHATTERJEE)

(S.S. INGALE)

**AUDITOR'S REPORT TO THE MEMBERS OF
INDIACO ADVISORS PRIVATE LIMITED**

We have audited the attached Balance Sheet of **INDIACO ADVISORS PRIVATE LIMITED** as at 31st March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto. Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India, in terms of section 227 (4A) of the Companies Act, 1956, since in our opinion and according to the information and explanation given to us, the said order is not applicable to the company."

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 were necessary for the purposes of our audit.
- (ii) In our opinion, the company has kept proper books of accounts as required by law so far as appears from our examination of those books.
- (iii) The Balance Sheet and Profit and Loss Account dealt with in this report are in agreement with the books of accounts.

(iv) 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. On the basis of written representation received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

(v) 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 2012; and
- (b) In the case of Profit and Loss Account, of the profit for the year ended on that date.

**For V C Venkatraman
Chartered Accountants**

**Place: Pune
Date: 05.09.2012**

**(V.C Venkatraman)
(Membership No. 37730)**

Balance Sheet

Amount in Rs.

Particulars	Note	Year ended	
		31st March 2012	31st March 2011
Equities and Liabilities			
Shareholders Funds			
Share Capital	2	4,000,000	4,000,000
Reserves and Surplus	3	(9,001,921)	(4,710,924)
Share Application money Pending Allotment		4,486,306	4,000,000
Non Current Liabilities			
Deferred Tax Liabilities	4	44,614	11,256
Current Liabilities			
Trade Payable	5	318,533	257,043
Other Current Liabilities	6	7,718,720	9,908,888
Short Term Provisions	7	36,854	47,500
Total		7,603,105	13,513,763
Assets			
Non Current Assets			
Fixed Assets			
Tangible Assets	8	182,492	266,945
Trade Receivables	9	1,775,061	1,775,062
Cash and Bank Balances	10	129,596	4,624,706
Short Term Loans and Advances	11	5,515,957	6,847,050
Total		7,603,105	13,513,763

The notes are integral part of these Financial Statement

For V C Venkatraman and Co.
Chartered Accountant
Regn No. 111372W

IndiaCo Advisors Private Limited

V C Venkatraman
Proprietor
Membership No. 37730
Dated 5th September 2012 at Pune

Director
(MONALI PATWARDHAN)

Director
(S. S. ZINGALE)

IndiaCo Advisors Private Limited

Statement Of Profit And Loss

Amount in Rs.

Particulars	Note	Year Ended	
		31st March 2012	31st March 2011
Revenue From Operations (Gross)	12	1,000,000	400,000
Less Excise Duty			-
Total Revenue		1,000,000	400,000
Employee Benefit Expenses	13	2,907,289	680,101
Finance Cost	14	356	110
Depreciation And Amortisation Expense	15	106,803	83,469
Other Expenses	16	2,243,190	2,774,474
Total Expenses		5,257,639	3,538,154
Profit/ (Loss) Before Tax		(4,257,639)	(3,138,154)
Tax Expense			
Current Tax			
Deferred Tax		33,358	
Profit / Loss For The Year		(4,290,997)	(3,138,154)
Other Notes	17		
Earnings Per Equity Shares Of Rs. 10 Each			
Basic and Diluted		-10.73	-7.85

The Notes Are Integral Part Of These Financial Statement

For V C Venkatraman And Co.
Chartered Accountant
Regn No. 111372W

IndiaCo Advisors Private Limited

V C Venkatraman
Proprietor
Membership No. 37730
Dated 5th September 2012 at Pune.

Director
(MONALI PATWARDHAN)

Director
(S.S.INGALE)

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES:

1. Method of Accounting:

- a. The financial statements have been prepared under Historical Cost Convention and in accordance with the normally accepted accounting principles.
- b. The company generally follows mercantile system of accounting and recognizes Income & Expenditure on accrual basis except those with significant uncertainties.

2. Revenue Recognition:

- Incomes from various services rendered are recognized on accrual basis.
- All significant items of Income & Expenses are accounted for on accrual basis.

3. Fixed Assets:

Fixed Assets are stated at cost of acquisition less depreciation. All costs relating to the acquisition of assets and incidental expense attributable to bringing the asset to its working condition for intended use are capitalized.

4. Depreciation:

The company follows the policy of providing for depreciation on the Written down Value basis of the Assets at the rates prescribed by Schedule XIV of the Companies Act 1956.

5. Inventories:

Inventories are valued at Cost. The Cost is arrived at on FIFO basis.

6. Foreign Currency Transaction:

- a. Foreign currency transaction is recorded at the exchange rates prevailing on the date of the transaction.
- b. Current assets & liabilities as on the balance sheet date are translated at the year-end exchange rate and exchange difference arising there from is recognized in the Profit & Loss Account.

IndiaCo Advisors Private Limited
Notes to the Financial Statements

7. Preliminary Expenses:

Preliminary Expenses Comprise of legal and other expenses incurred for the incorporation of the company. These expenses will be written off over a Year of five years.

8. Taxation:

Provision for current Income Tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The effect on deferred tax assets and liabilities of change in the tax rates is recognized using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets arising from unabsorbed depreciation or carry forward of losses under tax laws are recognized only to the extent that there is virtual certainty of realization. Other deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty of realization.

9. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount is less than its carrying amount, the amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

IndiaCo Advisors Private Limited
Notes forming part of the Financial Statement

2. Share Capital

Particulars	As at	
	31st March 2012	31st March 2011
Authorised Capital Equity Shares of Rs. 10/- each	5,000,000	5,000,000
Issued, Subscribed and Paid-up Capital Equity Shares of Rs. 10/- each fully paid up	4,000,000	4,000,000
TOTAL	4,000,000	4,000,000
Reconciliation of number of Shares:		
Balance at the beginning of the year	400,000	400,000
Add Shares Issued during the year		
Balance at the end of the year	400,000	400,000
Rights, Preferences and restrictions attached to the shares:		
Equity Shares		
The company has one class of Equity shares have a face value of Rs. 10 Each. Each Shareholder is eligible for one vote for one shares held. In the event of Liquidation, equity shares holders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their shareholding.		
Equity Shares	As at	
	31st March 2012	31st March 2011
Details of shares held by the shareholder holding more than 5% of the aggregate share capital of the company:		
Indiaco Ventures Ltd	97.50%	97.50%
Shares reserved for issue under options:		
Shares allotted as fully paid up by way of Bonus Shares: (during 5 years immediately preceding 31st March 2012)		
Shares allotted as fully paid pursuant to contracts without payment being received in cash: (during 5 years immediately preceding 31st March 2012)		
Aggregate number and Class of shares brought back: (during 5 years immediately preceding 31st March 2012)		
Terms of securities convertible into equity shares:		

IndiaCo Advisors Private Limited
Notes forming part of the Financial Statement

3. RESERVES AND SURPLUS

Particulars	As at	
	31st March 2012	31st March 2011
Surplus in the statement of Profit and Loss		
Balance at the Beginning of the year	(4,710,924)	(1,572,770)
Profit for the year	(4,290,997)	(3,138,154)
Balance as at the end of the year	(9,001,921)	(4,710,924)

4 Deferred Tax Liabilities (net)

Particulars	As at	
	31st March 2012	31st March 2011
Deferred Tax Assets		
Depreciation	44,614	11,256
Other Timing Difference	-	-
	44,614	11,256

5. Trade Payables

Particulars	As at	
	31st March 2012	31st March 2011
Sundry Creditors	318,533	257,043
	318,533	257,043

6. Other Current Liabilities

Particulars	As at	
	31st March 2012	31st March 2011
Advance from customer	7,712,310	9,846,615
Statutory dues including Provident fund and tax deducted at source	6,410	62,273
	7,718,720	9,908,888

IndiaCo Advisors Private Limited
Notes forming part of the Financial Statement

7. Short Term Provisions

Particulars	As at	
	31st March 2012	31st March 2011
Other Provisions Other Provisions	36,854	47,500
	36,854	47,500

IndiaCo Advisors Private
Notes forming part of the financial Statement

B. Tangible Assets

Particulars	Depreciation Rate	Gross Block			Depreciation			Net Block		
		April 1, 2011	Additions	Disposals	31/03/2012	April 1, 2011	For this year	Disposals/adjustments	31/03/2012	31/03/2011
Owned Assets										
Computer System	40.00%	1,105,610	-	-	1,105,610	1,064,239	16,548	-	1,080,787	41,371
Office Equipment	40.00%	292,900.00	-	-	292,900	175,432	46,888	-	222,420	117,469
Furniture and Fixtures	19.06%	22,210	-	-	22,210	15,840	1,201	-	16,740	6,671
Vehicles	26.00%	587,500	-	-	587,500	486,064	26,373	-	512,437	107,434
Electricity	13.09%	-	22,350	-	22,350	-	15,694	-	15,694	-
Total A		2,008,220	22,350	-	2,030,570	1,741,175	106,803	-	1,848,078	266,945
Previous Year		2,008,220	-	-	2,008,220	1,657,806	83,469	-	1,741,275	330,414

IndiaCo Advisors Private Limited
Notes forming part of the Financial Statement

9. Trade Receivables

Particulars	As at	
	31st March 2012	31st March 2011
Unsecured considered Good		
Outstanding for period exceeding 6 months from the date they are due for payment	1,775,061	1,775,062
	1,775,061	1,775,062

10. Cash and Bank Balances

Particulars	As at	
	31st March 2012	31st March 2011
Cash and Cash equivalents		
Cash on hand	91,182	197,815
Bank balances		
On current account	38,414	4,426,891
on Demand Deposit (less than 3 month maturity)		
	129,596	4,624,706

11. Short Term Loans and Advances

Particulars	As at	
	31st March 2012	31st March 2011
Loans and Advances to related parties		
Considered Good	4,921,220	6,193,719
Considered Doubtful		
Less: Allowance for doubtful security deposits		
Other Loans and Advances		
Prepaid Expenses	3,071	350,000
Others	591,666	303,331
	5,515,957	6,847,050

IndiaCo Advisors Private Limited
Notes forming part of the Financial Statement

12. Revenue

Particulars	As at	
	31st March 2012	31st March 2011
Sale of Products		
Finished Goods		
Traded Goods		
Sale of Services	1,000,000	400,000
Other operating Revenue		
Scrap Sales		
	1,000,000	400,000
Less Excise Duty		
Total Rs.	1,000,000	400,000

13. Employee Benefit Expenses

Particulars	As at	
	31st March 2012	31st March 2011
Salaries, wages and Bonus	2,895,599	680,101
Staff Welfare Expenses	11,690	
	2,907,289	680,101

14. Finance Costs

Particulars	As at	
	31st March 2012	31st March 2011
Other Borrowing Cost	356	110
	356	110

15. Depreciation and Amotisation Expenses

Particulars	As at	
	31st March 2012	31st March 2011
Depreciation on Tangible Assets	106,803	83,469
	106,803	83,469

IndiaCo Advisors Private Limited
Notes forming part of the Financial Statement

16. Other Expenses

Particulars	As at	
	31st March 2012	31st March 2011
Travelling Expenses	691,893	39,626
Office Expenses	-	2,228
Payments to Auditors		
As auditors		
Audit Fees	16,854	27,500
Tax Audit Fees	-	-
Reimbursement of Expenses		
Professional Fees	1,203,572	1,810,371
Printing and Stationery	15,500	-
Communication Expenses	46,778	36,446
Advertisement and Publicity Expenses	246,564	-
Miscellaneous Expenses	22,029	858,303
	2,243,190	2,774,474

**IndiaCo Advisors Private Limited
Notes to the Financial Statements**

OTHER NOTES: 17

1. Under the MSMED Act which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro, Small and medium Enterprises. Since the relevant Information is not readily available, no disclosures have been made in the accounts.
2. Current Assets, Loans and Advances have a value on realization, in the ordinary course of business at least equal to the amount at which they are stated.
3. Contingent Liabilities:
 - Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances Rs. Nil.
 - Claims against the Company not acknowledged as debts: Nil
4. Debtors and creditors balances are subject to confirmation.
5. Previous years amounts are regrouped wherever necessary.

For V.C Venkatraman & Co.
Chartered Accountants

For IndiaCo Advisors Private Limited

V.C Venkatraman
Proprietor

Director

Director

(MONALI PATWARDHAN)

(S.S. INGALE)

Date: 05/09/2012
Place: Pune

**AUDITOR'S REPORT TO THE MEMBERS OF
INDIACO CAPITAL PRIVATE LIMITED**

We have audited the attached Balance Sheet of **INDIACO CAPITAL PRIVATE LIMITED** as at 31st March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto. Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India, in terms of section 227 (4A) of the Companies Act, 1956, since in our opinion and according to the information and explanation given to us, the said order is not applicable to the company.

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 were necessary for the purposes of our audit.
- (ii) In our opinion, the company has kept proper books of accounts as required by law so far as appears from our examination of those books.
- (iii) The Balance Sheet and Profit and Loss Account dealt with in this report are in agreement with the books of accounts.

- (iv) 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. On the basis of written representation received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (v) 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 2012; and
 - (b) In the case of Profit and Loss Account, of the profit for the year ended on that date.

**For V C Venkatraman
Chartered Accountants**

**Place: Pune
Date: 05.09.2012**

**(V.C Venkatraman)
(Membership No. 37730)**

INDIACO CAPITAL PVT LTD**Balance Sheet**

Amount in Rs

Particulars	Note	Year ended	
		31st March 2012	31st March 2011
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	3	10,150,000	10,150,000
Reserves and Surplus	4	29,539,627	29,549,461
Non Current Liabilities			
Long Term Borrowings	5	3,897,329	4,217,829
Deferred Tax Liabilities	6	(19,567)	(19,567)
Current Liabilities			
Short Term Provisions	7	45,000	48,250
Total		43,612,389	43,945,973
Assets			
Non Current Assets			
Non Current Investments	8	40,155,000	40,273,822
Current Assets			
Long Term Borrowings	9	2,892,484	2,669,484
Cash and Bank Balances	10	512,512	950,274
Short Term Loans and Advances	11	52,393	52,393
Total		43,612,389	43,945,973

The notes are integral part of these Financial Statement

For V C Venkatraman and Co.

INDICO CAPITAL PVT LTD

Chartered Accountant

Regn No. 111372W

V C Venkatraman

Proprietor

Membership No. 37730

Dated 5th September 2012 at Pune

Director

(MONALI PATWARDHAN)

Director

(S.S. INGALE)

INDIAGO CAPITAL PVT LTD**Statement of Profit and Loss**

Amount in Rs.

Particulars	Note	Year ended	
		31st March 2012	31st March 2011
Revenue from Operations (Gross)	12	116,854	475,000
Less Excise Duty			
Revenue from Operations (Net)		116,854	475,000
Total Revenue		116,854	475,000
Change in the Inventory	13	118,822	
Finance Cost	14	84	555
Other Expenses	15	7,783	1,204,313
Total Expenses		126,689	1,204,868
Profit / (Loss) Before Tax		(9,834)	(729,868)
Tax Expense			
Current Tax			
Deferred Tax			
Profit / Loss for the Year		(9,834)	(729,868)
Notes To Accounts	16		
Earnings Per Equity shares of Rs. 10 Each			
Basic & Diluted		(0.01)	(0.72)

The notes are integral part of these Financial Statement

For V C Venkatraman and Co.

INDICO CAPITAL PVT LTD

Chartered Accountant

Regn No. 111372W

V C Venkatraman

Proprietor

Membership No. 37730

Dated 5th September 2012 at Pune

Director

(MONALI PATWARDHAN)

Director

(S.S. INGALE)

INDIACO CAPITAL PRIVATE LIMITED
Notes to the Financial Statements

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES:

1. Method of Accounting:

- a. The financial statements have been prepared under Historical Cost Convention and in accordance with the normally accepted accounting principles.
- b. The company generally follows mercantile system of accounting and recognizes Income & Expenditure on accrual basis except those with significant uncertainties.

2. Revenue Recognition:

- Incomes from various services rendered are recognized on accrual basis.
- All significant items of Income & Expenses are accounted for on accrual basis.

3. Fixed Assets:

Fixed Assets are stated at cost of acquisition less depreciation. All costs relating to the acquisition of assets and incidental expense attributable to bringing the asset to its working condition for intended use are capitalized.

4. Depreciation:

The company follows the policy of providing for depreciation on the Written down Value basis of the Assets at the rates prescribed by Schedule XIV of the Companies Act 1956.

5. Inventories:

Inventories are valued at Cost. The Cost is arrived at on FIFO basis.

6. Foreign Currency Transaction:

- a. Foreign currency transaction is recorded at the exchange rates prevailing on the date of the transaction.
- b. Current assets & liabilities as on the balance sheet date are translated at the year-end exchange rate and exchange difference arising there from is recognized in the Profit & Loss Account.

INDIACO CAPITAL PRIVATE LIMITED
Notes to the Financial Statements

7. Preliminary Expenses:

Preliminary Expenses Comprise of legal and other expenses incurred for the incorporation of the company. These expenses will be written off over a Year of five years.

8. Taxation:

Provision for current Income Tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The effect on deferred tax assets and liabilities of change in the tax rates is recognized using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets arising from unabsorbed depreciation or carry forward of losses under tax laws are recognized only to the extent that there is Virtual certainty of realization. Other deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty of realization.

9. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount is less than its carrying amount, the amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

INDIACO CAPITAL PVT LTD
Notes forming part of the Financial Statement
2. Share Capital

Particulars	Year End	
	31st March 2012	31st March 2011
Authorised Capital 20,00,000 (Previous Year 20,00,000) Equity Shares of Rs. 10/- each	20,000,000	20,000,000
Issued, Subscribed and Paid-up Capital Equity Shares of Rs. 10/- each fully paid up	10,150,000	10,150,000
	10,150,000	10,150,000
Reconciliation of number of Shares:		
Balance at the beginning of the year	1,015,000	10,000
Add Shares Issued during the year	-	1,005,000
Balance at the end of the year	1,015,000	1,015,000
Rights, Preferences and restrictions attached to the shares:		
Equity Shares		
The company has one class of Equity shares have a face value of Rs. 10 Each. Each Shareholder is eligible for one vote for one shares held. In the event of Liquidation, equity shares holders are eligible to receive the remaining assets of the company after distribution of all preferential amount , in proportion to their shareholding.		
Equity Shares	Year End	
	31st March 2012	31st March 2011
Details of shares held by the shareholder holding more than 5% of the aggregate the share capital of the company:		
Indiaco Ventures Ltd	99.01%	99.01%
Shares reserved for issue under options:	Nil	Nil
Shares allotted as fully paid up by way of Bonus Shares: (during 5 years immediately preceding 31st March 2012)		
Shares allotted as fully paid pursuant to contracts without payment being received in cash: (during 5 years immediately preceding 31st March 2012)	Nil	Nil
Aggregare number and Class of shares brought back: (during 5 years immediately preceding 31st March 2012)	Nil	Nil
Terms of securities convertible into equity shares:	Not Applicable	Not Applicable

3. RESERVES AND SURPLUS

Particulars	Year End	
	31st March 2012	31st March 2011
Surplus in the statement of Profit and Loss		
Balance at the Beginning of the year	(600,539)	129,329
Profit for the year	(9,834)	(729,868)
Less Appropriation	-	-
	(610,373)	(600,539)
Securities Premium account	30,150,000	30,150,000
Balance as at the end of the year	29,539,627	29,549,461

4. Long Term Borrowings

Particulars	Year End	
	31st March 2012	31st March 2011
Unsecured		
Other Loans and Advances	3,897,329	4,217,829
	3,897,329	4,217,829

5. Deferred Tax Liabilities (net)

Particulars	Year End	
	31st March 2012	31st March 2011
Deferred Tax Liabilities	14,241	-
Deferred Tax Assets	33,808	19,567
TOTAL	(19,567)	19,567

6. Short Term Provisions

Particulars	Year End	
	31st March 2012	31st March 2011
Other Provisions	45,000	48,250
	45,000	48,250

INDIACO CAPITAL PVT LTD

Notes forming part of the Financial Statement

8. Non current Investments

Particulars	As at	
	31st March 2012	31st March 2011
Other Investments		
Unquoted		
Others	40,155,000	40,155,000
	40,155,000	40,155,000
Trade Investments		
Unquoted		
Others	-	118,822
	40,155,000	40,273,822

9. Long Term Loans and Advances

Particulars	As at	
	31st March 2012	31st March 2011
Others	2,892,484	2,669,484
	2,892,484	2,669,484

10. Cash and Bank Balances

Particulars	As at	
	31st March 2012	31st March 2011
Cash and Cash equivalents		
Cash on hand	489,348	950,274
Bank balances		
On current account	23,164	
	512,512	950,274

11. Short Term Loans and Advances

Particulars	As at	
	31st March 2012	31st March 2011
Advance Income Tax	52,393	52,393
	52,393	52,393

INDIACO CAPITAL PVT LTD
Notes forming part of the Financial Statement

12. Revenue

Particulars	As at	
	31st March 2012	31st March 2011
Other operating Revenue	116,854	475,000
Scrap Sales	-	-
	116,854	475,000
Less Excise Duty	-	-
Total Rs.	116,854	475,000

13. Change in the inventory of Finished goods and work in process

Particulars	As at	
	31st March 2012	31st March 2011
Increase/decrease in stocks		
Stock in trade	118,822	-
	118,822	-

14. Finance Costs

Particulars	As at	
	31st March 2012	31st March 2011
Other Borrowing Cost	84	555
	84	555

15. Other Expenses

Particulars	As at	
	31st March 2012	31st March 2011
Travelling Expenses		56,210
Payments to Auditors		
Audit Fees		25,000
Professional Fees		969,750
Miscellaneous Expenses	7,783	153,353
	7,783	1,204,313

INDIACO CAPITAL PRIVATE LIMITED
Notes to the Financial Statements

Other Notes : 16

1. Under the MSMED Act which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro, Small and medium Enterprises. Since the relevant Information is not readily available, no disclosures have been made in the accounts.
2. Current Assets, Loans and Advances have a value on realization, in the ordinary course of business at least equal to the amount at which they are stated.
3. **Contingent Liabilities:**
 - Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances Rs. Nil.
 - Claims against the Company not acknowledged as debts: Nil

For V C Venkatraman & Co.
Chartered Accountants

For Indiaco Telecom Private Limited

V C Venkatraman
Proprietor

Director

Director

Date: 05/09/2012
Place: Pune

(MONALI PATWARDHAN)

(S.S. INGALE)

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