ISO 27001:2005
(Formerly known as BS 7799-2:2002)

Excel Infoways Ltd.

CIN-L72900MH2003PLC138568

September 03, 2014

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Scrip Code : 533090

Fax No : 2272 3121 / 2272 2037

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex
Bandra (East), Mumbai 400 051

Trading Symbol : EXCELINFO

Fax No : 2659 8348 / 2659 8237 / 38

Sub. : Annual General Meeting

Dear Sir / Madam,

This is to inform you that the 12th Annual General Meeting of the members of Excel Infoways Limited ("the Company") will be held on Monday, September 29, 2014 at 9.00 a.m. at the Registered Office of the Company at 31-A, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400053, to transact the businesses as set out in the Notice of the Annual General Meeting dated May 19, 2014.

Pursuant to the provisions of Section 91 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 17, 2014 to Friday September 19, 2014 (both days inclusive) for the purpose of the 12th Annual General Meeting.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 12th Annual General Meeting. The cut-off date (i.e. the record date) for the purpose of e-voting is September 12, 2014.

Please find enclosed herewith the following documents :
1. Annual Report for the Financial Year 2013-14 - 6 Copies (duly certified)
2. E-voting Notice of AGM - 6 copies (duly certified)
3. CD containing soft copy of Annual Report 2013-14 and E-voting Notice of AGM
4. Form A as per clause 31 of the Listing Agreement.

Kindly take the same on record and acknowledge.

Thanking you,

Yours faithfully,
For Excel Infoways Limited

Kumud Waradkar
Company Secretary

NSEIL
03 SEP 2014
CONTENTS NOT VERIFIED

Encl : as attached

31-A, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053 • Tel.: +91-22-40309898 • Fax : +91-22-26394248
Email: excel@excel-infoways.com • Website: http://www.excel-infoways.com

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the company	Excel Infoways Limited
2	Annual financial statements for the year ended	March 31, 2014
3	Type of Audit Observation	Un-qualified
4	Frequency of observation	Not Applicable as there are no qualifications in the Audit Report
5	To be signed by- Managing Director	Mr. Lakhmendra Khurana
	CFO	Mrs. Monika Shah
	Auditor of the Company	Malvika Mitra Partner (Membership No. 44105) M/s. S. G. Kabra & Co. Chartered Accountants (Reg. No. 104507W)
	Audit Committee Chairman	Mr. Binoy Gupta

Annual Report 2013 - 2014

Excel Infoways Ltd.

Excel Infoways Ltd.

12th Annual Report 2013-2014

Corporate Information

BOARD OF DIRECTORS

Mr. Lakhmendra Khurana	Chairman & Managing Director
Mrs. Ranjana Khurana	Executive Director
Mr. Arpit Khurana	Executive Director
Mr. Binoy Gupta	Independent & Non-Executive Director
Mr. Ramesh Joshi	Independent & Non-Executive Director
Mr. Ravi Prakash Sinha	Independent & Non-Executive Director

COMPANY SECRETARY

Mrs. Kumud Waradkar

CHIEF FINANCIAL OFFICER

Mrs. Monika Shah

AUDITORS

M/s. S. G. Kabra & Co.
Wavell House, 1st Floor
1st Dhobi Talao Lane
Mumbai- 400002.

REGISTRARS AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West)
Mumbai- 400078, India.
Tel No.:91-25946970
Fax No.:91-25946969
Email id: rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

REGISTERED OFFICE

31-A, Laxmi Industrial Estate
New Link Road, Andheri (West)
Mumbai – 400053
Tel No.: 91-22-40309898
Fax :+91-22-26394248
Email Id: cs@excel-infoways.com
Website : www.excel-infoways.com
CIN: L72900MH2003PLC138568

BANKERS

Citibank N.A.
ICICI Bank Limited
The Federal Bank Limited
Corporation Bank
Axis Bank Limited
HDFC Bank Limited

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NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the Members of EXCEL INFOWAYS LIMITED will be held on Monday, September 29, 2014 at 9.00 a.m. at the Registered Office of the Company at 31-A, Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai 400053 to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt :
   a. the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon; and
   b. the audited consolidated financial statement of the Company for the financial year ended March 31, 2014.
2. To appoint a Director in place of Mrs. Ranjana Khurana, who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** M/s. S. G. Kabra & Co., Chartered Accountants (Registration No. 104507W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. To appoint Mr. Ramesh Joshi (DIN: 00002683), as an Independent Director 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 the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ramesh Joshi (DIN: 00002683), who was appointed as a Director liable to retire by rotation and whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019 and whose office shall not be liable to retirement by rotation."
5. To appoint Mr. Ravi Prakash Sinha (DIN: 02034763) as an Independent Director 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 the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ravi Prakash Sinha (DIN: 02034763), who was appointed as a Director liable to retire by rotation and who holds office as a director up to the Annual General Meeting of the Company to be held in the calendar year 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019 and whose office shall not be liable to retirement by rotation."
6. To appoint Mr. Binoy Gupta (DIN: 02016058), as an Independent Director 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 the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Binoy Gupta (DIN: 02016058), who was appointed as a Director liable to retire by rotation and who holds office as a director up to the Annual General Meeting of the Company to be held in the calendar year 2016 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019 and whose office shall not be liable to retirement by rotation."
7. To approve remuneration to Mr. Lakhmendra Khurana (DIN: 00623015), Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Lakhmendra Khurana (DIN: 00623015), Managing Director of the Company, be paid remuneration for a period of 3 (three) years from April 1, 2014, as set out in the Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014, during the tenure of Mr. Lakhmendra Khurana as Managing Director, the Company shall pay to Mr. Lakhmendra Khurana the remuneration as set out in the Statement annexed to the Notice convening this Annual General Meeting as minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To approve remuneration to Mrs. Ranjana Khurana (DIN: 00623034), Executive Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Ranjana Khurana (DIN: 00623034), Executive Director of the Company, be paid remuneration for a period of 3 (three) years from April 1, 2014, as set out in the Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

   RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014, during the tenure of Mrs. Ranjana Khurana as Executive Director, the Company shall pay to Mrs. Ranjana Khurana the remuneration as set out in the Statement annexed to the Notice convening this Annual General Meeting as minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

   RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To approve remuneration to Mr. Arpit Khurana (DIN: 03169762), Executive Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Arpit Khurana (DIN: 03169762), Executive Director of the Company, be paid remuneration for the period from April 1, 2014 to August 10, 2014, as set out in the Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

   RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014 during the tenure of Mr. Arpit Khurana as Executive Director, the Company shall pay to Mr. Arpit Khurana the remuneration as set out in the Statement annexed to the Notice convening this Annual General Meeting as minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

   RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To re-appoint Mr. Arpit Khurana (DIN: 03169762), as an Executive Director 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** in accordance with the provisions of sections 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), re-enactments thereof for the time being in force), approval of the members be and is hereby accorded to the re-appointment of Mr. Arpit Khurana (DIN: 03169762), as an Executive Director of the Company for a period of 3 (three) years with effect from August 11, 2014 on the terms and conditions including remuneration for a period of 3 (three) years as set out in the Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014 during the tenure of Mr. Arpit Khurana as Executive Director, the Company shall pay to Mr. Arpit Khurana the remuneration as set out in the Statement annexed to the Notice convening this Annual General Meeting as minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

    RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
For **Excel Infoways Limited**

sd/-
Kumud Waradkar
Company Secretary

Place : Mumbai
Date : May 19, 2014

Registered Office:
31-A, Laxmi Industrial Estate
New Link Road, Andheri (West)
Mumbai – 400053
CIN: L72900MH2003PLC138568
E-mail: cs@excel-infoways.com

NOTES:

1. **A member entitled to attend and vote at the annual general meeting ("the Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representatives to attend and vote on their behalf at the Meeting.

3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.

5. Brief resume of all Directors including those proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.

6. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
7. 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.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays during business hours of the Company up to the date of the Meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
10. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
11. The Company has notified closure of Register of members and Share Transfer Books from Wednesday, September 17, 2014 to Friday, September 19, 2014 (both days inclusive).
12. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Member holding shares in physical form are requested to advise any change in their address immediately to the Company / Registrars and Transfer Agents.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents.
14. Non- Resident Indian Members are requested to inform Registrars and Transfer Agents, immediately of:
    a. Change in their residential status on return to India for permanent settlement.
    b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. The annual report of the Company circulated to the members of the Company, will be made available on the Company's website at www.excel-infoways.com
16. Copies of Annual Report for 2013-2014 are being sent by electronic mode only to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2013-2014 are being sent by the permitted mode.
17. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members to exercise their right to vote by electronic means. The Members / list of Beneficial Owners as on cut-off date i.e. September 12, 2014, are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the "cut-off" date can exercise their right to vote by electronic means. The e-voting period will commence on 9.00 a.m.(IST) on Tuesday, September 23, 2014 and will end at 9.00 a.m. (IST) on Friday, September 26, 2014. The Company has appointed Ms. Shashikala Rao, Practising Company Secretary to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting sent separately.
18. The Notice of the Twelfth Annual General Meeting and instructions for e-voting, is being sent by electronic mode to all members whose email addresses are registered with the Company/ Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
19. Members who are unable to exercise their voting rights through e-voting may exercise their voting rights at a poll provided at the Annual General Meeting.
20. Investor Grievance Redressal :

    The Company has designated an exclusive e-mail id cs@excel-infoways.com to enable Investors to register their complaints, if any.
21. Members who have not registered their email addresses so far are requested to register their email addresses so that they can receive the Annual Report and other communications from the Company electronically.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item Nos. 4, 5 and 6

Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta are Independent Directors of the Company (appointed pursuant to Clause 49 of the Listing Agreement), whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. As per the resolutions passed by the members Mr. Ramesh Joshi holds office as a director up to the date of this Annual General meeting of the Company, Mr. Ravi Prakash Sinha holds office as a director up to the date of the Annual General Meeting of the Company to be held in the calendar year 2015 and Mr. Binoy Gupta holds office as a director up to the date of the Annual General Meeting of the Company to be held in the calendar year 2016.

As per the provisions of Section 149(10) of the Act (effective from April 1, 2014) an independent director shall hold office for a term of up to five consecutive years on the Board. Further, Explanation to Section 14(11) of the Act, provides that any tenure of an independent director on the date of commencement of the Act shall not be counted as a term for the purposes of his appointment or holding office of director under the Act. Section 149(5) of the Act, provides a transitional period of one year to comply with the provisions for appointment of independent directors. Ministry of Corporate Affairs, Government of India, has by notification dated June 9, 2014 clarified that if a company intends to appoint existing independent directors as independent directors under the Act, such appointment must be made expressly within one year from April 1, 2014.

Section 149(13) of the Act provides that the provisions relating to retirement of directors by rotation shall not apply to the appointment of independent directors.

In order to comply with the applicable provisions of the Act, it is proposed to appoint Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta as Independent Directors of the Company to hold office for 5(five) consecutive years from April 1, 2014 to March 31, 2019, pursuant to Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement and that they shall not be liable to retire by rotation.

Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta are Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

It is proposed to appoint Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta as Independent Directors under Section 149 of the Act and Revised Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years from April 01, 2014 to March 31, 2019.

Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has also received declarations from Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Revised Clause 49 of the Listing Agreement.

The Company has also received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta for the office of Directors of the Company.

In the opinion of the Board, Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement.

Brief resume of Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for the respective appointments of Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta are interested in the resolutions set out respectively at Item Nos. 4, 5 and 6 of the Notice with regard to their respective appointments.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out in Item Nos. 4, 5 and 6 of the Notice for approval by the shareholders.

Item Nos. 7, 8 and 9

During the financial year 2013-14, the net profit of the Company was inadequate to pay, the remuneration as approved by the shareholders to Mr. Lakhmendra Khurana, Chairman and Managing Director and Mrs. Ranjana Khurana and Mr. Arpit Khurana, Executive Directors of the Company. Therefore all the three directors have refunded the excess remuneration received by them.

It is proposed to seek the approval of shareholders to pay remuneration to Mr. Lakhmendra Khurana, Chairman and Managing Director, Mrs. Ranjana Khurana and Mr. Arpit Khurana, Executive Directors of the Company in terms of the provisions of Sections 196 & 197 read with Section II of Part II of Schedule V and all other applicable provisions of the Act.

The remuneration payable to Mr. Lakhmendra Khurana, Chairman and Managing Director and Mrs. Ranjana Khurana and Mr. Arpit Khurana, Executive Directors of the Company is as under:

A. Salary Perquisites and Allowances:

Name	Salary
Mr. Lakhmendra Khurana	Rs.100,000 to Rs. 200,000 p.m.
Mrs Ranjana Khurana	Rs.50,000 to Rs.100,000 p.m.
Mr. Arpit Khurana	Rs.50,000 to Rs.100,000 p.m.

- Increment as per Company's policy, but not exceeding 20% of the annual salary.
- Perquisites and allowances up to 100% of annual salary which shall include accommodation (furnished or otherwise); house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/ or allowances for utilization of gas, electricity, water, furnishing and repairs; medical reimbursement; leave travel concession for self and family including dependents; medical insurance and such other perquisites and/ or allowances.

  The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income-Tax Act, 1961 or any rules thereunder or any statutory modifications(s) or re-enactment thereof; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
- The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income–tax law, gratuity payable and encashment of leave at the end of the tenure, shall not be included for the purpose of computation of the overall ceiling of remuneration.

B. Reimbursement of expenses:

Reimbursement of expenses incurred for travelling, board and lodging including for his spouse, children and attendant(s) during business trips; provision of car for use on Company's business; telephone expenses at residence shall be reimbursed and not considered as perquisite.

The remuneration as set out above may be altered and varied from time to time by the Board/ Nomination and Remuneration Committee of the Board, as it may, at its discretion, deem fit subject to the same but not exceeding the limits specified under Schedule V to the Act, or any statutory modification(s) or re-enactment thereof.

In the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014 during the tenure of the above Directors, the Company shall pay to them remuneration as set out above as minimum remuneration, but not exceeding the limits specified under Section II of Part II of Schedule V to the Act, or any statutory modification(s) or re-enactment thereof.

Information as required under Section II of Part II of Schedule V to the Companies Act, 2013 is given below item 10 seperately.

Mr. Lakhmendra Khurana, Chairman and Managing Director, Mrs. Ranjana Khurana and Mr. Arpit Khurana, Executive Directors of the Company, are interested in the proposed resolutions.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board of Directors recommend the passing of the resolution under the item nos. 7, 8 and 9.

Item No. 10

The Board of Directors of the Company at its meeting held on May 19, 2014, has subject to the approval of the members, re-appointed Mr. Arpit Khurana as an Executive Director of the Company for a further period of 3 (three) years from the expiry of his present term, that is August 11, 2014, on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to, Mr. Arpit Khurana as an Executive Director of the Company in terms of the applicable provisions of the Act.

Brief resume of Mr. Arpit Khurana, nature of their expertise in specific functional areas and names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se

as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

The terms of re-appointment of and remuneration payable to Mr. Arpit Khurana during his tenure as an Executive Director shall be as under:

A. Salary, Perquisites and Allowances:

- Salary in the scale of Rs.50, 000 p.m. to Rs. 1, 00,000 p.m.
- Increment as per Company's policy, but not exceeding 20% of the annual salary.
- Perquisites and allowances up to 100% of annual salary which shall include accommodation (furnished or otherwise); house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs; medical reimbursement; leave travel concession for self and family including dependents; medical insurance and such other perquisites and/ or allowances.

  The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income-Tax Act, 1961 or any rules thereunder or any statutory modifications(s) or re-enactment thereof; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
- The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave at the end of the tenure, shall not be included for the purpose of computation of the overall ceiling of remuneration.

B. Reimbursement of expenses:

Reimbursement of expenses incurred for travelling, board and lodging including for her spouse, children and attendant(s) during business trips; provision of car for use on Company's business; telephone expenses at residence shall be reimbursed and not considered as perquisite."

Mr. Arpit Khurana satisfies all the conditions set out in Part I of the Schedule V to the Act, for being eligible for the re-appointment. He is not disqualified from being appointed as Director in terms of section 164 of the Act.

The remuneration as set out above may be altered and varied from time to time by the Board/ Nomination and Remuneration Committee of the Board, as it may, at its discretion, deem fit subject to the same but not exceeding the limits specified under Schedule V to the Act, or any statutory modification(s) or re-enactment thereof;

In the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014 during the tenure of Mr. Arpit Khurana as Executive Director, the Company shall pay him remuneration as set out above as minimum remuneration, but not exceeding the limits specified under Section II of Part II of Schedule V to the Act, or any statutory modification(s) or re-enactment thereof;

Information as required under Section II of Part II of Schedule V to the Companies Act, 2013 is given below seperately.

Mr. Arpit Khurana is interested in the resolution as it pertains to his re-appointment as Executive Director and remuneration payable to him.

Mr. Lakhmendra Khurana, Chairman and Managing Director and Mrs. Ranjana Khurana, Executive Director of the Company, being relatives of Mr. Arpit Khurana are interested in the proposed resolution.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board of Directors recommend the passing of the resolution under item no. 10.

Statement as per Section II of Part II of Schedule V to the Companies Act, 2013 for item nos 7,8,9, and 10

I. General Information :

1. **Nature of industry -** BPO/ITES and Infra Activity
2. **Date of commencement of commercial activity :** January 07, 2003
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus** - NA

4. **Financial performance based on given indicators**

(Rs.in'000)

INDICATORS	2013-14	2012-13	2011-12
Turnover	131,505.39	305,990.37	162,277.78
Net worth	1,572,222.77	1,557,495.73	1,524,374.35
Earnings per Share	0.20	0.79	0.70
Profit after Tax	6,249.02	24,612.21	20,518.80
Market Capitalisation	634,812.77	924,788.95	675,566.19
Book Value per Share	50.15	49.68	48.63
Debt-Equity Ratio	0.04	0.04	0.00

(Note: The above figure are in '000 (thousands) except per share data. The share price for calculation of market capitalization is taken as on 31st March on BSE)

5. **Foreign investments or collaborations**

Excel Info FZE, UAE is the wholly owned subsidiary of Excel Infoways Ltd. As on March 31, 2014, Company's 33,542 shares are held by the foreign investors.

II. **Information about the appointees**

1. **Background details**

Mr. Lakhmendra Khurana, is the Chairman and Managing Director of Excel Infoways Ltd. He holds a bachelor's degree in arts from Meerut University. He started his career as a farmer then he turned into the line of business and has over 31 years of varied experience of having run and managed export units in the field of garments. He promoted the Company in January 2003 and contributed to the growth of the Company. He is actively involved in social activities.

Mr. Lakhmendra Khurana is the Chairman of ISKCON (BKK) Juhu, Mumbai. He is the Chairman of Stallion College for Engineering & Technology, Chutmalpur, Near Dehradun (UP) and Convenor of Cultural & Disaster Management, Maharashtra Pradesh Congress Sevadal.

Mrs. Ranjana Khurana, is the Executive Director and one of the Promoters of Excel Infoways Limited. She holds a Master's Degree in Arts from Meerut University. She is responsible for administration related activities of the Company. She was previously running a garment export business for 11 years.

Mr. Arpit Khurana, is the Executive Director of Excel Infoways Limited. He has completed his graduation. He has experience of seven years in the Company.

2. **Past remuneration**

Year	Lakhmendra Khurana	Ranjana Khurana	Arpit Khurana
2013-14	4,78,018.00	2,39,009.00	2,39,009.00
2012-13	12,00,000.00	6,00,000.00	6,00,000.00
2011-12	12,00,000.00	6,00,000.00	3,50,000.00

3. **Recognition or awards**

Mr. Lakhmendra Khurana has been conferred with several awards for his peace and education efforts by various institutions which are listed below:

- Mother Teresa Lifetime Achievement Award by Mother Teresa International Award committee in the year 2011
- Maharashtra Ratna by all India Conference of Intellectuals in the year 2010
- Sardar Patel Award given by Mahaja Karansingh in the year 2007
- Rashtriya Gaurav Samman given World Peace Movement Trust in year 2004

4. **Job profile and suitability**

The job profile of the managing director includes

- formulating and successfully implementing Company policy;
- directing strategy towards the profitable growth and operation of the Company;
- putting in place adequate operational planning and financial control systems;

- ensuring that the operating objectives and standards of performance are not only understood but owned by the management and other employees;
- closely monitoring the operating and financial results against plans and budgets;
- taking remedial action where necessary and informing the Board of significant changes;
- maintaining the operational performance of the Company;
- monitoring the actions of the functional Board directors;
- assuming full accountability to the Board for all Company operations;
- representing the company to major customers and professional associations;
- building and maintaining an effective executive team

The Managing Director is the head and representative of the Company and is responsible for the affairs of the Company. He is responsible for the day to day activities of the Company. The Managing Director must exercise diligence of a prudent businessman in the conduct of the Company's affairs. He has a paramount duty of loyalty to the Company. Mr. Lakhmendra Khurana is the promoter of the Company and has all the qualities which a Managing Director requires. He has more than 36 years of experience in business which is very helpful for the Company for its growth.

Job profile of Executive Director includes

- Ensuring that the organization has a long-range strategy which achieves its mission, and toward which it makes consistent and timely progress.
- Providing leadership in developing program, organizational and financial plans with the Board of Directors and staff, and carry out plans and policies authorized by the Board.
- Maintaining official records and documents and ensuring compliance
- Maintaining a working knowledge of significant developments and trends in the field.

Mrs. Ranjana Khurana monitors the administration of the Company. Her years of business experience is handy in day to day administration of the Company.

Mr. Arpit Khurana the Executive director of the Company has innovative ideas for advancement of Company's business. His vision for the growth of the Company and his zeal to work brings new energy to the Company's environment.

5. Remuneration proposed for the Managing Director and the Executive Directors is given separately under item nos 7,8,9 and 10

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

The comparative remuneration of managing directors and executive directors in the IT industries in India is substantially higher than that previously paid and also proposed herein. The proposed remuneration is extremely nominal as compared to the time and energy involved by the directors in managing the affairs and administration of the Company. Hence providing comparative remuneration would be meaningless in the present situation.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel

Mr. Lakhmendra Khurana, Mrs. Ranjana Khurana and Mr. Arpit Khurana are shareholders and promoters of the Company. Mr. Lakhmendra Khurana being Managing Director and Mrs. Ranjana Khurana and Mr. Arpit Khurana being Executive Directors of the Company receive remuneration from the Company. Mr. Lakhmendra Khurana also receives payment towards rent for the premises occupied by the Company. They do not have any other pecuniary relationship with the Company.

Mrs. Ranjana Khurana is wife of Mr. Lakhmendra Khurana and Mr. Arpit Khurana is son of Mr. Lakmendra Khurana and Mrs. Ranjana Khurana.

III. Other information

1. Reasons of loss or inadequate profits

Due to change in policies regarding export of services in our major client country i.e. USA, we were not able to garner sales as compared to previous year and hence profit from BPO enabled services declined. As we were unable to win major contracts of Infra Activity, the sales and profit from Infra activity also declined.

2. **Steps taken or proposed to be taken for improvement**

   It will be our constant endeavor to acquire new clients and to serve in countries other than USA which will result in increase in our turnover BPO enabled services. We are also trying to match / cope up with the new export policies of our existing clients. Our focus is also to improve the turnover of infra segment by getting new contracts.

3. **Expected increase in productivity and profits in measurable terms**

   a. As our expenditures relating to IPO which were to be written off in five years have being completely written off as on March 31, 2014, profits of the Company will increase by such amount in the ensuing year.

   b. We are reassessing our expenditure and trying to optimize the cost of operations of the Company.

   c. The new contracts for infra activity will fetch additional profits.

Item No. 11

The existing Articles of Association ("AoA") of the Company are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

Shareholder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- existing articles have been streamlined and aligned with the Act;
- the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and
- provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 11 of the Notice.

The Board commends the Special Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

By Order of the Board
For **Excel Infoways Limited**

sd/-
Kumud Waradkar
Company Secretary

Place : Mumbai
Date : May 19, 2014

Registered Office:
31-A, Laxmi Industrial Estate
New Link Road, Andheri (West), Mumbai – 400053
CIN: L72900MH2003PLC138568
E-mail: cs@excel-infoways.com

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 12th Annual Report along with the audited accounts of the Company for the year ended **March 31, 2014.**

FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	For the year ended 31-3-2014	For the year ended 31-3-2013
Income from Operation and other income	**1315.05**	3059.90
Profit before Depreciation	**142.34**	433.48
Less: Depreciation	**48.29**	49.47
Profit before Tax	**94.05**	384.01
Provision for Tax	**17.92**	75.54
Deferred Tax	**(3.80)**	(2.16)
MAT credit Entitlement	**12.09**	52.67
Profit after Tax but before Prior period adjustments	**67.84**	257.96
Less: Prior period adjustments	**5.35**	11.84
Profit after Tax and Prior period adjustments	**62.49**	246.12
Add: Balance B/f. From last year	**6616.03**	6369.91
Amount available for appropriation	**6678.52**	6616.03
Less: Dividend	**-**	-
Less: Dividend Tax	**-**	-
Balance carried to Balance Sheet	**6678.52**	6616.03

RESULTS OF OPERATIONS

During the year under review, Company has earned total income from operations of Rs.1315.05 lacs as against Rs.3059.90 lacs in the previous year. The Profit after Tax and prior period adjustments is Rs.62.49 lacs in the current year as against Rs.257.96 lacs in the previous year.

Due to change in policies regarding export of services in our major client country i.e. USA, we were not able to garner sales as compared to previous year and hence profit from BPO enabled services declined. As we were unable to win major contracts of Infra Activity, the sales and profit from Infra activity also declined.

DIVIDEND

In the absence of adequate profits, the management thought it prudent not to declare dividend on equity shares of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange forms part of this Annual Report.

SUBSIDIARY

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance sheet, Statement of Profit and Loss and other documents of the subsidiary company are not being attached with the Balance Sheet of the Company. However the financial information of the subsidiary company 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 related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary company will also be kept open for inspection at the Registered Office of the Company. The consolidated Financial Statements presented by the Company include the financial results of its subsidiary company.

DIRECTORS

As per the provisions of Companies Act, 2013, and Articles of Association of the Company, Mrs. Ranjana Khurana, Executive Director of the Company, will retire at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors recommends her appointment.

Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta, Independent Directors of the Company were appointed as directors liable to retire by rotation under the provisions of erstwhile Companies Act, 1956. As per sub-section (13) of section 149 of the Companies Act, 2013 the provisions of sub-sections (6) and (7) in respect of retirement of directors by rotation shall not be applicable to independent directors.

Sub-section (10) of section 149 of Companies Act, 2013 (effective April 1, 2014) provides that independent directors shall hold office for a term of up to five consecutive years on the Board of the company and shall be eligible for re-appointment on passing a special resolution by shareholders of the company. Sub-section (11) of section 149 of Companies Act, 2013, states that no independent director shall hold office for more than two consecutive terms of five years.

The Company has received requisite notice in writing from members proposing the appointment of Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta as independent directors. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed, both, under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

The term of office of Mr. Arpit Khurana as Executive Director of the Company expires on August 10, 2014. The Company has received requisite notice in writing from a member proposing re-appointment of Mr. Arpit Khurana as Executive Director of the Company.

The Board of Directors has approved the re-appointment of Mr. Arpit Khurana as Executive Director w.e.f August 11, 2014 for a further period of three (3) years. The re-appointment is subject to the approval of shareholders in the said Annual General Meeting. As per the provisions of Companies Act, 2013, and Articles of Association of the Company, the approval of the shareholders is sought for the said appointment.

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 that:

- in the preparation of annual accounts, for the year ended March 31, 2014, the applicable accounting standards read with the requirements set out under Schedule VI to the Companies Act, 1956 have been followed and there are no material departures;
- the Directors have selected such accounting policies in consultation with the statutory auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the year ended on that date;
- 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 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors have prepared the annual accounts of the Company on a going concern basis.

AUDITORS

M/s. S. G. Kabra & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

The Company has received letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under clause (g) of sub-section (3) of Section 141 of the Companies Act, 2013 and that they are not disqualified for such re-appointment.

AUDITORS' REPORT

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

UNPAID AND UNCLAIMED DIVIDENDS

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 31, 2013 (date of last Annual General Meeting) on the Company's website (www.excel-infoways.com), as also on the Ministry of Corporate Affair's website.

The last date for claiming unclaimed and unpaid dividends declared for 2009-10 from the Company is September 8, 2017.

DEPOSITS

During the year under review, Company has not accepted any fixed deposits and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

PARTICULARS OF EMPLOYEES

During the financial year 2013-14, no employee was in receipt of remuneration in excess of limit prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

EMPLOYEE RELATIONS

The relationship of your Company with its employees remained cordial throughout the year. The Company has various policies and procedures to attract and retain its employees. Most of the employees of your Company are educated and the Company provides training on various soft skills, domain knowledge and effective communication skills. Your Company is focused on improving the overall experience including health and mental well-being of its employees; and to that end it regularly conducts health checks. The Company also provides many benefits and incentives to its employees to help, motivate and retain valued employees.

ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION

Provisions of section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 in relation to conservation of energy and technology absorption are currently not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings and outgo, as required to be disclosed under section 217(1)(e) of the Companies act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are provided in Annexure I to this report.

ACKNOWLEDGEMENT

Your directors would like to express their appreciation for the assistance and co-operation received from the shareholders, creditors, financial institutions, banks, government authorities, customers and vendors during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

sd/-
Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

Place : Mumbai
Date : May 19, 2014

Annexure- I

FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in Lacs)

a.	Total foreign exchange earned	455.07
b.	Total foreign exchange used	0.80

For and on behalf of the Board of Directors

sd/-
Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

Place : Mumbai
Date : May 19, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-looking statements

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will' and so on. All statements that address expectations or projections about the future are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

Industry structure and developments

During the past several years, both the domestic and global economic situations have been very volatile and challenging. To survive in these times of uncertainty an organization has to adapt and adopt new ways to manage business. Excel Infoways Limited has been continuously striving to achieve success in operating in the two business segments it operates i.e. BPO / IT enabled services and infra activity.

Globalization of economies supplemented by technological advances has led to the evolution of the outsourcing industry in India. The Indian BPO sector is broad based and encompasses a broad variety of services. India has been known for its huge talent pool and has proved to be one of the most significant destinations for global companies to outsource their back office operations.

As India is a developing country and it requires vast infrastructure developments. During the last few years the Company has also diversified into infrastructure activity. This segment is dependent on domestic business climate and growth of infrastructure activity in India. This year as there are lot of positive changes in the field of infrastructure, the Company is expecting to do well in this business segment and to grow at a faster rate.

Segment-wise performance

Last few years have been a year of transition and transformation for the Indian ITeS industry as it struggled but continued its growth trajectory albeit at a slower pace. The industry also has been expanding into newer verticals and geographies, attracting new customer segments and transforming from technology partners to strategic business partners. As the growth of exports from BPO / IT services declined due to economic challenges and changes in policies in western countries it has also affected our operations. At the same time the domestic BPO/ IT service expanded and the Company seized the opportunity and diversified into domestic BPO services. Today we have clients to whom we provide inbound and outbound services. The Company is engaged in the business of providing customer care services and handling the business relations of clients on their behalf by maintaining relation with their consumers and also providing them service by assisting them in managing their work flow and updating their records.

The Company has diversified into infrastructure development activity since last few years and it is our endeavor to grow our infra activity operations segment and to make this segment at par with our BPO business in terms of profit earned. This segment registered a decent rate of growth in past years but as the GDP growth of our country fell, we were also impacted and income from this segment also declined. We were able to garner a net revenue of Rs.768.90 lacs as compared to previous year income of Rs.2293.48 lacs .

Outlook

Growth has been the Company's prime motive and we shall continue to strive to acquire new clients to increase our sales and profit of the Company. The Company believes it is in a dynamic market with a potential for substantial growth in future. As the business climate has shown a positive growth this year due to change in government we will also strive to make progress and we are hopeful that this year we will be able to grow as compared to previous year.

Opportunities and Threats

Excel Infoways Limited has expertise in specific verticals and has continuously endeavored to sharpen our training & processes for specific domains enabling us to achieve domain specialization resulting in delivering quality solutions to each of our customers. With our years of experience in servicing different clients Excel Infoways Limited has the experience and expertise to offer customized solutions to our customers . We expanded our offering in the domestic market by positioning our services to suit the domestic business.

Building Lasting Relationships - at Excel Infoways Limited, we strive to build long term relationships with our clients. The focus on winning fresh clients across geographies where we can serve on the strength of our core competencies and on the basis of our track record of delivery and positive client references is ongoing. Excel Infoways Limited was successful in acquiring a range of clients in Indian domestic markets over past years.

The Company is equipped with an extensive fleet of IT sector related equipment, including advanced mechanism in IT Sector, latest software to conduct operations smoothly. The Company has employed software and hardware experts to render services, to look after working mechanism of the Company and to assure that the process flow of the Company is not hindered by any outside factors or the factors related to software or hardware mechanism.

Threats

- **Attrition:**

  Excel Infoways Limited , is in an industry where attrition is one of the major areas of concern. One of the major challenge we face is high attrition. Moreover raising cost of manpower and other administrative costs has decreased the profitability of our operations. Our constant endeavor is to continue adding new values and services to our clients, stakeholders, etc and thereby contribute to the overall growth

- **Foreign currency risk**

  Substantial revenues of the Company are denominated in Foreign currency and most of our expenses are incurred and paid in Indian rupees. The exchange rates between the Indian rupee, and other major currencies are volatile and subject to many economic conditions. Our financial position and operating results may be adversely affected by fluctuations in the currency exchange rates.

- **Cost of people**

  The principal component of our cost is the wages of our employees. Human resource costs in India has risen a lot in the past and may also increase in future due to competitive pressures, we may experience a greater increase in our human resource cost. As we are a specialized industry we have to nurture human resource which is a challenge and high rate of attrition increases our overall costs. The changes in human resource cost during the execution of the services may increase cost of services and alter profitability on contracts, which may not covered by escalation provisions.

- **Global demand and economic conditions**

  As the Company is in the business of both ITeS services and infrastructure activity hence face different challenges to serve both the segments.

  The demand for our services ITeS services is dependent on acceptance of our service offerings in the domestic and international markets, our ability to keep pace with technological changes and provide innovative solutions. As our major clients for our ITeS services are international the ITeS business of the company is significantly dependent on the global economic condition and information technology sector activity in India/Abroad and Government policies relating to information Technology projects. Our ability to serve our clients with best of our abilities in IT sector in the medium and long term will be key to our results of operations and future growth.

  Excel Infoways Limited executes infrastructure projects and hence is exposed risks regarding the completion of projects in time as unforeseeable conditions may sometimes delay projects at hand. In addition to this, there are risks associated to operating in different geographies in terms of terrain, sociopolitical and engineering factors. In a competitive market environment like the one that prevails today, in order to secure projects and generate profits one needs to strike a very fine balance between returns and risks.

- **Regulatory environment**

  Our operations are exposed to uncertain political, legal and economic environment, government instability and complex legal systems and laws and regulations in India and abroad. Our ability to manage, evolve and improve our operational, financial and internal controls across the organization and to integrate our widespread operations and derive benefits from our operations is key to our growth strategy and results of operations.

- **Competition**

  We operate in competitive business environment and may not be able to compete effectively. We compete with major service providers in both BPO / IT and infra segment.

- **Collection of receivables from our clients**

  There are usually no delays associated with the collection of receivables from our clients. Our operations involve significant working capital requirements and prompt collection of receivables affect favorably to our liquidity and results of operations. However, there can be no assurance that any such development would not adversely affect our business.

- **Dependence on a few suppliers and customers**

  As the Company is dependent on few clients, any change in customer preference may adversely affect the results of operation of the Company. To mitigate this risk we have diversified in infrastructure segment in the past and we constantly endeavor to add new clients and services.

Discussion on operational performance

As a result of the various factors discussed above that affect our income and expenditure on specific projects, our results of operations may vary from period to period depending on the nature of projects undertaken by us, their completion schedules, the nature of expenditure involved in a particular project and the specific terms of the contract, including payment terms.

During the year under review, the Company's income from BPO/IT income was of Rs. 527.92 lacs (previous year Rs.760.98 lacs) thereby registering a decline by 30%. This year we had seen a negative growth in our export of BPO services due to policy changes in western countries regarding outsourcing of their services to other countries. Our profits from this segment declined by Rs.171.09 lacs which declined by 47.81%.

This year our income from infrastructure segment has declined to Rs.768.90 lacs as compared to previous year income of Rs.2293.48 lacs because of lower growth in India as a whole and policy paralysis in infrastructure industry in India. The profit from this segment also registered a fall in profits from Rs. 93.65 lacs to Rs. 23.25 lacs. This year we are hopeful that as the business climate has turned positive we will benefit from it and acquire new clients and will be able to acquire more business.

Our income from other sources comprises of interest income from bank and other non-operating income. This year we also made a profit on sale of fixed asset amounting to Rs. 12.91 lacs.

As there was a prominent decline in income and profit from both of our segments the Profit after tax and prior period adjustments also declined by 75% from Rs.246.12 lacs in 2012-13 to Rs.62.49 lacs in the 2013-14.

Risk Management

Proper identification and management of risks go a long way in achieving the objectives of the company. Risk management is an inherent and integral part of operations, which governs the execution of each individual project .

The Company makes efforts to minimize the risk associated with each and every project we undertake so as to increase the profitability of the Company. We plan our operations from inception to execution so as to minimize costs associated with it to increase the profitability. To mitigate the risk associated with international BPO services, the Company diversified into domestic BPO segment. Moreover to mitigate the risk associated with BPO business we have successfully diversified into infra activity.

Internal Control Systems and their adequacy

The Company has adequate internal control systems and procedures commensurate with the size and nature of business. The Company continuously upgrades its systems in line with the best availability practices. These systems are supported by periodical reviews by the management and standard policies and guidelines to ensure that financial and other records are prepared accurately.

Human resources and industrial relations

The Company has maintained excellent relations with its employees across all levels of the organization during the period under review. All efforts were made to ensure a high employee satisfaction. Adequate measures were undertaken to enhance the skill sets of the employees.

REPORT ON CORPORATE GOVERNANCE

In accordance with clause 49 of the Listing Agreement with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (clause 49) the report containing the details of corporate governance systems and processes at Excel Infoways Limited is as under:

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Board of Directors and the Management of Excel Infoways Limited commit themselves to strive towards enhancement of shareholder value through sound business decisions, prudent financial management and high standard of ethics throughout the organization. The Company ensures transparency and accountability in all decisions and transactions of the Company. The Board of Directors commit themselves to achieve excellence in Corporate Governance by conforming to guidelines on Corporate Governance.

BOARD OF DIRECTORS

Board Composition

The Board consists of 6 (six) directors of which 3 (three) are non-executive and independent directors. The composition of the Board and category of Directors is as follows:

Category	Name of Directors
Promoter Directors	Lakhmendra Khurana (Chairman and Managing Director)
(Executive Directors)	Ranjana Khurana
	Arpit Khurana
Non-Executive and Independent Director	Binoy Gupta
	Ramesh Joshi
	Ravi Prakash Sinha

Mrs. Ranjana Khurana is the wife of Mr. Lakhmendra Khurana and Mr. Arpit Khurana is the son of Mr. Lakhmendra Khurana and Mrs. Ranjana Khurana. None of the other Directors are related to any other Director.

All the Independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they satisfy the conditions for being independent. All such declarations were / are placed before the Board.

Directors' Profile

A brief resume of all the Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships and their shareholding in the Company are provided below:

Mr. Lakhmendra Khurana, is the Chairman and Managing Director of Excel Infoways Limited. He is one of the Promoters of the Company. He holds a Bachelor of Arts (B.A.) degree from Meerut University. He has experience of more than 36 years in the industry.

He is also a director of Ranjana Construction Private Limited, Tista Impex Private Limited, Excel Infra N Realty Private Limited, Raj HR Solutation Private Limited and Ritz Shopping Mall Private Limited.

He holds 69,91,930 equity shares of the Company as on March 31, 2014.

Mrs. Ranjana Khurana, is the Executive Director and one of the Promoters of Excel Infoways Limited. She holds a Master's Degree in Arts from Meerut University. She is responsible for administration related activities of the Company. She was previously running a garment export business for 11 years.

She is also a director of Excel Infra N Realty Private Limited, Ritz Shopping Mall Private Limited and Raj HR Solutation Private Limited.

She holds 57,38,390 shares in Excel Infoways Ltd. as on March 31, 2014.

Mr. Arpit Khurana, is the Executive Director of Excel Infoways Limited. He has completed his graduation. He has experience of seven years in the Company.

He is also a director of Excel Infra N Realty Private Limited, Ranjana Construction Private Limited and Tista Impex Private Limited.

He holds 10,84,044 equity shares of the Company as on March 31, 2014.

Mr. Binoy Gupta, is a Non-Executive Independent Director of Excel Infoways Limited. He has obtained Ph.D. in law from University of Mumbai. He has also done PG Diploma in Cyber Law from NALSAR University of Law, Hyderabad. He has an overall experience of more than 40 years. He started his career with Indian Revenue Services in 1968 and retired as Chief Commissioner of Income-Tax. He has written books on Income Tax and law and various articles on subjects ranging from medical to travel.

He is also a director of Trinity Wealth Management Private Limited,Trinity Book-keeping and Accounts Private Limited and Trinity Excursions Private Limited.

He does not hold any shares of the Company as on March 31, 2014.

Mr. Ramesh Joshi, is a Non-Executive Independent Director of Excel Infoways Limited. He is LLB, from Nagpur University. He has an overall experience of more than 35 years. He has worked with various regulatory authorities of India such as Reserve Bank of India (RBI) and Securities and Exchange Board of India (SEBI). He held various important positions in RBI since 1972 such as the General Manager- Exchange Control Department and Rural Planning and Credit Department, Chief General Manager-Department of Banking Supervision, Rural Planning and Credit Department etc. He was earlier on Board of many banks and financial institutions viz, State Bank of Mysore, Karnataka State Financial Corporation etc as RBI Nominee Director. He was appointed as an Executive Director in SEBI in the year 2002-03 and was in charge of Primary Markets, Mutual Funds, Foreign Institutional Investors etc.

He is also a director of Vakrangee Limited, Vakrangee Technologies Limited and Sahara Asset Management Company Private Limited.

He is Member of Audit committee of Vakrangee Limited.

He does not hold any shares of the Company as on March 31, 2014.

Mr. Ravi Sinha, is a Non Executive Independent Director of Excel Infoways Limited. He holds a Master's degree of Science from Jivaji University, Gwalior. He was employed with the Central Bureau of Investigation from 1968 to 1990 in various departments such as the Anti Corruption Branch, Economic Offences Wing, the Special Crime Branch and Central Investigation Unit (Banking). In the year 1990, he joined Air India and worked in various departments including vigilance, properties / facilities and internal audit.

He is also a director of SPH Services Private Limited.

He does not hold any shares of the Company as on March 31, 2014.

NUMBER OF BOARD MEETINGS HELD WITH DATES

Four Board meetings were held during the year. The Company has held at least one meeting in every three months. The details of the Board Meetings are as under:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	May 27, 2013	6	5
2	August 12, 2013	6	6
3	November 12, 2013	6	5
4	February 14, 2014	6	6

THE INFORMATION PLACED / REQUIRED TO BE PLACED BEFORE THE BOARD OF DIRECTORS *INTERALIA,* INCLUDES:

- Annual operating plans and budgets and any updates
- Capital budgets and any updates
- Quarterly results of the Company and its operating divisions or business segments
- Annual financial results of the Company, Auditors' Report and the Report of the Board of Directors
- Minutes of meetings of audit committee and other committees of the board
- The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary
- Show cause, demand, prosecution notices and penalty notices, which are materially important
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems

- Any material default in financial obligations to and by the Company, or substantial nonpayment for goods sold by the Company
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature of investments, subsidiaries, assets which is not in normal course of business
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc
- Appointment, remuneration and resignation of Directors
- Formation / Reconstitution of Board Committees
- Terms of reference of Board Committees
- Declaration of independent directors at the time of appointment / annually
- Disclosure of Directors' interest and their shareholding
- Appointment or removal of the Key Managerial Personnel (KMP) and officers one level below KMP
- Appointment of and fixing remuneration of the Auditors as recommended by the Audit Committee
- Appointment of internal auditor and secretarial auditor
- Quarterly, half yearly and annual financial statements or financial results as the case may be
- Approve Boards' report
- Significant changes in accounting policies and internal controls
- Statement of significant transactions, related party transactions by unlisted subsidiary companies
- Dividend declaration
- Audit findings and Audit Reports (through the Audit Committee)
- Annual Secretarial Audit report submitted by Secretarial Auditors
- Making loans and investment of surplus funds
- Buy, sell investments held by the company (other than trade investments), constituting five per cent or more of the paid up share capital and free reserves of the investee company
- Making political contributions
- Issue of securities including debentures
- Buy back of securities
- Borrowing of monies, giving guarantees or providing security in respect of loan
- Diversify the business of the Company
- Approve amalgamation, merger or reconstruction
- Takeover a company or acquire a controlling or substantial stake in another company
- Status of business risk exposures, its management and related action plans
- Compliance Certificate certifying compliance with all laws as applicable to the Company
- Reconciliation of share capital audit report under SEBI (Depositories and Participants) Regulations, 1996

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS, LAST ANNUAL GENERAL MEETING (AGM) AND NUMBER OF DIRECTORSHIPS AND CHAIRMANSHIPS / MEMBERSHIPS OF COMMITTEES OF EACH DIRECTOR IN OTHER COMPANIES

Name of the Director	Attendance at meetings during 2013-2014		No. of other Directorships in other companies	No. of Chairmanship(s)/ Membership(s) of Board Committees in other Companies
	Board Meetings	Last AGM		
Mr. Lakhmendra Khurana	4	Yes	5	-
Mrs. Ranjana Khurana	4	Yes	3	-
Mr. Arpit Khurana	4	Yes	3	-
Mr. Binoy Gupta	3	Yes	3	-
Mr. Ramesh Joshi	4	Yes	3	1
Mr. Ravi Prakash Sinha	3	Yes	1	-

** In accordance with Clause 49, Memberships / Chairmanships of only Audit Committees and Shareholders' / Investors' Grievance Committees in all public limited companies have been considered (excluding Excel Infoways Limited)

None of the non-executive directors has any material pecuniary relationship or transactions with the Company.

BOARD COMMITTEES

The Company is having three Board Committees as given below:

I. Audit Committee	II. Nomination and Remuneration Committee	III. Stakeholders' Relationship Committee (SRC)
Mr. Binoy Gupta - Non-executive Independent Director (Chairman of the Committee)	Mr. Binoy Gupta - Non-executive Independent Director (Chairman of the Committee)	Mr. Ramesh Joshi - Non-executive Independent Director (Chairman of the Committee)
Mr. Ravi Prakash Sinha - Non-executive Independent Director	Mr. Ravi Prakash Sinha - Non-executive Independent Director	Mr. Ravi Prakash Sinha - Non-executive Independent Director
Mr. Ramesh Joshi - Non-executive Independent Director	Mr. Ramesh Joshi - Non-executive Independent Director	Mr. Lakhmendra Khurana - Managing Director

Terms of Reference and other details of Board Committees

I. AUDIT COMMITTEE

Composition

The Audit Committee of the Board comprises three independent directors namely Mr. Binoy Gupta, Chairman, Mr. Ravi Prakash Sinha and Mr. Ramesh Joshi. All the members of the Audit Committee possess good knowledge of corporate and project finance, accounts and Company law. The composition of the Audit Committee meets with the requirement of section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Company Secretary of the Company acts as Secretary to the Audit Committee. The minutes of the meetings of the Audit Committee are placed before the Board.

Objective

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and compliance with the legal and regulatory requirements. The Committee oversees the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors, the performance of internal auditors and the Company's risk management policies.

Powers of Audit Committee

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

The Role of Audit Committee includes:

- 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
- Recommending to the Board, the appointment, remunetion and terms of appointment of auditors of the Company
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing / Examination, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to
    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
    - Changes, if any, in accounting policies and practices and reasons for the same
    - Major accounting entries involving estimates based on the exercise of judgment by management
    - Significant adjustments made in the financial statements arising out of audit findings
    - Compliance with listing and other legal requirements relating to financial statements
    - Disclosure of related party transactions
    - Qualifications in the draft audit report, if any
- Reviewing / Examination, with the management, the quarterly financial statements before submission to the Board for approval
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
- Review and monitor the auditor's independence and performance, and effectiveness of audit process
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors
- To review the functioning of the Whistle Blower mechanism

- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
- To review the financial statements, in particular the investment made by unlisted subsidiary company
- Carrying out other functions as may be specifically referred to the Committee by the Board of Directors
- To review the following
  - Management discussion and analysis of financial condition and results of operations
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
  - Management letters / letters of internal control weaknesses issued by the statutory auditors
  - Internal audit reports relating to internal control weaknesses and
  - The appointment, removal and terms of remuneration of the Internal auditors

Meetings

Four meetings of Audit Committee were held during the year ended March 31, 2014 details of which are as under:

Name of the Committee Member	No. of meetings	
	Held	Attended
Mr. Binoy Gupta	4	3
Mr. Ravi Prakash Sinha	4	3
Mr. Ramesh Joshi	4	4

Executives of accounts department, finance department, secretarial department and representatives of the Statutory Auditors attended the Audit Committee Meetings.

II. NOMINATION AND REMUNERATION COMMITTEE

Name of the Remuneration Committee is changed as Nomination and Remuneration Committee w.e.f. April 01, 2014.

Composition

The Remuneration Committee of the Board, comprises three independent directors, namely, Mr. Binoy Gupta, Chairman, Mr. Ravi Prakash Sinha and Mr. Ramesh Joshi.

The Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Terms of reference of the Committee includes

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
- Formulation of criteria for evaluation of Independent Directors, the Board and every director's performance
- Evaluation of the performance of every director
- Devising a policy on Board diversity

Meetings

One meeting of the Committee was held during the year. Two members were present for the meeting.

Remuneration Policy

The remuneration of the Managing Director and Executive Directors are decided by the Nomination and Remuneration Committee based on the Company's performance vis-à-vis the industry performance/track record of the Managing Director and Executive Directors and same is reported to the Board of Directors. The Company pays remuneration by way of salary to its Managing Director and Whole-time Director. Increment(s) are decided by the Remuneration Committee within the overall limits approved by the Members.

Details of the remuneration and sitting fees paid to Directors

Name of Director	Salary Rs.	Sitting Fees Rs.	Total Rs.
Mr. Lakhmendra Khurana	4,78,018.00	Nil	4,78,018.00
Mrs. Ranjana Khurana	2,39,009.00	Nil	2,39,009.00
Mr. Arpit Khurana	2,39,009.00	Nil	2,39,009.00
Mr. Binoy Gupta	Nil	30,000.00	30,000.00
Mr. Ramesh Joshi	Nil	40,000.00	40,000.00
Mr. Ravi Prakash Sinha	Nil	30,000.00	30,000.00

During the year 2013-2014 the Company's net profits was inadequate for the purposes of paying the approved remuneration to the Managing and Executive Directors of the Company. Therefore directors at the request of the Company have refunded the excess remuneration received by them.

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

Name of the Shareholders' / Investors' Grievance Committee is changed as Stakeholders' Relationship Committee w.e.f. April 01, 2014. The SRC, comprises of three directors, namely, Mr. Ramesh Joshi, Chairman, Mr. Ravi Prakash Sinha and Mr. Lakhmendra Khurana.

The SRC's composition and terms of reference meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

Terms of reference

The terms of reference / powers of the Stakeholders Relationship Committee are as under:

- To look into the redressal of grievances of shareholders and other security holders, including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends
- To oversee the performance of the Registrars & Transfer Agents of the Company
- To monitor the implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 1992
- To carry out such other functions as may be directed by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable and
- To perform such other functions as may be necessary or appropriate for the performance of its duties

Meetings

Four meetings of the Committee were held during the year ended March, 2014.

Attendance of each member at the SRC meetings held during the year

Name of the Committee Member	No. of meetings	
	Held	Attended
Mr. Ramesh Joshi	4	4
Mr. Ravi Prakash Sinha	4	3
Mr. Lakhmendra Khurana	4	4

Compliance Officer

Company Secretary is the Compliance Officer for complying with the requirements of Securities Laws and the Listing Agreement with the Stock Exchanges in India.

During the financial year 2013-14 the Company did not receive any complaints from the shareholders.

CODE OF CONDUCT

The Board has approved and adopted a code of conduct for all Board members and senior management of the Company. The code of conduct has been posted on the website of the Company at www.excel-infoways.com. All Board members and senior management personnel affirm compliance with the code of conduct annually. A declaration to this effect signed by Mr. Lakhmendra Khurana, Chairman and Managing director of the company is given below:

Declaration

I hereby confirm that the Company has obtained from all the members of the Board and senior management personnel, affirmation that they have complied with the Code of Conduct for directors and senior managerial personnel in respect of the financial year ended March 31, 2014.

sd/-
Lakhmendra Khurana
Chairman and Managing Director

Mumbai
May 19, 2014

GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings

Financial Year	Date	Time	Venue
2012-2013	July 31, 2013	10.00 a.m.	31-A, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400 053
2011-2012	August 21, 2012	10.00 a.m.	31-A, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400 053
2010-2011	September 30, 2011	10.00 a.m.	31-A, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400 053

- The following special resolution(s) were passed in the previous annual general meetings :

  Annual General Meeting held on July 31, 2013

  - No special resolution was passed

  Annual General Meeting held on August 21, 2012

  - To approve commencement of new activities
  - To approve re-appointment of Mr. Lakhmendra Khurana as Managing Director for further period of five years with effect from April 01, 2012

  Annual General Meeting held on September 30, 2011

  - To approve re-appointment of Mrs. Ranjana Khurana as an Executive Director of the Company, at remuneration of Rs.50,000/- p.m. for a period of 3 years w.e.f. January 1, 2011
  - To approve appointment of Mr. Arpit Khurana as an Executive Director of the Company, at remuneration upto Rs.1,00,000/- p.m. for a period of 3 years w.e.f. August 11, 2011
  - To approve appointment of Mr. Arpit Khurana to hold an office or place of profit as Executive Director of the Company for a period of 3 years w.e.f. August 11, 2011

- **Postal Ballot**

  During the year 2013-2014 no special resolution was passed through postal ballot.

CEO / CFO CERTIFICATION

The Chairman and Managing Director and Chief Financial Officer of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The Chairman and Managing Director and Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

DISCLOSURES

- **Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large**

  None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Notes of Standalone Financial Statements, forming part of the Annual Report.

  The Company's major related party transactions are generally with its subsidiary .

  All related party transactions are negotiated on arm's length basis and are intended to further the interests of the Company.

- **Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

  There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the stock exchanges or SEBI or any other statutory authority.

MEANS OF COMMUNICATION

Quarterly results
Quarterly results of the Company are published in 'Free Press Journal' and 'Navshakti' and are also displayed on the Company's website www.excel-infoways.com

Website
The Company's website www.excel-infoways.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Annual Report of the Company is also available on the website in a user friendly and downloadable form.

Annual Report
Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report and Auditor's Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website www.excel-infoways.com

Corporate Filing and Dissemination System (CFDS)
The CFDS portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by listed companies. All disclosures and communications to BSE & NSE are filed electronically through the CFDS portal, and hard copies of the said disclosures and correspondence are also filed with stock exchanges.

NSE Electronic Application Processing System (NEAPS)
The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance fillings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre')
BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES)
The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-id

The Company has designated the following email-ids exclusively for investor servicing.

- For queries on Annual Report – cs@excel-infoways.com
- For queries in respect of equity shares of the Company: rnt.helpdesk@linkintime.co.in

GENERAL SHAREHOLDER INFORMATION

Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L72900MH2003PLC138568.

Annual General Meeting

Day, Date, Time & Venue	Monday, September 29, 2014 at 9:00 a.m. at 31-A, Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai – 400053.
Financial Year	April 01 to March 31
Financial Calendar (tentative)	**June 30, 2014**- Second week of August, 2014
	September 30, 2014- Second week of November, 2014
	December 31, 2014-Second week of February, 2015
	March 31, 2015-Last week of May, 2015.
	Dividend Payment Date Not Applicable
Date of Book closure	Wednesday, September 17, 2014 to Friday, September 19, 2014 (both days inclusive)

Listing on Stock Exchanges

The shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

BSE Limited (BSE)	National Stock Exchange of India Limited (NSE)
Phiroze Jeejeebhoy	"Exchange Plaza", Plot No. C/1, G Block,
Towers, Dalal Street	Bandra-Kurla Complex, Bandra (E)
Mumbai 400 001	Mumbai 400 051
Scrip Code - 533090	**Trading Symbol – EXCELINFO**

ISIN – INE688J01015

Payment of Listing and Custodial Fee

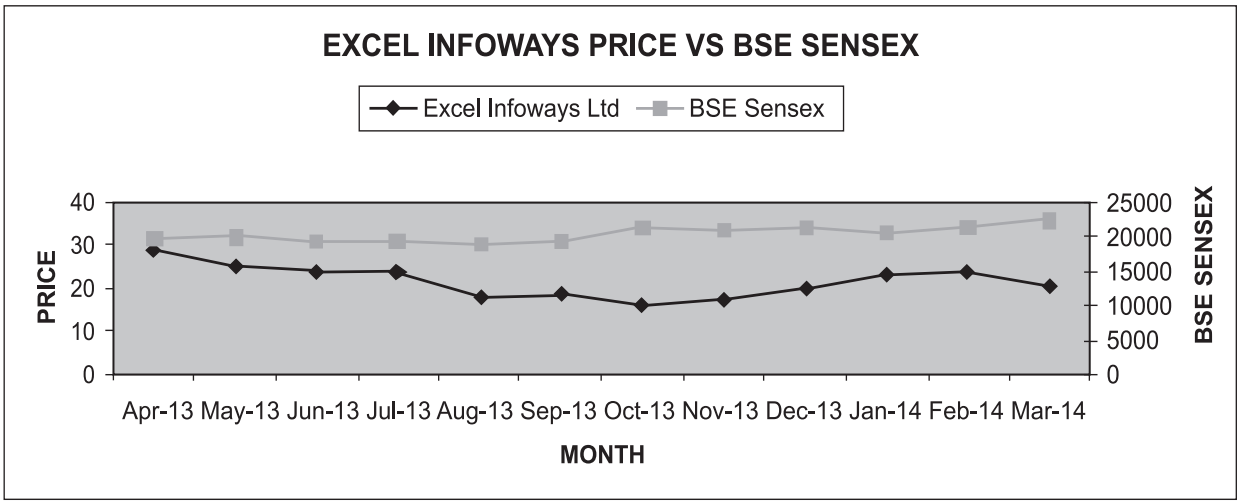
The annual Listing Fees for the year 2014-2015 has been paid to the concerned Stock Exchanges.

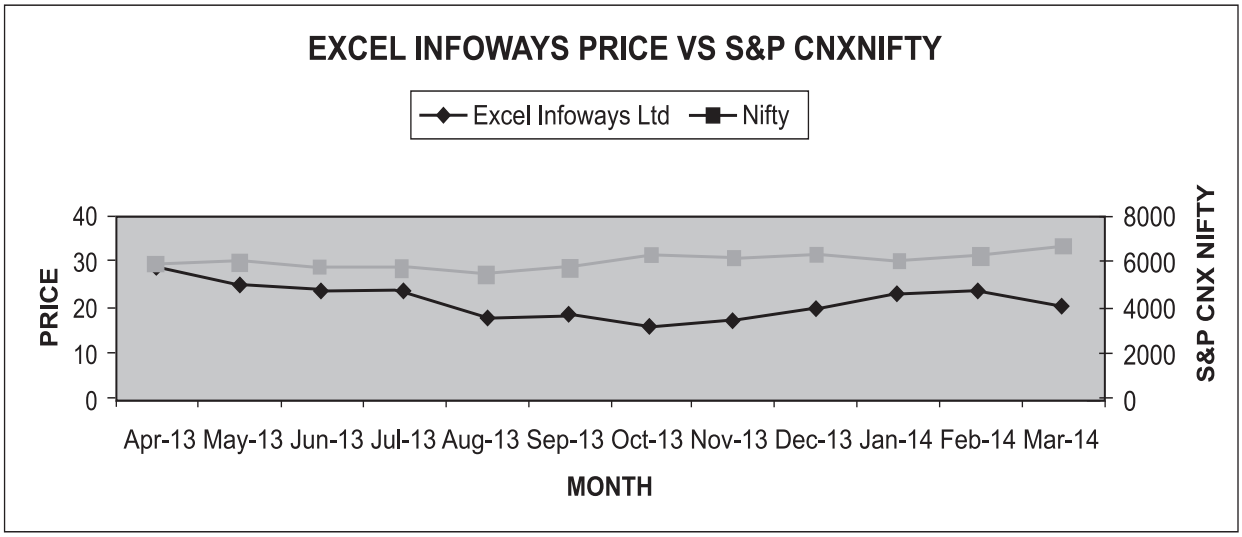
The Company has also paid the Annual Custodial fees to both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Market Price Data – High / Low during each month in the year 2013-2014

MONTH	Market Price Per Share (Rs.)			
	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	Highest	Lowest	Highest	Lowest
April, 2013	32.50	24.70	32.00	24.50
May, 2013	30.00	22.55	30.00	23.25
June, 2013	25.70	22.00	25.00	21.65
July, 2013	30.95	22.55	29.95	22.15
August, 2013	23.35	16.85	23.50	16.30
September, 2013	21.00	16.65	21.00	16.00
October, 2013	20.70	15.65	19.85	16.00
November, 2013	19.30	15.35	19.20	15.20
December, 2013	23.00	16.25	23.40	16.05
January, 2014	29.00	19.15	27.90	19.15
February, 2014	25.15	19.00	26.00	18.30
March, 2014	25.25	19.10	25.50	19.00

Company Share Price Compared with BSE SENSEX & NSE S&P CNX NIFTY





Registrars and Transfer Agents

The Company has appointed Link Intime India Private Limited of Mumbai as the Registrars and Share Transfer Agents.

For any assistance regarding share transfers, transmissions, change of address, duplicate/missing share certificate and other relevant matters, please write to the Registrars and Transfer Agents, at the address given below:

Link Intime India Private Limited.
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West)
Mumbai – 400078

Share Transfer System

The equity shares of the Company are primarily dealt with in electronic form in the depository system with no involvement of the Company. There are negligible or no transfers made in physical form. As regards transfer of shares held in physical form the transfer documents can be lodged with Registrars and Transfer Agents at the above mentioned address.

Distribution of Shareholding as on March 31, 2014

No. of shares	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1 - 500	9350	86.2467	1330173	4.2431
501 - 1000	748	6.8997	613476	1.9569
1001 - 2000	345	3.1824	532200	1.6977
2001 - 3000	123	1.1346	317656	1.0133
3001 - 4000	64	0.5904	226646	0.7230
4001 - 5000	41	0.3782	191973	0.6124
5001 - 10000	54	0.4981	399373	1.2740
Over 10000	116	1.0700	27737282	88.4796
Total	10841	100.0000	31348779	100.00

Shareholding Pattern (Category of Shareholders) as on March 31, 2014

Category code	Category of shareholder	Total no. of shares	As a percentage (A+B+C)
(A)	**Shareholding of Promoter and Promoter Group**		
(1)	Indian	13821415[1]	44.09
(2)	Foreign	0	0
	Total Shareholding of Promoter and Promoter Group	**13821415**	**44.09**
(B)	**Public shareholding**		
(1)	Institutions	0	0
(2)	Non-institutions	17527364	55.91
	Total Public Shareholding	**17527364**	**55.91**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**		
(1)	Promoter and Promoter Group	0	0
(2)	Public	0	0
	Total	0	0
	TOTAL (A+B+C)	**31348779**	**100**

1 As per disclosure under regulation 30(2) of the SEBI (Substantial Acquisition of shares and takeover) Regulations

Dematerialisation of Shares and Liquidity as on March 31, 2014

Category	No. of Shares held	No of Shareholders	% of Total Shareholding
Shares held in Demat Form	31271967	10837	99.75
Shares held in Physical Form	76812	4	0.25
TOTAL	**31348779**	**10841**	**100**

COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Auditors of the Company, M/s. S. G. Kabra & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is attached to the Directors' Report forming part of the Annual Report.

ADOPTION OF MANDATORY AND NON-MANDATORY REQUIREMENTS OF CLAUSE 49

The Company has complied with all mandatory requirements and has adopted following non-mandatory requirements of Clause 49.

Remuneration Committee
The Company has constituted Nomination and Remuneration Committee to recommend / review remuneration of the Managing Director and Executive Directors based on their performance and defined assessment criteria.

Whistle Blower Policy
The Board of Directors' of the Company are committed to maintain the highest standard of honesty, openness and accountability and recognize that each and every person in the Company has an important role to play in achieving the organizational goals. It is the policy of the Company to encourage employees, when they have reason to suspect questionable accounting/audit practices or the reporting of fraudulent financial information to shareholders, the Government or the financial markets, and/or serious misconduct otherwise, to report the concerns to the Company's Management. We further affirm that no employee has been denied access to the Audit Committee

Training of Board Members
The Board members are also provided with the necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Board and Committee members are apprised of business and performance updates, business strategy and risks involved.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Excel Infoways Limited

We have examined the compliance of conditions of Corporate Governance by Excel Infoways Limited, for the financial year ended on March 31, 2014, as stipulated in clause 49 of the Listing Agreement entered into by Excel Infoways Limited with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement.

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

For S. G. Kabra & Co.,
Chartered Accountant
(Registration No. 104507W)

sd/-
Malvika Mitra
Partner
(M. No. 44105)

Place : Mumbai
Date : May 19, 2014

Independent Auditor's Report

To the Members of Excel Infoways Limited

Report on the Financial Statement

1. We have audited the accompanying financial statement of Excel Infoways Limited, ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement.

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

Auditors' Responsibility

3. 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and presentation of the financial statement that give a true and fair view in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports the financial statements 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 March 31, 2014;
   (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
   (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

6. (i) As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclosed in the Annexure a statement of the matters specified in paragraphs 4 and 5 of the said order.
   (ii) Further to our comments in the Annexure referred to in paragraph 6(i) above, 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 purpose of our audit.
      b. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books.
      c. The Balance Sheet, Statement of Profit and Loss and Cash Flow statement dealt with by this report are in agreement with the books of accounts.
      d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable.
      e. On the basis of written representations received from the directors of the company, as on March 31, 2014 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **S. G. KABRA & CO.,**
Chartered Accountants
FRN - 104507W

sd/-
Malvika Mitra
Partner
M No. 44105

Place : Mumbai
Date : May 19, 2014

Annexure to Independent Auditor's Report

Referred to in paragraph 6 (i) of our report of even date

1. a) The Company has maintained proper records showing full particulars including quantitative details of situation of Fixed Assets.
   b) The Fixed Assets have been physically verified by the management at reasonable interval and we are informed that no material discrepancies have been noticed on such verification.
   c) During the year, there is no disposal of substantial portion of Fixed Assets of the Company.
2. The nature of business of the Company is such that there is no inventory, hence the Clause (2) of the aforesaid order is not applicable.
3. a) The Company has granted unsecured loans to its subsidiary. The maximum amount outstanding was ₹ 2,994.78 lacs and the year end balance is ₹ 2,855.24 lacs.
   b) The Company has not taken any loan secured or unsecured from any party, companies or firms covered under the register maintained u/s 301 of the Companies Act, 1956 during the year.
   c) In our opinion and according to information and explanation given to us, the rate of interest and other terms and conditions of the loans given by the Company, is not prima facie prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchase of fixed assets and for sale of service. During the course of our audit, we have not observed any major weakness in the Internal controls.
5. a) According to the information and explanations given to us, in our opinion, the transactions that need to be entered in to the register maintained under section 301 of the Companies Act, 1956 have been so entered.
   b) To the best of our knowledge & belief and according to the information and explanations given to us, in our opinion, the transactions made in pursuance of contracts or agreements with bodies corporate covered in the register maintained under section 301 of the Companies Act, 1956 or any party during the year have been made at prices which appear reasonable as per information available with the Company.
6. The Company has not accepted any deposit from the public.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. The Central Government has not prescribed the maintenance of cost records for the services rendered by the Company u/s 209(1)(d) of the Companies Act.
9. a) According to the information and explanations given to us and on the basis of records of the Company examined by us, in our opinion, the Company is regularly depositing the undisputed statutory dues, as applicable. There were no arrears of undisputed statutory dues as at March 31, 2014, which were outstanding for a period of more than six months from the date they became payable.
   b) According to the information and explanations given to us and as per books and records of the Company, there are no disputed dues which have remained unpaid as on March 31, 2014 on account of any pending dispute.
10. The Company has neither accumulated losses at the year end nor has not incurred cash losses during the year under review and in the immediately preceding financial year.
11. As per records verified by us, the Company has not defaulted in repayment of dues to financial institutions or bank or debenture holders.
12. As per records verified by us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a Nidhi / Mutual Fund / Society. Therefore the provisions of clause 4(xiii) of the order are not applicable to the Company.
14. The Company has maintained proper records of the transaction and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments held by the Company in its own name.
15. According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks / financial institutions during the year.
16. In our opinion, the term loans that have been raised by the Company have been applied for the purpose for which these were raised.
17. In our opinion and according to the information and explanations given to us and also on an overall examination of the Balance Sheet of the Company, the funds raised during the year on short term basis have not been used for long term investment.
18. The Company has not made any preferential allotment of shares to the parties and companies covered in the Register maintained under section 301 of the Companies Act.
19. The Company has not issued any debentures and hence clause 4 (xix) of the order is not applicable.
20. The Company has not raised any money by public issue during the year.
21. As per books examined by us and based on the information and explanations given to us, no fraud on or by the Company has been reported during the year

For **S. G. KABRA & CO.,**
Chartered Accountants
FRN - 104507W

sd/-
Malvika Mitra
Partner
M No. 44105

Place : Mumbai
Date : May 19, 2014

BALANCE SHEET AS AT MARCH 31, 2014

Amount (₹ '000)

Particulars		Note No.	As at March 31, 2014	As at March 31, 2013
A	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
(a)	Share capital	1	313,487.79	313,487.79
(b)	Reserves and surplus	2	1,329,544.08	1,297,220.37
			1,643,031.87	1,610,708.16
2	**Non-current liabilities**			
(a)	Long-term borrowings	3	55,677.97	30,040.53
(b)	Deferred tax liabilities (net)	4	3,924.69	4,305.15
			59,602.66	34,345.68
3	**Current liabilities**			
(a)	Short Term Borrowing	5	6,102.54	39,107.84
(b)	Other current liabilities	6	2,665.91	3,749.66
(c)	Short-term provisions	7	1,792.12	7,554.14
			10,560.57	50,411.64
	TOTAL		**1,713,195.10**	**1,695,465.48**
B	**ASSETS**			
1	**Non-current assets**			
(a)	Fixed Asset	8	62,435.75	80,931.51
(b)	Non-current investments	9	1,003,596.51	1,000,039.45
(c)	Long-term loans and advances	10	600,445.83	492,340.84
(d)	Other non-current assets	11	2,146.43	10,624.45
			1,668,624.52	1,583,936.25
2	**Current assets**			
(a)	Trade receivables	12	39,976.90	20,417.02
(b)	Cash and cash equivalents	13	2,559.60	7,412.21
(c)	Short-term loans and advances	14	2,034.08	83,700.00
			44,570.58	111,529.23
	TOTAL		**1,713,195.10**	**1,695,465.48**
	Notes forming part to the Financial Statement	**1 to 31**		

As per our report of even date

For S. G. KABRA & CO.
Chartered Accountants
FRN – 104507W

sd/-
Malvika Mitra
Partner
M. No. 44105

Place : Mumbai
Date : May 19, 2014

For and on behalf of the Board of Directors

sd/-
Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

sd/-
Kumud Waradkar
Company Secretary

sd/-
Monika Shah
Chief Financial Officer

Place : Mumbai
Date : May 19, 2014

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

Amount (₹ '000)

	Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
1	**Revenue from operations (gross)**	15	140,089.55	306,639.18
	Less: Service Tax		10,406.62	1,192.40
	Revenue from operations (net)		129,682.93	305,446.78
2	**Other income**	16	1,822.46	543.59
3	**Total revenue (1+2)**		**131,505.39**	**305,990.37**
4	**Expenses**			
	(a) Purchases of stock-in-trade	17	74,566.13	219,982.36
	(b) Employee benefits expense	18	14,885.64	17,910.61
	(c) Finance costs	19	10,421.33	4,941.50
	(d) Depreciation and amortisation expense	8	4,828.77	4,947.14
	(e) Other expenses	20	17,399.00	20,452.72
	Total expenses		**122,100.87**	**268,234.33**
5	**Profit before tax (3 - 4)**		**9,404.52**	**37,756.04**
6	**Tax Expense**			
	(a) Current tax expense		1,792.04	7,554.28
	(b) MAT credit Entitlement		1,208.98	5,266.45
	(c) Tax expense relating to prior years		534.95	539.22
	Net tax expense		3,535.97	13,359.95
	(d) Deferred tax liability(asset)		(380.47)	(216.12)
			3,155.50	**13,143.83**
7	**Profit for the year (5 - 6)**		**6,249.02**	**24,612.21**
8	**Earnings per share (of ₹ 10/- each):**			
	(a) Basic		0.20	0.79
	(b) Diluted		0.20	0.79
	Notes forming part to the Financial Statement	**1 to 31**		

As per our report of even date

For S. G. KABRA & CO.
Chartered Accountants
FRN – 104507W

sd/-
Malvika Mitra
Partner
M. No. 44105

Place : Mumbai
Date : May 19, 2014

For and on behalf of the Board of Directors

sd/-
Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

sd/-
Kumud Waradkar
Company Secretary

sd/-
Monika Shah
Chief Financial Officer

Place : Mumbai
Date : May 19, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Amount (₹ '000)

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax	9,404.52		37,756.04	
Adjustments for:				
Depreciation and amortisation	4,828.77		4,947.14	
Amortisation of share issue expenses and discount on shares	8,478.00		8,509.17	
(Profit) / loss on sale / write off of assets	(1,291.08)		-	
Finance costs	10,421.33		4,941.50	
Interest income	(116.69)	31,724.85	(197.86)	55,955.99
Operating profit / (loss) before working capital changes				
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(19,559.88)		(14,167.40)	
Short-term loans and advances	81,665.92		(15,800.00)	
Long-term loans and advances	(109,313.87)		(80,376.75)	
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities	(1,083.74)		1,139.55	
Foreign Exchange Translation Difference	26,074.69	(22,216.88)	42,587.98	(66,616.62)
Cash generated from operations		9,507.97		(10,660.63)
Net income tax (paid) / refunds		(8,089.08)		(4,940.53)
Net cash flow from / (used in) operating activities (A)		**1,418.89**		**(15,601.16)**
B. Cash flow from investing activities				
Purchase of Fixed Assets including Work in Process	(41.94)		(309.03)	
Proceeds from sale of fixed assets	15,000.00		-	
Purchase of long-term investments				
- Subsidiaries	(147.06)		(215.50)	
- Others	(3,410.00)		(48,100.00)	
Interest received				
- Others	116.69	11,517.69	197.86	(48,426.67)
Net cash flow from / (used in) investing activities (B)		**11,517.69**		**(48,426.67)**

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
C. Cash flow from financing activities				
Proceeds from long-term borrowings	25,637.44		29,899.92	
Repayment of long-term borrowings	-		(784.00)	
Proceeds from other short-term borrowings	(33,005.30)		39,107.84	
Finance cost	(10,421.33)	(17,789.19)	(4,941.50)	63,282.26
Net cash flow from / (used in) financing activities (C)		**(17,789.19)**		**63,282.26**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**(4,852.61)**		**(745.57)**
Cash and cash equivalents at the beginning of the year		7,412.21		8,157.78
Cash and cash equivalents at the end of the year		**2,559.60**		**7,412.21**

As per our report of even date

For S. G. KABRA & CO.
Chartered Accountants
FRN – 104507W

sd/-
Malvika Mitra
Partner
M. No. 44105

Place : Mumbai
Date : May 19, 2014

For and on behalf of the Board of Directors

sd/-
Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

sd/-
Kumud Waradkar
Company Secretary

sd/-
Monika Shah
Chief Financial Officer

Place : Mumbai
Date : May 19, 2014

SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

Excel Infoways Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company is engaged in the IT enabled BPO Services and development of infrastructure facility.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.1 Summary of significant accounting policies

a. Change in accounting policy

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy in use.

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

d. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates prescribed under the Schedule XIV to the Companies Act, 1956. The Company has used the following rates to provide depreciation on its fixed assets.

Rates (SLM)		
Buildings	-	1.63%
Plant and equipment	-	10.34%
Furniture and fixtures	-	6.33%
Vehicles	-	9.50%
Office Equipment	-	16.21%

e. Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of asset exceeds the recoverable amount. An impairment loss is charged to the profit and loss account in the year in which asset is identified as impaired.

SIGNIFICANT ACCOUNTING POLICIES

f. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

g. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Investments in subsidiaries are classified as long-term investments and are stated at cost except in case of foreign subsidiaries which are translated at current value.

i. Employee benefits

As per the practice consistently followed, leave encashment is accounted for as and when paid. In view of the management, most of the employees have already utilized balance of leave in their account therefore there is no material amount of leave encashment payable at the year end. Since, none of the employees have put in specified period of service; no provision for gratuity is made.

The Company makes provident fund contribution to defined contribution plans. These comprise defined contribution to Employees Provident Fund and are reported as expenses during the period under which the qualifying employee performs the service.

j. Revenue Recognition

The Company earns revenues from Business Process Outsourcing (BPO) / Information Technology Enabled Services which are recognized when the related services are rendered and recorded at relevant exchange rate prevailing on the date of transaction. Revenue from Infrastructure activities are recognized when the related work is completed.

k. Taxes on Income

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

l. Foreign Currency Transactions and Translations

Income and Expenses in foreign currencies are converted at exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Exchange difference gain/(loss) is recognized in the profit and loss account. Premium or discount on forward exchange contracts are amortized and recognized in the profit and loss account. In case of non-integral foreign operations the assets and liabilities are translated at the closing rate and income and expenditure are translated at the rate on the date of transaction. The resulting exchange difference arising is accumulated in foreign currency translation reserve under reserve and surplus.

m. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Revenue.

SIGNIFICANT ACCOUNTING POLICIES

n. Service Tax

Service Tax is recognized on the basis of services rendered by the Company.

o. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of business and services provided, with each segment representing a strategic business unit.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

p. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

r. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability.

s. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

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

Note 1 - Share Capital

1.	Particulars	As at March 31, 2014		As at March 31, 2013	
		Number of shares	₹ ('000)	Number of shares	₹ ('000)
	(a) Authorised Share Capital				
	Equity shares of ₹ 10/- each with voting rights	50,000,000	500,000.00	50,000,000	500,000.00
	(b) Issued, Subscribed and Paid up Share Capital				
	Equity shares of ₹ 10/- each with voting rights	31,348,779	313,487.79	31,348,779	313,487.79
	Total	**31,348,779**	**313,487.79**	**31,348,779**	**313,487.79**

1.1 Details of shares held by each shareholder holding more than 5% shares:

Sr. No.	Name of the shareholder	Number of shares	% of Share Held	Number of shares	% of Share Held
		As at March 31, 2014		As at March 31, 2013	
1	Lakhmendra Khurana	6,991,930	22.30	6,991,930	22.30
2	Ranjana Khurana	5,738,390	18.30	5,738,390	18.30
3	Arcadia Share & Stock Brokers Pvt. Ltd	2,061,890	6.58	-	-

1.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2014 No. of Shares	As at March 31, 2013 No. of Shares
Equity Shares at the beginning of the year	31,348,779	31,348,779
Add: Shares issued during the year	-	-
Equity Shares at the end of the year	31,348,779	31,348,779

1.3 Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held.

Note 2 - Reserves and surplus ₹ ('000)

Particulars	As at March 31, 2014	As at March 31, 2013
(a) Securities premium account	**593,028.93**	**593,028.93**
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	661,603.46	636,991.25
Add: Profit / (Loss) for the year	6,249.02	24,612.21
Closing balance	**667,852.48**	**661,603.46**
(c) Foreign Currency Translation Reserve	**68,662.67**	**42,587.98**
	1,329,544.08	**1,297,220.37**

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

₹ ('000)

Particulars	As at March 31, 2014	As at March 31, 2013
Note 3 - Long-term borrowings		
Secured Loan		
Term loans		
(i) From Banks	10,958.90	29,899.92
(ii) From Others	44,719.07	140.61
	55,677.97	**30,040.53**

(i) Term loan from banks is taken for business expansion in the month of July 2012 against mortgage of office premises for a period of sixty months at an interest rate of 14.00% p.a (Base rate+3.75%)(previous year 13.75%). Loan amounting to ₹ 11,800 thousand was repaid during the year and the loan was rescheduled. The monthly installment reduced from ₹ 763.58 thousand to ₹ 341.68 thousand.

(ii) Term loan from others is taken for business expansion against residential bungalow and pledge of shares held by directors, in the month of August 2013 amounting to ₹ 45,200 thousand at interest rate 14.25% p.a. for a period of 156 month having EMI of ₹ 637.89 thousand.

The term loan for purchase of vehicle was repaid in the month of May 2013.

Note 4 - Deferred Tax Liabilities (Net)		
Deferred tax Liability		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	3,924.69	4,305.15
	3,924.69	**4,305.15**

Details of dues to Micro and Small Enterprises under the MSMED Act, 2006

As per information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act 2006, to whom the Company owes dues on account of principle or interest.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been defined on the basis of information available with the Company. This has been relied upon by the auditors.

Note 5 - Short Term Borrowings		
Secured Loans		
From Banks	-	28,933.82
From Others		
Inter Corporate Deposits (Loans payable on demand)	6,102.54	10,174.02
	6,102.54	**39,107.84**

(a) Loan taken from banks for Financial Year 2012-13 was bank overdraft for working capital requirement secured against mortgage of residential bungalow and pledge of shares held by directors and has been repaid.

(b) Secured loan from others is secured against pledge of shares held by directors for a period of 180 days which can be renewed and is payable on demand. The loan is @18% interest p.a.

Note 6 - Other current liabilities		
(a) Unpaid dividends	176.98	177.13
(b) Application money received for allotment of securities and due for refund and interest accrued thereon	5.36	5.36
(c) Other payables		
Creditors For Expenses	2,065.49	2,131.07
TDS Payable	107.18	1,145.66
Provision for expenses	310.90	290.44
Total	**2,665.91**	**3,749.66**
Note 7 - Short-term provisions		
Provision for tax	1,792.12	7,544.14
Total	**1,792.12**	**7,544.14**

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

Note 8 – Fixed Assets ₹ ('000)

Tangible assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April 01, 2013	Additions	Disposals	Balance as at March 31, 2014	Balance as at April 01, 2013	Depreciation / amortisation expense for the year	Other Adj.	Balance as at March 31, 2014	Balance as at March 31, 2014	Balance as at March 31, 2013
(a) Land	-	-	-	-	-	-	-	-	-	-
(b) Buildings										
Own use	50,161.04	-	15,138.04	35,023.00	3,997.41	770.30	(1,429.11)	3,338.60	31,684.40	46,163.63
(c) Plant and Equipment										
Owned	3,895.76	-	-	3,895.76	2,747.55	402.82	-	3,150.37	745.39	1,148.21
(d) Furniture and Fixtures										
Owned	49,242.34	-	-	49,242.34	18,468.00	3,117.03	-	21,585.03	27,657.31	30,774.34
(e) Vehicles										
Owned	4,166.68	-	-	4,166.68	1,890.73	395.84	-	2,286.57	1,880.11	2,275.95
(f) Office equipment										
Owned	26,146.50	41.94	-	26,188.44	25,577.12	142.78	-	25,719.90	468.54	569.38
Total	**133,612.32**	**41.94**	**15,138.04**	**118,516.22**	**52,680.81**	**4,828.77**	**(1429.11)**	**56,080.47**	**62,435.75**	**80,931.51**
Previous year	133,303.29	309.03	-	133,612.32	47,733.67	4,947.14	-	52,680.81	80,931.50	85,569.62

Note 9 – Non Current Investments

Particulars	As at March 31, 2014			As at March 31, 2013		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
A Trade investment						
Investment in 100% subsidiary						
One Share of AED 100000/- each in Excel Info FZE U.A.E.	-	1626.51	1626.51	-	1,479.45	1,479.45
Other Investment						
1000 Equity Shares of ₹ 10/- each in Excel Infra N Realty Pvt. Ltd.	-	10.00	10.00	-	10.00	10.00
(A)	-	1,636.51	1,636.51	-	1489.45	1489.45
B Other investments						
Investment in Property **(B)**	-	1,001,960.00	1,001,960.00	-	998,550.00	998,550.00
(A+B)	-	**1,003,596.51**	**1,003,596.51**	-	**1,000,039.45**	**1,000,039.45**

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

₹ ('000)

Particulars		As at March 31, 2014	As at March 31, 2013
Note 10 - Long Term Loans & Advances			
A Loans and advances to related parties			
(Unsecured, considered good)			
Loans to 100% Subsidiary - Excel Info FZE		285,523.72	259,596.10
	(A)	**285,523.72**	**259,596.10**
B Other advances			
(Unsecured, considered good)			
MAT credit entitlement		72,929.05	74,137.94
Service Tax credit receivable		-	11.16
TDS Receivable		2,570.39	5,479.04
MVAT Deposit		30.03	-
Advance Recoverable		239,392.64	153,116.60
	(B)	**314,922.11**	**232,744.74**
	(A+B)	**600,445.83**	**492,340.84**
Note 11 - Other Non- Current Assets			
Unamortized expenses			
(i) Share issue expenses		2,146.43	10,602.40
(ii) Deferred Revenue		-	22.05
		2,146.43	**10,624.45**
Note 12 - Trade Receivables			
(Unsecured considered good)			
Outstanding for more than six months		18,994.18	-
Outstanding for less than six months		20,982.72	20,417.02
		39,976.90	**20,417.02**
Note 13 - Cash & Cash Equivalents			
(a) Cash on hand		277.44	70.00
(b) Balances with banks			
(i) In current accounts		1,071.34	4,262.34
(ii) In deposit accounts #		1,028.48	2,897.38
(iii) In earmarked accounts			
- Unpaid dividend accounts		176.98	177.13
- Share application money received for allotment of securities and due for refund		5.36	5.36
		2,559.60	**7,412.21**

Fixed Deposit with Banks includes deposit (inclusive of accrued interest thereon) of Rs 1,028.48 thousand (Previous Year Rs 2,897.38 thousand) with maturity of more than 12 months.

Note 14 - Short-term loans and advances			
(Unsecured, considered good)			
Others		2,034.08	83,700.00
		2,034.08	**83,700.00**

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

₹ ('000)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Note 15 - Revenue from operations		
Information Technology/ BPO related Service	53,692.55	77,290.94
Infra Projects	86,397.00	229,348.24
	140,089.55	**306,639.18**
Less:		
Service Tax	10,406.62	1,192.40
	129,682.93	**305,446.78**
Note 16 - Other Income		
(a) Interest income	116.69	197.86
(b) Net gain on foreign currency transactions and translation	355.78	332.20
(c) Other non-operating income	1,349.99	13.53
	1,822.46	**543.59**
16.1 Interest income comprises:		
Interest from Fixed Deposit with Banks	116.69	190.83
Interest from other deposits	-	7.03
	116.69	**197.86**
16.2 Other non-operating income comprises:		
Profit on sale of fixed assets	1,291.08	-
Miscellaneous income.	58.91	13.53
	1349.99	**13.53**
Note: Profit on sale of fixed asset is on sale of Industrial Gala.		
Note 17 - Purchases		
Infra Projects	74,566.13	219,982.36
	74,566.13	**219,982.36**
Note 18 - Employee benefits expense		
Salaries and wages	14,600.57	17,444.45
Contributions to provident and other funds	126.21	255.82
Staff welfare expenses	158.86	210.34
	14,885.64	**17,910.61**

18.1 The Company makes Provident Fund Contribution to defined contribution retirement benefit plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. In case of Provident Fund, the contributions specified under the law are paid to the Provident Fund set up to the respective Regional Provident Fund Commissioner.

Note 19 - Finance Cost		
Interest expense on borrowings from		
(a) Banks	5,039.52	3,542.39
(b) Others	5,381.81	1,399.11
	10,421.33	**4,941.50**

(a) Interest paid to bank is for term loan and working capital loan.

(b) Interest paid to others is interest on inter corporate deposits and interest on loan for purchase of car.

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

₹ ('000)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Note 20 - Other Expenses		
Power & Fuel Charges	1,274.64	1,584.92
Rent	993.11	1,551.15
Repairs and maintenance - Buildings	579.24	99.03
Repairs and maintenance - Machinery	116.70	161.66
Insurance	67.24	36.57
Rates and taxes	19.42	24.50
Communication	1,282.29	1,675.59
Traveling and conveyance	393.63	339.87
Printing and stationery	262.49	347.68
Business promotion	247.27	130.32
Donations and contributions	934.10	896.00
Legal and professional	1,331.58	1,196.23
Payments to auditors (Refer Note 20.1 below)	250.00	250.00
Director sitting fee	100.00	140.00
Bank Charges	676.62	1,787.14
Prior period items (Refer Note 20.2 below)	-	644.70
Miscellaneous expenses written off	8,478.01	8,509.17
Penalty (Refer Note 20.3 below)	11.80	-
Miscellaneous expenses	380.86	1,078.19
	17,399.00	**20452.72**

20.1- Payment to auditors for current year is net of service tax.

20.2- Prior Period Items for Financial Year 2012-13 comprises short provision of Income tax of earlier years.

20.3- Penalty is for delay in extension of date for custom warehousing.

Notes 21- Particulars of subsidiaries and associate

Name of the company	Country of Incorporation	Percentage of Voting Power as at 31.03.2014	Percentage of Voting Power as at 31.03.2013
Subsidiary			
Excel Info FZE	RAS AL KHAIMAH- UAE	100	100
Associate			
Excel Infra N Realty Pvt. Ltd.	India	2	2

a) Associates/Subsidiaries

1. Ranjana Construction Private Limited
2. Tista Impex Private Limited
3. Ritz Shopping Mall Private Limited
4. Excel Infra N Realty Private Limited (formerly known as Paramsatya Construction Private Limited)
5. Raj HR Solutation Private Limited
6. Lakhmendra Khurana & Sons (H.U.F.)
7. Excel Info FZE (UAE)

b) Key Management Personnel

1.	Lakhmendra Khurana	Chairman and Managing Director
2.	Ranjana Khurana	Executive Director
3.	Arpit Khurana	Executive Director
4.	Ravi Prakash Sinha	Independent & Non-Executive Director
5.	Binoy Gupta	Independent & Non-Executive Director
6.	Ramesh Joshi	Independent & Non-Executive Director
7.	Kumud H Waradkar	Company Secretary
8.	Monika Shah	Chief Financial Officer

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

c) Transactions with related Parties ₹ ('000)

Name of the party	Relationship	Nature of Transaction	31.03.2014		31.03.2013	
			Transaction during the period	Balance at the end of the year	Transaction during the period	Balance at the end of the year
Excel Info FZE	Subsidiary	Advances	285,523.72	259,596.09	5,522.00	259,596.09
Ranjana Construction Private Limited	Associated Concern	Capital Works in Progress	15,925.00(Dr) 25,515.00(Cr)	38,510.00	48,100.00	48,100.00
TIsta Impex Private Limited	Associated Concern	Capital Works in Progress	16,225.00(Dr) 3,225.00(Cr)	13,000.00	Nil	Nil
Lakhmendra Khurana	Chairman and Managing Director	Remuneration Rent	478.02 120.00	Nil 120.00	1200.00 120.00	Nil Nil
Ranjana Khurana	Executive Director	Remuneration	239.01	Nil	600.00	Nil
Arpit Khurana	Executive Director	Remuneration	239.01	Nil	600.00	Nil

22. Segment reporting

22.1 **Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of business and services provided, with each segment representing a strategic business unit.

22.2 **Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

22.3 **Unallocated items**

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

22.4 **Segment accounting policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

22.5 **Year ended March 31, 2014** ₹ ('000)

Particulars	Business Segment		Total
	IT/ BPO enabled Service	Infra Activity	
Revenue	52,792.12 (76,098.54)	76,890.81 (229,348.24)	129,682.93 (305,446.78)
Segment Result	15,678.72 (32,788.08)	2,324.68 (9,365.87)	18,003.40 (42,153.95)
Other unallocable Income			1,822.46 (543.59)
Other unallocable expenditure			10,421.33 (4,941.50)
Profit Before Tax			9405.52 (37,756.04)
Tax expenses (Net)			3,155.50 (13,143.83)
Profit After Tax for the year			6,249.02 (24,612.21)
Segment Assets	1,713,195.10 (1,695,465.48)	- -	1,713,195.10 (1,695,465.48)
Segment Liabilities	1,713,195.10 (1,695,465.48)	- -	1,713,195.10 (1,695,465.48)

The figures in bracket are figures pertaining to financial year 2012-13.

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

23. Earning Per Share

Particulars	March 31, 2014	March 31, 2013
Net Profit after Tax as per statement of Profit & Loss attributable to Equity Shareholders (₹ in '000)	6,249.02	24,612.21
Weighted Average number of equity shares used as denominator for calculating EPS	31,348,779	31,348,779
Basic & Diluted Earning per share	0.20/0.20	0.79/0.79
Face Value per equity share	10.00	10.00

24. Managerial Remuneration

Remuneration to Managing Director	478.02	1,200.00
Remuneration to Executive Director	478.02	1,200.00
	956.04	**2,400.00**

Note: Managerial Remuneration amounting to ₹ 1,043.96 thousand which was paid in excess of provision of Section 349/350 of The Companies Act,1956 was refunded by the directors.

25. Payment to Auditors

Statutory Audit	224.72	224.72
Tax Audit	56.18	56.18
	280.90	**280.90**

Note: The above amount is inclusive of service tax of 12.36%

26. Income in Foreign Currency

Received from BPO/ITES	45,507.10	66,493.54

27. Expenditure in Foreign Currency

Telecom Expenses	79.67	124.69

₹ ('000)

28. Contingent Liability	**March 31, 2014**	**March 31, 2013**
Guarantee to Custom Department	474.74	474.74

29. Certain Balance in loans & advances & Debtors accounts are subjected to confirmation/ reconciliation.

30. In the opinion of Board of Director of the Company current assets, loans & advances are of approximately the value stated, if realized in ordinary course of business.

31. These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956.

As per our report of even date

For S. G. KABRA & CO.
Chartered Accountants
FRN – 104507W

sd/-
Malvika Mitra
Partner
M. No. 44105

Place : Mumbai
Date : May 19, 2014

For and on behalf of the Board of Directors

sd/-
Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

sd/-
Kumud Waradkar
Company Secretary

sd/-
Monika Shah
Chief Financial Officer

Place : Mumbai
Date : May 19, 2014

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of Excel Infoways Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of EXCEL INFOWAYS LIMITED (the "Company") and its subsidiary (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group'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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
   a. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
   b. 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
   c. in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

6. Financial statements of EXCEL INFOWAYS LIMITED which reflect total assets (net) of ₹ 17131.95 lacs as at March 31, 2014, total revenue (net) of ₹ 1315.05 lacs and net cash flows amounting to ₹ (48.53) lacs for the year then ended, have been audited by us.

7. We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets (net) of ₹ 2,857.69 lacs as at March 31, 2014, total revenues (net) of ₹ 5.17 lacs and net cash flows amounting to ₹ (0.94) lacs for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

   Our opinion is not qualified in respect of other matters.

For **S. G. KABRA & CO.**
Chartered Accountants
FRN - 104507W

sd/-
Malvika Mitra
Partner
M. No. 44105

Place : Mumbai
Date : May 19, 2014

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

Amount (₹ '000)

	Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
A	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	1	313,487.79	313,487.79
	(b) Reserves and surplus	2	1,328,024.72	1,296,533.76
			1,641,512.51	1,610,021.55
2	**Non-current liabilities**			
	(a) Long-term borrowings	3	55,677.97	30,040.53
	(b) Deferred tax liabilities (net)	4	3,924.68	4,305.15
			59,602.65	34,345.68
3	**Current liabilities**			
	(a) Short Term Borrowing	5	6,102.54	39,107.84
	(b) Other current liabilities	6	2,804.16	4,038.26
	(c) Short-term provisions	7	1,792.12	7,554.14
			10,698.82	50,700.24
	TOTAL		**1,711,813.98**	**1,695,067.47**
B	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets	8	62,435.75	80,931.51
	(b) Non-current investments	9	1,001,970.00	998,560.00
	(c) Long-term loans and advances	10	599,597.05	232,744.75
	(d) Other non-current assets	11	2,146.43	10,624.45
			1,666,149.23	1,322,860.71
2	**Current assets**			
	(a) Trade receivables	12	39,976.89	20,417.02
	(b) Cash and cash equivalents	13	3,653.78	8,493.64
	(c) Short-term loans and advances	14	2,034.08	343,296.10
			45,664.75	372,206.76
	TOTAL		**1,711,813.98**	**1,695,067.47**
Notes forming part to the Financial Statement		**1 to 23**		

As per our report of even date

For S. G. KABRA & CO.
Chartered Accountants
FRN – 104507W

sd/-
Malvika Mitra
Partner
M. No. 44105

Place : Mumbai
Date : May 19, 2014

For and on behalf of the Board of Directors

sd/-
Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

sd/-
Kumud Waradkar
Company Secretary

sd/-
Monika Shah
Chief Financial Officer

Place : Mumbai
Date : May 19, 2014

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

Amount (₹ '000)

	Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
1	**Revenue from operations (gross)**	15	140,089.55	306,639.18
	Less: Service Tax		10,406.62	1,192.40
	Revenue from operations (net)		129,682.93	305,446.78
2	**Other income**	16	2,339.69	908.34
3	**Total revenue (1+2)**		**132,022.62**	**306,355.12**
4	**Expenses**			
	(a) Purchases of stock-in-trade	17	74,566.13	219,982.36
	(b) Employee benefits expense	18	15,178.42	18,169.09
	(c) Finance costs	19	10,421.33	4,941.50
	(d) Depreciation and amortisation expense	8	4,828.77	4,947.14
	(e) Other expenses	20	17,538.85	20,538.93
	Total expenses		**122,533.50**	**268,579.02**
5	**Profit before tax (3 - 4)**		**9,489.12**	**37,776.10**
6	**Tax Expense**			
	(a) Current tax expense		1,792.04	7,554.28
	(b) MAT credit Entitlement		1,208.98	5,266.45
	(c) Tax expense relating to prior years		534.95	539.22
	Net tax expense		3,535.97	13,359.95
	(d) Deferred tax liability(asset)		(380.47)	(216.12)
			3,155.50	**13,143.83**
7	**Profit for the year (5 - 6)**		**6,333.62**	**24,632.27**
8	**Earnings per share (of ₹ 10/- each):**			
	(a) Basic		0.20	0.79
	(b) Diluted		0.20	0.79
	Notes forming part to the Financial Statement	**1 to 23**		

As per our report of even date

For S. G. KABRA & CO.
Chartered Accountants
FRN – 104507W

sd/-
Malvika Mitra
Partner
M. No. 44105

Place : Mumbai
Date : May 19, 2014

For and on behalf of the Board of Directors

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Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

sd/-
Kumud Waradkar
Company Secretary

sd/-
Monika Shah
Chief Financial Officer

Place : Mumbai
Date : May 19, 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2014

Amount (₹ '000)

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax	9,489.12		37,776.10	
Adjustments for:				
Depreciation and amortisation	4,828.77		4,947.14	
Amortisation of share issue expenses and discount on shares	8,478.00		8,509.17	
(Profit) / loss on sale / write off of assets	(1,291.08)		-	
Finance costs	10,421.33		4,941.50	
Interest income	(116.69)	31,809.45	(197.86)	55,976.05
Operating profit / (loss) before working capital changes				
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(19,559.87)		(14,167.40)	
Short-term loans and advances	341,262.02		(275,396.10)	
Long-term loans and advances	(368,061.19)		180140.60	
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities	(1,234.10)	(47,593.14)	683.55	(108,739.35)
Cash generated from operations		(15,783.69)		(52,763.30)
Net income tax (paid) / refunds		(8,089.08)		(4,940.55)
Net cash flow from / (used in) operating activities (A)		**(23,872.77)**		**(57,703.85)**
B. Cash flow from investing activities				
Purchase of Fixed Assets including Work in Process	(41.94)		(309.03)	
Proceeds from sale of fixed assets	15,000.00		-	
Purchase of long-term investments				
- Others	(3,410.00)		(48,100.00)	
Interest received				
- Others	116.69		197.86	
Foreign Exchange Translation Difference	25,157.35	36,822.10	41,575.95	(6,635.22)
Net cash flow from / (used in) investing activities (B)		**36,822.10**		**(6,635.22)**
C. Cash flow from financing activities				
Proceeds from long-term borrowings	25,637.44		29,899.92	
Repayment of long-term borrowings	-		(784.00)	
Proceeds from other short-term borrowings	(33,005.30)		39,107.84	
Finance cost	(10,421.33)	(17,789.19)	(4941.50)	63,282.26
Net cash flow from / (used in) financing activities (C)		**(17,789.19)**		**63,282.26**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**(4,839.86)**		**(1,056.81)**
Cash and cash equivalents at the beginning of the year		8,493.64		9,550.45
Cash and cash equivalents at the end of the year		**3,653.78**		**8,493.64**

As per our report of even date

For S. G. KABRA & CO.
Chartered Accountants
FRN – 104507W

sd/-
Malvika Mitra
Partner
M. No. 44105

Place : Mumbai
Date : May 19, 2014

For and on behalf of the Board of Directors

sd/-
Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

sd/-
Kumud Waradkar
Company Secretary

sd/-
Monika Shah
Chief Financial Officer

Place : Mumbai
Date : May 19, 2014

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

1. Basis of preparation

The consolidated financial statements of the Company have been prepared on an accrual basis and under the historical cost convention. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956.

The financial statement of the foreign subsidiary has been in accordance with the respective local laws and applicable accounting standards and generally accepted accounting principals.

2. Principles of Consolidation

The consolidated financial statements relate to Excel Infoways Limited ('the Company') and its subsidiary. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiary are combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements"

b) In case of foreign subsidiaries, being non-integral foreign operation, revenue items are consolidated at the actual exchange rate on the date of transaction. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the foreign exchange fluctuation reserve.

c) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

3. The Subsidiary considered in the consolidated financial statements is:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership	Year/period ended included in Consolidation
Excel Info FZE	U.A.E.	100%	April 01, 2013 to March 31,2014

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 1 - Share Capital

1.	Particulars	As at March 31, 2014		As at March 31, 2013	
		Number of shares	₹ ('000)	Number of shares	₹ ('000)
	(a) Authorised Share Capital				
	Equity shares of ₹ 10/- each with voting rights	50,000,000	500,000.00	50,000,000	500,000.00
	(b) Issued, subscribed and paid up Share Capital				
	Equity shares of ₹ 10/- each with voting rights	31,348,779	313,487.79	31,348,779	313,487.79
	Total	**31,348,779**	**313,487.79**	**31,348,779**	**313,487.79**

1.1 Details of shares held by each shareholder holding more than 5% shares:

Sr. No.	Name of the shareholder	Number of shares	% of Share Held	Number of shares	% of Share Held
		As at March 31, 2014		As at March 31, 2013	
1	Lakhmendra Khurana	6,991,930	22.30	6,991,930	22.30
2	Ranjana Khurana	5,738,390	18.30	5,738,390	18.30
3	Arcadia Share & Stock Brokers Pvt. Ltd	2,061,890	6.58	-	-

1.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2014 No. of Shares	As at March 31, 2013 No. of Shares
Equity Shares at the beginning of the year	31,348,779	31,348,779
Add: Shares issued during the year	-	-
Equity Shares at the end of the year	31,348,779	31,348,779

1.3 Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held.

Note 2 - Reserves and surplus **₹ ('000)**

Particulars	As at March 31, 2014	As at March 31, 2013
(a) Securities premium account	**593,028.93**	**593,028.93**
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	660,559.08	635,926.81
Add: Profit / (Loss) for the year	6,333.62	24,632.27
Closing balance	**666,892.70**	**660,559.08**
(c) Foreign Currency Translation Reserve	**68,103.09**	**42,945.75**
	1,328,024.72	**1,296,533.76**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

₹ ('000)

Particulars	As at March 31, 2014	As at March 31, 2013
Note 3 - Long-term borrowings		
Secured Loan		
Term loans		
(i) From banks	10,958.90	29,899.92
(ii) From Others	44,719.07	140.61
	55,677.97	**30,040.53**

(i) Term loan from banks is taken for business expansion in the month of July 2012 against mortgage of office premises for a period of sixty months at an interest rate of 14.00% p.a (Base rate+3.75%)(previous year 13.75%). Loan amounting to ₹ 11,800 thousand was repaid during the year and the loan was rescheduled. The monthly installment reduced from ₹ 763.58 thousand to ₹ 341.68 thousand.

(ii) Term loan from others is taken for business expansion against residential bungalow and pledge of shares held by directors, in the month of August 2013 amounting to ₹ 45,200 thousand at interest rate 14.25% p.a. for a period of 156 month having EMI of ₹ 637.89 thousand.

The term loan for purchase of vehicle was repaid in the month of May 2013.

Note 4 - Deferred Tax Liabilities (Net)		
Deferred tax Liability		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	3,924.68	4,305.15
	3,924.68	**4,305.15**

Details of dues to Micro and Small Enterprises under the MSMED Act, 2006

As per information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act 2006, to whom the Company owes dues on account of principle or interest.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been defined on the basis of information available with the Company. This has been relied upon by the auditors.

Note 5 - Short Term Borrowings		
Secured Loans		
From Banks	-	28,933.82
From Others		
Inter Corporate Deposits (Loans payable on demand)	6,102.54	10,174.02
	6,102.54	**39,107.84**

(a) Loans taken from banks for Financial Year 2012-13 was bank overdraft for working capital requirement secured against mortgage of residential bunglow and pledge of shares held by directors and has been repaid.

(b) Secured loan from others is secured against pledge of shares held by directors for a period of 180 days which can be renewed and is payable on demand. The loan is @18% interest per annum.

Note 6 - Other current liabilities		
(a) Unpaid dividends	176.98	177.13
(b) Application money received for allotment of securities and due for refund and interest accrued thereon	5.36	5.36
(c) Other payables		
Creditors For Expenses	2,203.74	2,419.67
TDS Payable	107.18	1,145.66
Provision for expenses	310.90	290.44
Total	**2,804.16**	**4,038.26**
Note 7 - Short-term provisionss		
Provision for tax	1,792.12	7,544.14
Total	**1,792.12**	**7,544.14**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 8 - Fixed Assets

₹ ('000)

Tangible assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April 01, 2013	Additions	Disposals	Balance as at March 31, 2014	Balance as at April 01, 2013	Depreciation / amortisation expense for the year	Other Adj.	Balance as at March 31, 2014	Balance as at March 31, 2014	Balance as at March 31, 2013
(a) Land	-	-	-	-	-	-	-	-	-	-
(b) Buildings										
Own use	50,161.04	-	15,138.04	35,023.00	3,997.41	770.30	(1,429.11)	3,338.60	31,684.40	46,163.63
(c) Plant and Equipment										
Owned	3,895.76	-	-	3,895.76	2,747.55	402.82	-	3,150.37	745.39	1,148.21
(d) Furniture and Fixtures										
Owned	49,242.34	-	-	49,242.34	18,468.00	3,117.03	-	21,585.03	27,657.31	30,774.34
(e) Vehicles										
Owned	4,166.68	-	-	4,166.68	1,890.73	395.84	-	2,286.57	1,880.11	2,275.95
(f) Office equipment										
Owned	26146.50	41.94		26,188.44	25,577.12	142.78	-	25,719.90	468.54	569.38
Total	**133,612.32**	**41.94**	**15,138.04**	**118,516.22**	**52,680.81**	**4,828.77**	**(1429.11)**	**56080.47**	**62,435.75**	**80,931.51**
Previous year	133,303.29	309.03	-	133,612.32	47,733.67	4,947.14	-	52,680.81	80,931.50	85,569.62

Note 9 - Non Current Investments

Particulars	As at March 31, 2014			As at March 31, 2013		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
A Trade investment						
Other Investment						
1000 Equity Shares of ₹ 10/- each in Excel Infra N Realty Pvt. Ltd.	-	10.00	10.00	-	10.00	10.00
B Other Investment						
Investment in Property	-	1,001,960.00	1,001,960.00	-	998,550.00	998,550.00
(A+B)	-	**1,001,970.00**	**1,001,970.00**	-	**998,560.00**	**998,560.00**

Note 10 - Long Term Loans & Advances

Particulars	As at March 31, 2014	As at March 31, 2013
Other advances		
(Unsecured, considered good)		
MAT credit entitlement	72,929.05	74,137.94
Service Tax credit receivable	-	11.17
TDS Receivable	2,570.39	5,479.04
MVAT Deposit	30.03	-
Advance Recoverable	524,067.58	153,116.60
	599,597.05	**232,744.75**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

₹ ('000)

Particulars	As at March 31, 2014	As at March 31, 2013
Note 11 - Other Non- Current Assets		
Unamortized expenses		
(i) Share issue expenses	2,146.43	10,602.40
(ii) Deferred Revenue	-	22.05
	2,146.43	**10,624.45**
Note 12 - Trade Receivables		
(Unsecured considered good)		
Outstanding for more than six months	18,994.17	-
Outstanding for less than six months	20,982.72	20,417.02
	39,976.89	**20,417.02**
# All trade receivables for financial year 2012-13 are less than six months old.		
Note 13 - Cash & Cash Equivalents		
(a) Cash on hand	1209.70	958.23
(b) Balances with banks		
(i) In current accounts	1,071.34	4,262.34
(ii) In deposit accounts#	1,028.48	2,897.38
(iii) Balances with Foreign Banks	161.92	193.20
(iv) In earmarked accounts		
- Unpaid dividend accounts	176.98	177.13
- Share application money received for allotment of securities and due for refund	5.36	5.36
	3653.78	**8,493.64**
#Fixed Deposit with Banks includes deposit (inclusive of accrued interest thereon) of Rs 1,028.48 thousand (Previous Year Rs 2,897.38 thousand) with maturity of more than 12 months.		
Note 14 - Short-term loans and advances		
(Unsecured, considered good)		
Others	2,034.08	343,296.10
	2,034.08	**343,296.10**
Note 15 - Revenue from operations		
Information Technology/ BPO related Service	53,692.55	77,290.94
Infra Projects	86,397.00	229,348.24
	140,089.55	**306,639.18**
Less:		
Service Tax	10,406.62	1,192.40
	129,682.93	**305,446.78**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

₹ ('000)

	Particulars	As at March 31, 2014	As at March 31, 2013
Note 16 -	**Other Income**		
	(a) Interest income	116.69	197.86
	(b) Net gain on foreign currency transactions and translation	355.78	332.20
	(c) Other non-operating income	1,867.22	378.28
		2,339.69	**908.34**
16.1	**Interest income comprises:**		
	Interest from Fixed Deposit with Banks	116.69	190.83
	Interest from other deposits	-	7.03
		116.69	**197.86**
16.2	**Other non-operating income comprises:**		
	Profit on sale of fixed assets	1,291.08	-
	Miscellaneous income.	576.14	378.28
		1,867.22	**378.28**
Note 17 -	**Purchases**		
	Infra Projects	74,566.13	219,982.36
		74,566.13	**219,982.36**
Note 18 -	**Employee benefits expense**		
	Salaries and wages	14,893.35	17,702.93
	Contributions to provident and other funds	126.21	255.82
	Staff welfare expenses	158.86	210.34
		15,178.42	**18,169.09**

18.1 The Company makes Provident Fund Contribution to defined contribution retirement benefit plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. In case of Provident Fund, the contributions specified under the law are paid to the Provident Fund set up to the respective Regional Provident Fund Commissioner.

Note 19 - Finance Cost

Interest expense on Borrowings from:		
(a) Banks	5,039.52	3,542.39
(b) Others	5,381.81	1,399.11
	10,421.33	4,941.50

(a) Interest paid to bank is for term loan and working capital loan.
(b) Interest paid to others is interest on inter corporate deposits and interest on loan for purchase of car. (previous year interest was paid only for loan for purchase of car).

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

₹ ('000)

Particulars	As at March 31, 2014	As at March 31, 2013
Note 20 – Other Expenses		
Power & Fuel Charges	1,274.64	1,584.92
Rent	993.11	1,551.15
Repairs and maintenance - Buildings	579.24	99.03
Repairs and maintenance - Machinery	116.70	161.66
Insurance	67.24	36.57
Rates and taxes	19.42	24.50
Communication	1,282.29	1,675.59
Traveling and conveyance	393.63	339.87
Printing and stationery	262.49	347.68
Business promotion	247.27	130.32
Donations and contributions	934.10	896.00
Legal and professional	1,331.58	1,196.23
Payments to auditors (Refer Note 20.1 below)	274.40	271.54
Director sitting fee	100.00	140.00
Bank Charges	676.61	1,787.14
Prior period items (Refer Note 20.2 below)	-	644.70
Miscellaneous expenses written off	8,478.01	8,509.17
Penalty (Refer Note 20.3 below)	11.80	-
Miscellaneous expenses	496.32	1,142.86
	17,538.85	**20,538.93**

20.1 - Payment to auditors for current year is net of service tax.

20.2 - Prior Period Items for Financial Year 2012-13 comprises short provision of Income tax of earlier years.

20.3 - Penalty is for delay in extension of date for custom warehousing.

Note 21 - The subsidiary considered in the consolidated financial statement is:

Name of the company	Country of Incorporation	Percentage of Voting Power as at 31.03.2014	Percentage of Voting Power as at 31.03.2013
Excel Info FZE	RAS AL KHAIMAH- UAE	100	100

Note 22 - Earning Per Share

Net Profit after Tax as per statement of Profit & Loss attributable to Equity Shareholders (₹ in '000)	6,333.62	24,632.27
Weighted Average number of equity shares used as denominator for calculating EPS	31,348,779	31,348,779
Basic & Diluted Earning per share	0.20/0.20	0.79/0.79
Face Value per equity share	10.00	10.00

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

23. Other significant accounting policies and notes to accounts

Theses are set out under "Significant Accounting Policies" as given in the Company's separate financial statements. However the company has disclosed such notes and details which represent the needed disclosure to serve as a guide for the better understanding of the Group's position.

As per our report of even date

For S. G. KABRA & CO.
Chartered Accountants
FRN – 104507W

sd/-
Malvika Mitra
Partner
M. No. 44105

Place : Mumbai
Date : May 19, 2014

For and on behalf of the Board of Directors

sd/-
Lakhmendra Khurana
Chairman and Managing Director

sd/-
Ranjana Khurana
Executive Director

sd/-
Kumud Waradkar
Company Secretary

sd/-
Monika Shah
Chief Financial Officer

Place : Mumbai
Date : May 19, 2014

FINANCIAL INFORMATION OF SUBSIDIARY COMPANY

Name of the subsidiary company - Excel Info FZE

Reporting Currency	In AED ('000)	In INR ('000)
Capital	100.00	1626.51
Reserves	(79.31)	(1290.00)
Total Assets	17569.47	285769.12
Total Liabilities	17548.78	285432.61
Investment	0.00	0.00
Turnover/Total Income	31.80	517.23
Profit Before Taxation	5.20	84.56
Provision for Taxation	0.00	0.00
Profit After Taxation	5.20	84.56
Proposed Dividend	0.00	0.00
Country	United Arab Emirates	

Exchange Rate used for translation as on 31.03.2014 is 1 AED = 16.265

Average Exchange Rate used for transactions is 1 AED = 15.528 INR

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NOTES

NOTES

Excel Infoways Ltd.

CIN - L72900MH2003PLC138568
Registered Office: 31-A, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400053.

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **12th Annual General Meeting** of the Company held on Monday, September 29, 2014 at 9.00 a.m. at the Registered Office of the Company at 31-A, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400053.

Signature of Shareholder / proxy _____

*Applicable for investors holding shares in electronic form.

TEAR HERE

TEAR HERE

Excel Infoways Ltd.

CIN - L72900MH2003PLC138568
Registered Office: 31-A, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400053.

PROXY FORM

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

Name of the member(s) : **Registered address :**		**Email-id :** **Folio No. / *Client id :** ***DP id :**	

I / We being the member(s) of _____ shares of EXCEL INFOWAYS LIMITED hereby appoint :

1._____ of _____ having e-mail id _____or failing him

2._____ of _____ having e-mail id _____or failing him

3._____ of _____ having e-mail id _____

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/ us and on my / our behalf at the **12th Annual General Meeting** of the Company, to be held on Monday, September 29, 2014 at 9.00 a.m. at the Registered Office of the Company at 31-A, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400053. and at any adjournments thereof in respect of such resolutions as are indicated below :

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Consider and adopt : a. Audited Financial Statement, Reports of the Board of Directors and Auditors		
b. Audited Consolidated Financial Statement		
2. Re-appointment of Mrs. Ranjana Khurana who retires by rotation		
3. Appointment of Auditors and fixing their remuneration		
4. Appointment of Mr. Ramesh Joshi as an Independent Director		
5. Appointment of Mr. Ravi Prakash Sinha as an Independent Director		
6. Appointment of Mr. Binoy Gupta an Independent Director		
7. Approval of the Remuneration of Mr. Lakhmendra Khurana, Managing Director of the Company		
8. Approval of the Remuneration of Mrs. Ranjana Khurana, Executive Director of the Company		
9. Approval of the Remuneration of Mr. Arpit Khurana, Executive Director of the Company		
10. Re-appointment of Mr. Arpit Khurana as an Executive Director		
11. Adoption of new Articles of Association of the Company		

*Applicable for investors holding shares in electronic form.

Signed this_____ day of _____ 2014

_____
Signature of shareholder

Affix 15 paise Revenue Stamp

_____
Signature of first proxy holder

_____
Signature of second proxy holder

_____
Signature of third proxy holder

Notes:

1. **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.**
2. **A Proxy need not be a member of the Company**.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

BOOK POST

If undelivered please return to :

Registrars & Share Transfer Agents
Link Intime India Private Limited.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai – 400 078.

Unit : **EXCEL INFOWAYS LIMITED**

CRYSTAL (022) - 6614 0900
cfl_mum@crystalforms.com

CIN: L72900MH2003PLC138568
Registered Office: 31-A, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053
Tel: +91 22 40309898 • **Fax:** +91 22 26394248
Website: www.excel-infoways.com • **Email:** cs@excel-infoways.com

Dear Member,

Sub: Voting through electronic means - Notice of 12th Annual General Meeting of Excel Infoways Ltd. to be held on Monday, September 29, 2014 at 9.00 a.m. at the Registered Office of the Company at 31-A, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Excel Infoways Limited ("the Company") is offering e-voting facility to its members in respect of the businesses to be transacted at the Twelfth Annual General Meeting scheduled to be held on Monday, September 29, 2014 at 9.00 a.m.

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Authorised Agency to provide the e-voting facilities.

The e-voting facility will be available during the following period:

Commencement of e-voting	**From 9:00 a.m. (IST) on Tuesday, September 23, 2014**
End of e-voting	**Up to 9:00 a.m. (IST) on Friday, September 26, 2014**

The cut-off date (i.e. the record date) for the purpose of e-voting is September 12, 2014.

Please read the instructions given below before exercising vote. This communication forms an integral part of the Notice dated May 19, 2014 for the Twelfth Annual General Meeting sheduled to be held on September 29, 2014 at 9.00 a.m., which has already been despatched to you along with the full Annual Report for the financial year 2013-14 of the Company. A copy of the said Notice is attached herewith for reference. Attention is invited to the statement on the accompanying Notice that the business of the meeting may be transacted through electronic voting system and that the Company is providing facility for voting by electronic means.

The Notice of the Annual General Meeting and this communication are also available on the website of the Company at www.excel-infoways.com.

Yours faithfully,
By Order of the Board
For **Excel Infoways Limited**

sd/-
Kumud Waradkar
Company Secretary
May 19, 2014
Mumbai

Instructions and other information relating to e-voting are as under:

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders" tab.

(iii) Select "EXCEL INFOWAYS LIMITED" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. In case you have forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account / folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cut-off date i.e September 12, 2014 in the Dividend Bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for EXCEL INFOWAYS LIMITED on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) For Corporate / Institutional shareholders

- Corporate / Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- Corporate / Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney (POA) / Authority Letter etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID : scrutinizer@excel-infoways.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Company Code_BR / POA / AL".

Other Instructions

(i) The voting period begins on 9.00 a.m (IST) on Tuesday, September 23, 2014 and ends on 9.00 a.m. (IST) on Friday, September 26, 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 12, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date i.e September 12, 2014.

(iii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. or cs@excel-infoways.com.

(iv) The results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date, subject to receipt of the requisite number of votes in favour of the Resolution.

(v) Ms. Shashikala Rao, Practicing Company Secretary (Membership No. FCS 3866) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(vi) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

(vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.excel-infoways.com and on the website of CDSL, www.evotingindia.com within two days of the passing of the resolutions at the 12th AGM of the Company on Monday, September 29, 2014 and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the Members of EXCEL INFOWAYS LIMITED will be held on Monday, September 29, 2014 at 9.00 a.m. at the Registered Office of the Company at 31-A, Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai 400053 to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt :
   a. the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon; and
   b. the audited consolidated financial statement of the Company for the financial year ended March 31, 2014.
2. To appoint a Director in place of Mrs. Ranjana Khurana, who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** M/s. S. G. Kabra & Co., Chartered Accountants (Registration No. 104507W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. To appoint Mr. Ramesh Joshi (DIN: 00002683), as an Independent Director 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 the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ramesh Joshi (DIN: 00002683), who was appointed as a Director liable to retire by rotation and whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019 and whose office shall not be liable to retirement by rotation."
5. To appoint Mr. Ravi Prakash Sinha (DIN: 02034763) as an Independent Director 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 the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ravi Prakash Sinha (DIN: 02034763), who was appointed as a Director liable to retire by rotation and who holds office as a director up to the Annual General Meeting of the Company to be held in the calendar year 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019 and whose office shall not be liable to retirement by rotation."
6. To appoint Mr. Binoy Gupta (DIN: 02016058), as an Independent Director 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 the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Binoy Gupta (DIN: 02016058), who was appointed as a Director liable to retire by rotation and who holds office as a director up to the Annual General Meeting of the Company to be held in the calendar year 2016 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019 and whose office shall not be liable to retirement by rotation."
7. To approve remuneration to Mr. Lakhmendra Khurana (DIN: 00623015), Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Lakhmendra Khurana (DIN: 00623015), Managing Director of the Company, be paid remuneration for a period of 3 (three) years from April 1, 2014, as set out in the Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

   RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014, during the tenure of Mr. Lakhmendra Khurana as Managing Director, the Company shall pay to Mr. Lakhmendra Khurana the remuneration as set out in the Statement annexed to the Notice convening this Annual General Meeting as minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

   RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."
8. To approve remuneration to Mrs. Ranjana Khurana (DIN: 00623034), Executive Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Ranjana Khurana (DIN: 00623034), Executive Director of the Company, be paid remuneration for a period of 3 (three) years from April 1, 2014, as set out in the Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

   RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014, during the tenure of Mrs. Ranjana Khurana as Executive Director, the Company shall pay to Mrs. Ranjana Khurana the remuneration as set out in the Statement annexed to the Notice convening this Annual General Meeting as minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

   RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."
9. To approve remuneration to Mr. Arpit Khurana (DIN: 03169762), Executive Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Arpit Khurana (DIN: 03169762), Executive Director of the Company, be paid remuneration for the period from April 1, 2014 to August 10, 2014, as set out in the Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014 during the tenure of Mr. Arpit Khurana as Executive Director, the Company shall pay to Mr. Arpit Khurana the remuneration as set out in the Statement annexed to the Notice convening this Annual General Meeting as minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To re-appoint Mr. Arpit Khurana (DIN: 03169762), as an Executive Director 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** in accordance with the provisions of sections 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), re-enactments thereof for the time being in force), approval of the members be and is hereby accorded to the re-appointment of Mr. Arpit Khurana (DIN: 03169762), as an Executive Director of the Company for a period of 3 (three) years with effect from August 11, 2014 on the terms and conditions including remuneration for a period of 3 (three) years as set out in the Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014 during the tenure of Mr. Arpit Khurana as Executive Director, the Company shall pay to Mr. Arpit Khurana the remuneration as set out in the Statement annexed to the Notice convening this Annual General Meeting as minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
For **Excel Infoways Limited**

sd/-
Kumud Waradkar
Company Secretary

Place : Mumbai
Date : May 19, 2014

Registered Office:
31-A, Laxmi Industrial Estate
New Link Road, Andheri (West), Mumbai – 400053
CIN: L72900MH2003PLC138568
E-mail: cs@excel-infoways.com

NOTES:

1. **A member entitled to attend and vote at the annual general meeting ("the Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representatives to attend and vote on their behalf at the Meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. Brief resume of all Directors including those proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
6. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
7. 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.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays during business hours of the Company up to the date of the Meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
10. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.

11. The Company has notified closure of Register of members and Share Transfer Books from Wednesday, September 17, 2014 to Friday, September 19, 2014 (both days inclusive).
12. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Member holding shares in physical form are requested to advise any change in their address immediately to the Company / Registrars and Transfer Agents.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents.
14. Non- Resident Indian Members are requested to inform Registrars and Transfer Agents, immediately of:
    a. Change in their residential status on return to India for permanent settlement.
    b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. The annual report of the Company circulated to the members of the Company, will be made available on the Company's website at www.excel-infoways.com
16. Copies of Annual Report for 2013-2014 are being sent by electronic mode only to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2013-2014 are being sent by the permitted mode.
17. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members to exercise their right to vote by electronic means. The Members / list of Beneficial Owners as on cut-off date i.e. September 12, 2014, are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the "cut-off" date can exercise their right to vote by electronic means. The e-voting period will commence on 9.00 a.m.(IST) on Tuesday, September 23, 2014 and will end at 9.00 a.m. (IST) on Friday, September 26, 2014. The Company has appointed Ms. Shashikala Rao, Practising Company Secretary to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting sent separately.
18. The Notice of the Twelfth Annual General Meeting and instructions for e-voting, is being sent by electronic mode to all members whose email addresses are registered with the Company/ Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
19. Members who are unable to exercise their voting rights through e-voting may exercise their voting rights at a poll provided at the Annual General Meeting.
20. Investor Grievance Redressal :

    The Company has designated an exclusive e-mail id cs@excel-infoways.com to enable Investors to register their complaints, if any.
21. Members who have not registered their email addresses so far are requested to register their email addresses so that they can receive the Annual Report and other communications from the Company electronically.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item Nos. 4, 5 and 6

Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta are Independent Directors of the Company (appointed pursuant to Clause 49 of the Listing Agreement), whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. As per the resolutions passed by the members Mr. Ramesh Joshi holds office as a director up to the date of this Annual General meeting of the Company, Mr. Ravi Prakash Sinha holds office as a director up to the date of the Annual General Meeting of the Company to be held in the calendar year 2015 and Mr. Binoy Gupta holds office as a director up to the date of the Annual General Meeting of the Company to be held in the calendar year 2016.

As per the provisions of Section 149(10) of the Act (effective from April 1, 2014) an independent director shall hold office for a term of up to five consecutive years on the Board. Further, Explanation to Section 14(11) of the Act, provides that any tenure of an independent director on the date of commencement of the Act shall not be counted as a term for the purposes of his appointment or holding office of director under the Act. Section 149(5) of the Act, provides a transitional period of one year to comply with the provisions for appointment of independent directors. Ministry of Corporate Affairs, Government of India, has by notification dated June 9, 2014 clarified that if a company intends to appoint existing independent directors as independent directors under the Act, such appointment must be made expressly within one year from April 1, 2014.

Section 149(13) of the Act provides that the provisions relating to retirement of directors by rotation shall not apply to the appointment of independent directors.

In order to comply with the applicable provisions of the Act, it is proposed to appoint Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta as Independent Directors of the Company to hold office for 5(five) consecutive years from April 1, 2014 to March 31, 2019, pursuant to Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement and that they shall not be liable to retire by rotation.

Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta are Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

It is proposed to appoint Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta as Independent Directors under Section 149 of the Act and Revised Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years from April 01, 2014 to March 31, 2019.

Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has also received declarations from Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Revised Clause 49 of the Listing Agreement.

The Company has also received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta for the office of Directors of the Company.

In the opinion of the Board, Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement.

Brief resume of Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for the respective appointments of Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Ramesh Joshi, Mr. Ravi Prakash Sinha and Mr. Binoy Gupta are interested in the resolutions set out respectively at Item Nos. 4, 5 and 6 of the Notice with regard to their respective appointments.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out in Item Nos. 4, 5 and 6 of the Notice for approval by the shareholders.

Item Nos. 7, 8 and 9

During the financial year 2013-14, the net profit of the Company was inadequate to pay, the remuneration as approved by the shareholders to Mr. Lakhmendra Khurana, Chairman and Managing Director and Mrs. Ranjana Khurana and Mr. Arpit Khurana, Executive Directors of the Company. Therefore all the three directors have refunded the excess remuneration received by them.

It is proposed to seek the approval of shareholders to pay remuneration to Mr. Lakhmendra Khurana, Chairman and Managing Director, Mrs. Ranjana Khurana and Mr. Arpit Khurana, Executive Directors of the Company in terms of the provisions of Sections 196 & 197 read with Section II of Part II of Schedule V and all other applicable provisions of the Act.

The remuneration payable to Mr. Lakhmendra Khurana, Chairman and Managing Director and Mrs. Ranjana Khurana and Mr. Arpit Khurana, Executive Directors of the Company is as under:

A. Salary Perquisites and Allowances:

Name	Salary
Mr. Lakhmendra Khurana	Rs.100,000 to Rs. 200,000 p.m.
Mrs Ranjana Khurana	Rs.50,000 to Rs.100,000 p.m.
Mr. Arpit Khurana	Rs.50,000 to Rs.100,000 p.m.

- Increment as per Company's policy, but not exceeding 20% of the annual salary.
- Perquisites and allowances up to 100% of annual salary which shall include accommodation (furnished or otherwise); house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/ or allowances for utilization of gas, electricity, water, furnishing and repairs; medical reimbursement; leave travel concession for self and family including dependents; medical insurance and such other perquisites and/ or allowances.

  The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income-Tax Act, 1961 or any rules thereunder or any statutory modifications(s) or re-enactment thereof; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
- The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income–tax law, gratuity payable and encashment of leave at the end of the tenure, shall not be included for the purpose of computation of the overall ceiling of remuneration.

B. Reimbursement of expenses:

Reimbursement of expenses incurred for travelling, board and lodging including for his spouse, children and attendant(s) during business trips; provision of car for use on Company's business; telephone expenses at residence shall be reimbursed and not considered as perquisite.

The remuneration as set out above may be altered and varied from time to time by the Board/ Nomination and Remuneration Committee of the Board, as it may, at its discretion, deem fit subject to the same but not exceeding the limits specified under Schedule V to the Act, or any statutory modification(s) or re-enactment thereof.

In the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014 during the tenure of the above Directors, the Company shall pay to them remuneration as set out above as minimum remuneration, but not exceeding the limits specified under Section II of Part II of Schedule V to the Act, or any statutory modification(s) or re-enactment thereof.

Information as required under Section II of Part II of Schedule V to the Companies Act, 2013 is given below item 10 seperately.

Mr. Lakhmendra Khurana, Chairman and Managing Director, Mrs. Ranjana Khurana and Mr. Arpit Khurana, Executive Directors of the Company, are interested in the proposed resolutions.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board of Directors recommend the passing of the resolution under the item nos. 7, 8 and 9.

Item No. 10

The Board of Directors of the Company at its meeting held on May 19, 2014, has subject to the approval of the members, re-appointed Mr. Arpit Khurana as an Executive Director of the Company for a further period of 3 (three) years from the expiry of his present term, that is August 11, 2014, on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to, Mr. Arpit Khurana as an Executive Director of the Company in terms of the applicable provisions of the Act.

Brief resume of Mr. Arpit Khurana, nature of their expertise in specific functional areas and names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

The terms of re-appointment of and remuneration payable to Mr. Arpit Khurana during his tenure as an Executive Director shall be as under:

A. Salary, Perquisites and Allowances:

- Salary in the scale of Rs.50, 000 p.m. to Rs. 1, 00,000 p.m.
- Increment as per Company's policy, but not exceeding 20% of the annual salary.
- Perquisites and allowances up to 100% of annual salary which shall include accommodation (furnished or otherwise); house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs; medical reimbursement; leave travel concession for self and family including dependents; medical insurance and such other perquisites and/ or allowances.

  The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income-Tax Act, 1961 or any rules thereunder or any statutory modifications(s) or re-enactment thereof; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
- The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave at the end of the tenure, shall not be included for the purpose of computation of the overall ceiling of remuneration.

B. Reimbursement of expenses:

Reimbursement of expenses incurred for travelling, board and lodging including for her spouse, children and attendant(s) during business trips; provision of car for use on Company's business; telephone expenses at residence shall be reimbursed and not considered as perquisite."

Mr. Arpit Khurana satisfies all the conditions set out in Part I of the Schedule V to the Act, for being eligible for the re-appointment. He is not disqualified from being appointed as Director in terms of section 164 of the Act.

The remuneration as set out above may be altered and varied from time to time by the Board/ Nomination and Remuneration Committee of the Board, as it may, at its discretion, deem fit subject to the same but not exceeding the limits specified under Schedule V to the Act, or any statutory modification(s) or re-enactment thereof;

In the event of loss or inadequacy of profits in any financial year closing on or after March 31, 2014 during the tenure of Mr. Arpit Khurana as Executive Director, the Company shall pay him remuneration as set out above as minimum remuneration, but not exceeding the limits specified under Section II of Part II of Schedule V to the Act, or any statutory modification(s) or re-enactment thereof;

Information as required under Section II of Part II of Schedule V to the Companies Act, 2013 is given below seperately.

Mr. Arpit Khurana is interested in the resolution as it pertains to his re-appointment as Executive Director and remuneration payable to him.

Mr. Lakhmendra Khurana, Chairman and Managing Director and Mrs. Ranjana Khurana, Executive Director of the Company, being relatives of Mr. Arpit Khurana are interested in the proposed resolution.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board of Directors recommend the passing of the resolution under item no. 10.

Statement as per Section II of Part II of Schedule V to the Companies Act, 2013 for item nos 7,8,9, and 10

I. General Information :

1. **Nature of industry -** BPO/ITES and Infra Activity
2. **Date of commencement of commercial activity :** January 07, 2003
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus** - NA
4. **Financial performance based on given indicators**

(Rs.in'000)

INDICATORS	2013-14	2012-13	2011-12
Turnover	131,505.39	305,990.37	162,277.78
Net worth	1,572,222.77	1,557,495.73	1,524,374.35
Earnings per Share	0.20	0.79	0.70
Profit after Tax	6,249.02	24,612.21	20,518.80
Market Capitalisation	634,812.77	924,788.95	675,566.19
Book Value per Share	50.15	49.68	48.63
Debt-Equity Ratio	0.04	0.04	0.00

(Note: The above figure are in '000 (thousands) except per share data. The share price for calculation of market capitalization is taken as on 31st March on BSE)

5. **Foreign investments or collaborations**

Excel Info FZE, UAE is the wholly owned subsidiary of Excel Infoways Ltd. As on March 31, 2014, Company's 33,542 shares are held by the foreign investors.

II. Information about the appointees

1. **Background details**

Mr. Lakhmendra Khurana, is the Chairman and Managing Director of Excel Infoways Ltd. He holds a bachelor's degree in arts from Meerut University. He started his career as a farmer then he turned into the line of business and has over 31 years of varied experience of having run and managed export units in the field of garments. He promoted the Company in January 2003 and contributed to the growth of the Company. He is actively involved in social activities.

Mr. Lakhmendra Khurana is the Chairman of ISKCON (BKK) Juhu, Mumbai. He is the Chairman of Stallion College for Engineering & Technology, Chutmalpur, Near Dehradun (UP) and Convenor of Cultural & Disaster Management, Maharashtra Pradesh Congress Sevadal.

Mrs. Ranjana Khurana, is the Executive Director and one of the Promoters of Excel Infoways Limited. She holds a Master's Degree in Arts from Meerut University. She is responsible for administration related activities of the Company. She was previously running a garment export business for 11 years.

Mr. Arpit Khurana, is the Executive Director of Excel Infoways Limited. He has completed his graduation. He has experience of seven years in the Company.

2. **Past remuneration**

Year	Lakhmendra Khurana	Ranjana Khurana	Arpit Khurana
2013-14	4,78,018.00	2,39,009.00	2,39,009.00
2012-13	12,00,000.00	6,00,000.00	6,00,000.00
2011-12	12,00,000.00	6,00,000.00	3,50,000.00

3. **Recognition or awards**

Mr. Lakhmendra Khurana has been conferred with several awards for his peace and education efforts by various institutions which are listed below:

- Mother Teresa Lifetime Achievement Award by Mother Teresa International Award committee in the year 2011
- Maharashtra Ratna by all India Conference of Intellectuals in the year 2010
- Sardar Patel Award given by Mahaja Karansingh in the year 2007
- Rashtriya Gaurav Samman given World Peace Movement Trust in year 2004

4. **Job profile and suitability**

The job profile of the managing director includes

- formulating and successfully implementing Company policy;
- directing strategy towards the profitable growth and operation of the Company;
- putting in place adequate operational planning and financial control systems;
- ensuring that the operating objectives and standards of performance are not only understood but owned by the management and other employees;
- closely monitoring the operating and financial results against plans and budgets;
- taking remedial action where necessary and informing the Board of significant changes;
- maintaining the operational performance of the Company;
- monitoring the actions of the functional Board directors;
- assuming full accountability to the Board for all Company operations;
- representing the company to major customers and professional associations;
- building and maintaining an effective executive team

The Managing Director is the head and representative of the Company and is responsible for the affairs of the Company. He is responsible for the day to day activities of the Company. The Managing Director must exercise diligence of a prudent businessman in the conduct of the Company's affairs.

He has a paramount duty of loyalty to the Company. Mr. Lakhmendra Khurana is the promoter of the Company and has all the qualities which a Managing Director requires. He has more than 36 years of experience in business which is very helpful for the Company for its growth.

Job profile of Executive Director includes

- Ensuring that the organization has a long-range strategy which achieves its mission, and toward which it makes consistent and timely progress.
- Providing leadership in developing program, organizational and financial plans with the Board of Directors and staff, and carry out plans and policies authorized by the Board.
- Maintaining official records and documents and ensuring compliance
- Maintaining a working knowledge of significant developments and trends in the field.

Mrs. Ranjana Khurana monitors the administration of the Company. Her years of business experience is handy in day to day administration of the Company.

Mr. Arpit Khurana the Executive director of the Company has innovative ideas for advancement of Company's business. His vision for the growth of the Company and his zeal to work brings new energy to the Company's environment.

5. **Remuneration proposed for the Managing Director and the Executive Directors is given separately under item nos 7,8,9 and 10**

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person**

The comparative remuneration of managing directors and executive directors in the IT industries in India is substantially higher than that previously paid and also proposed herein. The proposed remuneration is extremely nominal as compared to the time and energy involved by the directors in managing the affairs and administration of the Company. Hence providing comparative remuneration would be meaningless in the present situation.

7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel**

Mr. Lakhmendra Khurana, Mrs. Ranjana Khurana and Mr. Arpit Khurana are shareholders and promoters of the Company. Mr. Lakhmendra Khurana being Managing Director and Mrs. Ranjana Khurana and Mr. Arpit Khurana being Executive Directors of the Company receive remuneration from the Company. Mr. Lakhmendra Khurana also receives payment towards rent for the premises occupied by the Company. They do not have any other pecuniary relationship with the Company.

Mrs. Ranjana Khurana is wife of Mr. Lakhmendra Khurana and Mr. Arpit Khurana is son of Mr. Lakmendra Khurana and Mrs. Ranjana Khurana.

III. Other information

1. **Reasons of loss or inadequate profits**

Due to change in policies regarding export of services in our major client country i.e. USA, we were not able to garner sales as compared to previous year and hence profit from BPO enabled services declined. As we were unable to win major contracts of Infra Activity, the sales and profit from Infra activity also declined.

2. **Steps taken or proposed to be taken for improvement**

It will be our constant endeavor to acquire new clients and to serve in countries other than USA which will result in increase in our turnover BPO enabled services. We are also trying to match / cope up with the new export policies of our existing clients. Our focus is also to improve the turnover of infra segment by getting new contracts.

3. **Expected increase in productivity and profits in measurable terms**

a. As our expenditures relating to IPO which were to be written off in five years have being completely written off as on March 31, 2014, profits of the Company will increase by such amount in the ensuing year.

b. We are reassessing our expenditure and trying to optimize the cost of operations of the Company.

c. The new contracts for infra activity will fetch additional profits.

Item No. 11

The existing Articles of Association ("AoA") of the Company are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

Shareholder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- existing articles have been streamlined and aligned with the Act;
- the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and
- provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 11 of the Notice.

The Board commends the Special Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

By Order of the Board
For **Excel Infoways Limited**

sd/-
Kumud Waradkar
Company Secretary

Place : Mumbai
Date : May 19, 2014

Registered Office:
31-A, Laxmi Industrial Estate
New Link Road, Andheri (West), Mumbai – 400053
CIN: L72900MH2003PLC138568
E-mail: cs@excel-infoways.com