

**NOTICE**

NOTICE is hereby given that the Annual General Meeting of the Members of (the "Company") will be held on 15th September, 2012 at the Registered Office of the Company at , 415, Onam Plaza, Near Industry House A.B. Road INDORE - 452001 (MP) at 12:00 noon; to transact the following business:

**ORDINARY BUSINESS :**

- I. To receive, consider and adopt the Audited Balance Sheet as at 31st, March 2012, Profit & Loss Account as on date, together with the Auditor's Report and Director's report thereon.
- II. To appoint the Auditors and to fix their remuneration.

For and on behalf of the board

Sd/-

Sd/-

Place : Indore  
Date : 27/07/2012

SAMIR MANNA  
(Director)

GAUTAM SEN  
(Director)

**NOTE :-**

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.

**DIRECTORS' REPORT**

The Shareholders,

The Directors of your Company take pleasure in presenting their Annual Report together with the Audited Accounts of the Company for the year ended 31st, March 2012.

**PERFORMANCE REVIEW :**

Operating results of the Company for the year & for earlier year are as under : (Amount In Rs. '000)

<b>Financial Results</b>	<b>31.03.2012</b>	<b>31.03.2011</b>
Turnover for the year	2278.72	61217.49
Profit before Interest & Depreciation	8.73	(9515.42)
Interest & Finance Charges for the year	0.00	0.00
Depreciation for the year	0.00	0.00
Profit before Taxation	8.73	(9515.42)
Provision for Taxation	0.00	0.00
Deferred Tax Liability	0.00	0.00
Net Profit for the year	8.73	(20315.42)
Surplus b/f from previous year	(206485.53)	(186170.11)
Transferred to General Reserve	0.00	0.00
Balance in Profit & Loss Account t/f to Balance Sheet	(206476.80)	(206485.53)

Your Directors are hopeful that the Company will be able to perform better in the Current Financial year.

**TECHNOLOGY ABSORPTION :**

The Company has been following conventional methods for the manufacturing activities and no special technology has been employed for the activities of the Company.

**FOREIGN EXCHANGE EARNINGS & OUTGO :**

The Company has neither earned nor has it spent any foreign exchange during the period under report.

**DIVIDEND :**

In absence of adequate revenue reserves and considering the requirements of funds for future business activities of the Company, Directors are unable to propose any dividend for the period under report.

**AUDITORS :**

M/s B.S. KEDIA & CO., Chartered Accountants, Indore, Statutory Auditors of the Company, retire at the ensuing Annual General Meeting of the company. M/s B.S. KEDIA & CO., Chartered Accountants are eligible for re-appointment and have furnished their certificates u/s 224(1) of The Companies Act, 1956 for such re-appointment.

**PARTICULARS OF EMPLOYEES :**

The statement of the Particulars of Employees required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, and Companies (Particulars of Employees) Rules, 1975 has not been given, as there being no employee drawing remuneration in excess of the limits of remuneration given in Section 217(2A) of the Companies Act, 1956

**DIRECTORS RESPONSIBILITY STATEMENT :**

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, it is hereby confirmed that :

- In the preparation of the annual accounts, the applicable accounting standards read with the requirements set under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- Accounting policies selected were applied consistently and reasonable and prudent judgments and estimates were made so as to give a true & fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and
- The annual accounts of the Company have been prepared on a going concern basis.

**ACKNOWLEDGEMENT :**

Your Board acknowledges with gratitude and place on record its sincere thanks and appreciation for the continuing support and co-operation received from the dealers, vendors, business associates, Government Authorities, Banks and Financial Institutions, shareholders, and applauds its employees of the Company for their alacrity and dedication during the current year and look forward for their continued support.

For and on behalf of the board

Sd/-

Sd/-

Place : Indore  
Date : 27/07/2012

SAMIR MANNA  
(Director)

GAUTAM SEN  
(Director)

# B S KEDIA AND COMPANY

8/1, Lal Bazar Street, Bikaner Building, 1st Floor Room No.1, Kolkata-700001 (West Bengal)

## AUDITORS' REPORT TO THE SHAREHOLDERS

To

The Members

**M/S CITY HOSPITALITIES INDIA LIMITED**

1. We have audited the attached BALANCE SHEET of **M/S CITY HOSPITALITIES INDIA LIMITED** as at **31st March, 2012** and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with accounting standard generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies(Auditors' Report)(Amendment)Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of Companies Act, 1956, we hereby enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that :-
  - a) We have obtained all the information & explanation which to the best of our knowledge & 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 and Profit & Loss Account dealt with by this report is in agreement with the books of account.
  - d) In our opinion, the Balance Sheet and Profit & Loss Account complies with the accounting standards as referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
  - e) During the course of our audit, we did not come across any matter which may have adverse effect on the functioning of the company.
  - f) On the basis of confirmation received from the companies in which Directors' of the company are directors, and the information and explanations given to us as taken on record by the Board of Directors of the Company, we report that none of the directors of the company are disqualified as on **31st March, 2012** from being appointed as Director, in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (i). In case of the Balance Sheet, of the State of Affairs of the Company as at **31st March, 2012**; and
    - (ii). In the case of the Profit and Loss Account, of **Profit** for the year ended on **31st March, 2012**.

As Per Audit Report Of Even Date  
B S KEDIA & CO  
(Chartered Accountants)  
Firm Reg. No. : 317159E

Sd/-

VIKASH KEDIA  
(Partner)

Membership No. : 066852

Place : Indore

Date : 16/08/2012

**CITY HOSPITALITIES INDIA LIMITED***(Formerly known as Infoquest Software Exports Limited)*

415, ONAM PLAZA, NEAR INDUSTRY HOUSE, A.B. ROAD, INDORE (M.P.)- 452001

**BALANCE SHEET AS AT 31st MARCH, 2012**

	NOTES	Current Year <b>31.03.2012</b>	Previous Year <b>31.03.2011</b>
<b><u>I. EQUITY AND LIABILITIES :</u></b>			
<b>1.SHAREHOLDER'S FUNDS :</b>			
(a) Share Capital	B1	88,520,500.00	88,520,500.00
(b) Reserves & Surplus	B2	57,563,950.45	57,555,220.41
<b>2.NON CURRENT LIABILITIES :</b>			
Deffered Tax Liabilities(Net)		2,344,218.28	2,344,218.28
<b>3.CURRENT LIABILITIES</b>			
	B3	1,680,675.00	9,940,298.00
	<b>TOTAL</b>	<b>150,109,343.73</b>	<b>158,360,236.69</b>
<b><u>II. ASSETS :</u></b>			
<b>1. NON CURRENT ASSETS</b>			
(a) Tangible Assets	B4	157,335.98	201,553.43
(d) Long Term Loans & Advances	B5	105,604,984.00	114,374,984.00
<b>2. CURRENT ASSETS</b>			
(a) Short Term Loans & Advances	B6	89,330.00	0.00
(b) Trade Recievables	B7	44,225,462.00	43,526,549.00
(c) Cash and cash equivalent	B8	32,231.75	257,150.26
	<b>TOTAL</b>	<b>150,109,343.73</b>	<b>158,360,236.69</b>

Significant Accounting Policies &  
Notes Forming Part Of The Account

A1 TO B12

For CITY HOSPITALITIES INDIA LIMITED

As Per Audit Report Of Even Date  
B S KEDIA & CO  
(Chartered Accountants)  
Firm Reg. No. : 317159E

Sd/-

Sd/-

Sd/-

Place : Indore  
Date : 27/07/2012SAMIR MANNA  
(Director)GAUTAM SEN  
(Director)VIKASH KEDIA  
(Partner)  
Membership No. : 066852

**CITY HOSPITALITIES INDIA LIMITED***(Formerly known as Infoquest Software Exports Limited)*

415, ONAM PLAZA, NEAR INDUSTRY HOUSE, A.B. ROAD, INDORE (M.P.)- 452001

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2012**

	NOTES	Current Year <b>31.03.2012</b>	Previous Year <b>31.03.2011</b>
<b><i>INCOME :</i></b>			
I. Revenue from operation			
Gross Sale		1,356,289.00	61,130,852.00
Other Income	B9	922,430.00	86,641.71
<b>III. Total Revenue</b>		<b><u>2,278,719.00</u></b>	<b><u>61,217,493.71</u></b>
<b><i>IV. EXPENDITURE :</i></b>			
Purchase of Traded Goods		1,292,436.00	70,346,957.00
Administrative Expenses	B10	873,484.00	287,659.00
Salaries & Wages	B11	59,300.00	48,000.00
Interest & Financial Expenses	B12	551.51	6,079.43
Depreciation	B4	44,217.45	44,217.45
<b>V. Total Expenses</b>		<b><u>2,269,988.96</u></b>	<b><u>70,732,912.88</u></b>
<b>VI. NET PROFIT/ (LOSS) BEFORE TAX</b>		<b>8,730.04</b>	<b>-9,515,419.17</b>
<b>VII. Tax expenses:</b>			
(1) Current Tax		0.00	0.00
(2) Deferred tax		0.00	0.00
<b>VIII. NET PROFIT/ (LOSS) AFTER TAX</b>		<b><u>8,730.04</u></b>	<b><u>-9,515,419.17</u></b>
extra ordinary items		0.00	-10,800,000.00
<b>BALANCE TRANSFERRED TO BALANCE SHEET</b>		<b><u>8,730.04</u></b>	<b><u>-20,315,419.17</u></b>

Significant Accounting Policies & Notes Forming Part Of The Account A1 TO B12

For CITY HOSPITALITIES INDIA LIMITED

As Per Audit Report Of Even Date  
B S KEDIA & CO  
(Chartered Accountants)  
Firm Reg. No. : 317159E

Sd/- SAMIR MANNA (Director)  
Sd/- GAUTAM SEN (Director)

Sd/- VIKASH KEDIA (Partner)  
Membership No. : 066852

Place : Indore  
Date : 27/07/2012

**CITY HOSPITALITIES INDIA LIMITED***(Formerly known as Infoquest Software Exports Limited)*

415, ONAM PLAZA, NEAR INDUSTRY HOUSE, A.B. ROAD, INDORE (M.P.)- 452001

**NOTES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012**

	Current Year <b>31.03.2012</b>	Previous Year <b>31.03.2011</b>
<b><u>B1 SHARE CAPITAL</u></b>		
<b>AUTHORISED CAPITAL :</b>		
280,00,000 Equity Shares of Rs.10/- each. (prev. yr.280,00,000 Equity Shares of Rs.10/- each.)	280,000,000.00	280,000,000.00
	<b><u>280,000,000.00</u></b>	<b><u>280,000,000.00</u></b>
<b>ISSUED, SUBSCRIBED, PAID UP CAPITAL :</b>		
8,46,94,000 Equity Shares of Rs.1/- each. (Prev. Year 84,69,400 Equity Shares of Rs.10/- each.)	84,694,000.00	84,694,000.00
1,53,06,000 Equity Shares of Rs. 1/- each Fully Called Up (Previous Year 15,30,600 Equity Shares of Rs. 10/- each Fully Called Up)	15,306,000.00	15,306,000.00
	<u>100,000,000.00</u>	<u>100,000,000.00</u>
Less : Calls in Arrears @ Rs. 0.75 per Share (On 15,306,000 Equity Shares)	11,479,500.00	11,479,500.00
	<b><u>88,520,500.00</u></b>	<b><u>88,520,500.00</u></b>

**Particular**

	<b>Equity Shares</b>			
	Number	Rupees	Number	Rupees
Opening Shares Outstanding	10000000	10,000,000.00	10000000	10,000,000.00
Shares Issued during the year	0	0.00	0	0.00
Share bought back during the year	0	0.00	0	0.00
Shares outstanding at the end of the year	10000000	10,000,000.00	10000000	10,000,000.00

**Name of shareholder***As Per Annexure*

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**CITY HOSPITALITIES INDIA LIMITED***(Formerly known as Infoquest Software Exports Limited)*

415, ONAM PLAZA, NEAR INDUSTRY HOUSE, A.B. ROAD, INDORE (M.P.)- 452001

**NOTES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012****B2 RESERVES AND SURPLUS**

Break up of Reserves and movements thereon

**A Surplus**

Opening Balance	-206,485,526.69	-186,170,107.52
Less: Net Profit/(Loss) for the year	8,730.04	-20,315,419.17
Closing Balance	<b><u>-206,476,796.65</u></b>	<b><u>-206,485,526.69</u></b>

**B Security Premium**

	265,323,000.00	265,323,000.00
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**C Miscellaneous Expenses**

Public issue Expenses	-424,252.90	-424,252.90
Share issue Expenses	-858,000.00	-858,000.00
	<b><u>-1,282,252.90</u></b>	<b><u>-1,282,252.90</u></b>

Total	<b><u>57,563,950.45</u></b>	<b><u>57,555,220.41</u></b>
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**B3 CURRENT LIABILITIES**

Trade Payable	974,327.00	9,251,950.00
Other Advances & Deposits	450,000.00	450,000.00
Short Term Provision	256,348.00	238,348.00
Total	<b><u>1,680,675.00</u></b>	<b><u>9,940,298.00</u></b>

A liability is classified as current if, as on the Balance Sheet date, the Company does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**B5 LONG-TERM LOANS & ADVANCES**

Advance Recoverable In Cash Or Kind Or For The Value To Be Recovered	105,604,984.00	114,374,984.00
Total	<b><u>105,604,984.00</u></b>	<b><u>114,374,984.00</u></b>

**B6 SHORT- TERM LOANS & ADVANCES**

TDS Recievable	89,330.00	0.00
Total	<b><u>89,330.00</u></b>	<b><u>0.00</u></b>

**B7 SUNDRY DEBTORS**

Due For The Period Exceeding Six Months	44,225,462.00	43,526,549.00
Due For The Period Less Than Six Months	0.00	0.00
Total	<b><u>44,225,462.00</u></b>	<b><u>43,526,549.00</u></b>

**B8 CASH AND CASH EQUIVALENTS**

(a) Balance with Bank:		
Centurian Bank	18,212.00	18,212.00
Dena Bank	3,620.06	90,399.57
IDBI Bank Ltd., Indore	2,903.69	2,903.69
(b) Cash in hand	7,496.00	145,635.00
Total	<b><u>32,231.75</u></b>	<b><u>257,150.26</u></b>

**CITY HOSPITALITIES INDIA LIMITED***(Formerly known as Infoquest Software Exports Limited)*

415, ONAM PLAZA, NEAR INDUSTRY HOUSE, A.B. ROAD, INDORE (M.P.)- 452001

**NOTES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012****B9 OTHER INCOME**

Other Interest	893,300.00	0.00
Other Income	29,130.00	0.00
Excess Dep. On Fixed Assets written back	0	86,636.71
Round Off	0	5.00
Total	<b>922,430.00</b>	<b>86,641.71</b>

**B10 ADMINISTRATIVE EXPENSES**

Audit Fees	18,000.00	18,000.00
Listing , Registrar & Demat Connectivity Exps.	727,582.00	150,198.00
Legal & Professional Expenses	42,000.00	20,000.00
Miscellaneous Exps.	85,902.00	99,461.00
Total	<b>873,484.00</b>	<b>287,659.00</b>

**B11 SALARIES & WAGES**

Salary & Wages & Bonus	59,300.00	48,000.00
Total	<b>59,300.00</b>	<b>48,000.00</b>

**B12 INTEREST & FINANCIAL EXPENSES**

Bank Charges & Commission	551.51	6,079.43
Total	<b>551.51</b>	<b>6,079.43</b>

For CITY HOSPITALITIES INDIA LIMITED

As Per Audit Report Of Even Date  
B S KEDIA & CO  
(Chartered Accountants)  
Firm Reg. No. : 317159E

Sd/-

Sd/-

Sd/-

Place : Indore  
Date : 27/07/2012

SAMIR MANNA  
(Director)

GAUTAM SEN  
(Director)

VIKASH KEDIA  
(Partner)  
Membership No. : 066852

**CITY HOSPITALITIES INDIA LIMITED**

(Formerly known as Infoquest Software Exports Limited)

415, ONAM PLAZA, NEAR INDUSTRY HOUSE, A.B. ROAD, INDORE (M.P.)- 452001

**SCHEDULES ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012****B4 FIXED ASSETS**

S. No.	Description	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		Opening Bal As At 01.04.2011	Additions During The Year	Deductions During The Year	Closing Bal As At 31.03.2012	Opening Bal As At 01.04.2011	For The Year	Total Dep. As At 31.03.2012	Closing WDV As At 31.03.2012	Opening WDV As At 01.04.2011
1	Air Conditioner	23400.00	0.00	0.00	23400.00	11915.28	1111.50	13026.78	10373.22	11484.72
2	Electrical Installation	133459.00	0.00	0.00	133459.00	68675.47	6339.30	75014.77	58444.23	64783.53
3	Furniture & Fixture	546486.19	0.00	0.00	546486.19	434443.31	34592.58	469035.89	77450.30	112042.88
4	Office Equipment	45770.00	0.00	0.00	45770.00	32527.70	2174.08	34701.77	11068.23	13242.30
	<b>TOTAL</b>	<b>749115.19</b>	<b>0.00</b>	<b>0.00</b>	<b>749115.19</b>	<b>547561.76</b>	<b>44217.45</b>	<b>591779.21</b>	<b>157335.98</b>	<b>201553.43</b>
	Previous Year	749115.19	0.00	0.00	749115.19	503344.31	44217.45	547561.76	201553.43	245770.88

For CITY HOSPITALITIES INDIA LIMITED

As Per Audit Report Of Even Date

B S KEDIA &amp; CO

(Chartered Accountants)

Firm Reg. No. : 317159E

Sd/-

Place : INDORE

Date : 27/07/2012

SAMIR MANNA

(Director)

Sd/-

GAUTAM SEN

(Director)

Sd/-

VIKASH KEDIA

(Partner)

Membership No. : 066852

**CITY HOSPITALITIES INDIA LIMITED**  
(Formerly known as Infoquest Software Exports Limited)

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**SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF THE  
ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2012**

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**PART - A : SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis Of Accounting :**

The Financial Statements are prepared on the basis of going concern in accordance with the relevant presentation requirements of the companies Act, 1956 on accrual basis.

**2. Fixed Assets :**

Fixed Assets Valued at Cost

**3. Depreciation :**

Depreciation has been provided on straight line method at the rates as per the manner specified under Schedule XVI of the companies act, 1956.

**4. Retirement Banefits :**

Provisions for Provident Fund, Super annuation, pension and ESIC are not applicable to the company as number of employees are below statutory limit.

**PART - B : NOTES FORMING PART OF THE ACCOUNTS**

1. In the option of Board Of Director, current assets, loans and advances have been valued on realisation in ordinary course of the business at least equal to the at which they are stated in the Balance Sheet and that the provisions for known liabilities is adequate and reasonable. There is no Contingent Liabilities.
2. Balances of Debtors, Creditors, Loans & Advances are subject to confirmation and reconciliation.
3. Previous years figures have been regrouped/rearranged wherever necessary
4. The additional information as required by Part-II of Schedule-VI to the Companies Act, 1956 :  
Information regarding expenditure in Foreign Currency, remittance in Foreign Currency on account of dividend to non-resident, shareholders, earnings in Foreign Exchange, value of imports, closing stock, opening stock, raw material consumption, sales and information regarding employee - NIL.

For CITY HOSPITALITIES INDIA LIMITED

As Per Audit Report Of Even Date  
B S KEDIA & CO  
(Chartered Accountants)  
Firm Reg. No. : 317159E

Sd/-

SAMIR MANNA  
(Director)

Sd/-

GAUTAM SEN  
(Director)

Sd/-

VIKASH KEDIA  
(Partner)  
Membership No. : 066852

Place : Indore

Date : 27/07/2012

**CITY HOSPITALITIES INDIA LIMITED**  
(Formerly known as Infoquest Software Exports Limited)

**BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE**

<b>I. <u>Registration Details</u></b>			
CIN/Registration No.	:	<b>L52392MP1994PLC008097</b>	
State Code	:		10
Balance Sheet Date	:	<b>31st MARCH, 2012</b>	
<b>II. <u>Capital Raised During The Year</u></b>			
Public Issue			0.00
Rights Issue			0.00
Bonus Issue			0.00
Private Placement			0.00
			(Amount Rs. In Thousands)
<b>III. <u>Position Of Mobilisation &amp; Deployment Of Funds</u></b>			
Total Liabilities			150109.34
Total Assets			150109.34
<b><i>Sources Of Funds</i></b>			
Paid-Up Capital			88520.50
Share Application Money			0.00
Reserves & Surplus			57563.95
Secured Loans			0.00
Unsecured Loans			0.00
<b><i>Application Of Funds</i></b>			
Fixed assets (Tangible Assets)			157.34
Non-Current Investments			0.00
Current Assets:			
(c) Cash and cash equivalents			32.23
Miscellaneous Expenditure			(1282.25)
<b>IV. <u>Performance Of The Company</u></b>			
Turnover			2278.72
Total Expenditure			2269.99
Profit/(Loss) Before Tax			8.73
Profit/(Loss) After Tax			8.73
Earnings Per Share (In Rupees)			0.00
Dividend Rate %			N.A.
<b>V. <u>Generic Names Of Three Principal Products Of The Company</u></b>			
(As Per Monetary Terms)			
Item Code No. (ITC Code) :		Product Description :	N.A.

For CITY HOSPITALITIES INDIA LIMITED

Sd/-

Sd/-

Place : Indore  
Date : 27/07/2012

SAMIR MANNA  
(Director)

GAUTAM SEN  
(Director)