



FORM B

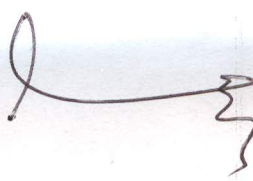


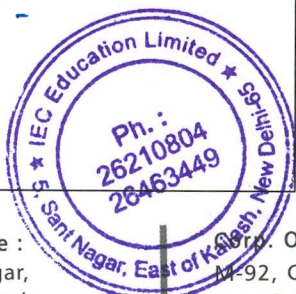
Format of covering letter of the annual audit report to be filed with the stock exchanges

S.No.	Particulars	Remarks
1.	Name of the Company	IEC Education Limited
2.	Annual financial statements for the year ended	March 31 st , 2013
3.	Type of Audit qualification	Subject to
4.	Frequency of qualification	Repetitive
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>(i) Note No: 2.8 of Notes to accounts regarding non registration of title deeds in respect of one premises;</p> <p>"the building purchased by the Company at M-92 Connaught Place New Delhi, 110092 from the Promoters in the earlier years is yet to be registered in the Companies' name"</p> <p>Management's Response: Management is in opinion that Auditor's comment is self explanatory and do not require further comments. The Company has purchased this property from the promoters and is yet to be registered in the Company's name.</p> <p>(ii) Note No.:2.22 at serial no.2 of Notes to accounts regarding adjustments of entries arising out of confirmation/reconciliation of the accounts of parties and banks;</p> <p>"in view of the Confirmation not having ben obtained from the Trade Receivables, Loans and Advances (both Long term and Short Term) and trade Payables, the Accounts are Subject to adjustment on receipt of confirmation of balance and / or reconciliation of accounts the impact whereof on account cannot be ascertained at the stage."</p> <p>Management's Response: Management is in opinion that Auditor's comment is self explanatory and do not require further comments in Director's Report. The Management refers that Trade Receivables</p>

IEC Education Limited

Regd, Office :
5, Sant Nagar,
East of Kailash,
New Delhi-110065
Ph: 011- 26231339-40

Corp. Office / Franchise Division
M-92, Connaught Place,
New Delhi-110001
www.iecgroup.in
email:iec@iecgroup.in

		<p>and Loans and Advances are from reputed sources and safe.</p> <p>(iii) Note No.2.22 at serial no.5 of Notes to accounts regarding non provision of trade receivables and long term loans and advances considered doubtful amounting to ₹128.85 lacs and ₹38.03 lacs respectively;</p> <p>“No Provision for Doubtful Trade Receivable and Long Term Loans and Advances of Rs. 128.85 Lacs (Previous Year, Rs. 128.85 Lacs) and Rs. 38.03 Lacs (Previous Year Rs. 38.03 Lacs) respectively has been made because in the opinion of Management, the amount are still good in nature and Management is hopeful of their recovery”</p> <p>Management’s Response: Management is in opinion that Auditor’s comment is self explanatory and do not require further comments. The Management is of the view that the amount is still good and should be recoverable.</p>
6.	Additional comments from the board/audit committee chair:	NA
7.	<p>Signatures:</p> <p>CEO/Managing Director</p> <p>CFO</p>	   



	<p>Auditor of the company</p> <p>Audit Committee Chairman</p>	<p><i>Karlesh Hare</i></p> <p><i>Sarduljit</i></p>
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Looking to the Future

ANNUAL REPORT
2012-13





committed to
growth

Annual
Report
2012-13



COMPANY INFORMATION

Board of Directors (As on 10th August, 2013)

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

Dr. Naveen Gupta
CEO & Managing Director, Promoter

Mr. R.L. Gupta
Non Executive Director, Promoter

Mr. Kailash Nath
Independent Non Executive Director

Mr. Sarabjit Singh Saini
Independent Non Executive Director

Dr. A.K. Khare
Independent Non Executive Director

Mr. Rasik Makkar
Independent Non Executive Director

Mr. H.P Singh
Independent Non Executive Director

Mr. J.K. Bhola
Independent Non Executive Director

Committees of The Board

Audit Committee

Mr. H.P Singh
Chairman, Independent &, Non Executive Director

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

Dr. A.K. Khare
Member, Independent & Non Executive Director

Shareholder's Investor Grievance Committee

Mr. H.P Singh
Chairman, Independent & Non Executive Director

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

Dr. A.K. Khare
Member, Independent & Non Executive Director

Remuneration Committee

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

Mr. H.P Singh
Member, Independent & Non Executive Director

Dr. A.K. Khare
Member, Independent & Non Executive Director

Registered Office

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

Head Office

M-92, Connaught Place, New Delhi-110001

Auditors

Nath & Hari, Chartered Accountants

Listed At

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

Company Secretary

Ms. Preeti Rani

Registrar & Transfer Agents

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

Website: www.iecgroup.in

Subsidiary Companies

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



CONTENTS

• Notice	04
• Director's Report	09
• Report on Corporate Governance	16
• Auditors Certificate on Corporate Governance	28
• Management Discussion and Analysis Report	29
• Independent Auditor's Report	33
• Balance Sheet	37
• Statement of Profit & Loss Account	38
• Cash Flow Statement	39
• Significant Accounting Policies	41
• Notes forming part of the Financial Statements	43
• Statement Pursuant to Sec 212	55

Consolidated Financial Statements

• Independent Auditor's Report on Consolidated Financial Statements	56
• Consolidated Balance Sheet	57
• Statement of Consolidated Profit & Loss Account	58
• Cash Flow Statement	59
• Significant Accounting Policies	61
• Notes forming part of Consolidated Financial Statements	62

NOTICE

Notice is hereby given that 19th Annual general Meeting of the Members of IEC Education Limited will be held on Monday, the 23rd day of September 2013 at 2.00 PM at Sri Satya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110003 to transact the following Business :

Ordinary Business

1. To receive consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit and Loss account for the year ended on that date along with Director's Report and Auditor's Report thereon.
2. To Consider and appoint a Director in place of Mr. SARABJIT SINGH SAINI, who retires by rotation and being eligible offers himself for reappointment
3. To Consider and appoint a Director in place of Mr. JAIDEEP KUMAR BHOLA, who retires by rotation and being eligible offers himself for reappointment
4. To Consider and appoint a Director in place of Mr. RAMESH LAL GUPTA, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as ordinary resolution:
"RESOLVED THAT pursuant to Section 224 and other applicable provisions if any, of Companies Act, 1956, M/s Nath and Hari, Chartered Accountants, be and is hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of Next Annual General Meeting of the Company on such remuneration as shall be determined by Board of Directors."

Special Business

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

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

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

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

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.



2. Pursuant to Clause 49 of the Listing Agreement additional information on directors seeking appointment / re-appointment at the annual general meeting is provided in the Annual Report.
3. Members / proxies are requested to bring the attendance slips duly filled in for attending the meeting and bring their copies of the Annual Report to the meeting.
4. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
6. Shareholders seeking any information with regard to the accounts are requested to write to the Company at an early date but not later than 48 hours before the scheduled date of holding of AGM
7. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. The registers of members and share transfer books of the Company will remain closed from 16/09/2013 to 23/09/2013 (both days inclusive).
9. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective depository participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
10. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agent, Alankit Assignments Limited, 2E/21, Alankit House, Jhandewalan Extension, New Delhi-110055.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.

Brief particulars of Directors proposed to be re-appointed:

- | | | | |
|----|--------------------------------|---|---|
| 1. | Name | : | Sarabjit Singh Saini |
| | Age | : | 41 |
| | Qualification | : | B.Com |
| | Shareholding | : | 2800 |
| | Brief Profile | : | Mr. Sarabjit Singh Saini is a successful industrialist having wide experience in running industry and business. He has a rich experience in administration, finance and various aspects of business dealing. He is adept in dealing with higher Government authorities and handling successfully large workforce both at national and international level. |
| | Director of the Company | : | Since 23th October, 2005 |
| | Other Directorship | : | 1. All Time Consultancy Private Limited.
2. Saini Polymers Private Limited.
3. Saini Brakes system Private Limited. |
| | | | |
| 2. | Name | : | Jaideep Kumar Bhola |
| | Age | : | 47 |
| | Qualification | : | L.L.B., M.Sc |
| | Shareholding | : | NIL |
| | Brief Profile | : | Mr. J.K. Bhola is an advocate by profession, practicing before Hon'ble Supreme Court of India, High Courts, District Courts of various states including Delhi, Mumbai, Kolkata, Haryana, Chandigarh, Allahabad, Himachal Pradesh and Gujarat. He has rich experience in handling civil and criminal cases, consumer cases and cases under Negotiable Instrument Act. Mr. Bhola has experience of over 20 years. His expertise is in handling industrial and labour cases. |
| | Director of the Company | : | 4th January, 2008 |
| | Other Directorship | : | NIL |

3. Name	:	Ramesh Lal Gupta
Age	:	76
Qualification	:	B.A. L.L.B.
Shareholding	:	2255595
Brief Profile	:	He is the Promoter Director in the Company. Promoter Director has been a visionary with a social cause. A lawyer of repute for years has remained very active and involved in their group's attempts to impart education and training to large number of public through the IEC brand.. It was his vision of his look beyond and adapts latest technology, IEC under aegis of Vocational Educational Foundation (VEF) set up IEC College of Engineering and Technology (IEC-CET) in 1999 at Greater Noida. Recently Mr. Gupta was conferred with prestigious Edupreneur award by one of the leading Engineering Magazine, Engineering Watch for IEC University being selected as one amongst the Top 100 Engineering Colleges in India.
Director of the Company	:	23rd August, 1994
Other Directorship	:	R.L.N.G Infrastructure Private Limited VEF Housing Developers Private Limited IEC Education And Infrastructure Limited IEC Learning And Management Limited IEC Leasing And Capital Management Limited Sai Infracon Private Limited

Explanatory Statement to Special Resolution

Item No. 5

Dr. Naveen Gupta was appointed as Managing Director of the Company for the period of five years commencing from 27th June, 2008 by the Company at the 14th AGM of the Company Held on August 6th, 2008. The term of office of Dr. Naveen Gupta expired on 26th June, 2013.

Your Directors in their meeting held on 30th May, 2013, re-appointed Dr. Naveen Gupta as a Managing Director of the Company designated as "Director and CEO" w.e.f. 27th June, 2013 on the terms and conditions as detailed by Board of Directors subject to approval of share holders in their meeting.

Dr. Naveen Gupta is associated with the Company since its foundation. He was director in the company since incorporation till year 2006. He returned in the company in year 2007 as Vice President later promoted to CEO and then Additional Director and Managing director in the year 2008. It was his visionary that takes the company out of the half decade of losses and regain on the track of profits. Dr. Naveen Gupta holds 22 years of rich experience in the field of Marketing, Advertising, Corporate Planning, Franchise operations, Administration and Strategy.

The approval of members is hereby sought for the proposed re-appointment of Dr. Naveen Gupta as a Managing Director of the Company designated as Director and CEO for a period of five years commencing from 27th June, 2013 for a composite remuneration of Rs. 1,50,000 (Rupees One Lakh Fifty Thousand Only) plus Provident Fund and Gratuity as per the existing Policy of the Company. Board of Directors shall have the power to alter & change the salary structure of his appointment as per the limits prescribed under Schedule XIII of the Companies Act, 1956.

Considering his rich experience in various diversified fields with an experience of over two decades, it would be in the interest of the Company to re-appoint Dr. Naveen Gupta as Managing Director of the Company.

The proposed remuneration is already approved by the Remuneration Committee and Board of Directors of your Company.

The Board of Directors based on the recommendation of the Remuneration Committee shall have the liberty to revise the remuneration subject to the limits of Schedule XIII of the Companies Act, 1956 based on the performance of Dr. Naveen Gupta.



Your Directors recommend the resolution as at Item No. 6 for your approval.

Statement in terms of Section II (B) (iv) of part II of Schedule XIII of the Companies Act, 1956 is given as under:-

I. General Information:

- a) **Nature of Industry:** Education Services and other Vocational Education.
- b) **Date of Commencement of Business:** August 23, 1994.
- c) **In case of new companies, expected date of commencement of activities:** Not Applicable.
- d) **Financial Performance:** During the period of 12 Months ended on 31.03.2013, the Company recorded a turnover of ` 452.89 Lacs and made a profit of ` 33.10 Lacs. The Company is a Profit Making Concern for the Past Six Years. The Prior period losses of the Company is written off from the Profits of the Company. Export performance: There were no exports or dealing in Foreign Exchange by the Company.
- e) **Foreign Investments:** The Company do not have any Investment outside India as on date.
- f) **Information about the appointee:**
 - a. **Background details:** Dr. Naveen Gupta is Bachelor in Arts from University of Delhi. An alumni of St. Stephen's College, Dr. Naveen Gupta is conferred with Honorary Doctorate Degree by Luhansk Tara Schevchenko National University (LTSNU), Ukraine, Doctorate of Science and Doctorate of Tourism and Information Technology for his contribution to these sectors. He is among the promoters of the Company and is Instrumental in its success. He is also CEO of IEC Group of Institutions.
 - b. **Past Remuneration:** IEC Education Limited ` 1,50,000 per month including perquisite excluding Provident Fund and Gratuity as per the policy of the Company.
 - c. **Recognition or Awards:**
 1. Was conferred with Honorable Doctorate in Information Technology and Sciences by Luhansk Tara Schevchenko National University (LTSNU), Ukraine.
 2. Nominated for conferring of Honorable Doctorate by UCLAN, UK.
 3. Was conferred the BHARAT SHIROMANI PURASKAR by His Excellency Mr. Korn Dabarasansi Prime Minister of Thailand for providing quality education to International and National Students.
 4. Received Honors when CSR ranked IEC as no. 1 Emerging College of Excellence and IEC was ranked as No. 2 state wise amongst Top Engineering Colleges.
 5. Awarded with INTERNATIONAL ACHIEVER'S AWARD for EDUCATION EXCELLENCE and providing GLOBAL BUSINESS OPPURTUNITIES in Singapore by AIAC (Singapore and Thailand).
 - d. **Job profile and his suitability:** Dr. Naveen Gupta is designated as CEO and Managing Director and looking after whole of the affairs of the Company subject to the control and superintendence of Board of Directors of the Company. He has over 22 years of rich experience in Education & Training Industry and in overall management of Companies.
 - e. **Remuneration Proposed:** ` 1,50,000 per month (Rupees one lakh and fifty thousand only) as proposed by Remuneration Committee and approved by the Board of Directors, excluding Provident Fund and Gratuity as per the policy of the Company.
 - f. **Comparative profile w.r.t. Industry size of the Company profile of the position and person:** in line with the Industry.
 - g. **Pecuniary relationship:** He is amongst the Promoters of the Company and is son of Non Executive Director, Mr. Ramesh Lal Gupta.
- g. **Other Information**
 - a. **Reasons of Loss or inadequate profits:** Factors due to which the performance of the Company has affected negatively are manifold including fierce competition in the Industry, high Government Control, volumes and gross margins declining. Company had incurred huge losses in past years, and since the last 6 years the company is under profit.
 - b. **Steps taken or proposed to be taken for improvement:** Apart from merger of VEF Information Systems Pvt. Ltd. With the Company, there are equity contributions from promoters and non promoters and different venture into other Education field from Software education.
 - c. **Expected increase in productivity and volumes:** As per the current and last few years trend.



ANNUAL REPORT 12-13

l) **Disclosures:**

- a. **Remuneration package of managerial person:** The remuneration package of Dr. Naveen Gupta is disclosed above in the explanatory Statement attached to the Notice to the members.

No Director of the Company other than Dr. Naveen Gupta and Mr. R.L. Gupta, relative is concerned or interested in the said resolution.

A Copy of the relevant documents relating to the aforesaid resolution is available for inspection at the Companies' Office i.e. 5, Sant Nagar, East of Kailash, New Delhi 110065 from 10.00 AM to 1.00 PM upto the date of Annual General Meeting.

The Board of Directors, therefore, commends the resolution for your approval.

Place: Delhi

Date: 10th August, 2013

By Order of the Board.

Sd/-
Naveen Gupta
(CEO & MD)



DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting before you the Nineteenth Annual Report, together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2013.

Financial Results

(Amount in ₹ Lacs)

Title	Year ended 31.03.2013	Year ended 31.03.2012
Income from Operations	446.27	538.08
Other income	6.62	5.67
Total Expenditure	333.62	394.64
Profit Before Interest, Depreciation and Tax	119.27	149.11
Interest	15.67	18.70
Depreciation and Amortisation	62.84	57.38
Profit Before Tax	40.76	73.03
Provision for Tax (adjusted)	7.66	3.75
Profit After Tax	33.10	76.78

Operations and Business Review

Your Company has achieved Turnover of ₹.452.89 Lacs in Current year as compared to ₹543.75 Lacs in Previous Year. Profit before Tax is ₹.40.76 as against ₹.73.03 Lacs in previous year. After providing for Income tax, profit after Tax is ₹.33.10 Lacs. It was decided to transfer the amount realized as profit to Reserves of the Company. The rising costs and stagnant industry growth had led to down turnover and profits.

Business Activities

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

Disclosure Pursuant To Clause 5A of Listing Agreement

Pursuant to insertion of clause 5A in listing Agreement as per SEBI notification no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 the details in respect of the shares lying in the suspense account till March 31, 2013 is as under:

Description / No. of Cases / No. of Shares

- Aggregate number of shareholders and the outstanding shares in the initiation of suspense account : 8 Shareholders / 1700 Shares
- Number of shareholders who approached the Company for transfer of shares from suspense account during the year 2012-13 : NIL

3. Number of shareholders to whom shares were transferred from suspense account during the year 2011-12 : NIL
4. Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2013 : 8 Shareholders / 1700 Shares

Changes in Capital Structure

There were no changes in the Capital of the Company The Authorised Capital and Paid up Capital of the Company remained unchanged at 21,00,00,000 and 15,26,00,000 respectively. Company have Nil preference share capital. No right issue, preferential issue, bonus issue were reported during the Fiscal.

Directors

One of the Director Mr. Harchand.R. Issarani, Independent Director left the Board on July 26, 2012 his resignation was accepted by Board in their Meeting dated July 30, 2012, except that there was no change in the Composition of Board of Directors of the Company. The Board post resignation of Mr. Harchand.R. Issarani comprise of nine Directors of whom seven are Independent. Mr. Sarabjit Singh Saini, Mr. Jaideep Kumar Bhola and Mr. Ramesh Lal Gupta, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

Dr. Naveen Gupta, Managing Director, of the Company was appointed as Managing Director of the company on 27th June,2008 for five years, his term completed on 26th June,2013 Board of Directors during their meeting dated May 30, 2013 passed resolution to reappoint him for another term of five years subject to approval of Shareholders in their meeting.

Dividend

Your Directors have not recommended any dividend for the financial year ended as on March 31st, 2013.

Reserves

The reserves of the company stood at ₹.1927.12 Lacs as compared to ₹.1894.02 last Financial Year.

Auditors and Auditor's Report

M/s Nath and Hari Chartered Accountants, continued the Statutory Auditors of the Company for the year ended 31.03.2013. The term of office of M/s Nath and Hari Chartered Accountants expires at the conclusion of the ensuing AGM. Hence the Auditors being eligible offer themselves to be re-appointed.

The notes on accounts referred to in the Auditor's Report are self explanatory and therefore don't call for any further comments by the Board of Directors.

There are no Qualifications or adverse remarks in the Auditor's Report which require any clarification or explanation.

Registrar and Share Transfer Agents

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



Members are hereby requested to send their correspondence regarding transfer of shares, Demat of shares and other queries to Registrar and Share Transfer Agents Alankit Assignments Ltd. Alankit Assignments Ltd., 2E/21, Alankit House, Jhandewalan Ext., New Delhi - 110055

SEBI the nodal regularity of capital market has come up with a circular No. CIR/ OIAE/2/2011 as per the circular shareholders of the listed companies may lodge their complaints online and company is also required to submit their response and solve the grievances online. Complaint may be filed online at designated website www.scores.gov.in.

Statutory Disclosure

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

Listing of Shares

The shares of your Company are listed at

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

The listing fee for the year 2013-14 has already been paid. Along with that annual Custodian fee to NSDL and CDSL for financial year 2013-14 has also been paid.

Public deposits

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

Investments

The Company has not made any fresh investment during the financial year 2012-13. The Company, on May 30, 2013 disposed of one of its Buildings at Noida, India at profit.

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

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

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

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

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

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

1. In the preparation of the Annual Accounts for the period ended as on 31st March, 2013 the applicable Accounting Standards have been followed and no material departure has been identified.

2. Accounting Policies have been consistently applied in a reasonable and prudent manner so as to give true and fair view of the affairs of the Company for the Financial Year ended 31st March, 2013 and of the Statement of Profit And Loss for the Financial Year ended 31st March, 2013.
3. Proper and sufficient care has been taken for the maintenance of adequate records in accordance with the applicable provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts for the Financial Year ended 31st March, 2013 have been prepared on going concern basis.

Disclosures

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

Consolidated Financial Statements

As required under the Listing Agreement, Consolidated Financial Statements of the Company and all its subsidiaries are attached. The Consolidated financial statements have been prepared in accordance with Accounting Standard 21, Accounting Standard 23, and Accounting Standard 27, as applicable issued by The Institute of Chartered Accountants of India and showing the financial resources, assets, liabilities, income, profits and other details of the Company and its subsidiaries as a single entity, after elimination of Minority Interest.

Code of Conduct

As per clause 49(I)(D) of listing agreement, the Company has laid down Code of Conduct for all Board Members of the Company and Senior Management as well and same has been posted on website of the Company. Annual Compliance Report for the Year ended 31st March, 2013 has been received from all the Board Members and Senior Management of the Company regarding compliance of all the Provisions of Code of Conduct.

Declaration regarding compliance by Board members and senior management personnel with the Companies Code of Conduct is hereby attached as Annexure C to this report.

Notes to Accounts

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

Report on Corporate Governance and Management Discussion and Analysis

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

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

Subsidiary Companies

In accordance with the general circular issued by Ministry of Corporate Affairs, Government of India, the Balance Sheet, statement of Profit and Loss account and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the



Company. However the financial information of the Subsidiary Companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and the detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and that of the respective Subsidiaries Companies. The Consolidated Financial Statements presented by the Company include the Financial Results of its Subsidiary Companies.

As on March 31st, 2013 the Company has 3 subsidiaries. Details pertaining to Subsidiary Companies are as follows:

1. **IEC leasing and Capital Management Ltd:** is established for the purpose of leasing of all types of goods, materials, movable and immovable properties, machinery, land, industrial and manufacturing plants, consumer goods of all types. The shareholding of IEC Education Ltd. In the Company is 99.72%.
2. **IEC learning and Management Ltd:** is established to run, maintain, and manage educational institutes, schools, and conduct classes, training centres and similar activities. The shareholding of IEC Education Ltd. In the Company is 51%.
3. **IEC Education and Infrastructure Ltd:** is set up to develop, provide instructional and Computer Technology including computer education program and computer aided learning and similar activities. Providing Educational Infrastructure & other Infrastructure related to Education sector. The Stake of IEC Education Ltd. In the company is 51%.

Acknowledgement

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

For and on behalf of the Board

Date: 10th August, 2013

Sd/-

Place: Delhi

Brig. S.V.S Chowdhry
(Chairman)

ANNEXURE A TO DIRECTOR'S REPORT

Name	Dr. Naveen Gupta
Age	42 Years
Experience	22 yrs
Designation	Managing Director
Qualification	Bachelor of Arts (B.A)
Remuneration	₹ 18,00,000/- (Rupees Eighteen Lacs Only)*
Date of appointment	June 27, 2013
No. of shares held as on March 31, 2013	38,15,935
Previous employment details	Held designation of Vice President from 30th Oct. 2007 till October 30, 2007 in IEC Education Ltd.
Relationship with any Director of the Company	Son of Mr. R.L Gupta (Non Executive Director)

Subject to approval of shareholders in their meeting

ANNEXURE B TO DIRECTOR'S REPORT

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

Conservation of Energy

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

Technology Absorption

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

Foreign Exchange Earning & Outgo

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



ANNEXURE C TO DIRECTOR'S REPORT

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

This is to confirm that Company has adopted a Code of Conduct for its employees including managing director. The Code of Conduct as adopted is available on the Companies' website. I confirm that the Company has in respect of the financial year ended March 31st, 2013 received from the Senior Management team of the Company and the members of the Board, a declaration on Compliance with the Code of Conduct as applicable to them.

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

For and on behalf of the Board

Date: 10th August, 2013

Sd/-

Place: Delhi

Naveen Gupta
(CEO and MD)

CORPORATE GOVERNANCE REPORT

Statement on Company's philosophy on Corporate Governance

The system of corporate governance at IEC is a moving target. Corporate boards are small, have a high proportion of Non Executive, independent members and utilize committees to improve board processes. The internal and external aspects of Corporate Governance are linked through the monitoring of gatekeepers, such as audit firms, that certify the flow of information from managers to capital markets. Recent developments remind us that corporate governance is not a static system in equilibrium, but has evolved continuously over the past decades. Directors also accepted the notion of "Shareholder Value" as a new underlying ideology for IEC Education Ltd. Market-oriented corporate governance is premised upon well-informed and active Shareholders, who engage in corporate governance both through exit and voice. High standards of Corporate Governance in dealing with different Stakeholders viz. Employees, Debtors, Creditors, Statutory and Government Authorities, Shareholders etc. are maintained. IEC always envisages itself towards distribution of rights responsibilities and accountability thereon across the Board, Managers, employees and Shareholders. Your Company is not only concerned towards the protection of interests of Shareholders but also focuses on interests, values of other Stakeholders.

Complete disclosure and transparency in the information with meaningful analysis of the Company and its action can be made by the outside interested parties and facilitate effective functioning of the Board, Management, Employees and provide efficient legal and regulatory framework.

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

(I) Board of Directors

The Company is managed by the Board of Directors, which formulates strategies, policies and reviews its performance periodically and manages the business of the Company.

A) Composition and Category

In compliance with the Listing Agreement, the Company has an optimum mix of executive and non – executive Independent Directors. As on March 31st, 2013 the Board of Director Consists of 9 Directors, out of which 7 are Independent Directors, constituting more than 2/3rd of the total strength of the Board. Dr. Naveen Gupta, Managing Director of the Company is not required to retire by rotation pursuant to Articles of the Company read with Section 256 of the Companies Act, 1956. Mr. Ramesh Lal Gupta, Promoter is the only Non Executive Non Independent Director in the Company. The Chairman of the Board, Brig. Surendra Vir Singh Chowdhry is Independent Director in the Company. The Board has adhered to Code of Conduct and a declaration to the effect has already been given to Company. The Board does not have any Nominee Directors, neither any Director is appointed as Additional Director or Alternate Director or filled any Casual Vacancy during the period under review.

Dr. Naveen Gupta, Managing Director, of the Company was appointed as Managing Director of the company on 27th June, 2008 for five years, his term completed on 26th June, 2013 Board of Directors during their meeting dated May 30, 2013 passed resolution to reappoint him for another term of five years subject to approval of Shareholders in their meeting.

In terms of definition of term Relative under the Companies Act, 1956, No Director other than Dr. Naveen Gupta and Mr. Ramesh Lal Gupta are relatives to any other Director on the Board.

During the Year under consideration, Mr. Harchand. R. Issarani, Independent Director of the company resigned from Directorship on July 26th, 2012, except this the Board remained Unchanged.



The Meetings of Board of Directors of Company during Financial Year 2012-13 were held 5 times on 12.05.2012, 30.07.2012, 28.08.2012, 10.11.2012 and 29.01.2013.

The requisite information as required under Clause 49 of the Listing Agreement for the Period ended March 31st, 2013 is hereunder:

S.No	Name of Director	Director Identification Number	Category of Directorship	No. of Board Meetings Attended	Attendance at the Last AGM	No. of directorship in Other Companies	No. of Membership in Committees and in other Companies
1.	Brig. Surendra Vir Singh Chowdhry	00097256	Non Executive, Independent Chairman	4	Yes	01	NIL
2.	Dr. Naveen Gupta	00097128	Executive, Promoter	5	Yes	04	NIL
3.	Mr. Ramesh Lal Gupta	00097185	Non Executive, Promoter	5	Yes	03	NIL
4.	Mr. Kailash Nath	01409788	Non Executive, Independent	4	Yes	NIL	NIL
5.	Mr. Sarabjit Singh Saini	00104558	Non Executive, Independent	5	No	NIL	NIL
6.	Dr. Avadhesh Kumar Khare	01677626	Non Executive, Independent	4	No	NIL	NIL
7.	Mr. Rasik Makkar	00104285	Non Executive, Independent	5	No	NIL	NIL
8.	Mr. Jaideep Kumar Bhola	02191970	Non Executive, Independent	5	No	NIL	NIL
9.	Mr. Harindera Pal Singh	00927975	Non Executive, Independent	2	No	NIL	NIL
10.	Mr. Harchand. R. Issarani	01908945	Non Executive, Independent	0	No	NIL	NIL

NOTES:

- i) The directorship held by the directors, as mentioned above does not include the directorships held in Private Companies, foreign Companies and Companies under Section 25 of the Companies' Act, 1956.
- ii) The Committees considered for the purpose are those prescribed under Clause 49(I)(C)(ii) of the Listing Agreement viz. Audit Committee and Shareholder/Investor grievance Committee of Public Limited Companies and Private Limited Companies which are Public Limited Companies in term of Section 3(1) (iv) (c) of the Companies' Act, 1956.
- iii) None of the Directors on the Board, are Members of more than 10 committees or Chairman of more than 5 Committees across all the Companies in which they are Directors. Necessary disclosures regarding Committee positions in other Public Companies as on March 31st, 2013 have been made by Directors.

B) Shareholding of Directors as on March 31st, 2013

Name of Director	As on March 31 st , 2013		As on March 31 st , 2012	
	No. of Shares Held	No. of Warrants Held	No. of Shares Held	No. of Warrants Held
Brig. Surendra Vir Singh Chowdhry	NIL	NIL	NIL	NIL
Mr. Ramesh Lal Gupta	2255595	NIL	2255595	NIL
Dr. Naveen Gupta	3815935	NIL	3815935	NIL
Mr. Kailash Nath	NIL	NIL	NIL	NIL
Mr. Sarabjit Singh Saini	2800	NIL	2800	NIL
Dr. Avadhesh Kumar Khare	NIL	NIL	NIL	NIL
Mr. Rasik Makkar	400	NIL	400	NIL
Mr. Jaideep Kumar Bhola	NIL	NIL	NIL	NIL
Mr. Harindera Pal Singh	NIL	NIL	NIL	NIL
Mr. Harchand. R. Issarani	NIL	NIL	NIL	NIL

C) Details of Board Meeting

Meetings of Board of Directors of your Company are usually held at E-216, East of Kailash, New Delhi-110065. The time gap between two Board Meetings did not exceed 4 Months. All the matters are passed in physical meetings and no matter is considered and approved through circular resolution.

D) Committees of the Board

Presently the Board has three Committees viz Audit Committee, Shareholders Committee and Remuneration Committee. The composition of all the Committees includes only Independent Directors.

(II) Audit Committee

A) Broad Terms of Reference

The composition of audit committee meets the requirements of Section 292A of the Companies Act, 1956 and revised Clause 49 of the Listing Agreement. The terms of reference of this Committee covers the matters specified for Audit Committee under clause 49(II) (C) & (D) of the Listing Agreement read with Section 292A of the Companies Act, 1956. The terms of the reference of Audit Committee include inter alia the following:

B) Powers of Audit Committee

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

C) Key responsibilities of Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.



3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual/Quarterly financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by Management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
 - h) The quality and acceptability of:
 - i) the accounting policies and practices, including without limitation critical accounting policies and practices, all alternative accounting treatments within generally accepted accounting principles for policies and procedures related to material items that have been discussed with management, ramifications of the use of such alternative treatments and the treatment preferred by the external auditors; and
 - ii) financial reporting disclosures and changes thereto, including a review of any material items of correspondence between the Company and the external auditors;
 - i) The extent to which the financial statements are affected by any unusual transactions or any off balance.
 - j) Other matter as per Clause 49 of the Listing Agreement and as required under law.

(C) Constitution of Audit Committee

During the year the composition of Audit Committee included only Independent Directors. The Audit Committee met Five times in the Year under Consideration on, 12.05.2012, 30.07.2012, 28.08.2012, 10.11.2012 and 29.01.2013. The details pertaining the same are hereunder:

Name of the Members	Status	Category of directorship	No. of Meetings Held	No. of Meetings Attended
Mr. Harindera Pal Singh	Chairman	Non Executive, Independent	5	3
Dr. Avadhesh Kumar Khare	Member	Non Executive, Independent	5	5
Mr. Sarabjit Singh saini	Member	Non Executive, Independent	5	5

Mr. Shrey Rustagi, Company Secretary of the Company acted as Secretary to the Committee. He left the company on May 15, 2013 thereafter, Ms. Preeti Rani, Company Secretary of the company acted as secretary to the committee.

(III) Remuneration Committee

The remuneration committee was constituted on April 30th, 2002. The Committee deliberates on the remuneration policy of the Directors and Key Managerial personnel of your Company based on your performance. The remuneration policy of your Company is so framed that rewards performance, based on the review of achievements on periodic basis. The Remuneration policy is in consonance with existing industrial practice. The meeting of the Remuneration Committee held on 10th December, 2012.

A) Composition

The remuneration Committee of the Company consists of Three Independent Directors and in accordance with Clause 49 of Listing Agreement.

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

B) The remuneration / sitting fees paid to Directors of your Company during the year 2012-13 is given hereunder:

Name of the Director	Category of Directorship	Remuneration including incentives etc. (in ₹)	Sitting fees (in ₹)
Brig.Surendra Vir Singh Chowdhry	Non Executive, Independent, Chairman	NIL	4000
Dr. Naveen Gupta	Executive, Promoter	18,00,000/-	NIL
Mr. Ramesh Lal Gupta	Non Executive, Promoter	NIL	3750
Mr. Kailash Nath	Non Executive, Independent	NIL	4000
Mr. Sarabjit Singh Saini	Non Executive, Independent	NIL	3750
Dr. Avadhesh Kumar Khare	Non Executive, Independent	NIL	3000
Mr. Rasik Makkar	Non Executive, Independent	NIL	3750
Mr. Jaideep Kumar Bhola	Non Executive, Independent	NIL	3750
Mr. Harindera Pal Singh	Non Executive, Independent	NIL	1500
Mr. Harchand R. Issarani	Non Executive, Independent	NIL	NIL

C) Criteria for making the Payment of Directors of the Company

- The Remuneration Committee of the Company recommends the salary payable to the executive Directors.
- The Remuneration paid to the Executive directors are determined keeping in view the Industry Benchmarks, Experience of the Directors and their Contribution earlier.
- The Remuneration is then fixed by Board of Directors and if required Shareholder's Approval then it is placed in their General Meeting.
- The payment to Non Executive Directors is made in the form of sitting fee for attending the Board Meeting as well as meeting of the Committee. The sitting fee for attending the meeting of Board of Directors is ₹.750/- per board meeting.

(IV) Shareholders & Investor's Grievances Committee

The share Allotment, Transfers and Investors Grievance Committee was constituted in June 16th, 2001, in terms of Provisions as enshrined under the Listing Agreement with all the Stock Exchanges and / or the provisions prescribed in this regard in the Companies' Act 1956.



A) Terms of Reference

The broad terms of reference includes the following:

- Redressal of Shareholders and Investors complaints including, but not limiting to transfer of shares and issue of duplicate share certificates, non receipt of Balance sheet, non receipt of declared dividends, etc. and
- Monitoring transfers, transmissions, dematerialisation, rematerialisation, splitting and consolidation of shares issued by the Company.

B) Composition

In Compliance with the Listing Agreement requirements and provisions of Companies Act, 1956, the Company has constituted a Committee consisting of all Non Executive Independent Directors. As on March 31st, 2013, the Committee consists of three members comprising of Mr. Harindera pal Singh, Dr. Avadhesh Kumar Khare, and Mr. Sarabjit Singh Saini, under the Chairmanship of Independent and Non Executive Director Mr. Harindera Pal Singh.

C) Compliance Officer

Mr. Shrey Rustagi, member of ICSI acted as the Company Secretary of the Company during the Financial Year 2012-13, he left the Company on May 15, 2013, thereafter Ms. Preeti Rani, is appointed as the Secretary and Compliance Officer Company Secretary is responsible for complying with the requirements of Listing Agreement with the Stock Exchanges and various compliances towards the shareholders. The Compliance Officer can be contacted at:

IEC Education Limited

5, Sant Nagar, East of Kailash,
New Delhi - 110065
Tel: +91-11-26231339
Fax: +91-11-26231340
Email: cs@iecgroup.in

D) Shareholder's Complaint Status

As per the status submitted by Register and Transfer Agent of the Company there were NIL complaints received by Company in the financial year 2012-13.

Particulars	Complaints Received	Complaints Redressed	Pending Complaints
Complaints	NIL	NIL	NIL

(V) General Body Meetings

A) The details in respect of Last Three Annual General Meetings are furnished below:

Financial year	Date of AGM	Venue	Time
2009-10	September 24 th , 2010	Sri Satya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi 110003	3.30 PM
2010-11	September 29 th , 2011	Sri Satya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi 110003	10.00 AM
2011-12	September 24 th , 2012	Sri Satya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi 110003	10.00 AM

B) The following resolutions were passed by Shareholders during last three Annual General Meetings:

AGM 2010: In the Annual General Meeting of the Company held on Friday, September 24, 2010, at Sri Sathya Sai International Centre, Lodhi Road, New Delhi at 3.30 P.M. to pass the following as Special Resolution:

“RESOLVED THAT in pursuance of the provisions of Section 192A read with Section 31 of the Companies Act, 1956 and other applicable provisions, if any, after Article 66 of the Articles of Association of the Company the Following Article is inserted:”

66A. notwithstanding anything contained in the Articles of Association of the Company but subject to the provisions of the Act, the Company do adopt the mode of passing a resolution by the members of the Company by means of a postal ballot and / or other ways as may be prescribed by the Central Government in this behalf in respect of following matters instead of transacting such business in a General Meeting of the Company:-

- Any business that can be transacted by the Company in General Meeting as prescribed by law; and
- Particularly, resolutions relating to such business as the Central Government may by notification, declare to be conducted only by postal ballot.

The Company shall comply with the procedure for such postal ballot and /or other ways prescribed by Central Government in this regard.

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

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

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

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

C) Resolution passed through Postal Ballot.

No Resolutions were passed through postal ballot in financial year 2009-10, 2010-11, 2011-12.



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

(VI) Disclosures

A) Related Party Transactions

The Company has not entered into any transactions of a material nature with the Promoter's Directors or the Management, their subsidiaries or relatives or associated that may have potential conflict with the interest of the Company at large. Relevant disclosures have been made as per AS-18 under Schedules / Notes as annexed to the Balance Sheet.

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

C) Whistle Blower Policy

The Company has a system of Whistle Blower Policy where their intents are supported and also proposes adoption of means through which employees can have direct access to the Management, more particularly the Audit Committee.

D) Disclosure of Accounting Treatment

The Company follows accounting standards notified by Ministry of Corporate Affairs under Accounting Standard Rules, 2006 in the preparation of Financial Statements. The Company has not adopted a treatment different from that prescribed in any Accounting Standards.

E) Management Discussion and Analysis Report

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

F) Mandatory Clauses of Clause 49

- The Company has duly complied with Mandatory Clauses of Clause 49 of Listing Agreement from time to time.
- The details of Compliance with Non Mandatory requirements are as follows:
 - The Company has constituted Remuneration Committee to discuss and determine specified remuneration package of Executive Directors on behalf of Board of Directors.
 - The Company also promotes and supports the System of Whistle Blower Policy.
 - A certificate from Managing Director and CEO on the Financial statements of the Company was placed before the Board.

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

H) The Company is prompt in making payments of statutory dues to various statutory authorities like for TDS, PF, etc. other than in exceptional and unforeseen financial circumstances and as reported by Auditor or Notes to Accounts.

(VII) Means of Communication

The quarterly Un-Audited results and Audited results are published in prominent daily newspapers, viz. Financial Express (English Daily) and Jansatta (Vernacular Newspaper) and are also posted on our Website, www.iecgroup.in

The quarterly Un-Audited results and Audited results are sent to all Stock Exchanges wherein the shares of your Company are Listed.



ANNUAL REPORT 12-13

Up-to date Financial Results, Annual Reports, Shareholding Patterns, Official News Releases, and other information about the Company are also available on Companies' Website. www.iecgroup.in

(VIII) General Shareholder Information

Annual General Meeting

Day, Date & Time	:	Monday, September 23, 2013 at 2.00 P.M.
Venue	:	Sri Sathya Sai International Centre, Lodhi Road, New Delhi
Financial Year	:	2012-13
Book Closure	:	16.09.2013 till 23.09.2013 (both days inclusive)
Stock Exchange Listing	:	The Stock Exchange, Mumbai (BSE) The Delhi Stock Exchange Limited, Delhi (DSE) The Jaipur Stock Exchange Limited, Jaipur (JSE)
Stock Code	:	The Stock Exchange, Mumbai 531840 The Delhi Stock Exchange 8254 The Jaipur Stock Exchange Ltd. 881
ISIN Number	:	INE 172B01017
Corporate Identification Number (CIN)	:	L74899DL1994PLC061053
Total shares in held in Demat mode as on March 31, 2013	:	14299758 shares
Total shares in held in Physical mode as on March 31, 2013	:	960242 shares

Share Transfer System

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

The Company obtains from a Company Secretary in practice Half-Yearly Certificate of Compliance with the share transfer formalities as required under Clause 4t(c) of the Listing Agreement and files a copy of the said certificate Stock exchanges.

Code of Conduct

Code of Conduct for Board Members & Senior Management of the Company is in place. The Board and other concerned bind by the code while dealing with the different interest of the company its shares of the company, the directors of the company act as agent of the shareholders and always hold their prime endeavor to safeguard the interest of the company and its shareholders. The code of conduct may be read out at companies website www.iecgroup.in.



Market Price Data- Stock Movement

Monthly High and Low during 2012-13

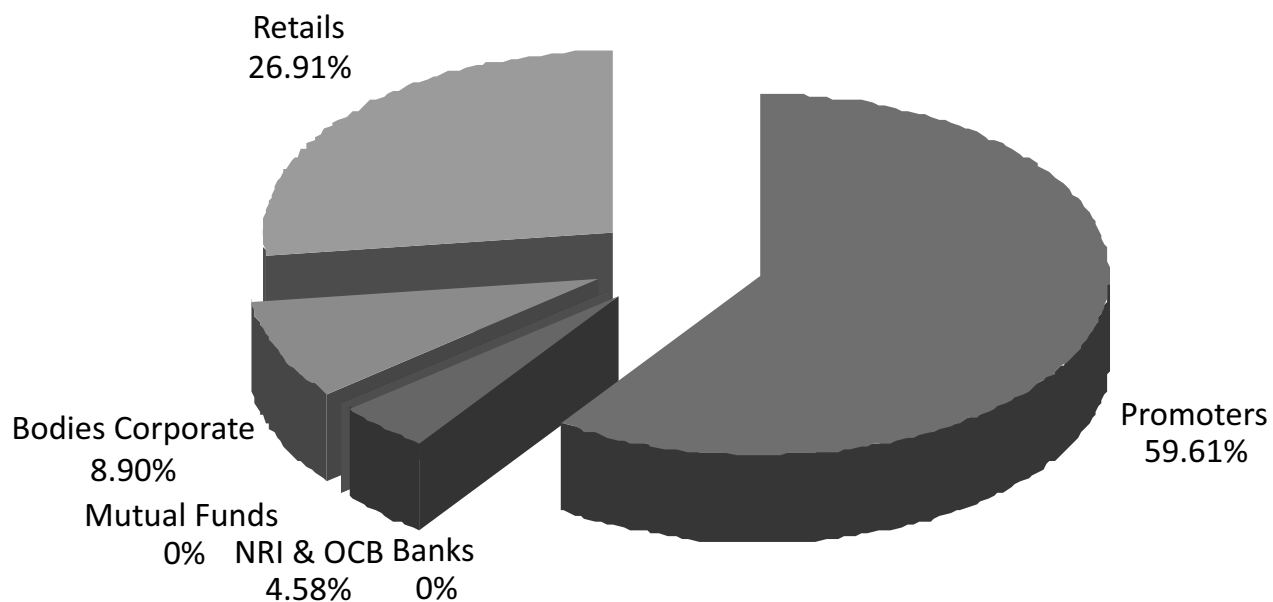
Month	Open price	High price	Low price	Close price	No of shares	No of trades	Total turnover (₹)	spread	
								H-I	C-O
April 2012	10.25	14.42	9.70	13.91	3522	50	37,629	4.72	3.66
May 2012	14.45	15.75	9.02	9.11	7113	76	77,584	6.73	-5.34
June 2012	8.68	9.65	8.13	9.27	7207	66	63,994	1.52	0.59
July 2012	8.82	10.79	8.51	10.74	7660	83	70,378	2.28	1.92
August 2012	10.21	11.44	6.92	7.21	13051	128	1,06,753	4.52	-3.00
September 2012	7.57	8.69	6.77	7.38	16521	114	1,23,594	1.92	-0.19
October 2012	7.68	7.68	6.60	6.70	6246	67	44,592	1.35	-0.98
November 2012	6.45	7.16	6.05	6.79	13126	76	85,652	1.11	0.34
December 2012	7.10	8.16	6.36	6.36	4223	38	30,374	1.80	-0.74
January 2013	6.36	7.33	7.33	7.33	8826	59	57,600	1.53	0.97
February 2013	6.98	6.98	5.88	5.88	825	9	5,320	1.10	-1.10
March 2013	5.80	6.29	4.16	4.20	8179	44	38,887	2.13	-1.60

(Source: BSE)

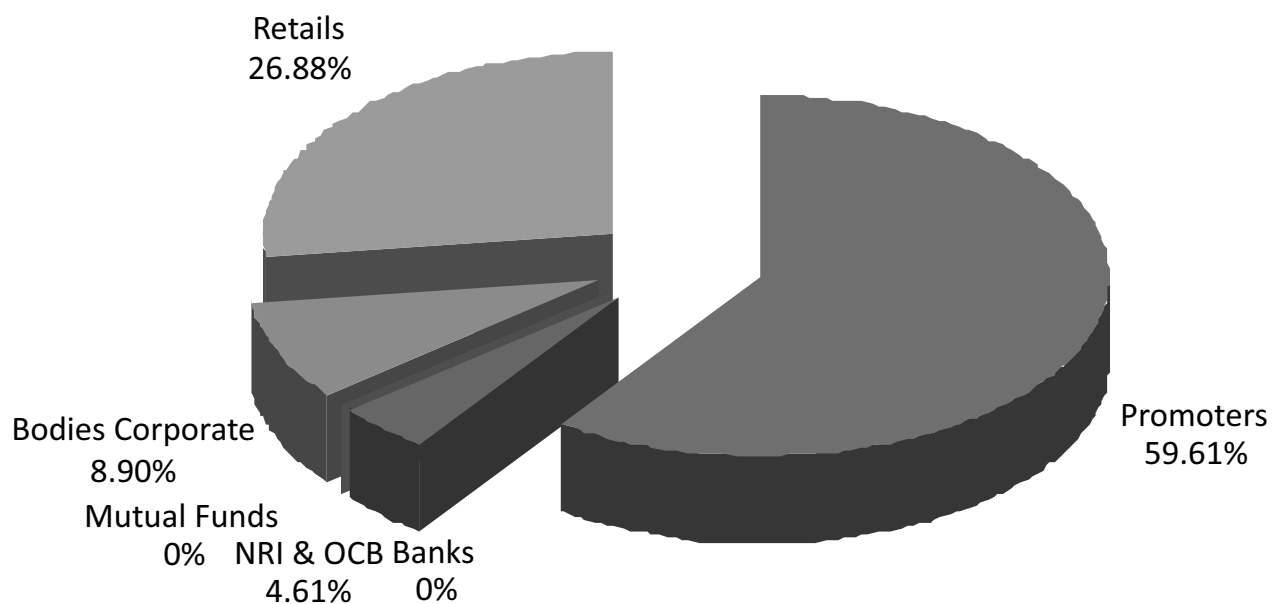
Category wise distribution of Shareholding as on March 31, 2013

Particulars	2011-12		2012-13	
	No of shares as on March 31, 2012	%age of Shares as on March 31, 2012	No of shares as on March 31, 2013	%age of Shares as on March 31, 2013
Promoters	9095828	59.61	9095828	59.61
NRI & OCB	699547	4.58	702652	4.61
Mutual Funds	NIL	NIL	NIL	NIL
Banks	100	0.00	100	0.00
Bodies Corporate	1358837	8.90	1357840	8.90
Retails	4105688	26.91	4103180	26.88

Shareholding Distribution as on March 31, 2012



Shareholding Distribution as on March 31, 2013





The Distribution of the Company as at March 31st, 2013 is as follows:

Shareholding	Shareholders		shareholding	
Rs.	Number	% to total	Number	% to total
Up to 5000	4604	87.679	6850570	4.489
5001-10000	357	6.798	2931520	1.92
10001-20000	136	2.59	2081350	1.364
20001-30000	47	0.895	1157840	0.759
30001-40000	23	0.438	819080	0.537
40001-50000	15	0.286	693200	0.454
50001-100000	23	0.438	1731910	1.135
100001 and above	46	0.876	136334530	89.341
Total	5251	100%	15260000	100%

For and on behalf of Board of Directors

Sd/-

Brig. S.V.S. Chowdhry
Chairman

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To

The Member of IEC Education Ltd

We have examined the compliance of conditions of Corporate Governance by IEC Education Ltd. ("the Company") for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreements of the Company with stock exchanges.

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

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

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

Place : Delhi

Date:- 10th August, 2013

For NATH & HARI
Chartered Accountants
FR No: 007403N

(Kailash Hari)
M.No:- 082285
Partner



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

CAUTIONARY STATEMENT

Certain statements made in the management discussion and analysis report relating to Company's Objectives, Projections, outlooks, expectations, estimates and others may constitute forward looking statements within the meaning of applicable laws & regulations. Actual results may differ from such expectations, projections and son on whether express or implied. However, company has also submitted various risks associated with the business. The information under this Report is prepared from various government data and published reports and other public reports.

INDUSTRY OVERVIEW

The Indian education system is one of the largest in the world. The education sector is divided into two main segments; the core segment comprises of schools and higher education, while the non-core comprises of coaching classes, pre-schools and vocational trainings.

The primary education is a basic enabling factor for participation and freedom, for trading a life with dignity and overcoming basic deprivation and secondary education is the gateway for prosperity, for transforming the economy and establishing social justice in any country. The policy at present is to make secondary education of good quality available, accessible and affordable to all young persons in the age group of 14 - 18 years.

Vocational education/training in India is gathering huge investments from corporate and private equity (PE) firms as the methodology and technology pertaining to this sector is witnessing significant improvements. Enhancement in the demand and supply of online and correspondence courses, facilitation by government and quality improvement are the factors driving the vocational training segment.

Education market in India currently stands at a year-on-year (YoY) growth of 15 per cent. However there is a further demand of investments worth US\$ 100 billion by 2014 for construction and provisioning of education facilities especially in K - 12 and higher education segments, according to a report titled 'Indian Education Investment Report 2013'.

The private education sector is estimated to reach US\$ 70 billion by 2013 and US\$ 115 billion by 2018, according to consulting firm Technopak. Technopak sees enrollments in Kindergarten-12th grade (K-12) growing to 351 million, requiring an additional 34 million seats by 2018.

Pre-school business in India is expected to touch Rs 13,300 crore (US\$ 2.20 billion) by 2015-16, out of which branded pre-schools are expected to contribute about Rs 4,500 crore (US\$ 747.66 million), according to a report by Crisil.

Further, according to the report '40 million by 2020: Preparing for a new paradigm in Indian Higher Education' released by Ernst & Young, the higher education sector in India is expected to witness a growth of 18.0 per cent CAGR till 2020. At present, the sector witnesses spends of more than Rs 46,200 crore (US\$ 7.68 billion), which is estimated to grow at an average rate of more than 18.0 per cent to over Rs 232,500 crore (US\$ 38.63 billion) in 10 years.

The education sector has attracted foreign direct investments (FDI) worth Rs 3,332.97 crore (US\$ 552.09 million) during April 2000 to March 2013, according to the data released by the Department of Industrial Policy and Promotion (DIPP).

Realising the fast growth of education sector in India, many private companies are looking for relevant acquisitions and alliances in this space. Major investments are being seen in the areas of pre-schools, private coaching and tutoring, teacher training, the development and provision of multimedia content, educational software development, skill enhancement, IT training and e-learning

Some of the major investments in Education and Training Sector in India are as follows:

- InOpen Technologies has entered into a partnership with Japan-based Benesse Holdings to deliver game-based computer science lessons to students in Silicon Valley schools
- IIM-Kozhikode has signed a memorandum of understanding (MoU) with Plymouth University of the UK. The MoU will facilitate exchange of students and faculty members
- Manipal Group has signed a MoU with Durban University of Technology in South Africa to foster collaboration between the two institutions in the areas of health sciences, teacher training, online education, business management, engineering and design architecture
- As many as 30 colleges across Kerala have signed up for a live, digital distance learning platform. The will help students gain access to job-oriented courses and training for competitive examinations
- Mexican edutainment theme park brand KidZania is set to see the soft launch of its property in Mumbai. Its Indian franchisee, ImagiNation Edutainment India, has entered into a partnership with Birla Sun Life Insurance for an employment centre at the park.

Government Initiatives

The Central Government plays a vital role in the evolution and monitoring of educational policies and programmes.

Some of the initiatives taken by the government for the infrastructural development of education sector are:

- The Government of India and the Government of the United States (US) have identified eight joint projects worth US\$ 250,000 each in the education sector
- The Department of Space/ Indian Space Research Organisation (ISRO) has established an endowed fellowship at the Graduate Aerospace Laboratories of the California Institute of Technology, California, USA
- Under the Union Budget 2013-14, the Government of India allocated:
 - Rs 27,258 crore (US\$ 4.52 billion) to Sarva Shiksha Abhiyaan (SSA)
 - Rs 65,867 (US\$ 10.94 billion) crore to the Ministry of Human Resource Development, an increase of 17 per cent over the RE of the current year
 - Rs 5,284 crore (US\$ 877.91) to Ministries/Departments for scholarships to students belonging to scheduled castes (SC), scheduled tribes (ST), other backward classes (OBC), minorities and girl children
 - Rs 160 crore (US\$ 26.58 million) to the corpus of Maulana Azad Education Foundation to raise its corpus to Rs 1,500 crore (US\$ 249.21 million) during 12th Plan period
 - Rs 4,727 crore (US\$ 785.37 million) for medical education, training and research

Road Ahead

India plans to enhance its formally skilled workforce through vocational education and training from the current 12 per cent to 25 per cent by 2017, thereby adding about 70 million people in the next five years. Hence, the higher education segment is expected to undergo intense changes and activities in terms of foreign partnerships and foreign players entering the market in the coming years, with Indian players rejuvenating and improvising their methodology, technology and course content to match the competition.

SWOT

Strengths

- More than 30 years experience in training and Education sector
- Handled extreme projects in field of training and Education
- Excellent infrastructure and facilities
- Strong tie-ups
- Strategic alliances with national institutions



Weakness

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

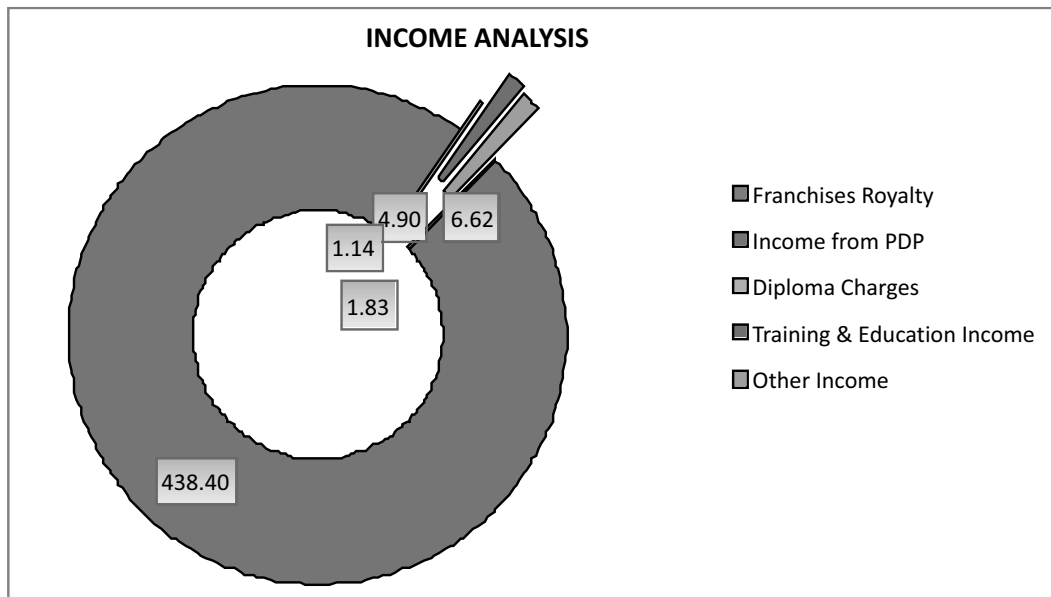
Opportunities

- Increasing Private Participation in Education
- Opening up of new avenues like BOTs and PPPs
- India becoming attractive destination for students in India
- Use of distance education, flexible learning and adoption of new information and communications technologies to increase access
- Increasing Investors participation

Threats

- Inappropriate funding limiting scope of future growth and productivity.
- Excessive competition
- Shortage of competent faculties
- Entrance of Foreign Universities in India

SEGMENT WISE PERFORMANCE



Overall performance of the Company during the fiscal year 2012-13 was Satisfactory. Major revenue generating segment during the last fiscal was personality development program (PDP). The Company has faced severe competition in the segment due to rise in number of new entrants. The Company has always endeavored itself towards providing quality assurance through brand building and providing best of the class infrastructure.

The Company has several niche Colleges of Northern India as its Clients to whom PDP Program services are provided.



ANNUAL REPORT 12-13

IEC as part of its business activities had remain involved in providing IT consultancy to various Government departments and business houses.

PDP as a major revenue generating segment has decreased from ₹.472.41 Lacs in the last fiscal to ₹.438.40 Lacs in the fiscal under consideration. A fall of 7.2% in PDP revenues as indicated above is the result of steep competition in the Industry thus providing other alternative options for PDP services.

Training and Education income of the Company stood at ₹.4.90 Lacs as compared to ₹.62.01 lacs in the last fiscal. Training and Education Segment constitutes 1.08% of total revenue generated by Company as compared to 11.40% in the last year. Completion of various (information and communications technology) ICT programs is the reason for fall in the revenues of this segment. The Company is in the process of procuring new ICT projects and programs run by Government from time to time.

IT Franchise segment has contributed ₹.1.83 Lacs as compared to ₹.2.13 Lacs in the previous year.

EXPENDITURE

During the fiscal year under consideration, total expenses of the Company were ₹.412.13 Lacs as compared to ₹.470.72 lacs in the previous year. Training and Education expenses segment being shown major fall were the result of completion of various ICT Projects run by the Company. Employees being the essential component for overall development of the Company, Employee Benefit expenses of the Company are increased from ₹.59.87 Lacs to ₹.82.18 Lacs. Depreciation of the Company stood at ₹.62.84 Lacs, last year it was ₹.57.38 Lacs.

FIXED ASSETS

The fixed Assets of the Company stood at ₹.704.15 Lacs for the fiscal Year under consideration.

Personnel Assets

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

Internal Control System

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

For and on behalf of Board of Directors

Sd/-

Brig. S.V.S. Chowdhry



INDEPENDENT AUDITOR'S REPORT

To The Members of
IEC Education Limited

Report of the Financial Statements

We have audited the accompanying financial statement of **IEC Education Ltd** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements subject to:

- i. Note No: 2.8 of Notes to accounts regarding non registration of title deeds in respect of one premises;
- ii. Note No.:2.22 at serial no.2 of Notes to accounts regarding adjustments of entries arising out of confirmation/reconciliation of the accounts of parties and banks;
- iii. Note No.2.22 at serial no.5 of Notes to accounts regarding non provision of trade receivables and long term loans and advances considered doubtful amounting to ₹.128.85 lacs and ₹.38.03 lacs respectively;

give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013.
- (b) In the case of the Statement of profit and Loss, of the Profit of the Company for the year ended on that date and
- (c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of profit and Loss, and the Cash flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of profit and Loss, and the Cash Flow statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - (e) On the basis of written representations received from the Directors as on 31st March, 2013 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274 (1)(g) of the Act.

Place : Delhi

Date:- 30th May, 2013

For NATH & HARI
Chartered Accountants
FR No: 007403N

(Kailash Hari)
M.No:- 082285
Partner



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IEC EDUCATION LIMITED

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

- I. Having regard to the nature of the Company's business, clauses (ii), (xiii), (xiv), (xix) and (xx) of the paragraph 4 of CARO are not applicable.
- II. In respect of its fixed assets:
 - a) The Company has maintained fixed assets register. However in some cases item wise depreciation, location or quantity were not maintained in the fixed asset register.
 - b) The management has not carried out a physical verification of all the fixed assets but there is a regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its assets. To the best of our knowledge, no material discrepancies were noticed in respect of assets verified during the year.
 - c) During the year, the Company has not disposed off substantial part of its fixed assets.
- III.
 - a) The Company has not granted any loan, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act,1956. Accordingly Clause (iii)(b) to (iii) (d) of the order are not applicable.
 - b) The company has not taken any loan, secured or unsecured, from companies, firms, or other parties covered in the register maintained under section 301 of Companies Act,1956. Accordingly Clause (iii)(f) and (iii) (g) of the order are not applicable.
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and nature of its business with regards to purchase of components, plant and machinery, equipments and similar assets and also for sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system in respect of these areas.
- V.
 - a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act have been entered in the register required to be maintained under that Section.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevalent market prices at the relevant time other than transactions of special nature for which competitive quotations are not available. However on the basis of information and explanations provided, the same appear reasonable.
- VI. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provision of section 58A and 58 AA of the Companies Act, 1956 and the rules framed hereunder, are not applicable to the Company.
- VII. In our opinion, the Company's present internal audit system is commensurate with the size and nature of its business.
- VIII. Since the Company is not a manufacturing, mining or processing industry, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.
- IX. According to the information and explanation given to us and the records of the Company examined by us, in our opinion the Company has been generally regular in depositing undisputed statutory dues including Provident fund, Investor education and protection fund, Employees state insurance, Income tax, Sales tax, Service tax, Wealth tax, Custom duty, Excise duty and Cess and any other statutory dues applicable to it, with the appropriate authorities and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March,2013 for a period of more than six months from the date of becoming payable except Income tax of ₹.12.04 lacs and TDS of ₹. 2.15 lacs.

There are no dues of any aforesaid nature outstanding that have not been deposited on account of any disputes.



ANNUAL REPORT 12-13

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

Place : Delhi

Date:- 30th May, 2013

For NATH & HARI
Chartered Accountants
FR No: 007403N

(Kailash Hari)
M.No:- 082285
Partner



IEC EDUCATION LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

I	<u>EQUITY AND LIABILITIES</u>					
1	Shareholders' funds					
	(a) Share capital	2.1	1,526.00		1,526.00	
	(b) Reserves and surplus	2.2	1,927.12	3,453.12	1,894.02	3,420.02
2	Non-current liabilities					
	(a) Long term borrowings	2.3		18.85		97.31
	(b) Other long-term liabilities			-		-
	(c) Long-term provisions			-		-
3	Current liabilities					
	(a) Short term borrowings	2.4	170.60		170.60	
	(b) Trade payables	2.5	16.85		20.28	
	(c) Other current liabilities	2.6	334.18		102.82	
	(d) Short term provisions	2.7	6.73	528.36	8.62	302.32
	Total			4,000.33		3,819.65
II	<u>ASSETS</u>					
1	<u>Non-current assets</u>					
	(a) Fixed assets					
	Tangible assets	2.8	704.15		767.19	
	(b) Non-current investments	2.9	76.00		76.00	
	(c) Deferred tax assets (net)	2.10	20.74		21.59	
	(d) Long-term loans & advances	2.11	2,169.79		1,535.80	
	(e) Other non-current assets		-	2,970.68	-	2,400.58
2	<u>Current assets</u>					
	(a) Trade receivables	2.12	693.33		668.55	
	(b) Cash & bank balances	2.13	173.29		396.88	
	(c) Short-term loans & advances	2.14	163.03		353.64	
	(d) Other current assets		-	1,029.65	-	1,419.07
	Total			4,000.33		3,819.65
	Significant accounting policies	1				
	Notes to accounts	2				
	The notes are an integral part of the financial statements					

In terms of our report attached

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

(Kailash Hari)
M.No.082285
Partner

Place:- Delhi
Date:- 30th May, 2013

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman)
Naveen Gupta (Managing Director)
R.L Gupta (Director)
Kailash Nath (Director)
H.P Singh (Director)
A.K. Khare (Director)

Rasik Makkar (Director)
Sarabjit S. Saini (Director)
J.K. Bhola (Director)
Preeti Rani (Company Secretary)
Ashutosh Kr. Jha (Accounts Manager)

IEC EDUCATION LIMITED 

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31/03/2013

(₹ in Lacs)

Sl. No.	Particulars	Note No.	Year ended 31st March, 2013		Year ended 31st March, 2012	
I	Revenue from operations	2.15		446.27		538.08
II	Other Income	2.16		6.62		5.67
	Total Revenue			452.89		543.75
III	Expenses :					
(a)	Training & education expenses	2.17		125.14		205.37
(b)	Employee benefits expenses	2.18		82.18		59.87
(c)	Other expenses	2.19		126.30		129.40
(d)	Finance costs	2.20		15.67		18.70
(e)	Depreciation and amortisation expenses	2.21		62.84		57.38
	Total Expenses			412.13		470.72
IV	Profit before exceptional and extraordinary items and tax (III-IV)			40.76		73.03
V	Exceptional items			-		-
VI	Profit before extraordinary items tax (V-VI)			40.76		73.03
VII	Extraordinary items			-		-
VIII	Profit before tax (VI-VII)			40.76		73.03
IX	Tax expense :					
a	Current tax		(12.38)		(17.08)	
b	Write back of excess provision for tax/income tax refund related to earlier years (net)		5.57		28.53	
c	Deferred tax		(0.85)	(7.66)	(7.70)	3.75
X	Profit for the year			33.10		76.78
XI	Earnings per share					
a	Basic (Rs.)			0.18		0.32
b	Diluted (Rs.)			0.18		0.32
	Significant accounting policies	1				
	Notes to accounts	2				
	The notes are an integral part of the financial statements					

In terms of our report attached

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

(Kailash Hari)
M.No.082285
Partner

Place:- Delhi
Date:- 30th May, 2013

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman)	Rasik Makkar (Director)
Naveen Gupta (Managing Director)	Sarabjit S. Saini (Director)
R.L Gupta (Director)	J.K. Bhola (Director)
Kailash Nath (Director)	Preeti Rani (Company Secretary)
H.P Singh (Director)	Ashutosh Kr. Jha (Accounts Manager)
A.K. Khare (Director)	



IEC EDUCATION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

(₹ in Lacs)

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before exceptional items and tax		40.76		73.03
Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities				
Depreciation and amortisation expense	62.84		57.38	
Miscellaneous Expenditure written off	0.00		1.04	
Loss on sale of fixed assets	3.53		0.00	
Finance Cost	15.67		18.70	
Interest Received	(6.54)		(5.46)	
Provision for income tax of earlier year written back	5.57	81.07	28.53	100.19
Operating Profit before working capital changes		121.83		173.22
Adjusted for :				
(Increase)/Decrease in Trade and other receivables	(24.78)		227.52	
(Increase)/Decrease in loans and advances	(443.38)		(191.22)	
Increase/(Decrease) in Trade payables	(3.43)		(24.03)	
Increase/ (Decrease) in Other current liabilities	231.36		79.59	
Increase / (Decrease) in provision	(4.90)	(245.13)	(15.73)	76.13
Cash generated from operation		(123.30)		249.35
Income tax paid / Refunds received (Net)		(9.37)		(11.51)
Net Cash (used) in / from Operating Activities		(132.67)		237.84
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(9.08)		(286.07)	
Sale of fixed assets	5.75		0.00	
Interest received	6.54		5.46	
Investments	0.00		0.00	
Net Cash (used) in / from Investing Activities		3.21		(280.61)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds of Long Term and other borrowings	0.00		87.27	
Repayment of Long Term and other borrowings	(78.46)		0.00	
Interest Paid	(15.67)		(18.70)	
Net Cash(used)in/ from Financing Activities		(94.13)		68.57
Net increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(223.59)		25.80
Cash and Cash Equivalents-Opening Balance		396.88		371.08
Cash and Cash Equivalents-Closing Balance		173.29		396.88

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified under the Companies (Accounting Standards) Rules, 2006.
2. Cash and cash equivalents include ₹.2.15 Lacs (Previous year ₹.1.99 lacs) on account of fixed deposit earmarked and pledged which are not available for use in the Company.
3. Cash and cash equivalents as at the balance sheet date consists of:

(₹ in Lacs)

	Particulars	As at 31st March, 2013	As at 31st March, 2012
a)	Balance with bank on current account	3.96	81.43
b)	Cheques on hand	99.69	272.62
c)	Cash on hand	67.49	40.84
d)	Fixed Deposit (earmarked and pledged)	2.15	1.99
	Total	173.29	396.88

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

In terms of our report attached

For Nath & Hari

Chartered Accountants
F.R.No.007403N

(Kailash Hari)

M.No.082285
Partner

Place:- Delhi

Date:- 30th May, 2013

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman)	Rasik Makkar (Director)
Naveen Gupta (Managing Director)	Sarabjit S. Saini (Director)
R.L Gupta (Director)	J.K. Bholra (Director)
Kailash Nath (Director)	Preeti Rani (Company Secretary)
H.P Singh (Director)	Ashutosh Kr. Jha (Accounts Manager)
A.K. Khare (Director)	



Company Overview

IEC Education Limited (the “Company”) was incorporated on 23rd August, 1994 in India as a public limited Company. The Company made an initial public offer in March, 1996. As at 31st March, 2013 the Company is listed on Three Stock exchanges in India namely Bombay Stock Exchange, Delhi Stock Exchange and Jaipur Stock Exchange. The Company has three Subsidiaries located in India. The Company’s business consists of Computer education, Franchisee business & Personality development programme.

1. Significant Accounting Policies

1.1) Basis of preparation:

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

1.2) Use of Estimates:

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

1.3) Fixed assets:

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

1.4) Depreciation and Amortization

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

1.5) Investments:

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

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

1.6) Employee Benefits:

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

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

1.7) Revenue Recognition:

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

1.8) Dividend:

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

1.9) Miscellaneous Expenditure:

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

1.10) Taxes on Income:

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

1.11) Borrowing Cost:

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

1.12) Leases:

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

1.13) Impairment of Assets:

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

1.14) Provision and Contingencies:

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

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

Contingent assets are not recognised in the financial statements.

1.15) Operating cycle:

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



IEC EDUCATION LIMITED

Notes forming part of the Financial Statements

2. Notes to accounts

Note 2.1: Share capital

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised: Equity shares of ₹.10/- each	21000000	2,100.00	21000000	2,100.00
(b) Issued, subscribed and fully paid up: Equity shares of ₹.10/- each	15260000	1,526.00	15260000	1,526.00
		1,526.00		1,526.00

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

Name of the shareholders		As at 31st March, 2013		As at 31st March, 2012	
		No. of shares	% of Total	No. of shares	% of Total paid
1	Navin Gupta	3815935	25.01	3,815,935	25.01
2	R L Gupta	2255595	14.78	2,255,595	14.78
3	Shalini Gupta	2167835	14.21	2,147,835	14.07
4	Evergreen Business Consortium Pvt.Ltd	930000	6.09	930000	6.09
Total		9,169,365	60.09	9,149,365	59.95

- (g) The company has issued an aggregate of 50,00,000 upto 31/03/2013 (Previous period 50,00,000 upto 31/03/2012) equity shares in the last five years immediately preceding the balance sheet date to the warrant holders upon conversion of share warrants into fully paid equity shares of ₹. 10/- each.
- (h) The company has issued an aggregate of 32,60,000 upto 31/03/2013 (Previous period 32,60,000 upto 31/03/2012) equity shares of ₹. 10/- each without payment being received in cash in the last 5 years immediately preceding the balance sheet date pursuant to the scheme of arrangement.

Note 2.2: Reserves and surplus

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
(a) Capital reserves				
Balance as per last account	60.00		60.00	
Addition during the year	-	60.00	-	60.00
(b) Securities premium account				
Balance as per last account	1,050.12		1,050.12	
Addition during the year	-	1,050.12	-	1,050.12
(c) General reserves				
Balance as per last account	222.34		222.34	
Addition during the year	-	222.34	-	222.34
(d) Surplus in the Statement of Profit and Loss				
Balance as per last account	561.56		484.78	
Profit for the year	33.10	594.66	76.78	561.56
		1,927.12		1,894.02

Note 2.3: Long-term borrowings

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Secured				
Term loan:				
Vehicle Loan from banks	97.31		167.34	
Less - Amount disclosed under other current liabilities (refer note 2.6)	78.46		70.03	
		18.85		97.31

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

(b) Repayment Terms:-

35 monthly instalments of ₹. 1,76,140/- from 15-08-2011

35 monthly instalments of ₹. 1,93,980/- from 05-06-2011

35 monthly instalments of ₹. 1,93,980/- from 05-06-2011

36 monthly instalments of ₹. 1,43,873/- from 15-07-2011

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



Note 2.4: Short-term borrowing

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
(a) Secured				
Term loan from bank (Refer Note No. C. given below)		2.41		2.41
(b) Unsecured				
Term loan from others		168.19		168.19
		170.60		170.60

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

Note 2.5 : Trade payables

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Total outstanding dues of Micro, Small and Medium Enterprises (To the extent identified with available information)		-		-
Total outstanding dues other than Micro, Small and Medium Enterprises		16.85		20.28
		16.85		20.28

Note 2.6 : Other current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Current maturities of long term borrowings (Refer note no.2.3)		78.46		70.03
Other payables :-				
1 Statutory dues		24.19		20.24
2 Others		231.53		12.55
		334.18		102.82

Note 2.7 : Short-term provisions

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Provisions for :-				
Employee benefits		3.72		3.05
Income tax (net of tax)		3.01		5.57
		6.73		8.62

Note 2.8 : Fixed assets

Particulars	Tangible assets						Intangible assets	Grand total
	Land (lease hold)	Building	Plant and equipment	Office equipment	Furniture & fixtures	Vehicle	Goodwill	
Gross block :								
Gross carrying amount as at 01/04/2012	50.01	322.54	104.18	49.05	166.67	339.19	10.00	1041.65
Addition during the year	-	9.08	-	-	-	-	-	9.08
Disposals/deductions during the year	-	-	-	-	-	12.17	-	12.17
Gross carrying amount as at 31.03.2013	50.01	331.62	104.18	49.05	166.67	327.02	10.00	1038.56
Depreciation/amortisation								
Opening accumulated depreciation/amortisation	-	48.16	66.79	25.19	79.11	45.21	10.00	274.46
Depreciation /amortisation for the year	-	5.28	12.53	2.33	10.55	32.17	-	62.84
Disposals/deductions during the year	-	-	-	-	-	2.89	-	2.89
Closing accumulated depreciation/amortisation	-	53.44	79.32	27.52	89.68	74.47	10.00	334.41
Net block as at 31/03/2013	50.01	278.18	24.86	21.53	77.01	252.55	0.00	704.15

Note2.8 : Fixed assets (previous period)

Particulars	Tangible assets						Intangible assets	Grand total
	Land (lease hold)	Building	Plant and equipment	Office equipment	Furniture & fixtures	Vehicle	Goodwill	
Gross block :								
Gross carrying amount as at 01/04/2011	50.01	322.54	92.26	49.05	166.67	65.04	10.00	755.58
Addition during the year	-	-	11.92	-	-	274.15	-	286.07
Disposals/deductions during the year	-	-	-	-	-	-	-	-
Gross carrying amount as at 31.03.2012	50.01	322.54	104.18	49.05	166.67	339.19	10.00	1041.65
Depreciation/amortisation								
Opening accumulated depreciation/amortisation	-	42.90	55.72	22.86	68.56	17.04	10.00	217.08
Depreciation /amortisation for the year	-	5.26	11.07	2.33	10.55	28.17	-	57.38
Disposals/deductions during the year	-	-	-	-	-	-	-	-
Closing accumulated depreciation/amortisation	-	48.16	66.79	25.19	79.11	45.21	10.00	274.46
Net block as at 31/03/2012	50.01	274.39	37.40	23.86	87.56	293.97	0.00	767.19

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



Note 2.9 : Non current investments

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No. of shares	Amount	No. of shares	Amount
Non trade investments				
Unquoted (Valued at cost)				
In equity shares of companies				
Fully paid up:				
Subsidiary companies:				
IEC Leasing & Capital Mgt. Ltd.	250,000	25.00	250,000	25.00
IEC Learning & Mgt. Ltd.	255,000	25.50	255,000	25.50
IEC Education & Infrastructure Ltd.	255,000	25.50	255,000	25.50
OTHERS				
IEC infotech sdn.bhd.				
Shares of Malaysian ringetts one each (Rupees value 12.45/- per Ringett)	2	0.00	2	0.00
		76.00		76.00

Note 2.10 : Deferred tax assets (net)

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Deferred tax assets				
Provision allowed under tax on payment basis		370.55		369.04
Deferred tax liabilities				
Accumulated depreciation		349.81		347.45
		20.74		21.59

Note 2.11 : Long-term loans and advances

(unsecured, considered good unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Capital advance		-		175.00
Loans & advances to related parties		7.00		7.00
Security deposits to related parties		2058.25		1258.25
Security deposits to others		10.00		10.00
Other loans & advances				
Others		94.54		85.55
		2169.79		1535.80

Note 2.12 : Trade receivables (unsecured, considered good)

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Trade receivables outstanding for a period exceeding six months		621.16		633.79
Other trade receivables		72.17		34.76
		693.33		668.55

a) Trade receivables include an amount of ₹.1,47,00,000 due from trust in which two directors of the Company are interested.

Note 2.13 : Cash and bank balances

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Cash & Cash Equivalents				
Balances with banks				
on current accounts		3.96		81.43
Cheques on Hand		99.69		272.62
Cash on hand		67.49		40.84
Other bank balances				
Fixed deposit (earmarked and pledged)		2.15		1.99
		173.29		396.88

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

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Capital advances		-		105.00
Other loans & advances				
Others		163.03		248.64
		163.03		353.64

Note 2.15 : Revenue from operations

(₹ in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
(a) Franchises royalty		1.83		2.13
(b) Income from personality dev. Programme (PDP)		438.40		472.41
(c) Diploma charges		1.14		1.53
(d) Training & education income		4.90		62.01
Total		446.27		538.08

Note 2.16 : Other income

(₹ in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
Interest income		6.54		5.46
Other non operating income				
Miscellaneous income		0.08		0.21
Total		6.62		5.67

Note 2.17 : Training & education expenses

(₹ in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
Consultancy charges		1.78		1.71
Courses execution charges		4.08		127.19
Franchises expenses		3.65		4.15
P.D.P expenses		115.63		72.32
Total		125.14		205.37



Note 2.18 : Employee benefits expenses

(₹ in Lacs)

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
Salaries, bonus, gratuity & allowances		56.55		31.29
Director,s remuneration		18.00		21.00
Contribution to provident and other fund		0.96		0.88
Staff welfare expenses		6.67		6.70
Total		82.18		59.87

Note 2.19 : Other expenses

(₹ in Lacs)

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
Auditor's remuneration		2.45		2.90
Loss on sale of assets		3.53		-
Bus & taxi hire charges		3.32		4.21
Bank charges		0.48		0.88
Directors' sitting fees		0.27		0.37
General meeting expenses		2.20		2.47
Water and electricity expenses		0.94		0.02
Ignou expenses		2.83		1.78
Inst.of hospitality management expenses		3.19		1.47
Rent rates and taxes		7.98		3.30
Miscellaneous expnses		16.70		17.25
Photography expenses		1.97		2.96
Insurance		1.49		0.03
Legal & Professional expenses		0.23		0.37
Share transfer expenses		0.78		0.82
Students welfare expenses		3.04		4.18
Postage & telephone expenses		3.35		3.32
Printing & stationery		7.34		8.75
Repairs & maintenance building		12.63		16.46
Repairs & maintenance plant & machinery		13.13		16.92
Repairs & maintenance others		7.65		10.02
Sanitation watch & ward		8.23		7.85
Vehicle running & maintenance		3.19		3.61
Advertisement expenses		6.78		3.20
Conference & seminar		7.94		8.36
Miscellaneous expenditure written off		-		1.04
Travelling expenses		4.66		6.86
Total		126.30		129.40

Note 2.20 : Finance costs

(₹ in Lacs)

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
Interest expense				
On long-term borrowings		14.44		18.54
Others		1.23		0.16
Total		15.67		18.70

Note 2.21 : Depreciation and amortization expenses

(₹ in Lacs)

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
Depreciation on tangible assets		62.84		57.38
Total		62.84		57.38

NOTE NO. 2.22 - OTHER DISCLOSURES 

1) Contingent Liabilities not provided for:

(in ₹ lac)

	Current Year	Previous Year
a) Claims against the company not acknowledged as debt	72.84	72.84
b) Bank Guarantee	0.00	0.80

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

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

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

	Current Year	Previous Year
Audit Fee	1.68	2.21
Tax Audit Fee	0.34	0.33
Misc. Certification & Other Charges	0.43	0.36
	-----	-----
	2.45	2.90
	-----	-----

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

6) The Subsidiaries Companies made a combined net Loss of ₹.6.87 lacs for the year ended 31st March, 2013. This loss together with the brought forward loss of ₹.41.59 lacs has been carried to the Balance Sheet. The holding Company's Share of loss out of ₹.48.46 lacs has not been dealt with in the holding Company's books of accounts.



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

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

(₹ in Lacs)

Particulars	Deferred Tax (Assets)/Liabilities as at 01/04/2012	Current Year Charges/ (Credit)	Deferred Tax (Assets)/Liabilities as at 31/03/2013
Deferred Tax Assets :			
Provision allowed under tax on payments basis	369.04	1.51	370.55
	369.04	1.51	370.55
Deferred Tax Liabilities :			
Accumulated Depreciation	340.50	2.36	342.86
Payments allowed under tax not expensed in books	6.95	0.00	6.95
	347.45	2.36	349.81
Net Deferred Tax Assets	21.59	(0.85)	20.74

8) Segment Reporting - Basis of Preparation

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

Primary Segment Information-Business Segment

(₹ in Lacs)

Particulars	Training & Education	P.D.P Receipts	Others	Total
Revenue :-				
Revenue External	4.90 (62.01)	438.40 (472.41)	9.59 (9.33)	452.89 (543.75)
Inter Segment	- (-)	- (-)	- (-)	- (-)
Total Revenue	4.90 (62.01)	438.40 (472.41)	9.59 (9.33)	452.89 (543.75)
Results Segment Results (Profit before tax)	-15.67 (-77.89)	66.93 (156.80)	-10.50 (-5.88)	40.76 (73.03)
Income Tax :- Current Tax	- (-)	- (-)	- (-)	-12.38 (17.08)
Deferred Tax	- (-)	- (-)	- (-)	-0.85 (-7.70)
Written back of provision for Tax	- (-)	- (-)	- (-)	5.57 (28.53)
Net Profit	- (-)	- (-)	- (-)	33.10 (76.78)

Other Information :-				
Assets	1329.08 (1134.12)	797.97 (829.30)	22.57 (24.31)	2149.62 (1987.43)
Unallocated Corporate Assets	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	1829.97 (1810.33)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	3979.59 (3798.06)
Liabilities	168.19 (168.19)	97.31 (167.34)	0.00 (0.00)	265.50 (335.53)
Unallocated Corporate Liabilities	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	281.71 (64.10)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	547.21 (399.63)
Depreciation	4.04 (3.67)	56.64 (51.69)	2.16 (2.01)	62.84 (57.38)
Unallocated Corporate Depreciation	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	62.84 (57.38)
Capital Expenditure	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Unallocated Corporate Capital Expenditure	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)

Figures in brackets represent Previous Year's amount.

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

9) Earning Per Share (EPS):

(₹ in Lacs)

Particulars	2012-2013	2011 - 2012
(A) Basic EPS :		
(i) Net Profit attributable to Equity Shareholders (₹)	27.53	48.25
(ii) Weighted average number of Equity Shares Outstanding (Nos.)	15260000	15260000
Basic EPS (₹) (i) / (ii)	0.18	0.32
(B) Diluted EPS :		
(i) Net Profit attributable to Equity Shareholders (₹)	27.53	48.25
(ii) Weighted average number of Equity Shares Outstanding	15260000	15260000
Diluted EPS (₹) B (i)/B (ii)	0.18	0.32
Face Value per shares (in ₹)	10.00	10.00



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

Relationship:

a) Subsidiary Companies

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

b) Other related parties where transactions have taken place:

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

c) Directors of the Company:

Brig. S.V.S. Chowdhry	Non Executive Director
Mr. R.L. Gupta	Non Executive Director
Mr. Kailash Nath	Non Executive Director
Mr. Sarabjit Singh Saini	Non Executive Director
Mr. Rasik Makkar	Non Executive Director
Mr. H.P Singh	Non Executive Director
Dr. Naveen Gupta	Managing Director
Dr. A.K. Khare	Non Executive Director
Mr. J.K. Bhola	Non Executive Director

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

- Mrs. Shalini Gupta
- Mr. Dheeraj Mangal

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

(₹ in Lacs)

Nature of transaction	Referred in 10 (a)	Referred in 10 (b)	Referred in 10 (c)	Referred In 10 (d)	Total (₹)
- Director's sitting fees			0.27 (0.37)		0.27 (0.37)
- Income received during the year		258.84 (268.99)			258.84 (268.99)
- Remuneration paid during the year			18.00 (21.36)		18.00 (21.36)
- Amount received during the year		165.80 (328.19)	0.00 (0.00)	0.00 (0.00)	165.80 (328.19)
- Amount paid during the year		165.80 (328.19)	0.00 (0.00)	0.00 (0.00)	165.80 (328.19)
- Security given during the year		800.00 (0.00)	0.00 (0.00)	0.00 (0.00)	800.00 (0.00)

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

- 11) There are no transaction which are required to be disclosed under clause 32 of the Listing Agreement with the Stock Exchange where the equity shares of the Company are listed.
- 12) Previous year's expenditure accounted for under the respective heads of accounts during the current year is ₹.2.06 lacs (Previous year ₹.5.96 lacs)
- 13) Additional information pursuant to paras 3, 4C and 4D of Part-II of the Schedule - VI of the Companies Act, 1956 is given below to the extent applicable.

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

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

In terms of our report attached

For Nath & Hari

Chartered Accountants
F.R.No.007403N

(Kailash Hari)

M.No.082285
Partner

Place:- Delhi

Date:- 30th May, 2013

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman)	Rasik Makkar (Director)
Naveen Gupta (Managing Director)	Sarabjit S. Saini (Director)
R.L Gupta (Director)	J.K. Bhola (Director)
Kailash Nath (Director)	Preeti Rani (Company Secretary)
H.P Singh (Director)	Ashutosh Kr. Jha (Accounts Manager)
A.K. Khare (Director)	



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

(₹ in Lacs)

Sl No.	Name of the Subsidiary Companies	IEC Leasing & Capital Management Ltd.	IEC Learning & Management Ltd.	IEC Education & Infrastructure Ltd.
1.	Financial year of the Subsidiaries Company ended on	March, 31, 2013	March 31, 2013	March 31, 2013
2.	Holding Company's Interest			
	a) Number of Shares fully paid	250000	255000	255000
	b) Extent of holding	99.72 %	51%	51%
3.	Net aggregate amount of Profit/(Loss) of the subsidiary, so far as they concern members of the IEC Education Ltd	₹	₹	₹
	i)for the financial year of the subsidiary			
	a) Dealt with in the account of the holding Company	-----	-----	-----
	b) Not dealt with in the accounts of the holding Company	0.01	(3.46)	(3.42)
	ii) For the previous financial years of the subsidiary since it became the holding company's subsidiary			
	a) Dealt with in the account of the holding company	-----	-----	-----
	b) Not dealt with in the accounts of the holding company	(24.72)	(8.37)	(8.50)

In terms of our report attached

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

(Kailash Hari)
M.No.082285
Partner

Place:- Delhi
Date:- 30th May, 2013

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman)
Naveen Gupta (Managing Director)
R.L Gupta (Director)
Kailash Nath (Director)
H.P Singh (Director)
A.K. Khare (Director)

Rasik Makkar (Director)
Sarabjit S. Saini (Director)
J.K. Bhola (Director)
Preeti Rani (Company Secretary)
Ashutosh Kr. Jha (Accounts Manager)

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF IEC EDUCATION LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of IEC Education Ltd ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

Opinion

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

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013.
- in the case of the Consolidated Statement of profit and Loss, of the Profit of the Group for the year ended on that date and
- In the case of Consolidated Cash Flow Statement, of the cash flows of the group for the year ended on that date.

Place : Delhi

Date:- 30th May, 2013

For NATH & HARI
Chartered Accountants
FR No: 007403N

(Kailash Hari)
M.No:- 082285
Partner



IEC EDUCATION LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

Sl. No.	Particulars	Note No.	As at	
			31st March, 2013	31st March, 2012
I	<u>EQUITY AND LIABILITIES</u>			
1	Shareholders' funds			
	(a) Share capital	2.1	1,525.60	1,525.60
	(b) Reserves and surplus	2.2	1,890.67	1,861.05
2	Minority interest		37.36	40.73
3	Non-current liabilities			
	(a) Long-term borrowings	2.3	18.85	97.31
	(b) Other long-term liabilities		-	-
	(c) Long-term provisions		-	-
4	Current liabilities			
	(a) Short term borrowings	2.4	170.60	170.60
	(b) Trade payables	2.5	16.85	20.28
	(c) Other current liabilities	2.6	334.66	103.13
	(d) Short term provisions	2.7	6.73	8.64
	Total		4,001.32	3,827.34
II	<u>ASSETS</u>			
1	<u>Non-current assets</u>			
	(a) Fixed assets			
	Tangible assets	2.8	704.15	767.19
	(b) Non-current investments	2.9	0.00	0.00
	(c) Deferred tax assets (net)	2.10	20.74	21.59
	(d) Long-term loans & advances	2.11	2,169.79	1,535.80
	(e) Other non-current assets	2.12	-	0.71
2	<u>Current assets</u>			
	(a) Trade receivables	2.13	693.33	668.55
	(b) Cash & bank balances	2.14	250.28	479.86
	(c) Short-term loans & advances	2.15	163.03	353.64
	(d) Other current assets		-	1,502.05
	Total		4,001.32	3,827.34
	Significant accounting policies	1		
	Notes to accounts	2		
	The notes are an integral part of the financial statements			

In terms of our report attached

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

(Kailash Hari)
M.No.082285
Partner

Place:- Delhi
Date:- 30th May, 2013

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman)
Naveen Gupta (Managing Director)
R.L Gupta (Director)
Kailash Nath (Director)
H.P Singh (Director)
A.K. Khare (Director)

Rasik Makkar (Director)
Sarabjit S. Saini (Director)
J.K. Bhola (Director)
Preeti Rani (Company Secretary)
Ashutosh Kr. Jha (Accounts Manager)

IEC EDUCATION LIMITED 

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31/03/2013

(₹ in Lacs)

Sl. No.	Particulars	Note No.	Year ended	
			31st March, 2013	31st March, 2012
I	Revenue from operations	2.16	446.40	538.08
II	Other Income	2.17	6.62	6.12
III	Total Revenue		453.02	544.20
IV	Expenses :			
(a)	Training & education expenses	2.18	125.14	205.37
(b)	Employee benefits expenses	2.19	85.69	64.13
(c)	Other expenses	2.20	129.78	133.63
(d)	Finance costs	2.21	15.67	18.70
(e)	Depreciation and amortisation expenses	2.22	62.84	57.38
	Total Expenses		419.12	479.21
V	Profit before exceptional and extraordinary items and tax (III-IV)		33.90	64.99
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V-VI)		33.90	64.99
VIII	Extraordinary items		-	-
IX	Profit before tax (VII-VIII)		33.90	64.99
	Tax expense :			
a	Current tax		(12.38)	(17.10)
b	Write back of excess provision for tax/income tax refund related to earlier years (net)		5.57	28.53
c	Deferred tax		(0.85)	(7.70)
X	Profit before minority interest		26.24	68.72
	Minority interest		3.37	4.11
XI	Profit for the year		29.61	72.83
XII	Earnings per share			
	Basic (Rs.)		0.14	0.26
	Diluted (Rs.)		0.14	0.26
	Significant accounting policies	1		
	Notes to accounts	2		
	The notes are an integral part of the financial statements			

In terms of our report attached

For Nath & Hari

Chartered Accountants
F.R.No.007403N

(Kailash Hari)

M.No.082285
Partner

Place:- Delhi

Date:- 30th May, 2013

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman)

Naveen Gupta (Managing Director)

R.L Gupta (Director)

Kailash Nath (Director)

H.P Singh (Director)

A.K. Khare (Director)

Rasik Makkar (Director)

Sarabjit S. Saini (Director)

J.K. Bhola (Director)

Preeti Rani (Company Secretary)

Ashutosh Kr. Jha (Accounts Manager)


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013 (₹ in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before exceptional items and tax		33.90		64.99
Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities				
Depreciation and amortisation expense	62.84		57.38	
Miscellaneous Expenditure written off	0.72		1.75	
Loss on sale of assets	3.53		0.00	
Interest Paid	15.67		18.70	
Interest Received	(6.54)		(5.46)	
Provision for income tax of earlier year written back	5.57	81.79	28.53	100.90
Operating Profit before working capital changes		115.69		165.89
Adjusted for :				
(Increase)/Decrease in Trade and other receivables	(24.78)		227.52	
(Increase)/Decrease in loans and advances	(443.38)		(191.21)	
(Increase)/Decrease in other non current assets	0.00		0.00	
Increase/(Decrease) in Trade payables	(3.43)		(24.03)	
Increase/ (Decrease) in Other current liabilities	231.53		79.66	
Increase/ (Decrease) in Provision	(4.92)	(244.98)	(15.73)	76.21
Cash generated from operation		(129.29)		242.10
Income tax paid / Refunds received (Net)		(9.37)		(11.51)
Net Cash (used) in / from Operating Activities		(138.66)		230.59
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(9.08)		(286.07)	
Sale of fixed assets	5.75		0.00	
Interest received	6.54		5.46	
Investments	0.00		0.00	
Net Cash (used) in / from Investing Activities		3.21		(280.61)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds of Long Term and other borrowings	0.00		87.27	
Repayment of Long Term and other borrowings	(78.46)		0.00	
Issue of share capital	0.00		0.00	
Interest Paid	(15.67)		(18.70)	
Net Cash(used)in/ from Financing Activities		(94.13)		68.57
Net increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(229.58)		18.55
Cash and Cash Equivalents-Opening Balance		479.86		461.31
Cash and Cash Equivalents-Closing Balance*		250.28		479.86

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified under the Companies (Accounting Standards) Rules, 2006.
2. Cash and cash equivalents include ₹. 2.15 Lacs (Previous year ₹.1.99 Lacs) on account of fixed deposit earmarked and pledged which are not available for use th the Company.
3. Cash and cash equivalents as at the balance sheet date consists of:

(₹ in Lacs)

	Particulars	As at 31st March, 2013	As at 31st March, 2012
a)	Balance with bank on current account	3.95	81.50
b)	Cheques on hand	133.69	322.62
c)	Cash on hand	110.49	73.75
d)	Fixed Deposit (earmarked and pledged)	2.15	1.99
	Total	250.28	479.86

4. Figure in brackets represent cash out flow from respective activities.
5. As breakup of Cash and cash equivalents is also available in Note No.2.14 reconciliation of items of Cash and cash equivalents as per Cash Flow Statement with the equivalents items reported in the Balance Sheet is not required and hence not provided.
6. Previous year figures have been regrouped / recasted wherever necessary.

In terms of our report attached

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

(Kailash Hari)
M.No.082285
Partner

Place:- Delhi
Date:- 30th May, 2013

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman)	Rasik Makkar (Director)
Naveen Gupta (Managing Director)	Sarabjit S. Saini (Director)
R.L Gupta (Director)	J.K. Bhola (Director)
Kailash Nath (Director)	Preeti Rani (Company Secretary)
H.P Singh (Director)	Ashutosh Kr. Jha (Accounts Manager)
A.K. Khare (Director)	



Company Overview

IEC Education Limited (the “Company”) was incorporated on 23rd August, 1994 in India as a public limited Company. The Company made an initial public offer in March, 1996. As at 31st March, 2013 the Company is listed on Three Stock exchanges in India namely Bombay Stock Exchange, Delhi Stock Exchange and Jaipur Stock Exchange. The Company has three Subsidiaries located in India. (the Company and its subsidiaries constitute the “Group”) The Group business consists of Computer education, Franchisee business & Personality development programme.

1. Significant Accounting Policies

1.1) Basis of preparation:

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

1.2. Principles of Consolidation:

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

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

The consolidated financial statements have been prepared in accordance with the principles and procedures for the preparation and presentation as laid down under Accounting Standard 21 on “Consolidated Financial Statements” as specified in the Companies (Accounting Standard) Rules, 2006.

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

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

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

1.3. Other Significant Accounting Policies

These are set out in the notes to accounts under the “Significant Accounting Policies” of the financial statements of the Company and its three subsidiaries namely IEC Leasing & Capital Management Ltd, IEC Learning and Managements Ltd and IEC Education and Infrastructure Ltd.

IEC EDUCATION LIMITED

Notes forming part of the Consolidated Financial Statements

2. Notes to Consolidated Accounts

Note 2.1: Share capital

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised:				
Equity shares of ₹.10/- each	21000000	2,100.00	21000000	2,100.00
(b) Issued, subscribed and fully paid up:				
Equity shares of ₹.10/- each	15256000	1,525.60	15256000	1,525.60
		1,525.60		1,525.60

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

	Name of the shareholders	As at 31st March, 2013		As at 31st March, 2012	
		No. of shares	% of Total	No. of shares	% of Total paid
1	Navin Gupta	3815935	25.01	3,815,935	25.01
2	R L Gupta	2255595	14.78	2,255,595	14.78
3	Shalini Gupta	2167835	14.21	2,147,835	14.07
4	Evergreen Business Consortium Pvt.Ltd	930000	6.09	930000	6.09
	Total	9,169,365	60.09	9,149,365	59.95

- (g) The company has issued an aggregate of 50,00,000 upto 31/03/2013 (Previous period 50,00,000 upto 31/03/2012) equity shares in the last five years immediately preceding the balance sheet date to the warrant holders upon conversion of share warrants into fully paid equity shares of ₹. 10/- each.
- (h) The company has issued an aggregate of 32,60,000 upto 31/03/2013 (Previous period 32,60,000 upto 31/03/2012) equity shares of ₹. 10/- each without payment being received in cash in the last 5 years immediately preceding the balance sheet date pursuant to the scheme of arrangement.



Note 2.2: Reserves and surplus

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
(a) Capital reserves				
Balance as per last account	60.00		60.00	
Addition during the year	-	60.00	-	60.00
(b) Securities premium account				
Balance as per last account	1,050.12		1,050.12	
Addition during the year	-	1,050.12	-	1,050.12
(c) General reserves				
Balance as per last account	222.34		222.34	
Addition during the year	-	222.34	-	222.34
(d) Surplus in the Statement of Profit and Loss				
Balance as per last account	528.59		455.76	
Profit for the year	29.61	558.21	72.83	528.59
		1,890.67		1,861.05

Note 2.3: Long-term borrowings

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Secured				
Term loan:				
Vehicle Loan from banks	97.31		167.34	
Less - Amount disclosed under other current liabilities (refer note 2.6)	78.46		70.03	
		18.85		97.31

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

(b) Repayment Terms:-

35 monthly instalments of ₹. 1,76,140/- from 15-08-2011

35 monthly instalments of ₹. 1,93,980/- from 05-06-2011

35 monthly instalments of ₹. 1,93,980/- from 05-06-2011

36 monthly instalments of ₹. 1,43,873/- from 15-07-2011

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

Note 2.4: Short-term borrowing

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
(a) Secured				
Term loan from bank (Refer Note No. C. given below)		2.41		2.41
(b) Unsecured				
Term loan from others		168.19		168.19
		170.60		170.60

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

Note 2.5 : Trade payables

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Total outstanding dues of Micro, Small and Medium Enterprises (To the extent identified with available information)		-		-
Total outstanding dues other than Micro, Small and Medium Enterprises		16.85		20.28
		16.85		20.28

Note 2.6 : Other current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Current maturities of long term borrowings (Refer note no.2.3)		78.46		70.03
Other payables :-				
1 Statutory dues		24.19		20.24
2 Others		232.01		12.86
		334.66		103.13

Note 2.7 : Short-term provisions

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Provisions for :-				
Employee benefits		3.72		3.05
Income tax (net of tax)		3.01		5.59
		6.73		8.64



Note 2.8 : Fixed assets

Particulars	Tangible assets						Intangible assets	Grand total
	Land (lease hold)	Building	Plant and equipment	Office equipment	Furniture & fixtures	Vehicle	Goodwill	
Gross block :								
Gross carrying amount as at 01/04/2012	50.01	322.54	104.18	49.05	166.67	339.19	10.00	1041.65
Addition during the year	-	9.08	-	-	-	-	-	9.08
Disposals/deductions during the year	-	-	-	-	-	12.17	-	12.17
Gross carrying amount as at 31.03.2013	50.01	331.62	104.18	49.05	166.67	327.02	10.00	1038.56
Depreciation/amortisation								
Opening accumulated depreciation/amortisation	-	48.16	66.79	25.19	79.11	45.21	10.00	274.46
Depreciation /amortisation for the year	-	5.28	12.53	2.33	10.55	32.17	-	62.84
Disposals/deductions during the year	-	-	-	-	-	2.89	-	2.89
Closing accumulated depreciation/amortisation	-	53.44	79.32	27.52	89.68	74.47	10.00	334.41
Net block as at 31/03/2013	50.01	278.18	24.86	21.53	77.01	252.55	0.00	704.15

Note2.8 : Fixed assets (previous period)

Particulars	Tangible assets						Intangible assets	Grand total
	Land (lease hold)	Building	Plant and equipment	Office equipment	Furniture & fixtures	Vehicle	Goodwill	
Gross block :								
Gross carrying amount as at 01/04/2011	50.01	322.54	92.26	49.05	166.67	65.04	10.00	755.58
Addition during the year	-	-	11.92	-	-	274.15	-	286.07
Disposals/deductions during the year	-	-	-	-	-	-	-	-
Gross carrying amount as at 31.03.2012	50.01	322.54	104.18	49.05	166.67	339.19	10.00	1041.65
Depreciation/amortisation								
Opening accumulated depreciation/amortisation	-	42.90	55.72	22.86	68.56	17.04	10.00	217.08
Depreciation /amortisation for the year	-	5.26	11.07	2.33	10.55	28.17	-	57.38
Disposals/deductions during the year	-	-	-	-	-	-	-	-
Closing accumulated depreciation/amortisation	-	48.16	66.79	25.19	79.11	45.21	10.00	274.46
Net block as at 31/03/2012	50.01	274.39	37.40	23.86	87.56	293.97	0.00	767.19

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

Note 2.9 : Non current investments

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No. of shares	Amount	No. of shares	Amount
Non trade investments				
Unquoted (Valued at cost)				
IEC infotech sdn.bhd.				
Shares of Malaysian ringetts one each (Rupees value 12.45/- per Ringett)	2	0.00	2	0.00
		0.00		0.00

Note 2.10 : Deferred tax assets (net)

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Deferred tax assets				
Provision allowed under tax on payment basis		370.55		369.04
Deferred tax liabilities				
Accumulated depreciation		349.81		347.45
		20.74		21.59

Note 2.11 : Long-term loans and advances

(unsecured, considered good unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Capital advance		-		175.00
Loans & advances to related parties		7.00		7.00
Security deposits to related parties		2058.25		1258.25
Security deposits to others		10.00		10.00
Other loans & advances				
Others		94.54		85.55
		2169.79		1535.80

Note 2.12: Other non current assets (unsecured, considered good unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
MISC . EXPENDITURE				
(To the extent not written off or adjusted)				
Preliminary & pre operative expenses		-		0.71
Deferred revenue expenditure		-		-
		-		0.71



Note 2.13 : Trade receivables (unsecured, considered good)

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Trade receivables outstanding for a period exceeding six months		621.16		633.79
Other trade receivables		72.17		34.76
		693.33		668.55

a) Trade receivables include an amount of ₹.1,47,00,000 due from trust in which two directors of the Company are interested.

Note 2.14 : Cash and bank balances

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Cash & Cash Equivalents				
Balances with banks on current accounts		3.95		81.50
Cheques on Hand		133.69		322.62
Cash on hand		110.49		73.75
Other bank balances				
Fixed deposit (earmarked and pledged)		2.15		1.99
		250.28		479.86

Note 2.15: Short-term loans and advances (unsecured, considered good)

(₹ in Lacs)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Capital advances		-		105.00
Other loans & advances				
Others		163.03		248.64
		163.03		353.64

Note 2.16 : Revenue from operations

(₹ in Lacs)

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
(a) Franchises royalty		1.83		2.13
(b) Income from personality dev. Programme (PDP)		438.40		472.41
(c) Diploma charges		1.27		1.53
(d) Training & education income		4.90		62.01
Total		446.40		538.08

Note 2.17 : Other income

(₹ in Lacs)

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
Interest income		6.54		5.46
Other non operating income				
Miscellaneous income		0.08		0.66
Total		6.62		6.12

Note 2.18 : Training & education expenses

(₹ in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
Consultancy charges		1.78		1.71
Courses execution charges		4.08		127.19
Franchises expenses		3.65		4.15
P.D.P expenses		115.63		72.32
Total		125.14		205.37

Note 2.19 : Employee benefits expenses

(₹ in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
Salaries, bonus, gratuity & allowances		59.73		35.22
Director,s remuneration		18.00		21.00
Contribution to provident and other fund		0.96		0.88
Staff welfare expenses		7.00		7.03
Total		85.69		64.13

Note 2.20 : Other expenses

(₹ in Lacs)

Particulars	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
Auditor's remuneration		2.64		3.08
Loss on sale of assets		3.53		-
Bus & taxi hire charges		3.32		4.21
Bank charges		0.83		1.23
Directors' sitting fees		0.27		0.37
General meeting expenses		2.20		2.47
Water and electricity expenses		0.94		0.02
Ignou expenses		2.83		1.78
Inst.of hospitality management expenses		3.19		1.47
Rent rates and taxes		7.98		3.30
Miscellaneous expnses		17.12		18.02
Photography expenses		1.97		2.96
Insurance		1.49		0.03
Legal & Professional expenses		0.54		0.75
Share transfer expenses		0.78		0.82
Students welfare expenses		3.04		4.18
Postage & telephone expenses		3.63		3.61
Printing & stationery		7.85		9.48
Repairs & maintenance building		12.63		16.46
Repairs & maintenance plant & machinery		13.13		16.92
Repairs & maintenance others		7.65		10.02
Sanitation watch & ward		8.57		8.18
Vehicle running & maintenance		3.19		3.61
Advertisement expenses		6.78		3.20
Conference & seminar		7.94		8.36
Miscellaneous expenditure written off		0.71		1.75
Travelling expenses		5.03		7.35
Total		129.78		133.63



Note 2.21 : Finance costs

(₹ in Lacs)

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
Interest expense				
On long-term borrowings		14.44		18.54
Others		1.23		0.16
Total		15.67		18.70

Note 2.22 : Depreciation and amortization expenses

(₹ in Lacs)

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
Depreciation on tangible assets		62.84		57.38
Total		62.84		57.38

NOTE NO. 2.23 - OTHER DISCLOSURES

2.23) Earning Per Share (EPS):

Particulars	2012-2013	2011 - 2012
(A) Basic EPS :		
(i) Net Profit attributable to Equity Shareholders (₹)	20.67	40.22
(ii) Weighted average number of Equity Shares Outstanding (Nos.)	15256000	15256000
Basic EPS (₹) (i) / (ii)	0.14	0.26
(B) Diluted EPS :		
(i) Net Profit attributable to Equity Shareholders (₹)	20.67	40.22
(ii) Weighted average number of Equity Shares Outstanding	15256000	15256000
Diluted EPS (₹) B (i)/B (ii)	0.14	0.26
Face Value per shares (in ₹)	10.00	10.00

- 2.24) The notes other than financial details are set out in the notes to accounts of the financial statements of the Company and its three subsidiaries namely IEC Leasing & Capital Management Ltd, IEC Learning and Managements Ltd and IEC Education and Infrastructure Ltd.

2.25) Additional information pursuant to paras 3, 4C and 4D of Part-II of the Schedule - VI of the Companies Act, 1956 is given below to the extent applicable.

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

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

In terms of our report attached

For Nath & Hari

Chartered Accountants
F.R.No.007403N

(Kailash Hari)

M.No.082285
Partner

Place:- Delhi

Date:- 30th May, 2013

For and on behalf of the Board of Director

Brig. S.V.S Chowdhry (Chairman)	Rasik Makkar (Director)
Naveen Gupta (Managing Director)	Sarabjit S. Saini (Director)
R.L Gupta (Director)	J.K. Bhola (Director)
Kailash Nath (Director)	Preeti Rani (Company Secretary)
H.P Singh (Director)	Ashutosh Kr. Jha (Accounts Manager)
A.K. Khare (Director)	

Statement Pursuant To Section 212 of the Companies Act, 1956 Relating to Subsidiary Companies											
(Pursuant to General Circular No. 2/2011 dated February 8, 2011 issued by Ministry of Corporate Affairs)											
(in . thousands)											
Name of the Subsidiary	Currency	Share Capital (Paid up)	Reserves	Total Assets*	Total Liabilities**	Investment	Turnover***	Profit/ (Loss) Before Taxation	Provision for Tax/Deferred tax charge/ (credit)	Profit After Tax	Dividend (Proposed / Paid)
IEC Leasing & Capital Management Ltd.	INR	2507000	(2470.60)	60.80	24.40	12.00	13.30	1.60	0.50	1.10	NIL
IEC Learning & Management Ltd.	INR	5000000	(1183.00)	3829.00	12.30	-	-	(345.60)	-	(345.60)	NIL
IEC Education & Infrastructure Ltd.	INR	5000000	(1192.30)	3820.10	12.40	-	-	(342.00)	-	(342.00)	NIL

*includes Current Assets

** includes Current Liabilities

***includes other income

IEC EDUCATION LTD

Registered Office: 5, Sant Nagar, East of Kailash, New Delhi -110 065

PROXY FORM

DPId: _____

Client Id: _____

Regd. Folio No.*: _____

No. of Shares: _____

I/We _____ of _____ in the district of _____
_____ being a member/members of the Company

hereby appoint Mr./Ms. _____ of _____ in the district of _____
_____ or failing him Mr./Ms. _____ of _____ in the
district of _____ as my / our proxy to vote for me / us on my / our behalf at the 19th (Nineteenth)

ANNUAL GENERAL MEETING of the Company to be held on Monday, the 23rd day of September, 2013 at 2:00 P.M. at Sri Sathya Sai International Centre, Institutional Area, Pragati Vihar, Lodhi Road, New Delhi-110 003 and at any adjournment (s) thereof.

Signed this _____ day of _____ 2013

*Applicable for investor holding shares in Physical form

Signature of the Shareholder

Affix
Revenue
Stamp

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

IEC EDUCATION LTD.

Registered Office: 5, Sant Nagar, East of Kailash, New Delhi -110 065

ADMISSION SLIP

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

DPId: _____

Client Id: _____

Regd. Folio No.: _____

No. of Shares: _____

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

I / we hereby record my / our presence at the 19th (Nineteenth) **ANNUAL GENERAL MEETING** of the Company to be held on Monday, the 23rd day of September, 2013 at 2:00 P.M. at Sri Sathya Sai International Centre, Institutional Area, Pragati Vihar, Lodhi Road, New Delhi-110003.

Please tick in the box

MEMBER

PROXY

Signature of Member/Proxy

Looking to the Future



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