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ANNUAL REPORT OF

HARYANA KNOWLEDGE CORPORATION LIMITED

FOR THE

FINANCIAL YEAR ENDED 31st MARCH, 2014



HARYANA KNOWLEDGE CORPORATION LIMITED

Regd. Office: 4th Floor, HSIIDC – IT Park, Plot No 1, Sector-22, Panchkula, Haryana – 134 109 INDIA.

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 1st Annual General Meeting of the Company will be held at the registered office of the Company HSIIDC IT Park, 4th Floor, Plot No.1, Sector -22, Panchkula - 134109 on Thursday, 09th day of October, 2014 at 11.00 am to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2014, Profit & Loss Account for the year ended on that date along with the Report of the Board of Directors' and Auditors' thereon. , and to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that the Audited Statement of Profit and Loss Account for the year ended 31st March, 2014 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon, be and are hereby approved and adopted.”

2. To appoint a Director in place of Sh. Yudhvir Singh Malik, IAS, who retires at the conclusion of the AGM and offers himself for re-appointment.
3. To appoint a Director in place of Sh. Sameer Pande, who retires at the conclusion of the AGM and offers himself for re-appointment.
4. To appoint a Director in place of Sh. Vivek Sawant, who retires at the conclusion of the AGM and offers himself for re-appointment.
5. To appoint a Director in place of Smt. Veena Kamath, who retires at the conclusion of the AGM and offers herself for re-appointment.
6. To appoint a Director in place of Sh. Vijayendra Kumar, IAS, who retires at the conclusion of the AGM and offers himself for re-appointment.
7. To appoint a Director in place of Sh. C.R.Rana, IAS, who retires at the conclusion of the AGM and offers himself for re-appointment.

8. **Appointment of Auditor**

To pass with or without modification(s), the following as a Ordinary Resolution :-

“RESOLVED that P.K.Bhasin & Associates, Chartered Accountants, Chandigarh, being eligible having given their consent u/s 139 of the Companies Act, 2013, be and are hereby appointed as Auditor of the Company to hold office from the conclusion of this meeting

conclusion of the next Annual General Meeting on remuneration and terms & conditions as recommended by the Board of Directors.”

SPECIAL BUSINESS

9. Appointment Sh. Sameer Pande as Managing Director & CEO of the Company for a period of Five (5) years.

To pass with or without modification(s), the following as a Ordinary Resolution :-

“RESOLVED THAT pursuant to the provisions of article 35, 36 and 40 of Article of Association of the company and other applicable provisions of the Companies Act, 2013, Sh. Sameer Pande, be and is hereby appointed as non-rotational Managing Director of the company with a Monthly remuneration as decided by the Board of Directors of the Company, for a period of 5 years w.e.f. December 2, 2013.

RESOLVED FURTHER THAT Company Secretary of the company be and is hereby authorized to do all such acts and deeds for giving effect to the above passed resolution and file the necessary returns with the Registrar of Companies.”


10. Revision of remuneration of Sh. Sameer Pande, Managing Director & CEO of the Company, w.e.f 01.04.2014.

To pass with or without modification(s), the following as a Ordinary Resolution :-

RESOLVED FURTHER THAT the consent of the company to the remuneration and perquisite payable to Mr. Sameer Pande, managing Director & CEO of the Company, be and is hereby accorded with effect from April 1, 2014, as recommended by the Remuneration Committee of the Board of Directors and as approved by Board of Directors.

RESOLVED FURTHER THAT the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and file the relevant documents with Registrar of Companies.”

By Order of the Board
For Haryana Knowledge Corporation Limited


(Company Secretary)

Date: 27.09.2014

Place:Panchkula

Note:

- (1) A member entitled to attend and vote at this meeting is entitled to appoint a Proxy to attend and vote instead of himself and the proxy need not be a member. A proxy to be

- valid should be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. Form of Proxy is enclosed.
- (2) A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of total share capital of the company carrying voting rights. A member holding more than 10% of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
 - (3) Members are requested to bring their attendance slip along with copy of the annual report to the meeting.
 - (4) A blank form of attendance slip is attached herewith. The Members/proxies should bring duly filled in and signed attendance slip for attending the meeting.

MGT-11
Proxy form

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

CIN : _____
Name of the company: Registered
office : _____

Name of the member (s):	_____
Registered address :	_____
E-mail Id :	_____
Folio No/ Client Id :	_____

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name : _____
Address : _____
E-mail Id : _____
Signature: _____

or failing him

2. Name : _____
Address : _____
E-mail Id : _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the _____ Annual general meeting/ Extraordinary general meeting of the company, to be held on the _____ day of _____ At _____ a.m. / p.m. at _____ (place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1 _____

Affix
Revenue
Stamp

Signed this _____ day of _____ 20____

Signature of shareholder _____
Signature of Proxy holder(s) _____

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

Haryana Knowledge Corporation Limited

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

I _____ certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 1st Annual General Meeting of the Company at the _____

Ledger Folio No. _____

No. of Shares _____

Signature _____

----- TEAR HERE -----

DIRECTORS' REPORT

The Shareholders of
Haryana Knowledge Corporation Limited

The directors of your company present the 1st Annual Report on the working of your company together with annual Audited Financial Statements for the period ended March 31, 2014.

CAPITAL STRUCTURE

The authorized capital of the company stands at Rs. 5 Crores divided into 50,00,000 equity shares of Rs. 10/- each. Against this, the paid up capital of the company also stood at Rs. 2 Crores comprising of 20,00,000 equity shares of Rs. 10/- each fully called and paid up.

OPERATIONS

S.No.	Particulars	Amount (Rs. in lakh)	
		2013-14	2012-13
1	Income		
(a)	Revenue from Operations	24,31,657.00	-
	Other Income	5,65,359.20	-
	Gross Income (1) Sub-Total (a)	29,97,016.20	-
2	Expenditure	27,01,302.00	-
3	Profit from Operations	2,95,714.20	-

Companies Act, 2013:

The provisions of the Companies Act, 2013 have been made applicable on different dates. Certain provisions came into force w.e.f. from 12th September 2013 and the other provisions came into force w.e.f. 01st April 2014. Since then certain amendments have been made in the Rules and clarifications have been issued by MCA with respect

to the applicability of the provisions of the Companies Act, 2013. One of these clarifications is a General Circular No. 08 /2014, Dated April 04, 2014 which clarified that the Financial Statements, Auditors Report and Board's Report in respect of the previous year ended March 31 2014 will be in accordance with the Companies Act, 1956 and rules made there under. The Company has prepared its Annual Accounts and related documents in accordance with the above mentioned circular. The Financial Statements and Reports thereto have been prepared in the best understanding and judgment as regards to the provisions of applicable laws, accounting standards and provisions with regard to the Companies Act,1956 and The Companies Act 2013 wherever applicable.

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217 (2A)

None of the employees of the company was getting remuneration in excess of limits as specified pursuant to section 217 (2A).

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE

Particulars to be given in respect of above activities under the provisions of Sec 217 (1) (e) of the Companies Act, 1956 may be treated as NIL.

AUDITORS

The Companies Auditors M/S P.K.Bhasin & Associates , Chandigarh retired at the Annual General Meeting and are eligible for reappointment. They have given their eligibility in terms of Sec 141 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in preparation of the annual accounts for the financial year ending March 31,2014, the applicable standards have been followed.
- (ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss account of the company for the year under review.



- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting frauds and other irregularities.
- (iv) That the directors had prepared the accounts for the financial year ending March 31,2014 on the going concern basis.

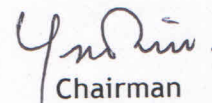
The directors hereby confirm that they had laid down internal financial controls which are adequate and operating effectively in the company.


The directors also confirm that they had devised proper internal systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS OBSERVATIONS

The observations of auditors are self explanatory and/ or suitably explained in the "Notes on Accounts"

BY ORDER OF THE BOARD


Chairman

 Place: Chandigarh
Dated: 17-09-2014

P. K. Bhasin & Associates
Chartered Accountants
S.C.O. 356, Sector 32 – D,
Chandigarh - 160 031
Ph: 0172-2604579, 2614779 & 9417089140

Annexure to Auditor's Report

Referred in Paragraph 3 of our report of even date

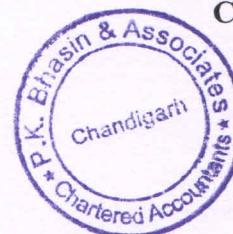
- (i) In respect of Fixed assets: - This point is not applicable as the company has no fixed assets.
- (ii) Since the nature of business of the company is to provide eLearning, eGovernance, and eEmpowerment services, there is no inventory involved.
- (iii) The company has neither taken nor granted any loans from to companies, firms or other parties covered under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and with regard to providing services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) According to the information and explanations given to us, there is no company under the same management as required to be entered in the register maintained under Section 301 of the Companies Act, 1956.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from Public attracting the provisions of Section 58A and 58AA of the Companies Act, 1956 and Acceptance of Deposits Companies Rules, 1975.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) Since the nature of business of the company is to provide eLearning, eGovernance and eEmpowerment services, the rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, are not applicable to the company.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, and other material statutory dues applicable to it.
(b) According to the information and explanation given to us, there are no dues of income tax, which have not been deposited on account of any dispute.



- (x) The company does not have accumulated losses and the company has also not incurred cash losses during the financial year covered by our audit.
- (xi) The question of default in repayment of dues to a financial institution, bank or debenture holders is not applicable since the company has neither taken any loan nor there are any debenture holders.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) According to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks and financial institutions.
- (xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, the company has not raised any term loans.
- (xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the company, the company has not raised any short term funds.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares during the year.
- (xix) According to the information and explanations given to us, the company has not issued debentures during the year, requiring creation of security.
- (xx) The company has not raised money by public issues of shares.
- (xxi) 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: Chandigarh
Date: 25.09.2014

for P. K. Bhasin & Associates
Chartered Accountants



(C. A. P. K. Bhasin)

HARYANA KNOWLEDGE CORPORATION LIMITED

(Amount in Rs.)

BALANCE SHEET AS AT 31ST MARCH 2014

PARTICULARS	Note No.	AS AT 31.03.2014	AS AT 31.03.2013
EQUITY AND LIABILITIES			
ShareHolder's Fund			
Share Capital	1	200,00,000.00	-
Reserves & Surplus	2	1,94,254.20	-
(A)		201,94,254.20	-
Non-Current Liabilities			
(B)		-	-
Current Liabilities			
Short Term Borrowings	3	-	-
Other Current Liabilities	4	78,00,625.08	-
Short Term Provisions	5	4,21,864.00	-
(C)		82,22,489.08	-
EQUITY AND LIABILITIES (A+B+C)		284,16,743.28	-
ASSETS			
Non-Current Assets			
Fixed Assets :			
Non-Current Investments	6	-	-
Deferred Tax Asset (Net)	7	-	-
Other Non- Current Assets	8	-	-
(D)	9	-	-
Current Assets			
Trade receivables	10	62,89,007.00	-
Cash and Cash Equivalents	11	194,12,469.28	-
Short Term loans and Advances	12	3,16,470.00	-
Other Current Assets	13	23,98,797.00	-
(E)		284,16,743.28	-
ASSETS (D+E)		284,16,743.28	-

for Haryana Knowledge Corporation Limited.

Y. S. Malik
(Y. S. Malik, IAS)
Chairman

Sameer Shivshankar Pande
(Sameer Shivshankar Pande)
Managing Director & CEO



Audit report
In terms of our report of even date

for P. K. Bhasin & Associates
Chartered Accountants

(P. K. Bhasin)
M. No. 086876

Place : Chandigarh
Dated : 25/9/14

HARYANA KNOWLEDGE CORPORATION LIMITED


(Amount in Rs.)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

PARTICULARS	Note No.	AS AT 31.03.2014	AS AT 31.03.2013
Income			
Revenue from Operations	14	2,431,657.00	-
Other Income	15	565,359.20	-
Total Revenue		2,997,016.20	-
EXPENSES			
Employee Benefits Expense	16	1,048,211.00	-
Other Expenses	17	1,653,091.00	-
Depreciation and Amortisation Expense	18	-	-
Total Expenses		2,701,302.00	-
Profit/Loss Before Tax		295,714.20	-
Tax Expense :			
Current Tax		101,460.00	-
Deferred Tax		-	-
Profit/Loss After Tax transferred to Reserves & Surplus		194,254.20	-

for Haryana Knowledge Corporation Limited.


(Y. S. Malik)
IAS
Chairman


(Sameer Shivshankar Pande)
Managing Director & CEO

Audit report
In terms of our report of even date

for P. K. Bhasin & Associates
Chartered Accountants



(P. K. Bhasin)
M. No. 086876

Place : Chandigarh
Dated : 25/9/14

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

HARYANA KNOWLEDGE CORPORATION LIMITED

(Amount in Rs.)			
Note No.	PARTICULARS	AS AT 31.03.2014	AS AT 31.03.2013
1	SHARE CAPITAL		
	Authorised Equity Share Capital 5000000 Equity Share of Rs.10/- each	500,00,000.00	-
		500,00,000.00	-
	Issued, Subscribed & Paid up Share Capital Equity 2000000 shares of Rs.10/- each fully paid up	200,00,000.00	-
		200,00,000.00	-
2	RESERVES & SURPLUS		
	Profit & Loss Account : Opening Balance as on 1.04.2013	-	-
	Add: - Net profit during the year transferred from P&L A/C	1,94,254.20	
	Less: - - Transferred to General Reserve - Proposed Dividend - Provision for Dividend Tax	- - -	- - -
	Closing Balance	1,94,254.20	-
	Balance transferred to Balance Sheet	1,94,254.20	-

HARYANA KNOWLEDGE CORPORATION LIMITED

(Amount in Rs.)			
Note No.	PARTICULARS	AS AT 31.03.2014	AS AT 31.03.2013
3	SHORT TERM BORROWINGS		
		-	-
		-	-
4	OTHER CURRENT LIABILITIES		
	Payable to MKCL	70,51,061.00	-
	Audit fee payable	28,090.00	-
	TDS payable	33,820.00	-
	Employee Benefit Expenses Payable	3,55,903.00	-
	Expenses Payable	3,26,573.00	-
	Other Payable	5,178.08	-
		78,00,625.08	-
5	SHORT TERM PROVISIONS		
	Provision for Employee Benefits	3,74,476.00	-
	Provision for Income Tax (Net of Advance Tax & TDS)	47,388.00	-
		4,21,864.00	-



			(Amount in Rs.)	
Note No.	PARTICULARS	AS AT 31.03.2014	AS AT 31.03.2013	
7	Non Current Investments			
		-	-	
		-	-	
8	Deferred Tax Assets			
	Deferred Tax Assets arising on account of:	-	-	
	Deferred Tax Assets(Net)	-	-	
	Tax Impact On Above	-	-	
9	Other Non Current Assets			
	Tax Impact On above	-	-	
		-	-	

HARYANA KNOWLEDGE CORPORATION LIMITED				
			(Amount in Rs.)	
Note No.	PARTICULARS	AS AT 31.03.2014	AS AT 31.03.2013	
10	Trade Receivables			
	Outstanding for a period exceeding six months			
	Secured - considered Good	-	-	
	Unsecured - considered Good	-	-	
	Others			
	Secured - considered Good	-	-	
	Unsecured - considered Good	62,89,007.00	-	
		62,89,007.00	-	
11	Cash and Cash Equivalents			
	Balance with banks	10,90,414.28	-	
	Cash in hand	35,407.00	-	
	Short term deposits with Yes Bank	182,86,648.00	-	
		194,12,469.28	-	
12	Short Term Loans & Advances			
	Advance to Jatinder Singh	10,000.00	-	
	Preliminary expenses - 3,83,087			
	<u>Less</u> :- 1/5th written off (76,617)	3,06,470.00	-	
		3,16,470.00	-	
13	Other Current Assets			
	Income accrued but not due	23,98,797.00	-	
		23,98,797.00	-	



HARYANA KNOWLEDGE CORPORATION LIMITED			
Note No.	PARTICULARS	(Amount in Rs.)	
		AS AT 31.03.2014	AS AT 31.03.2013
14	Revenue from Operations		
	Income from faculty selection	10,500.00	-
	Income from processing fee	2,500.00	-
	Income from various jobs	24,18,657.00	-
		24,31,657.00	-
15	Other Income		
	Interest on saving accounts	24,639.20	-
	Interest on short term deposits	5,40,720.00	-
		5,65,359.20	-

HARYANA KNOWLEDGE CORPORATION LIMITED			
Note No.	PARTICULARS	(Amount in Rs.)	
		AS AT 31.03.2014	AS AT 31.03.2013
16	Employee Benefits Expense		
	Salary and Allowances	10,29,264.00	-
	Staff Welfare	18,947.00	-
		10,48,211.00	-
17	Other Expenses		
	Advertisement	5,67,586.00	-
	Business Promotion	40,663.00	-
	Travelling & Conveyance	3,17,239.00	-
	Honorarium	39,000.00	-
	House Furnishing (MD)	12,671.00	-
	Muhurat	2,102.00	-
	Office Maintenance	4,272.00	-
	Audit Fee	28,090.00	-
	Bank Charges	240.00	-
	Postage & Courier	56.00	-
	Preliminary expenses	76,617.00	-
	Printing and Stationery	6,850.00	-
	Seminars	5,23,625.00	-
	Telephone	34,080.00	-
		16,53,091.00	-
18	Depreciation and Amortisation Expense		
	Depreciation (as per Note 6)	-	-
		-	-

