

**20<sup>th</sup>**  
**ANNUAL REPORT**  
**2012-13**



**OPTIEMUS INFRACOM LIMITED**



To be a world class diversified group,  
committed to enhance stakeholders' value.



To increase the current capacities and its downstream operations to  
achieve economies of scale through continual improvement in performance.



Taking Responsibilities and Ownership for action and their results.  
Treating everyone with dignity and fairness



**FINANCIAL HIGHLIGHTS**

NET REVENUE

Rs. **2835**  
CRORES

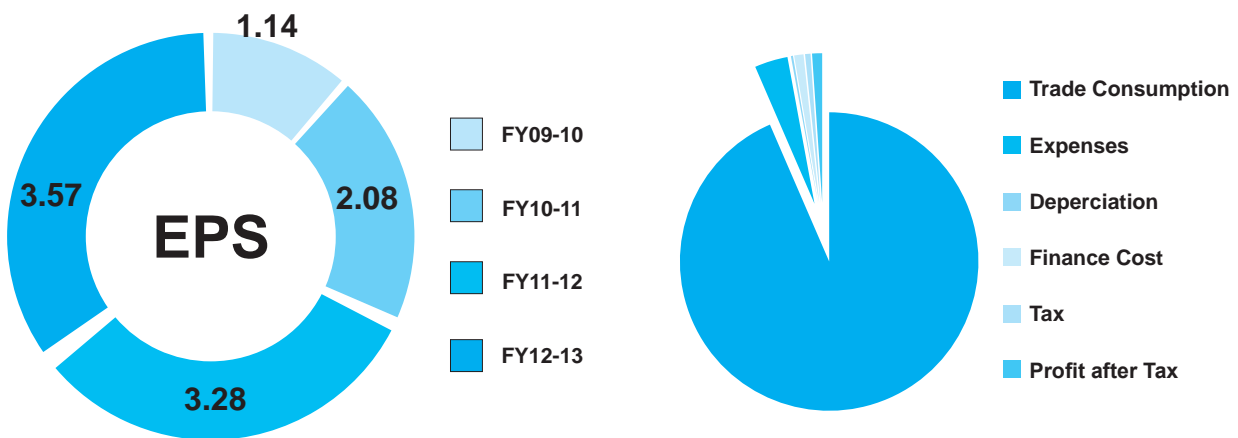
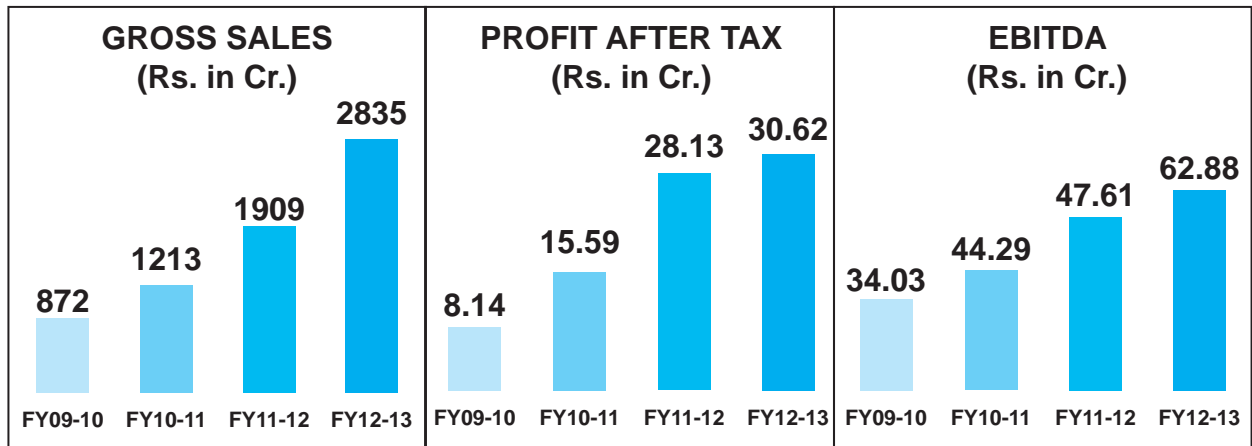
PROFIT AFTER TAX

Rs. **30.62**  
CRORES

EARNING PER SHARE

Rs. **3.57**  
(FACE VALUE Rs. 10/-)

**FINANCIAL TRENDS**





## **CORPORATE INFORMATION**

### **THE BOARD (as on September 5, 2013)**

ASHOK GUPTA, Chairman & Managing Director

HARDIP SINGH, Executive Whole Time Director

PARUL RAI, Non Executive Director

GAUTAM KANJILAL, Independent Non-Executive Director

TEJENDRA PAL SINGH JOSEN, Independent Non-Executive Director

### **COMPANY SECRETARY**

VIKAS CHANDRA

### **CHIEF FINANCIAL OFFICER**

PARVEEN SHARMA

### **AUDITORS**

RMA & Associates

Chartered Accountants

48, 1st Floor, Hasan Pur,

I.P. Extension, Delhi - 110 092

### **BANKERS**

Indusind Bank Limited

State Bank of India

Standard Chartered Bank

Axis Bank Limited

### **REGISTERED & CORPORATE OFFICE**

K-20, 2nd Floor, Lajpat Nagar Part-II,

New Delhi- 110 024

Ph. No.: 011-2984 0905, Fax: 011-2984 0908

Website: [www.optiemus.com](http://www.optiemus.com)

E-mail : [info@optiemus.com](mailto:info@optiemus.com)

### **SHARE TRANSFER AGENT**

BEETAL Financial & Computer Services (P) LTD.

Beetal House, 3rd Floor, 99 Madangir,

Behind Local Shopping Centre,

Near Dada Harsukhdas Mandir,

New Delhi - 110 062

Phone: +91-11-2996 1281/83,

Fax: +91-11-2996 1284

Email: [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)

### **COMMITTEES OF BOARD**

Audit Committee

Share Transfer & Investor Grievance Committee

Finance & Management Committee

### **LISTED AT**

BSE Limited

Delhi Stock Exchange Limited

Jaipur Stock Exchange Limited

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## CHAIRMAN'S MESSAGE

**Dear Fellow Shareholders,**

It is my pleasure to extend a very warm welcome to all of you at your company's 20th Annual General Meeting. I thank you for having spared your valuable time to make it convenient to attend.

On behalf of the Board of Directors of Optiemus, I am pleased to present you our financial performance and significant milestones for the financial year ended March 31, 2013.

### **Global Telecom Market**

In 2012-13, the global telecom market grew marginally, by approximately 3% year-on-year, to USD 2.207 trillion. Telecom mobile devices accounted for 16% of the Total Market. The low single-digit growth rate of the past fiscal year is expected to continue over the next four years as well, with the total telecom market expected to grow at a compounded annual growth rate (CAGR) of only 4%, largely due to on-going economic concerns. During 2012-13, the Company's addressable market in mobile devices witnessed an excellent growth because the mobile market showed a healthy growth. In the future, we expect the Company's addressable market to continue to grow at an attractive pace.

### **Indian Telecom Industry**

Indian telecommunication industry is one of the fastest growing industries in the world. It is estimated that India will have more than 1.3 billion mobile subscribers by 2014 exceeding even the total subscriber count in China. India's Handset Market grew by 14.7% to Rs. 35,946 Crore during the fiscal year 2012-13.

Within the space of Mobile Devices, international brands have played a significant role to bring the power of communication within the hands of the consumers by focusing on Product and Cost Innovation - bringing rightly priced and correctly engineered devices to the Indian Consumer. International brands have been successful in capturing over 85 % of the market share. Amidst such a dynamic scenario, your company with its unique integrated business model has created a leading space for itself.

Samsung has become the Number 1 player in the Mobile devices space in India by cornering 31.5% market share with the revenues of Rs. 11,328 Crores achieving a growth of 42.6%. Samsung is focused on Product Innovation in line with the changing requirements and has been very successful in bringing state of the art devices to the Indian market which has been well received by the Indian Consumers. Samsung has captured the hearts and minds of mobile consumers with leading-edge smart phones and a range of applications that are based on proprietary technology and well-designed platforms. A wide range of handset prices and availability in varied screen sizes has helped Samsung to grab customer's besides the product quality and new features. At OPTIEMUS we have continuously focused on providing the best experience to the mobility retail chain providing it a greater choice and more informed purchase experience.

### **Diversification**

At another level, your Company is planning to expand its business from distribution to manufacturing. The strength of the Company is rich and vast experience of promoters. With their continued efforts and the support of all the employees, Company will surely achieve success.

### **The Year in Review**

Domestic retailers have faced a challenging economic environment in the last financial year. Despite this, with comfortable leverage positioning and tight inventory control, your Company has delivered the excellent results by way of turnover of more than Rs. 2,800 Crore and Net Profit Before Tax of more than of Rs. 47 crore during the FY 2012-13. Our business has delivered industry leading performances. This is a reflection of the collective hard work and the strong commitment of employees of the Company. The company has put in place a concrete roadmap for putting the company on a fast trajectory of growth.



Further, we are moving towards multidimensional expansion, which would result in growth in our sales and operating profits.

A relentless focus on our customers and in-market execution helped the business deliver these strong numbers. We are driving bigger, better and faster innovations with almost 60% of our portfolio touched by innovations during the year. We continue to drive superiority of our products in the core categories as we invest to build the categories of tomorrow.

### **Future Roadmap**

As a Company, Optimus is positioned at an interesting juncture and looking towards a great future. We are following different models towards this. We are working with various agencies, companies, institutions in order to get the solution fastest. I am sharing that consumption/use of Mobile handsets is increasing day by day in India and abroad.

### **Corporate Governance**

I would like to re-iterate our strong commitment to good corporate governance. We are continuously striving to improve the quality of our disclosures. Members would have observed that the contents of our Annual Reports over the past few years contain more information about the company and its working. Our attempt is to be as transparent as we can within the limits prescribed by law.

During the year I have, on several occasions, interacted with groups of business analysts to reaffirm about our future course of action. We have found these interactions useful in communicating effectively with the external environment and in helping them to gain a better understanding about our company's goals, priorities and working.

### **A Word of Appreciation**

We could not have weathered the challenging economic environment and survived the competitive business environment to move forward with renewed vigour without the contribution, commitment and support of our management team and staff, business associates and shareholders. We appreciate your continued support, and steadfast belief in our mission and vision.

### **Conclusion**

While concluding, I convey my personal gratitude for your continued support in our journey of delivering consistent, competitive, profitable and responsible growth and the confidence that you have reposed in your company's Board of Directors. I sincerely hope that you will continue to extend your whole-hearted support to us so that we, along with the management team, and all employees will further accelerate the growth and progress of the company.

Thank You,

**Ashok Gupta**

**Chairman & Managing Director**



## DIRECTORS' REPORT

Dear Members

Your Directors have great pleasure in presenting the 20th Annual Report on the business and operation of Optimus Infracom Limited together with audited statements of accounts for the financial year ended 31st March 2013.

### FINANCIAL RESULTS

The Board of Directors is pleased to state that during the year ended on 31st March 2013, your Company has posted an inspiring growth and its performances are noteworthy. The financial performance of the Company for the year ended 31st March 2013 is summarized below:

Particulars	Year ended on 31.03.2013 (Rs. in Lakh)	Year ended on 31.03.2012 (Rs. in Lakh)
Revenue from Operations	283,157	185,455
Profit before Exceptional & Extraordinary Items and Tax	4,783	4,047
Exceptional Items	58	----
Profit Before Tax	4,725	4,047
Tax Expense:		
(1) Current Tax	1,584	1,297
(2) Deferred Tax	30	(7)
(3) Wealth Tax	2	3
(4) Taxation Adjustment of previous year (net)	47	(60)
Profit After Tax	3,062	2,813
Earnings per equity share	3.57	3.28

### OPERATIONS

During the year under reporting, your company achieved another milestone as turnover touched an all time high of Rs. 283,499 Lacs as compare to Rs. 185,686 Lacs for the previous year registering a growth of 52.68%. The management of the Company is committed to maximize the shareholders value.

### TRANSFER TO RESERVES

The Company is not mandatorily required to transfer its surplus to the General Reserve as no dividend has been proposed for the year 2012-13. Hence, an amount of Rs. 3,062 Lacs (Previous year Rs. 2,813 Lacs) has been proposed to be retained in the Profit and Loss Account.

### DIVIDEND

The Board is of the view that the Company should utilize its funds towards the operations to accelerate the growth rate. Accordingly the Board does not recommend any dividend payment for the year 2012-13.

### PUBLIC DEPOSITS

Your Company has neither invited nor accepted any deposits from public within the meaning of Section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 during the year under review.



**SHARE CAPITAL**

During the year, there was no change in the authorised, issued, subscribed and paid-up equity share capital of the Company which stood at Rs. 858,141,910 (Rupees Eighty Five Crore Eighty One Lacs Forty One Thousand Nine Hundred and Ten only) divided into 85,814,191 (Eight Crore Fifty Eight Lacs Fourteen Thousand One Hundred and Ninety One only) equity shares of Rs. 10/- (Rupees Ten only) each as at 31st March 2013.

**DIRECTORS**

During the year under review, following changes took place in the office of Directors of the Company:

Mr. Manoj Kumar Jain and Mr. Laliet Gupta have resigned from the post of the Director of the Company w.e.f. 28th December, 2012 and 8th April, 2013 respectively. The Board of Directors places on record its sincere appreciation for the guidance and contribution provided by them to the Company during their tenure as Directors of the Company.

Further, on 27th May, 2013, Mr. Tejendra Pal Singh Josen was appointed as additional director by the Board in the category of Independent Director and will hold the office upto the date of ensuing Annual General Meeting. Board proposes to regularize him as Director in the forthcoming Annual General Meeting.

As per Section 255 and 256 of the Companies Act, 1956, Mrs. Parul Rai is the Director liable to retire by rotation and, being eligible, offers herself for re-appointment at the ensuing Annual General Meeting. Board recommends her re-appointment for your approval.

Information about the directors proposed to be appointed/re-appointed such as their experience, term & conditions, etc. as required under clause 49 is being given in the Notice of the Annual General Meeting forming part of this annual report.

The Company also has Audit Committee which is constituted as per requirement of Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement. Audit Committee has 3 members out of which 2 are Independent Directors and one is Executive Director. Chairman of Audit Committee is Independent Director.

**SUBSIDIARIES**

As on 31st March, 2013, the Company has one wholly owned subsidiary and one fellow subsidiary in Singapore namely Optiemus Infracom (Singapore) Pte. Ltd. and Optiemus Metals & Mining Pte. Ltd. respectively.

Consolidated Accounts of its subsidiaries for the year under review has also been drawn in accordance with applicable accounting standards.

**PARTICULARS REQUIRED AS PER SECTION 212 OF THE COMPANIES ACT, 1956**

Ministry of Corporate Affairs, vide its circular dated 8th February 2011 has granted general exemption from attaching the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies with the Balance Sheet of the Company.

Board of Directors of the company in its meeting held on 12th April, 2012 consented for not attaching the balance sheet of the subsidiary companies. A statement containing brief financial details of the Company's subsidiaries for the financial year ended 31st March 2013 is included in the Annual Report. The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company/its subsidiaries seeking such information at any point of time and are also available for



inspection by any member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the said subsidiaries will also be available for inspection, as above, at the head offices/ registered offices of the respective subsidiary companies. The Company shall furnish a copy of details of annual accounts of subsidiaries to any member on demand.

Further, the annual report of the Company contains the consolidated audited financial statements prepared, pursuant to Clause 41 of the Listing Agreement entered into with the stock exchanges and prepared in accordance with the accounting standards notified by Ministry of Corporate Affairs under Accounting Standard Rules 2006. The financial data of the subsidiaries has been furnished along with the statement pursuant to Section 212 of the Companies Act, 1956 forming part of the Annual Report.

### **CONSOLIDATED FINANCIAL STATEMENTS**

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

### **AUDITORS AND THEIR REPORT**

M/s RMA & Associates, Chartered Accountants (Registration No.: 000978N), who are the Statutory Auditors of the Company, shall hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act. The approval of the shareholders is sought for this resolution.

The notes on accounts referred to in the auditors' report are self-explanatory and therefore do not call for any further comments by the Board of directors.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification or explanation under Section 217(3) of the Companies Act, 1956.

### **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance Practices and have implemented all the stipulations prescribed.

A separate section on Corporate Governance together with a certificate from the Company's auditors confirming the compliance of conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with the Stock Exchanges is annexed hereto.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as required under Clause 49 of the Listing Agreement is given in Annexure-A and forms an integral part of this report.

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## **CODE OF CONDUCT**

As per Clause 49(I)(D) of the Listing Agreement, the Board of the Company has laid down Code of Conduct for all the Board members of the Company and Senior Management as well and the same has been posted on Website of the Company. Annual Compliance Report for the year ended 31st March 2013 has been received from all the Board members and senior management of the Company regarding the compliance of all the provisions of Code of Conduct. Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct is hereby attached as annexure to this report.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

## **PARTICULARS OF EMPLOYEES**

The particulars of employees pursuant to section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules 1975, as amended from time to time, during the year ended 31st March 2013 are set out in an “**Annexure B**” to this report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA), with respect to the Directors' Responsibility Statement, the Directors hereby confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (ii) they have selected such accounting policies 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 at the end of the financial year and of the profit or loss of the company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis.

## **HUMAN RESOURCE MANAGEMENT**

Employees are our vital and most valuable assets. We have created a favourable work environment that encourages innovation and meritocracy. We have also set up a scalable recruitment and human resources management process which enables us to attract and retain high caliber employees. Our employee partnership ethos reflects the Company's longstanding business principles and drives the Company's overall performance with the prime focus to identify, assess, groom and build leadership potential for future.

## **CASH FLOW STATEMENT**

In conformity with the provisions of Clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended on 31st March 2013 is attached as a part of the Annual Accounts of the Company.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company's internal control system comprises audit and compliance in-house supplemented by internal audit checks. In view of the diversified activities, safety of large volumes of data, system and process is a challenge for the Company. The Company has an internal control mechanism to find the areas of internal control weaknesses and to take remedial measures to remove the deficiencies, wherever noticed and at the same time to identify the areas of strength and to ensure continual of the same.

To ensure efficiency of the Internal Audit, the Audit Committee of the Board is kept apprised of such checks and follow-up measures taken.

**SHARE REGISTRATION ACTIVITY**

Company has appointed "BEETAL Financial & Computer Services (P) Limited" a category-I Registrar and Share Transfer Agent registered with SEBI to handle the work related to Share Registry.

**LISTING OF SECURITIES**

The Equity Shares of the Company are presently listed on BSE Limited (BSE), Delhi Stock Exchange Limited (DSE) and Jaipur Stock Exchange Limited (JSE). The Annual Listing Fee for the Year 2013-14 has been paid to all the three stock exchanges.

**STATUTORY DISCLOSURES**

None of the Directors of your Company is disqualified as per provision of section 274(1)(g) of the Companies Act, 1956. The Directors of the Company have made necessary disclosures, as required under various provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

**NOTES TO ACCOUNTS**

They are self-explanatory and do not require any explanations.

**ACKNOWLEDGEMENT**

Your Directors wish to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Authorities, Stakeholders including Customers and other business associates who have extended their valuable support and encouragement during the year under review.

The directors also acknowledge the hard work, dedication and commitment of the employees of the Company. The enthusiasm and unstinting efforts of the employees have enabled the Company to continue being a leading player in the Retail Sector.

On behalf of the Board of Directors

For **Optiemus Infracom Limited**

Place : New Delhi

Date : September 5, 2013

**Ashok Gupta**

**Chairman & Managing Director**

## Annexure-A to the Directors' Report

**INFORMATION RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNING AND OUTGO FORMING PART OF DIRECTORS' REPORT IN TERMS 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.**

### a) Energy Conservation

Though energy does not form a significant portion of the cost for the Company yet wherever possible and feasible, continuous efforts are being put for conservation of energy and minimize power cost.

### b) Technology Absorption, Adoption and Innovation

The information that is required to be disclosed under rule 2 of the aforesaid rules, is given hereunder in Form B:

#### FORM B

Form of Disclosure of particulars with respect to Absorption, Research and Development (R&D)

- |   |       |
|---|-------|
| • Specific area in which R&D was carried out by the Company | : NIL |
| • Benefits derived as a result of the above R&D             | : NIL |
| • Future plan of action                                     | : NIL |
| • Expenditure on R&D  |       |
| • Capital   | : NIL |
| • Recurring   | : NIL |
| • Total   | : NIL |
| • Total R&D expenditure as a                                | : NIL |
| Percentage of total turnover                                |       |

#### Technology Absorption, Adaptation and Innovation

- Efforts, in brief, made towards technology absorption, adaptation and innovation.

We at Optimus Infracom Limited are well aware of latest technology being available in our field of operation. Necessary training is imparted to the relevant people from time to time to make them well acquainted with the latest technology.

- Benefits derived as a result of the above efforts:

We are able to provide retail services in more innovative form & maintain a high standard of quality.

- In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

- |   |        |
|---|--------|
| Technology imported.                    | : N.A. |
| Year of import.                         | : N.A. |
| Has technology been fully absorbed      | : N.A. |
| If not fully absorbed, areas where this | : N.A. |

has not taken place, reasons there for and future plans of action.

**c) Foreign Exchange Earnings and Outgo**
**Activities relating to export, initiatives to increase exports, Developments of New export markets for products and Services and Export plan**

The Company has continued to maintain focus on and avail of export opportunities based on economic considerations. During the year the Company has exports (FOB value) worth Rs. 27,24,915/-

Foreign Exchange Earning & Outgo details are as follows:

<b>Foreign Exchange details *</b>	<b>As on 31st March, 2013</b>
Foreign Exchange Earnings (A) (Including deemed exports & sales through export houses)	27,24,915
Foreign Exchange Outgo (B)	28,57,66,728
Net Foreign Exchange Outgo (A-B)	28,30,41,813

\* The Figures are on receipt/payment basis.

### Annexure B to the Director' Report

**INFORMATION AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AS AMENDED AND FORMING PART OF THE DIRECTOR 'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2013**

Employed for the financial year 2012-13

S. No	Name of the Employee	Designation	Nature of Duties	Qualification	Age	Date of Joining	Experience	Remuneration (In Lac) Per Month	Previous Employment
1	Mr. Ashok Gupta	Managing Director	General Management	Graduate	54 yrs	05.01.2009	22 yrs	5.00	Own Business

Notes:

- The remuneration received shown as above comprises of salary, bonus, allowances, cash incentives and monetary value of perquisites as per income tax rules, Provident Fund and professional tax.
- The employee shown above is not related not to any Directors of the Company.
- Mr. Ashok Gupta, Chairman & Managing Director, the employee shown above, is holding 57,54,894 Equity Shares (6.71%) of the Company as on 31st March 2013.
- The employee shown above is in full-time employment.
- In addition to above remuneration, the employee is entitled to gratuity in accordance with the Company's rules.

On behalf of the Board of Directors

For **Optimus Infracom Limited**

Place : New Delhi

Date : September 5, 2013

**Ashok Gupta**  
**Chairman & Managing Director**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

#### Macro Economic Situation

2012-13 was a challenging year for the Indian economy, which experienced its worst slowdown in nearly a decade on the back of global stagnation and domestic macroeconomic fiscal imbalances. The year started with news that the expansion in the previous year's fourth quarter GDP had dropped to 5.5%. That, coupled with low growth, a high fiscal and current account deficit, persistent high inflation, ballooning subsidies and pessimistic business sentiment added to the slowdown. Sources of funding continued to be scarce and borrowing costs remained high during the year.

During last year, the global economy had recovered slightly from the crisis of the earlier year. Nevertheless, the International Monetary fund (IMF), in the update of its World Economic Outlook, lowered the world GDP growth projections for 2013 and 2014, given renewed setbacks in the Eurozone and the risk of excessive fiscal consolidation in the United States.

#### Indian Economy

India's GDP growth in FY 2012-13 moderated to 5% from 6.2% in FY 2011-12, primarily due to global economic contraction, domestic infrastructural bottlenecks, policy uncertainty and regulatory obstacles. Consumption demand and consumer related sectors were impacted by inflation and high interest rates. However, the moderation in core inflation and some progress on fiscal consolidation have provided enough headroom to reduce interest rates and spur economic activity.

The Government is also initiating measures to limit the fiscal deficit for FY 2013-14 to 4.8% of GDP and drive infrastructure investments under the 12th Five Year Plan. Such measures will restore confidence in India's macroeconomic policy and drive big-ticket investment. The IMF's growth forecast for India is 5.7% in 2013, which can touch 6.2% in 2014, helped by growing domestic demand and enabling policy initiatives. Neighbouring Bangladesh and Sri Lanka are also expected to grow by 6% and 6.3%, respectively, in 2013.

#### Global Telecom Market

In 2012-13, the global telecom market grew marginally, by approximately 3% year-on-year, to USD 2.207 trillion. Telecom mobile devices accounted for 16% of the Total Market. The low single-digit growth rate of the past fiscal year is expected to continue over the next four years as well, with the total telecom market expected to grow at a compounded annual growth rate (CAGR) of only 4%, largely due to on-going economic concerns. During 2012-13, the Company's addressable market in mobile devices witnessed an excellent growth because the mobile market showed a healthy growth. In the future, we expect the Company's addressable market to continue to grow at an attractive pace.

#### Telecom Industry Situation

Indian telecommunication industry is one of the fastest growing industries in the world. The Indian telecom sector and subscriber base have witnessed tremendous growth over the past decade, catalysed by increasing mobile handsets demand. India's Handset Market grew by 14.7% to Rs. 35,946 Crore during the fiscal year 2012-13.



India's total customer base stood at 898.02 Mn, second only to China, with a teledensity of 73.32%, as in March 2013. The urban teledensity stood at 149.55%, whereas the rural teledensity stood at 39.90%, as in December 2012. Low cost and increasing competition ensured that the share of private sector in the total telecom space stood at 85.51%, as in December 2012. The announcement of the National Telecom Policy 2012 will also stand the Company in good stead with the primary objective of making affordable, reliable and secure telecommunication services across India. The industry also witnessed consolidation, especially among business-to-business (B2B) players.

## **2. OPPORTUNITIES**

### **TELECOM PRODUCTS**

The telecom industry is going through another round of structural changes from 'hyper competition' to 'perfect competition'. Taking advantage of these changes, we, at Optimus, are focusing on regaining back pricing that was lost due to hyper competition. Mobile is a vibrant and evolving industry at the heart of everyday life for a growing proportion of the world's population. Given this dynamism, it is no surprise that the mobile industry makes a substantial economic contribution. The telecommunications industry as a whole offers a number of attractive opportunities.

#### **Telecommunications is a necessary utility**

The need for telecom in both rural and urban areas, and its role in the infrastructure of both developed and developing markets, continues to grow. The National Telecom Policy-2012 (NTP - 2012) rolled out by the Government this year will also help in socio-economic development.

#### **Massive growth of smartphones**

The past year has seen massive growth in the smartphone market, along with proliferation of tablets. This primarily reflects a shift in consumer preference toward feature-enhanced smart devices from ordinary feature phones used primarily for voice telephony. This opportunity provides scope for the Company to retain new users and grow revenue going forward.

#### **Passive Infrastructure**

Nation-wide presence, long term contracts with all Retail Chain Suppliers and strategic location makes Optimus one of the leading Passive distributor in India.

### **INFRASTRUCTURE**

India is one of the fastest growing economies of the world. However the fast growth of the economy in recent years has placed increasing stress on physical infrastructure such as electricity, roads and highways, railways, ports, airports, urban and rural water supply etc. Infrastructure investment requires huge capital outlay which was considered to be big hurdle in the past due to prohibition or lesser private participation. Consequently, the Government is encouraging more private sector participation through Public Private Partnership (PPPs) concept, which is fast evolving in all the aspects of infrastructure development. Such private investments not only help in meeting the funding requirement of projects but it has also other advantage. The gross capital formation in infrastructure should touch ~7.6 per cent



during the 11th five year plan compared to only 5.1 per cent in 10th five year plan which constitutes a significant shift in favour of investment in the infrastructure sector. According to the 11th five year plan, investment in infrastructure will be ₹ 20,540 billion which is expected to increase to ₹ 40,990 billion in the 12th five year plan. Out of the total outlay on infrastructure sector during 11th five year plan, ~30 per cent of total investment is expected to come from private participation which is expected to increase to 50 per cent in the 12th five year plan.

### **3. THREATS**

#### **TELECOM PRODUCTS**

##### **Regulatory and Economic Environment**

The FY 2012-13 was no different from the previous year. The industry looks forward to a reasonable spectrum reserve pricing policy from the authorities in the light of the Government's own articulated policy directions on affordability and rural penetration.

##### **Competitive Environment**

Apart from the above, increasing competition in India continue to remain a challenge for the Company. The Company continues to Endeavour to built up strong distribution network to counter aggression by all the competitors.

##### **Challenges**

Our well planned capital investments, backed by a world class network, put us in a competitive position to meet the challenges in the telecom space. The other challenges that influence the business performance are:

- i. The telecommunication services industry is capital intensive. Capital Expenditure (CAPEX) on adaptation to latest technology may put pressures on deliverables. However, the Company is constantly assessing such technological challenges and taking immediate remedial steps through timely CAPEX plans.
- ii. The Company faces significant and intense competition in its markets, which could aggravate with the entry of new licensees that may result in decreases in current and potential customers, revenues and profitability. But we remain confident that our competitively priced tariff will continue to attract large volumes of traffic, resulting in better utilization of network, operating efficiencies and cost benefits.
- iii. We are subject to market risks from changes in interest and foreign currency exchange rates. In managing exposure to these fluctuations, we may engage in various hedging transactions that have been authorized according to documented internal policies and procedures.
- iv. 3G Handset ecosystem stability is a key requirement to enable adoption of 3G services.

#### **INFRASTRUCTURE**

Infrastructure projects are highly capital intensive, and as such run the risks of

- (i) longer development period than planned due to delay in statutory clearances, delayed supply of equipment or non-availability of land, non-availability of skilled manpower, etc .,
- (ii) financial and infrastructural bottlenecks,
- (iii) execution delay and performance risk and
- (iv) cost over-run.

#### 4. SEGMENT WISE PERFORMANCE

##### **Business Segment- Telecommunication Products**

The Indian telecom sector has witnessed tremendous growth over the past decade. Today, the Indian telecom network is the second largest in the world after China. A liberal policy regime and involvement of the private sector have played an important role in transforming this sector, the total number of mobile subscribers globally was at 3.2 billion by end of 2012, growing to 4 billion within the next five years.

Your company operates in International branded devices (Samsung Brand) and is having a strong distribution network across the country. The market for mobile devices can be broadly divided into 2 categories (a) Feature Phones (b) Smart Phones. While the feature phone market is expected to grow at an average of 3% per annum in volume terms, smart phone is expected to witness over 100% year on year growth in 2013.

The organized Retail of Mobile Handsets is growing rapidly in line with the increase in market share of smart phones as customers prefer to buy smart phones from organized retail stores which offer better buying experience and understanding the functions of a smart phone. Organized retail currently holds close to 13% of the value share of total hand set market and it is expected to increase to 35% to 40% over a period of next 3 years. Optiemus is one of the largest player in the industry and has been investing in distribution network heavily over the past 5 years and having an excellent track record of cash profits. We are one of the few companies in this space and size to make cash profits.

##### **Business Segment – Infrastructure**

India's growing economy is placing huge demands on critical infrastructure – power, roads, railways, ports, transportation systems, and water supply and sanitation. India has the second largest road network in the world with a road length of 4.24 million km. Also, India's road density is among the highest in the world with 1.29 km of roads per sq. km of area. India's national highways and expressways constitute about 1.67 per cent of the road length, and the percentage of paved roads is 49.3 per cent. Moreover, India's road freight volumes are increasing at a compounded annual growth rate (CAGR) of 9.08 per cent coupled with the boost in the population of vehicles (all types) at a CAGR of 10.76 per cent. In order to cater to such burgeoning needs, road length is increasing at a CAGR of 4.01 per cent.

Also, owing to rapid increase in motorisation and urbanisation, the Indian Government is leaving no stone unturned to enhance the road network. As a result of the initiatives taken, the total road length in India has increased eight times over the past four decades.

## 5. BUSINESS OUTLOOK

### Telecom Sector - Pivotal for future growth

Telecom Sector is pivotal to the socioeconomic development. The global telecommunication industry is witnessing a fundamental change. The new Mobile Handsets aims at faster data connectivity, video streaming with high resolution, and rich multimedia applications.

We at Optimus are vibrant to this shift.

### Telecom Sector as a Catalyst

The telecom Sector is one of the main catalysts of the accelerated growth and progress of different segments of the economy by narrowing access gaps and removing barriers to information. Our enhanced network capabilities and national footprint makes us preferred carrier choice amongst other players.

### Consolidation

At the consolidated level the company achieved a revenue of Rs. 283,157 Lacs for the year ended March, 2013 as against Rs. 185,455 Lacs for the year ended March 2012. The Profit before tax for the year ended March, 2013 is Rs. 4,725 Lacs as against profit before tax for the year ended March, 2012 of Rs. 4,047 Lacs. The reason for significant growth in margins is due to Continued Focus to supply feature phones at competitive prices in India;

## 6. RISKS AND CONCERNS

The revenues and expenses are difficult to predict and can vary significantly from period to period, which could cause our share price to decline. Compliance with new and changing corporate governance and public disclosure requirements adds uncertainty to our compliance policies and increases our costs of compliance.

### Risk Categories.

- **Strategy:** Risks emanating out of the choices we make on markets, business mix, resources and delivery model which can potentially impact our competitive advantage in medium and long term. Further, this includes aspects relating scalability and sustainability of business.
- **Industry:** Risks relating to inherent characteristics of our industry including, competitive structure, emergence of new business models, technological landscape, extent of linkage to economic environment and regulatory structure.
- **Counter-party:** Risks arising from our association with entities for conducting business. The counterparties include clients, vendors, alliance partners and their respective industries. Apart from credit risk, counterparty risks include those relating to litigation and loss of reputation.
- **Resources:** Risks arising from inappropriate sourcing or sub-optimal utilization of key organizational resources such as financial capital, talent and infrastructure.

- **Operations:** Risks inherent to business operations including those relating to client acquisition, service delivery to clients, business support activities, information security, IP, physical security and business activity disruptions. Operational risks are assessed primarily on three dimensions, business process effectiveness, compliance to policies and procedures and strength of underlying controls.
  
- **Regulatory environment:** Risks due to adverse developments in regulatory environment that could potentially impact our business objectives and lead to loss of reputation.

### **Key Risk Management Practices**

The key risk management practices include those relating to identifying key risks to our business objectives, impact assessment, risk monitoring, mitigation actions, reporting and integration with strategy and business planning.

**Risk identification and impact assessment:** Mechanisms for identification and prioritization of risks include risk survey, business risk environment scanning and focused discussions in Risk Council and Risk Management Committee. Risk register and internal audit findings also provide inputs for risk identification and assessment. Risk survey of executives across units, functions and subsidiaries is conducted on an annual basis to seek inputs on key risks. Further, periodic assessment of business risk environment is carried out to identify significant risks to the achievement of business objectives and prioritizing the risks for action. Scenario-based risk assessments are also carried out. Operational risks are assessed primarily on three dimensions, namely, strength of underlying controls, compliance to policies and procedures and business process effectiveness.

**Risk monitoring and mitigation:** For identified top risks, dash boards are created that track external and internal indicators relevant for risks, so as to indicate the risk level and its likelihood of occurrence. The trend line assessment of top risks, analysis of exposure and potential impact are carried out. Mitigation plans are finalized, owners are identified and progress of mitigation actions are monitored and reviewed. Further, for those business objectives, whose achievement is at risk, periodic reviews are conducted to deploy actions.

**Risk reporting:** Risks to the achievement of key business objectives, trend line of risk level, impact and mitigation actions are reported and discussed in Risk Council and Risk Management Committee on a periodic basis. Key external and internal incidents with potential impact are reported and reviewed at appropriate forums such as Information Security Council. Risks relating to client project execution and client account level risks are reported to and discussed at appropriate levels within the Company. Periodic update is provided to the Board highlighting key risks, their impact and mitigation actions. Key risk factors are disclosed in regulatory filings.

**Integration with strategy and business planning:** Identified risks to the business objectives in the near term, medium term and long term are used as one of the key inputs for the development of strategy and annual business plan. Key strategic initiatives are identified to mitigate specific risks.

**Risk Management Framework**

Company has a defined self governed risk policy and risk management frame work for all units, functional departments and project sites. This helps in identifying, assessing and mitigating the risk that could impact the Company's performance and achievement of its business objectives. The risks are reviewed on ongoing basis by various process owners across the organization. The risk assessment is carried out by the Management Audit and Risk Assessment Department and a risk note is prepared and presented to the Audit Committee and a risk assessment procedure is presented to the Board of Directors annually.

**7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has documented a robust and comprehensive internal control framework for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. The Internal Control System of the Company is commensurate with the size, scale and complexity of its operations. It is being constantly assessed and strengthened with new/revised standard operating procedures and robust internal and Information Technology (IT) controls. The Company has an adequate system of management supervised internal control which is aimed at achieving efficiency in operations, optimum utilization of resources, and compliance with all applicable laws and regulations. The internal control mechanism comprises a well-defined organization structure, pre-determined authority levels with segregation of duties, risk assessment and management framework. The procurement and operational maintenance activities are planned well in advance to avoid any possible risk of late delivery of equipment and materials, delay in attending to maintenance needs, etc. The Company, on a regular basis, stores and maintains all the relevant data and information as a back up to avoid any possible risk of losing important business data. A qualified and independent audit committee of the Board comprising of all independent directors of the Company reviews the internal audit reports, adequacy of internal controls and risk management framework.

**8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TP OPERATIONAL PERFORMANCE****Financial Performance - Overview**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

The Company's Financial performance is given as below:



**a. Revenues and operating expenses**

On a consolidated basis, the Company earned total revenues of Rs. 2,83,157 Lakh. The net profit after tax recorded by the Company was Rs. 3,062 Lakh. Our total operating expenditure stood at Rs. 2,78,717 Lakh.

**b. Operating profit before finance charges, depreciation and amortization and exceptional items (EBITDA).**

The Company earned EBITDA of Rs. 8,255 Lakh.

**c. Depreciation and amortisation**

The Depreciation and amortisation charges were Rs. 637 Lakh.

**d. Profit before/ after tax**

The profit before tax was Rs. 4,725 Lakh. The provision for taxes was to the tune of Rs. 1,663 Lakh. The net profit after tax was Rs. 3,062 Lakh.

**e. Balance Sheet**

As at March 31, 2013, the Company had total assets of Rs. 67,150 Lakh. Stakeholders equity was Rs. 8,581 Lakh, while net debt (excluding cash and cash equivalents) was Rs. 11,938 Lakh.

To acknowledge and appreciate high performance, the Company has designed a transparent and merit-based performance management framework. The Company's compensation structure has been benchmarked to the market standards. Also, with a highly competitive workforce, the Company institutionalized a special retention plan for retaining key talent. Besides, a comprehensive non-monetary reward and recognition policy is implemented to recognize and reward the significant contributions by individuals and teams.

**9. HUMAN RESOURCES/ INDUSTRIAL RELATIONS**

Beyond the Balance Sheet lies Company's singly biggest Asset-Human Resource. The human resource assets of the Company comprise of people of diverse educational and technical backgrounds. The Company has a strong process to evaluate and recruit employees from all over India. The Company considers training and development of its employees as crucial, to enable to develop their skills and to meet its dynamic business needs. The company has inbuilt systems to ensure that employee are continuously updated with the needs of the changing technology. The Company realizes that the challenges of the future can best be met with competent and motivated human resource. Retention of the talent is another issue confronting the employers in this era of globalization. Our Company believes in the policy of continuous value addition to its pool of human talent and integration of individual goals with that of the Company. Training the employees forms an integral part of company's policy towards achieving its objective. The Company recognizes and appreciates the contribution of all its employees in its growth path. Our Company strives to retain talent by facilitating career growth through job enrichment and empowerment, as it believes that the pool of the human resource is the biggest asset of the organization. Your Company maintains a cordial relationship with its employees through a constructive work environment in support of productive gains. The industrial relations have continued to remain cordial during the year.



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**10. CORPORATE GOVERNANCE**

The Company's policy on "Code of Conduct" which has set out the systems, process and policies conforming to international standards are reviewed periodically to ensure their continuing relevance, effectiveness and responsiveness to the needs of investors both local and global and all other stakeholders. We maintained the highest standards of corporate governance principles and best practices.

**11. CAUTIONARY STATEMENT**

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control. Further, the Company retains the flexibility to respond to fast-changing market conditions and business imperatives. Therefore, the Company may need to change any of the plans and projections that may have been outlined in this report, depending on market conditions.



## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At Optimus, over the years, governance processes and systems have been strengthened and Corporate governance has always been an integral part of the way the business is done. The Company's corporate governance philosophy rests on the pillars of integrity, accountability, equity, transparency and environmental responsibility that conform fully with laws, regulations and guidelines. Company continues to focus on good Corporate Governance and its primary objective is to create and adhere to a corporate culture of conscience and consciousness, integrity, transparency and accountability for efficient and ethical conduct of business for meeting its obligations towards shareholders and other stakeholders.

The Company has always set high targets for the growth, profitability, customer satisfaction, safety and environmental performance and continues its commitment to high standards of corporate governance practices.

Independent directors are appointed not merely to fulfill the listing requirement but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions.

The Company has adopted a Code of Conduct for Board of Directors and Senior Management Personnel of the Company. It understands and respect its responsibility towards all its stakeholders, which includes its esteemed customers, providers of capital, employees, those from whom we buy and through whom we sell and the society at large. Corporate Governance norms are an integral part of all our activities and are respected in letter and in spirit. The detailed report on implementation of Corporate Governance is set out herein below:

### 2. BOARD OF DIRECTORS

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

#### A. COMPOSITION AND CATEGORY

In compliance with the Listing Agreement, the Company has an optimum combination of Executive and Non-Executive Independent Directors. None of the independent Directors has any pecuniary relationship with the Company except entitlement to sitting fees for attending Board/Committee meetings from the company.

The requisite information as per the requirements of Clause 49 of the Listing Agreement for the period ended 31st March 2013 is provided in the following table:



Name of Director	Director Identification Number	Category	Designation	Attendance Particulars		Directorship of Other Indian Public Companies	Committees Position Other Indian Companies	
				Board Meetings	Last AGM		Member	Chairman
Ashok Gupta	00277434	Promoter & Executive Director	Chairman & Managing Director	11	No	Nil	Nil	Nil
Hardip Singh*	01071395	Executive Director	Whole-Time Director	10	Yes	Nil	Nil	Nil
Parul Rai	00429616	Executive Director	Director	2	No	Nil	Nil	Nil
Manoj Kumar Jain**	02573858	Independent & Non-Executive Director	Director	N.A.	N.A.	N.A.	N.A.	N.A.
Laliet Gupta	03569126	Independent & Non-Executive Director	Director	12	Yes	Nil	Nil	Nil
Gautam Kanjila#	03034033	Independent & Non-Executive Director	Director	11	No	1	1	Nil

\* Mr. Hardip Singh was appointed as Executive Director not liable to retire by rotation by the Members of the Company in their Annual General Meeting held on 29th September, 2012.

\*\* Mr. Manoj Kumar Jain ceased to be the Director of the Company w.e.f. 28th December, 2012

# Mr. Gautam Kanjilal was appointed as Additional Director w.e.f. 12th April 2012 and further appointed as director liable to retire by rotation by the Members of the Company in their Annual General Meeting held on 29th September 2012.

#### NOTES:

- (i) The Independence of a Director is determined by the criteria stipulated under Clause 49 of the Listing Agreement.
- (ii) The directorships held by the directors, as mentioned above do not include Alternate Directorships, the Directorships held in Private Limited Companies, Foreign Companies and Companies under Section-25 of the Companies Act, 1956.
- (iii) The committees considered for the purpose are those prescribed under Clause 49(I)(C)(ii) of the Listing Agreement(s) viz. audit committee and shareholders/investors grievance committee of public limited companies and private limited companies which are public limited companies in terms of section 3(1)(iv)(c) of the Companies Act, 1956.
- (iv) None of the directors are related to each other.
- (v) None of the Directors on the Board are Members of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31<sup>st</sup> March 2013 have been made by the Directors.

**B. DIRECTOR'S PROFILE**

**Mr. Ashok Gupta**, the Chairman & Managing Director, holds the degree of Bachelor in Commerce. Mr. Gupta is responsible for overall operations of the Company and subject to the supervision and control of the Board of Directors; carry out such duties as may be entrusted to him by the Directors and shall exercise such powers as are delegated to him by the Board of Directors. He is having a huge & knowledgeable experience of 32 years in the business activities in Telecom Industry, Construction, Import of Mobile Handset and Accessories and Furniture & Fixtures. Mr. Gupta has the excellent quality of entrepreneurship as well as involvement in top managerial related assignments. Mr. Gupta has promoted various companies in the field of Communication, Telecom, Construction and Allied Industries.

**Mr. Hardip Singh**, Director (Operations), holds the degree of Bachelor in Arts (Economics Honors). He has also done his diploma in Marketing Management and has an extensive experience of more than 20 years in Marketing, Distribution and Business Development. Mr. Singh is directly responsible for the sales, marketing and other promotional business of the Company.

**Mrs. Parul Rai**, Director (Business Relation), holds the degree of M.A & B.Ed and is having more than 15 years of exposure in the field of Telecom, Communication and Travel Industry. Mrs. Rai has a remarkable entrepreneurship quality and has been running successfully all associated concerns. Mrs. Rai is accountable for business relation of the Company with other associations.

**Mr. Gautam Kanjilal**, Non-Executive Director, is a post graduate in Economics and had joined the management cadre of the State Bank of India in July 1972 as a Probationary Officer. During his 37 plus years of service in SBI, he held many important administrative and business assignments covering a large matrix of banking operations. Apart from holding operational assignments in the area of pure banking, he was positioned in the corporate headquarters of SBI Capital Markets Ltd, the merchant banking arm of SBI, where the nature of responsibilities included debt syndication and planning and handling of all types of equity/ debt issues of large PSUs and corporate. As AGM of Overseas Branch, Kolkata, he handled the accounts of large corporate EOUs/ export houses; this involved credit appraisals, especially related to Forex.

**Mr. Tejendra Pal Singh Josen**, Non-Executive Independent Director, holds a wide experience in the field of Agri inputs, fertilizers and agro industry having worked previously with Indian Potash Ltd for 24 years in various senior management positions. During the tenure with IPL, Mr. Josen was deputed to a prestigious ICAEP project of the Canadian International Development Agency (CIDA) for 5 years on a very similar position. During the posting in Gujarat, Mr. Josen was credited to handling a record of 2 million tonnes of fertilizer material, imported through key ports like Kandla, Mundra, Jamnagar, Bhavnagar etc. Mr. Josen was given the opportunity to work on product development of SOP in association with KALI and SALZ, Germany, DAP of HLL and on many other agri inputs including pesticides, all over India. During his positing to Gujarat, he started career with Duncans Agro Industries, a British Company followed by a Swiss Company, Sandoz (I) Ltd in the senior management cadre serving for seven years.

**C. DETAILS OF BOARD MEETINGS HELD DURING THE YEAR**

During the financial year ended 31st March 2013, 14 (Fourteen) Board Meetings were held as per the schedule given below:

Date of the Board Meeting	Board Strength	No. of Directors Present
12th April, 2012	5	3
8th May, 2012	6	5
15th May, 2012	6	4
20th June, 2012	6	5
10th July, 2012	6	5
14th August, 2012	6	4
28th August, 2012	6	4
1st September, 2012	6	4
6th November, 2012	6	4
28th December, 2012	6	4
10th January, 2013	5	4
6th February, 2013	5	3
27th February, 2013	5	3
25th March, 2013	5	3

The time gap between two meetings was not more than 4 months. Meetings are generally held in Registered Office at New Delhi.

#### D. INFORMATION AVAILABLE TO THE BOARD

During the year 2012-13, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreements has been placed before the Board for its consideration.

The aforesaid information is generally provided as a part of the agenda of the board meeting and/or is placed at the table during the course of the meeting. The CFO and other senior management staff are also invited to the board meetings to present reports on the Company's operations and internal control systems. The Company Secretary, in consultation with the Chairman, prepares the agenda. The detailed agenda is sent to the members a week before the board meeting date. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted to be taken up as 'any other item'. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance. All Board members are at liberty to suggest agenda items for inclusion. Board meetings are held quarterly to coincide with the announcement of quarterly results and committee meetings are held on the same dates as board meetings.

## 2. BOARD OF DIRECTORS

### A. REMUNERATION POLICY

The Company has a credible and transparent policy in determining and accounting for the remuneration of Director's. The remuneration policy is aimed at attracting and retaining high caliber talent.

### B. REMUNERATION OF EXECUTIVE DIRECTORS

Remuneration of Executive Directors is decided based upon their qualification, experience, contribution

at the respective positions in the past and expected future benefits to the company and is consistent with the existing industry practice. Executive Directors are entitled for the remuneration as follows:

- (i) Salary and commission not to exceed limits prescribed under the Companies Act, 1956.
- (ii) Revised from time to time depending upon the performance of the Company.
- (iii) No Sitting Fees is being paid to them.

Details of the remuneration paid to Executive Directors and there shareholding in the company for the year ended 31<sup>st</sup> March 2013 is as follows:

(Amt in Rs.)

Sl. No.	Name of Directors	Gross Salary (Amt in Rs.)	Commission	Sitting Fees	Stock Options	Shareholding in the Company & %
1	Mr. Ashok Gupta	60,00,000	Nil	Nil	Nil	57,54,894 (6.71%)
2	Mr. Hardip Singh	51,51,000	Nil	Nil	Nil	Nil
3	Mrs. Parul Rai	3,00,000	Nil	Nil	Nil	Nil

The above figures do not include provision for en-cashable leave and gratuity.

#### C. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Non- Executive Directors are entitled for sitting fees for attending each Board and Committee meetings. Further, no Commission is being paid to any of the Non-Executive Director of the Company.

The Company does not have material pecuniary relationship or transactions with its Non-Executive Directors.

Details of the remuneration paid to Non executive Director and there shareholding in the company for the year ended 31<sup>st</sup> March 2013 is as follows:

Sl. No.	Name of Directors	Sitting Fees (Amt in Rs.)	Commission (Amt in Rs.)	Shareholding in the Company
1	Mr. Manoj Kumar Jain*	73,000	Nil	Nil
2	Mr. Laliet Gupta	1,15,000	Nil	Nil
3	Mr. Gautam Kanjilal	1,00,000	Nil	Nil

Mr. Manoj Kumar Jain ceased to be the Director of the Company w.e.f. 28th December, 2012

#### 4. COMMITTEES OF THE BOARD

As on 31st March, 2013, your Board has 3 (Three) Board Level Committees viz. Audit Committee, Share Transfer and Investor Grievance Committee and Finance & Management Committee.

Finance & Management Committee was constituted with specific/general powers on 14th August, 2012 to manage day to day affairs of the Company.

Details of the role and composition of Board Committees constituted as per requirements of Clause 49 of the Listing Agreement, including number of meetings held during the financial year and attendance thereat are provided herein below:

## A. AUDIT COMMITTEE

### (i) Broad Terms Of Reference

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

#### **Powers of Audit Committee**

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

#### **Key responsibilities of Audit Committee**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual/Quarterly financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
  - h. The quality and acceptability of:
    - (i) the accounting policies and practices, including without limitation critical accounting policies and practices, all alternative accounting treatments within generally accepted accounting principles for policies and procedures related to material items that have been discussed with management, ramifications of the use of such alternative treatments and the treatment preferred by the external auditors; and

- 
- (ii) financial reporting disclosures and changes thereto, including a review of any material items of correspondence between the Company and the external auditors;
    - i. The extent to which the financial statements are affected by any unusual transactions or any off-balance sheet arrangements, including any disclosable guarantees, indemnification agreements or interests in unconsolidated special purpose entities, in the year and how they are disclosed;
    - j. the policies and process for identifying and assessing business risks and the management of these risks;
    - k. material misstatements detected by the auditors that individually or in aggregate have not been corrected and management's explanations as to why they have not been adjusted;
    - l. possible impairments of the Group's assets;
    - m. compliance with financial reporting standards and relevant financial and governance reporting requirements;
  - 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
  - 6. 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.
  - 7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - 8. 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.
  - 9. Discussion with internal auditors any significant findings and follow up there on.
  - 10. 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.
  - 11. 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.
  - 12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
  - 13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
  - 14. 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.
-

**15. Mandatory review the following information:**

- (i) Management discussion and analysis of financial condition and results of operations;
- (ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (iv) Internal audit reports relating to internal control weaknesses; and
- (v) The appointment, removal and terms of remuneration of the Chief internal auditor

**16. Overseeing the relationships with the external auditors as follows:**

- (i) To consider the appointment of the external auditors and provide the Board with its recommendation to the shareholders on the appointment, reappointment and removal of the external auditors, approve the audit engagement fees and terms and review annually their activities, findings, conclusions and recommendations. The external auditors shall report directly to the Audit Committee. The Audit Committee shall be responsible for ensuring the resolution of any disagreements between management and the external auditors regarding financial reporting;
- (ii) To discuss with the external auditors the nature and scope of the audit (including any significant ventures, investments or operations which are not subject to audit) and ensure co-ordination if more than one audit firm is involved;
- (iii) To review and monitor the independence of the external auditors and the objectivity and the effectiveness of the audit process including reviewing and monitoring the external auditors' quality control procedures and steps taken by the external auditors to respond to changes in regulatory and other requirements. This review will include a review of the experience and qualifications of the senior members of the audit team, including rotational procedures;
- (iv) To pre-approve the scope and extent of audit and non-audit services provided to the Group by any third party in the case of audit services and by the external auditors in the case of audit and permitted non-audit services. The Audit Committee may delegate to the Chairman of the Audit Committee (and in his absence another member) the authority to pre-approve any audit or permitted non-audit service to be provided by the external auditors provided such approvals are presented to the Audit Committee at its next scheduled meeting;
- (v) To consider communications from the external auditors on audit planning and findings and on material weaknesses in accounting and internal control systems that came to the auditors' attention, including a review of material items of correspondence between the Company and the external auditors; and
- (vi) To ensure that there are no restrictions on the scope of the statutory audit;

**17. Such other function, as may be assigned by the Board of directors from time to time or as may be stipulated under any law, rule or regulation including the Listing Agreement and the Companies Act, 1956.**



**(ii) Composition, Meetings & Attendance of the Committee**

The Audit Committee of the Company has been constituted as per the requirements of Clause 49 of the Listing Agreement. Audit Committee consists of three Directors, namely Mr. Gautam Kanjilal, Mr. Ashok Gupta and Mr. Laliet Gupta, out of which two are Independent, Non-Executive Directors. The Constitution of Audit Committee also meets the requirements under Section 292A of the Companies Act, 1956.

The Chairman of the Committee is Mr. Gautam Kanjilal, an Independent Non Executive Director nominated by the Board.

The Statutory Auditors and Internal Auditors are also the invitee to the meetings. Mr. Vikas Chandra, the Company Secretary of the Company acts as Secretary of the Committee.

During the year under review, the Committee met 4 (Four) times on 15th May 2012, 14th August 2012, 06th November 2012 and 06th February 2013. The gap between two meetings did not exceed four months. Constitution of Audit Committee and other related information as on 31st March 2013 are as under:

<b>Name of Director</b>	<b>Category</b>	<b>No of Meetings held</b>	<b>No of Meetings Attended</b>
Mr. Gautam Kanjilal	Chairman, Independent & Non Executive Director	4	4
Mr. Laliet Gupta	Member, Independent & Non Executive Director	4	4
Mr. Ashok Gupta	Member, Promoter & Executive Director	4	4

**INTERNAL AUDITORS**

The Company has an in-house Internal Auditor to review the internal controls system of the Company and to report thereon. The reports of the internal auditor are reviewed by the Audit Committee. The audit is based on an Internal Audit Plan, which is reviewed each year in consultation with the statutory auditors and the Audit Committee. The planning and conduct of internal audit is oriented towards the review of controls in the management of risks and opportunities in the Company's activities. The Internal Audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations.

**B. SHARE TRANSFER & INVESTOR GRIEVANCE COMMITTEE**
**(i) Terms of Reference**

The broad terms of reference includes the following:

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



**(ii) Composition, meetings and attendance**

In compliance with the Listing Agreement requirements and provisions of the Companies Act, 1956, the Company has constituted an Investor Grievance Committee. As on 31st March 2013, Committee consists of Three members comprising of Mr. Laliet Gupta, Mr. Ashok Gupta and Mr. Hardip Singh under the Chairmanship of a Independent & Non Executive Director viz Mr. Laliet Gupta. Mr. Vikas Chandra, the Company Secretary of the Company acts as secretary to committee.

During the year under review, Committee met 12 (Twelve) times.

Attendance particulars of members is as follows:

S. No.	Name of Director	Category	No of meetings of held	No of meetings attended
1	Mr. Laliet Gupta	Chairman, Independent & Non-Executive Director	12	12
2	Mr. Ashok Gupta	Member, Chairman & Managing Director	12	12
3	Mr. Hardip Singh	Member, Whole Time Director	12	12

Apart From above mentioned committees, Company has also Constituted Finance & Management Committee during the year which consists of three members namely Mr. Hardip Singh, Mr. Laliet Gupta and Mr. Vikas Chandra. Mr. Hardip Singh is Chairman of Finance Committee. During the year under review, Committee met 5 (Five) times on 28th August 2012, 17th September 2012, 19th November 2012, 28th December 2012 and 18th February 2013.

Status of Investor complaints received by the Company during the year under review is as follows:

Particulars	Pending as on April 1, 2012	Received during the Year	Disposed during the Year	Pending as on March 31, 2013
No. of Complaints	Nil	7	7	Nil

The complaints received were mainly in the nature of non-receipt of annual reports etc.

**COMPLIANCE OFFICER**

Mr. Vikas Chandra, Company Secretary, is the Compliance Officer for complying with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & Company Secretary is responsible for Complying with the requirements of Listing agreements with the Stock Exchanges. The Compliance Officer can be contacted at:

**Optiemus Infracom Limited**

K-20, 2nd Floor, Lajpat Nagar-II, New Delhi-110024, India

Tel: +91-11-41520023, Fax: +91-11-23354134, Email: [cs.vikas@optiemus.com](mailto:cs.vikas@optiemus.com)

**5. GENERAL BODY MEETINGS**
**A. ANNUAL GENERAL MEETINGS**

Location and time for the last 3 Annual General Meetings were as follows:

Particulars	FY 2009-2010	FY 2010-2011	FY 2011-2012
<b>Day, Date and Time</b>	Saturday, 23rd April, 2011, 10.00 A.M	Friday, 30th September, 2011, 11.00 A.M	Saturday, 29th September, 2012, 11.00 A.M
<b>Venue</b>	Community Centre, A.G.C.R. Enclave, New Delhi-110 092	Check-Inn Hotels, 104, Babar Road, Connaught Place, New Delhi-110 001	Check-Inn Hotels, 104, Babar Road, Connaught Place, New Delhi-110 001
<b>Special Resolution</b>	Yes*	Yes**	No

The Special Resolution passed in the Last Three Annual General Meetings:

\*\* 2010-2011 - Annual General Meeting held on 30th September, 2011

Alteration in the Article of Association of the Company so as to include the new clause 95 which read as follow:-

“Each Director shall entitle to receive out of funds of the Company by way of sitting fee as prescribed under the Companies Act, 1956 and rules framed thereunder as amended from time to time.”

\* 2009-2010 - Annual General Meeting held on 23rd April, 2011

Change in name of the Company from “Akanksha Cellular Limited” to “Optiemus Infracom Limited”.

**B. EXTRA-ORDINARY GENERAL MEETINGS**

No Extra-ordinary General Meeting held during the financial year ended on 31st March, 2013

**C. POSTAL BALLOT**

During the year under review, we have conducted one postal ballot in pursuance of Section 192A of the Companies Act, 1956 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2011. The result of the postal ballot was declared on Monday, 18th June, 2012.

Mr. Dharmendra Singh, Chartered Accountant was appointed as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The gist of the results is as follows:

Date of Declaration of Results	Type of Resolution	Particulars of Resolutions passed	Total Valid Votes	Votes in favour	Votes Against
18.06.2012	Special Resolution	Alteration in the Main Objects of the Company under Section 16 & 17 of the Companies Act 1956.	82,674,872	82,674,072 (99.999%)	800 (0.0001%)
	Ordinary Resolution	Increase in the limit of Borrowings of the Company under Section 293(1)(d) of the Companies Act, 1956.	82,674,872	82,674,872 (100%)	Nil
	Ordinary Resolution	Authorization to Sell, Lease, Mortgage or otherwise disposed of the Assets of the Company under Section 293(1)(a) of the Companies Act 1956.	82,674,872	82,674,872 (100%)	Nil

At the ensuing Annual General Meeting, there is no resolution proposed to be passed by postal Ballot.

#### Procedure for postal ballot

Serial No.	Procedure
1.	After obtaining consent to act as Scrutinizer the Board of Directors appoints Scrutinizer to conduct Postal Ballot process in true, fair and transparent manner.
2.	Cut Off date is fixed for identifying shareholders entitled to receive notice of the postal ballot.
3.	Board resolution along with calendar of events is filed with Registrar of Companies within one week of the date of the Board Meeting.
4.	Postal Ballot Notice along with explanatory statement and Postal Ballot form with instructions are dispatched to shareholders.
5.	Company advertises dispatch of postal ballot in one English Newspaper and one Vernacular language.
6.	The postal ballot form duly completed and signed should be sent to the Scrutinizer appointed by the Company at the registered office of the Company on or before the close of the Business hours on specified date..
7.	Scrutinizer after carrying out postal ballot process submits their Report to the company on the specified date
8.	Result of the postal ballot is declared at the registered office of the company and the same is notified to stock exchanges as well as published in one English Newspaper and one Vernacular language.

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**6. DISCLOSURES****A. RELATED PARTY TRANSACTIONS**

The required statements/disclosures with respect to the related party transactions, are placed before the audit committee as well as to the Board of directors in terms of Clause 49(IV)(A) and other applicable laws for approval.

The Company's major related party transactions are generally with its subsidiary and entities in which KMP/Relatives of KMP can exercise significant influence. The related party transactions are entered into based on consideration of various business exigencies such as synergy in operations, sectoral specialization, liquidity and capital resource of subsidiary and aforesaid entities.

Transactions with the related parties are disclosed in note no. 28 of the Accounts in the Annual Report. No transaction of a material nature has been entered into by the Company with the Directors or Managements and their relatives etc. which may have potential conflict with the interest of the Company.

**B. DISCLOSURE OF ACCOUNTING TREATMENT**

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

**C. RISK MANAGEMENT**

The risk assessment and minimization procedures are in place and the Board is informed about the business risks and the steps taken to mitigate the same.

**D. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis report forms part of this annual report.

**E. SHAREHOLDERS**

Profile of Directors who are to be appointed/re-appointed:

Profile of Directors along with the Directorship details who are retiring by rotation is provided in the Notice of the 20th Annual General Meeting of the Company.

**F. WHISTLE BLOWER POLICY**

The Company does not have a formal whistle blower policy.

**G. DETAILS OF NON-COMPLIANCE WITH REGARD TO CAPITAL MARKET**

There were no instances of non-compliances by the Company on any matter related to capital markets. The Company has complied with the requirements of listing agreement as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties imposed nor strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets, during last three years.

The Company has paid listing fees to the stock exchanges and annual custodial fees to the depositories for the financial year 2013-14 in terms of Clause 38 of listing agreement.

**H. CEO/CFO CERTIFICATE**

The certificate required under Clause 49(V) of the Listing Agreement duly signed by the CEO and CFO was placed before the Board and the same is annexed as "**Annexure A**".

**I. COMPLIANCE**

Company has complied with the mandatory requirements as stipulated in clause 49 of the listing agreements. Company has submitted the Quarterly compliance report to the stock exchanges within the prescribed time limit.

M/s RMA & Associates, Chartered Accountants have certified that the company has complied with the mandatory requirements of corporate governance as stipulated in Clause 49 of the Listing Agreement and the same is annexed as "**Annexure B**".

**J. DETAILS OF ADOPTION OF NON-MANDATORY REQUIREMENTS**

The Company has complied with and adopted the following non-mandatory requirements of Clause 49 of the Listing Agreement:

**(1) The Board**

There is no fixed tenure for Independent Directors.

**(2) Shareholders Rights**

As the Company's quarterly and half yearly results are published in compliance with clause 41 of the listing agreement in leading English Newspaper and in Leading Hindi newspaper having circulation all over India, the same are not sent to each household of the shareholders.

**(3) Audit Qualifications**

The statutory financial statements of the Company are unqualified.

**7. SUBSIDIARY COMPANIES**

The Clause 49 defines a 'material non-listed Indian subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

In terms of clause 49 of the Listing agreement, there was no 'material non-listed Indian subsidiary' of the Company during the financial year 2012-13.

**8. MEANS OF COMMUNICATION**

The quarterly un-audited results and yearly audited are published in prominent daily newspapers, viz. Business Standard and Economic Times and are also posted on our website.

Up-to-date financial results, annual reports, shareholding patterns, official news releases, financial analysis reports and other general information about the Company are available on the Company's website [www.optiMus.com](http://www.optiMus.com).

**9. GENERAL SHAREHOLDER INFORMATION (As on 31st March 2013)**

The general information in this regard is mentioned herein below:

**(i) Annual General Meeting**

Day, Date, Time and Venue are as follows:

<b>Day</b>	Monday
<b>Date</b>	30th September, 2013
<b>Time</b>	11:00 A.M
<b>Venue</b>	Emerald Hotels, 112, Babar Road, Opp. W.T.C., Connaught Place, New Delhi-110 001

**(ii) Financial Calendar (Tentative)**

The financial year covers the period starting from 1st April and ending on 31st March.

The details of the Audited/Unaudited Financial Results published during the financial year 2012-13 are as under:

<b>Results for the Quarter Ended</b>	<b>Date on Publication</b>	<b>Newspaper in which published</b>
June 30, 2012	August 16, 2012	Economic Times (English Daily)
		Economic Times (Hindi Daily)
September 30, 2012	November 8, 2012	Economic Times (English Daily)
		Economic Times (Hindi Daily)
December 31, 2012	February 7, 2012	Business Standards (English Daily)
		Business Standards (Hindi Daily)
	February 8, 2012	Economic Times (English Daily)
		Economic Times (Hindi Daily)
March 31, 2013	May 29, 2013	Business Standards (English Daily)
		Business Standards (Hindi Daily)
		Economic Times (English Daily)
		Economic Times (Hindi Daily)

Further, the Annual General Meeting for the financial year 2011-12 was held on Saturday, 29th September, 2012.

**(iii) Book Closure Dates**

Monday, 23rd September 2013 to Monday, 30th September 2013 (both days inclusive)

**(iv) Dividend Payment Date**

No dividend has been proposed by the Board of Directors for the financial year 2012-13.

**(v) Listing**

The details in this regard are as under:

Name of Exchange and Address	Contact details	Scrip Code/ID
BSE Limited PJ Towers, Dalal Street, Fort, Mumbai-400 001	Telephone: 022-22721233/4 Email: listing@bseindia.com Website: www.bseindia.com	530135
Delhi Stock Exchange Limited DSE House, 3/1 Asaf Ali Road, New Delhi-110 002	Telephone: 011-46470000 Email: contact@dseindia.org.in Website: www.dseindia.org.in	7988
Jaipur Stock Exchange Limited Stock Exchange Building, JLN Marg, Malviya Nagar, Jaipur-302 017	Telephone: 0141-2729094 /41 Email: grievance@jssel.in Website: www.jssel.in	553

Listing Fees: Annual Listing fees for the year 2013-14, as applicable, have been paid to all the above Stock Exchanges

**(vi) Demat ISIN No.**

IN NSDL and CDSL - INE350C01017

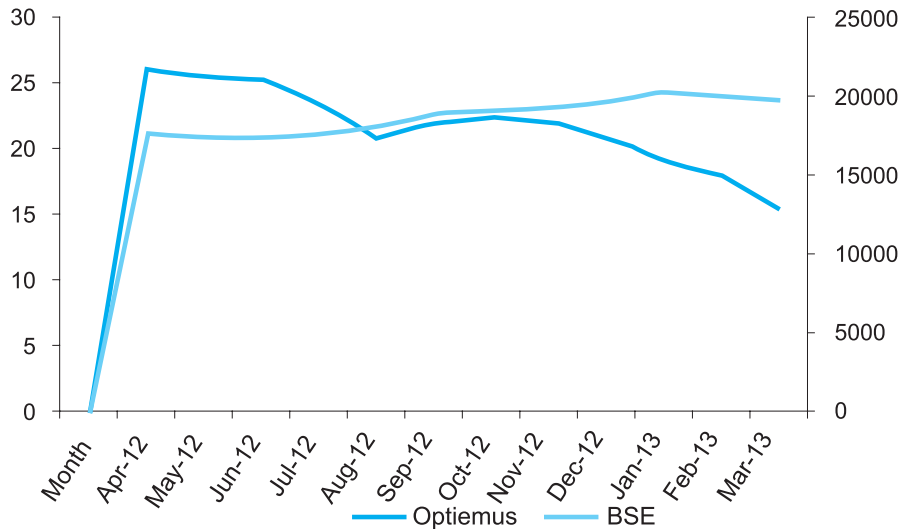
**(vii) Stock Code**

Bombay Stock Exchange : '530135'  
Delhi Stock Exchange : '7988'  
Jaipur Stock Exchange : '553'

**(viii) Stock Market Data**

The Monthly High and Low quotation of equity shares traded on BSE are as under:

Month	Optiplus Share Price		BSE Sensex	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April'12	26.00	21.65	17,664.10	17,010.16
May'12	25.50	22.35	17,432.33	15,809.71
June'12	25.20	21.30	17,448.48	15,748.98
July'12	23.40	19.05	17,631.19	16,598.48
August'12	20.80	17.25	17,972.54	17,026.97
September'12	21.90	17.90	18,869.94	17,250.80
October'12	22.45	19.30	19,137.29	18,393.42
November'12	22.00	18.00	19,372.70	18,255.69
December'12	20.90	16.75	19,612.18	19,149.03
January'13	19.05	15.80	20,203.66	19,508.93
February'13	17.90	15.25	19,966.69	18,793.97
March'13	15.55	13.60	19,754.66	18,568.43

**(ix) Share Performance Chart on BSE Sensex**

**(x) Registrar and Share Transfer Agents**

The Company has appointed Beetal Financial and Computer Services (P) Limited having its office at Beetal House, 3rd Floor, 99, Madangir, New Delhi-110062 as Registrar and Transfer Agent for physical transfer and demat segment.

**(xi) Share Transfer System**

Applications for transfer of shares held in physical form are received at the office of the Registrar and Share Transfer agent of company M/s Beetal Financial and Computer Services (P) Ltd. They attend the Share Transfer formalities at least once in 10 days and forward the same to Optiemus Infracom limited for the share transfer committee's approval. Shares held in Dematerialized form are electronically traded in depository and the Registrar and Share Transfer agent of the Company periodically receive from the depository the beneficiary holdings so as to update the records for sending all corporate communications and other matters. Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to the depository participants under advice to the shareholders.

Further, pursuant to Clause 47C of the Listing Agreement with the Stock Exchanges, certificates on half yearly basis confirming the due compliance of share transfer formalities by the Company, certificate for timely dematerialization of the shares as per SEBI (Depositories and Participants) Regulations, 1996 and a Secretarial Audit Report for reconciliation of the share capital of the Company obtained from Practicing Company Secretary have been submitted to Stock Exchanges in stipulated time.



**(xii) Distribution of shareholding as on 31st March 2013**

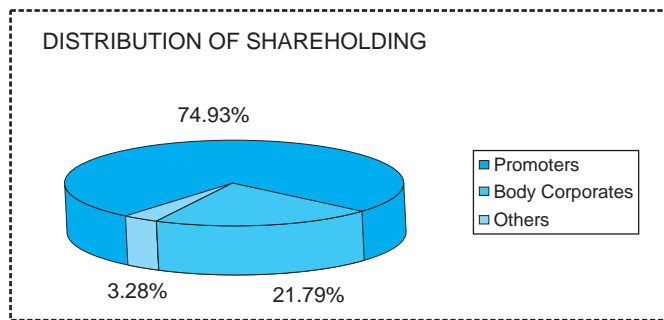
Shareholding of nominal value	Share Holders		Shares			
	Rs.	Number	% to total	Number	Amount in Rs.	% to total
Upto 5,000		1,893	72.53	3,91,732	39,17,320.00	0.4565
5,001 - 10,000		316	12.11	2,64,733	26,47,330.00	0.3085
10,001 - 20,000		156	5.98	2,40,024	24,00,240.00	0.2797
20,001 - 30,000		82	3.14	2,07,169	20,71,690.00	0.2414
30,001 - 40,000		28	1.07	99,221	9,92,210.00	0.1156
40,001 - 50,000		27	1.03	1,24,010	12,40,100.00	0.1445
50,001 - 1,00,000		54	2.07	4,02,131	40,21,310.00	0.4686
1,00,001 & Above		54	2.07	8,40,85,171	84,08,51,710.00	97.9852
Total		2,610	100.00	8,58,14,191	85,81,41,910.00	100.0000

**(xiii) Shareholding Pattern as on 31st March, 2013**

Category	Number of Shares Held	Percentage of Shareholding
Promoters	6,43,00,541	74.93
Body Corporates	1,86,93,412	21.79
Others*	28,20,238	3.28
Total	8,58,14,191	100 %

\* includes Individuals, Clearing Members, HUF & NRI's.

Shareholding Pattern as on 31st March, 2013 depicted by way of pie chart as follows:

**(xiv) Dematerialization of Shares and Liquidity**

About 98.49% of the Equity Shares of the Company have been dematerialized as on 31st March 2013. The Company's Shares are compulsorily traded in dematerialization form. The Equity Shares of the Company are actively traded on BSE Limited, Delhi Stock Exchange & Jaipur Stock Exchange.

Relevant data for the average monthly turnover for the period starting from 01st April, 2012 till 31st March, 2013 are as follows:

Period	BSE Limited	
	Volume (Qty.)	Value (Rs.)
End of April, 2012	5,011	11,9877
End of May, 2012	56,705	13,31,957
End of June, 2012	5,678	1,29,501
End of July, 2012	25,571	5,46,251
End of August, 2012	10,036	1,89,745
End of September, 2012	13,232	2,62,567
End of October, 2012	14,303	2,93,480
End of November, 2012	25,815	5,07,027
End of December, 2012	5,944	1,10,602
End of January , 2013	21,089	3,74,185
End of February, 2013	7,015	1,15,013
End of March, 2013	11,207	1,60,007
Total	2,01,606	41,40,212

**(xv) Outstanding GDRs / ADRs / Warrants or Convertible Instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs /Warrants or Convertible Instruments.

**(xvi) Plant Locations : Not Applicable**

**(xvii) Code of Conduct**

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and the same has been posted on the web-site of the Company i.e. [www.optiemus.com](http://www.optiemus.com). All the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as on 31<sup>st</sup> March 2013.

A declaration to this effect, duly signed by Group CEO, is annexed herewith as "Annexure C".

**(xviii) Address for Correspondence**

For transfer/ Dematerialization of Shares, Payment of dividend on shares, change of address, transmissions, and any other query relating to shares of the Company.

**For securities held in physical form**

Please contact the Registrar & Transfer Agent at address given below.

**For securities held in Demat Form**

Please contact to the Investors' Depository Participant(s) and/or Beetal Financial and Computer Services (P) Limited.

**Any query on Annual report**

Please contact to the Company address given below.

<b>Company Address</b>	<b>Registrar &amp; transfer Agent Address</b>
Company Secretary Optiemus Infracom Limited K-20, 2nd Floor, Lajpat Nagar-II, New Delhi-110024	Beetal Financial and Computer Services (P) Limited Beetal House, 3rd Floor, 99, Madangir, New Delhi -110062
Telephone: 011-41520023 Fax: 011-23354134	Telephone: 011-29961281/83 Fax: 011-29961284
Email: cs.vikas@optiemus.com	E-mail: beetal@beetalfinancial.com

On behalf of the Board of Directors

For **Optiemus Infracom Limited**

Place : New Delhi

Date : September 5, 2013

**Ashok Gupta**

**Chairman & Managing Director**



**ANNEXURE A**  
**EXECUTIVE DIRECTOR & CHIEF FINANCIAL OFFICER**  
**CERTIFICATION**

To  
The Board of Directors  
**Optiemus Infracom Limited**

We, the undersigned, in our respective capacities as Executive Director and Chief Financial Officer of the Company to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2013 and based on our knowledge and belief, we state that :
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - (i) significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place : New Delhi  
Dated : September 5, 2013

**Hardip Singh**  
**Executive Director**

**Parveen Sharma**  
**Chief Financial Officer**

**ANNEXURE B**  
**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**  
**UNDER CLAUSE 49 OF LISTING AGREEMENT**

**To the Members**

**Optiemus Infracom Limited**

We have examined the compliance of conditions of Corporate Governance by Optiemus Infracom Limited for the year ended 31st March 2013.

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

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

In our opinion and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement (s) with the Stock Exchange(s).

For **RMA & ASSOCIATES**

Firm Registration No: 000978N

Chartered Accountants

**Ajay Kumar Ojha**

Partner

Membership No-522642

Place : New Delhi

Dated : September 5, 2013



ANNEXURE C

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

This is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct as adopted is available on the Company's website viz. [www.optiemus.com](http://www.optiemus.com).

It is further certified that the Directors and Senior Management have affirmed their compliance with the Code for the year ended 31st March, 2013.

On behalf of the Board of Directors

For **Optiemus Infracom Limited**

Place : New Delhi

Date : September 5, 2013

**Ashok Gupta**

**Chairman & Managing Director**

**AUDITOR'S REPORT**

**To**  
**THE MEMBERS OF**  
**OPTIEMUS INFRACOM LIMITED**  
**NEW DELHI**

We have audited the attached Balance Sheet of Optiemus Infracom Limited ('the company') as at March 31, 2013, the Profit & Loss Account of the company and cash flow statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**We report that:**

1. As required by the Companies (Auditor's Report) Order, 2003 ('the order'), as amended, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 ('the Act'), we enclose in the annexure a Statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred in Paragraph 1 above, we report that:
  - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
  - iii) The Balance Sheet, the Profit & Loss Account of the company and the cash flow statement dealt with by this report are in agreement with the books of Accounts.
  - iv) In our opinion, the Balance Sheet, the Profit & Loss Account and cash flow statement dealt with by this report comply with the accounting standards as referred to in Section 211 (3C) of the Companies Act, 1956.
  - v) We have no observation or comments that have adverse affect on the functioning of the company.
  - vi) On the basis of written representation received from the Directors as at 31 March 2013 and taken on record by the Board of Directors, we report that none of the Directors of the company are disqualified from being appointed as Director of the company under section 274 (1) (g) of the companies act 1956.





- vii) Subject to our observation in para (v) above, In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with notes on Accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
  - b) In the case of Profit & Loss Account, of the profit of the Company for the year ended on that date; and
  - c) In the case of cash flow statement, of the cash flows for the year ended on that date.

**For RMA & ASSOCIATES**

Firm Registration No: 000978N

Chartered Accountants

**Ajay Kumar Ojha**

Partner

Membership No-522642

Place : New Delhi

Dated : 27th May, 2013

**Annexure to the Auditor's Report**

***(Referred to in paragraph (1) of our report of even date to the members of OPTIEMUS INFRACOM LIMITED)***

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets..
- (b) Fixed assets have been physically verified by the management during the year and no discrepancy was found on such verification.
- (c) There was no substantial disposal of fixed assets during the year
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations provided by the management, the company has made/taken loans to the parties covered under the register maintained under section 301.
- (b) The rates of interest and other terms and conditions of loans given by the company are not prima facie prejudicial to the interest of the company and receipt of principal amount and interest are also regular.
- (iv) Purchase of inventory and the major portion of the traded goods including mobile hand sets are stated to be of proprietary nature, and hence, in such cases, the comparison of prices with the market rates or with purchases with other parties cannot be made. Read with the above, in our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- (v) (a) We are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under Section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us , the company has not been taken deposit under section 58A and 58AA of the companies act 1956 and the companies (Acceptance of deposits) Rules 1975 with regard to the deposits accepted from the public , no order has been passed by the company law board or national company law tribunal or reserve bank of India or any other tribunal on the company in respect of the above said deposits.
- (vii) In our opinion, the Company has an internal audit system which is adequate and commensurate with the size and nature of its business.

- (viii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues were outstanding at the year end for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, and cess on account of any dispute, are as follows:

Name of the status	Nature of Dues	Amounts (Rs.)	Period to which the amount relates	Forum where dispute is pending
Sales tax	Sales Tax on cash card & recharge coupons	Rs. 41,435/-	1999-2000	Deputy Commissioner Appeal-IV Sales tax
	Interest U/s 27(2)	Rs. 28,544/-		
Sales Tax	Sales Tax on cash card & recharge coupons	Rs. 1,32,665/-	2000-2001	Deputy Commissioner (Appeal) Sales tax
	Interest U/s 27(2)	Rs. 35,819/-		
Sales Tax	Sales Tax on cash card & recharge coupons	Rs. 2,23,568/-	2001-2002	Deputy Commissioner (Appeal) Sales tax
	Penalty U/s 56	Rs. 1,000/-		
Sales Tax	Sale Tax on Wrongly Input Credit taken	Rs. 2,039/-	2007-2008	Asst. Commissioner of sale Tax Orissa
	Interest/Penalty	Rs. 4,079/-		
Sales Tax	Entry tax on zero value Goods	Rs. 62,513/-	2008-2009	Asst. Commissioner of sales tax Orissa
	Interest/Penalty	Rs.1,25,025/-		
Sales tax	Sale tax	Rs. 33,34,677/-	2008-2009	Asst. Commissioner of Trade & Taxes (objection by hearing Authority)
	Interest	Rs. 8,26,350/-		
	Penalty	Rs.33,34,677/-		
Sales Tax	Sales Tax	Rs. 16,31,864	2006-2007	ETO-cum-Assessing Authority, Gurgaon
	Sale tax payable	Rs. 82,09,003/-	2008-2009	Asst. Commissioner of Sales Tax, Refund and Refund Audit, Mumbai
	Interest u/s 30	Rs. 37,76,141/-		
	Penalty U/s 29	Rs.82,09,003/-		
	Amount Fortified any	Rs.1,000/-		
Sales Tax	Purchase Tax Payable	Rs. 37,544/-	2008-2009	Sr. Joint Commissioner, Central Audit Unit, CT, WB
Income Tax	Demand of Tax	Rs. 23,34,071/-	2010-2011	DCIT-Circle 13(1), New Delhi

- (ix) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current year and immediately preceding financial year.
- (x) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding debentures during the year.
- (xi) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiii) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xv) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xvii) According to information and explanation given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 Of the act .
- (xviii) According to information and explanations given to us during the period the company has not issued any Debentures.
- (xix) The Company has not raised money by way of public issue during the year.
- (xx) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For RMA & ASSOCIATES**  
Firm Registration No: 000978N  
Chartered Accountants

**Ajay Kumar Ojha**  
Partner  
Membership No-522642  
Place : New Delhi  
Dated : 27th May, 2013



**BALANCE SHEET AS AT 31ST MARCH, 2013**

(Rs. in Lacs)

	Note No.	AS AT 31.03.2013	AS AT 31.03.2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Share Holders Fund</b>			
Share capital	2	8,581	8,581
Reserves and surplus	3	8,520	5,459
Money received against share warrants		—	—
<b>2) Share Application Money pending allotment</b>			
		—	—
<b>3) Non-Current Liabilities</b>			
Long-term borrowings	4(a)	11,938	10,984
Deferred tax liabilities (Net)	5	202	172
Other Long term liabilities	6(a)	956	24
Long-term provisions	7(a)	57	—
<b>4) Current Liabilities</b>			
Short-term borrowings	4 (b)	11,748	12,101
Trade payables	8	22,872	16,895
Other current liabilities	6 (b)	2,188	86
Short-term provisions	7 (b)	88	490
		<b>67,150</b>	<b>54,792</b>
<b>II. ASSETS</b>			
<b>1) Non Current Assets</b>			
Fixed assets			
Tangible Assets	9(a)	13,554	14,094
Intangible Assets	9(b)	—	—
Capital Work-In- Progress		3,706	20
Non-current investments	10(a)	395	93
Long-term loans and advances	11 (a)	244	—
Other non-current assets	12 (a)	584	584
<b>2) Current Assets</b>			
Current investments	10(b)	28	77
Inventories	13	6,907	4,241
Trade receivables	14	25,118	24,408
Cash and cash equivalents	15	7,047	5,463
Short-term loans and advances	11 (b)	8,861	5,270
Other current assets	12 (b)	706	542
		<b>67,150</b>	<b>54,792</b>
<b>Notes forming part of the financial statement</b>	<b>1-24</b>		

In terms of our report attached

For **RMA & ASSOCIATES**  
Firm Registration No: 000978N  
Chartered Accountants

**Ajay Kumar Ojha**  
Partner  
Membership No-522642

Place : New Delhi,  
Dated : 27th May 2013

For and on behalf of the Board of Directors

**Ashok Gupta**  
Managing Director

**Parveen Sharma**  
Chief Financial Officer

**Hardip Singh**  
Executive Director

**Vikas Chandra**  
Company Secretary

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2013**

(Rs. in Lacs)

	Note No.	For the year ended on 31.03.2013	For the year ended on 31.03.2012
<b>I. Revenue from Operations</b>	16	<b>283,157</b>	185,455
<b>II. Other Income</b>	17	<b>342</b>	231
<b>III. TOTAL REVENUE (I+II)</b>		<b>283,499</b>	<b>185,686</b>
<b>IV. EXPENDITURE</b>			
Direct Expenses	18	<b>8,900</b>	5,628
Purchases of Stock-in-Trade	19	<b>265,015</b>	169,996
Changes in inventories of finished goods Stock-in-Trade	20	<b>(2,665)</b>	(60)
Employee benefits expense	21	<b>1,667</b>	1,292
Finance costs	22	<b>2,867</b>	1,573
Depreciation and amortization expense	23	<b>636</b>	629
Other expenses	24	<b>2,296</b>	2,581
<b>TOTAL EXPENSES</b>		<b>278,716</b>	<b>181,639</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>4,783</b>	4,047
<b>VI. Exceptional items ( Past years Gratuity Liability )</b>		<b>58</b>	—
<b>VII. Profit before Extraordinary Item and Tax (V-VI)</b>		<b>4,725</b>	4,047
<b>VIII. Extraordinary Items</b>		<b>—</b>	—
<b>IX. Profit before tax (VII-VIII)</b>		<b>4,725</b>	4,047
<b>X. Tax Expenses:</b>			
(1) Current Tax		<b>1,584</b>	1,298
(2) Deferred Tax		<b>30</b>	(7)
(3) Wealth Tax		<b>2</b>	3
(4) Taxation Adjustment of Previous year (Net)		<b>47</b>	(60)
<b>XI. Profit /(Loss) for the period from continuing operations</b>		<b>3,062</b>	<b>2,813</b>
<b>XII. Profit/(Loss) from discontinuing operations</b>		<b>—</b>	—
<b>XIII. Tax expenses of discontinuing operations</b>		<b>—</b>	—
<b>XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>		<b>—</b>	—
<b>XV. Profit/(Loss) for the period (XI+XIV)</b>		<b>3,062</b>	2,813
<b>XVI. Earning Per Equity Shares:</b>			
(1) Basic		<b>3.57</b>	<b>3.28</b>
(2) Diluted		<b>3.57</b>	<b>3.28</b>

**Notes forming part of the financial statements** 1-24

In terms of our report attached

For **RMA & ASSOCIATES**  
 Firm Registration No: 000978N  
 Chartered Accountants

**Ajay Kumar Ojha**  
 Partner  
 Membership No-522642

Place : New Delhi,  
 Dated : 27th May 2013

For and on behalf of the Board of Directors

**Ashok Gupta**  
 Managing Director

**Parveen Sharma**  
 Chief Financial Officer

**Hardip Singh**  
 Executive Director

**Vikas Chandra**  
 Company Secretary



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2013**

	(Rs. in Lacs)	
	31 March, 2013	31 March, 2012
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) before tax and after prior period items (Excluding Deferred Tax)	4,725	4,047
Adjusted for		
Depreciation	631	623
Preliminary expenses	5	-
Finance Charges	2,835	1,575
Loss on Sale/Discarding of Fixed assets	3	0
Provision for doubtful debts	5	-
Loss on decline in current investment (net)	1	-
Provision for Permanent Decline in Investment	56	-
Gratuity	38	-
Dividend Income	(1)	(0)
Interest Income	(192)	(230)
<b>Operating profit before working capital Charges</b>	<b>8,106</b>	<b>6,015</b>
<b>Movements in Working Capital</b>		
Decrease/(Increase) in Inventory	(2,666)	(60)
Decrease/(Increase) in Sundry Debtors	(715)	(3,405)
Decrease/(Increase) in Loans & Advances and Other Current Assets	(3,755)	52
Increase/(Decrease) in Trade and other Payables, Current liabilities and provisions	8,044	4,769
<b>Cash Generated from Operation</b>	<b>9,014</b>	<b>7,371</b>
Foreign Exchange Fluctuation	32	1
Add: Net Prior Year Adjustment	58	59
Less: Direct Tax Paid	(2,036)	(1,300)
<b>Net cash used in Operating Activities (A)</b>	<b>7,068</b>	<b>6,131</b>
<b>B. Cash Flow from Investing Activities</b>		
Acquisition of Fixed Assets (including Advance Against Capital Expenditure)	(103)	(12,803)
Investment in capital W.I.P.	(3,686)	-
Sale of Fixed Assets	8	0
Purchase of Investment	(302)	(59)
Dividend Received	1	0
Interest Received	192	230
Investment in Plan Assets	(26)	-
Decrease/(Increase) in Non current Assets	(249)	-
Sale of Investment	50	0
<b>Net cash Used in Investing Activities (B)</b>	<b>(4,115)</b>	<b>(12,632)</b>
<b>C. Cash Flow from financing Activities</b>		
Proceeds from issuance of Share Application Money	-	(205)
Proceeds/(Repayment) from long term borrowings	954	10,382
Proceeds/(Repayment) to short term borrowing	(352)	-
Finance Charges	(2,835)	(1,575)
Increase/(Decrease) in Non current liabilities	864	-
<b>Net Cash Flow Financing activities (C)</b>	<b>(1,369)</b>	<b>8,602</b>
<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>1,584</b>	<b>2,101</b>
Cash and cash equivalents at the beginning of the year	5,463	3,362
<b>Cash and cash equivalents at the end of the year</b>	<b>7,047</b>	<b>5,463</b>

- Cash flow statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement notified by the Companies (Accounting Standards) Rules 2006.
- These earmarked account balances with banks can be utilised only for the specific identified purposes

See accompanying notes forming part of the financial statements

In terms of our report attached

For **RMA & ASSOCIATES**  
Firm Registration No: 000978N  
Chartered Accountants

**Ajay Kumar Ojha**  
Partner  
Membership No-522642

Place : New Delhi,  
Dated : 27th May 2013

For and on behalf of the Board of Directors

**Ashok Gupta**  
Managing Director

**Parveen Sharma**  
Chief Financial Officer

**Hardip Singh**  
Executive Director

**Vikas Chandra**  
Company Secretary

**Notes Forming part of the financial statement****NOTE:1****Significant Accounting Policies****1. Nature of Operations**

The Company is primarily engaged in the trading of mobile handset and mobile accessories and construction of road and highways business etc.

**2. Basis of accounting and preparation of financial statement**

The financial statements of the company have been prepared in accordance with the Generally Accepted accounting principles in India (Indian GAAP) to comply with the accounting standard notified under the Companies (Accounting Standard) Rules, 2006 (As amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical costs convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**3. Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (Including Contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognised the periods in which the results are materialise.

**4. Inventories**

Inventories are valued at the lower of cost (On FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Costs included all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

**5. Cash and Cash equivalents (For purposes of cash Flow Statements)**

Cash comprises cash on hand and fixed deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

**6. Cash flow Statement**

Cash flows are reported using the indirect method, whereby Profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accrual of past or future cash receipts or payments. The cash flows from operating, investing and financial activities of the company are segregated based on the available information.

**7. Depreciation**

Depreciation has been provided on the written down value method at the rates prescribed in schedule XIV to the Companies Act 1956.

Depreciation on additions to Fixed Assets is provided from the date of acquisition of the Asset. Depreciation on Assets sold/scrapped during the period is provided for up to date of sale/scrap as the case may be

**8. Revenue Recognition****Sale of Goods**

Sales are recognised, net of returns, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.



#### **Income from services**

Revenue from service contracts are recognised pro-rata over the period of the contract as and when services are rendered.

#### **Other Income**

Interest Income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.

### **9. Tangible Fixed Assets**

Fixed assets are stated at cost, less accumulated depreciation/amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. However the expenses incurred on Fixed Assets which takes substantial time to bring the assets for its intended use are capitalised in Capital Work in Progress. Fixed Assets not exceeding Rs.5,000/- is charged to the profit and loss account.

Borrowing costs relating to acquisition and fit outs of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready for its intended use.

Fixed Assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance sheet

### **10. Intangible Assets**

Intangible assets are carried at cost less accumulated amortisation and impairments losses, if any. The cost of intangible assets comprises its purchase price, including any imports duties and other taxes and any directly attributable expenditure on making the assets ready for its intended use and net of any trade discounts and rebates.

### **11. Foreign currency transactions**

Income and expenses in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Monetary current assets and current liabilities are reinstated at period-end exchange rates and the profit/loss so determined and also the realized exchange gains/losses are recognized in the Profit & Loss Account.

#### **Initial recognition**

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

#### **Measurement of foreign currency monetary items at the Balance Sheet date**

Foreign currency monetary items (other than derivatives contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (Other Than Monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the statement of profit and loss.

#### **Treatment of Exchange differences**

Exchange differences arising on settlement/restatement of short term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expenses in the statement of profit and loss. The Exchange differences on restatement/settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a Foreign Currency monetary item translation difference account

**Accounting of forward contracts**

Premium or discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance sheet date.

**12. Investments**

Investments are classified into current investments and long term investments.

Current investments are carried at market value. Any reduction/increase in carrying amount are charged or credited to the Profit & Loss Account.

Long Term Investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Cost of investments include acquisition charges such as brokerage, fees and duties

**13. Retirement and other Employee benefits****Provident Fund and Superannuation**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The provident fund contributions, as specified under the law, are paid to Employees State Insurance Fund (Defined Contribution Schemes), administrated by the Central Government of India. The contributions paid during the year are charged to Profit and Loss account.

**Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. The Company makes annual contribution to Life Insurance Corporation of India through Group Gratuity Trust established by it. The Company accounts for the liability for gratuity benefits payable in future based on actuarial valuation provided by LIC of India.

**14. Borrowing Costs**

Borrowing costs including processing fee that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Borrowing costs are capitalized as part of the cost of a qualifying asset when it is probable that they will result in future economic benefits to the enterprise and the costs can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**15. Segment reporting**

The Company identifies primary segments based on the dominant sources, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit and loss amounts are evaluated regularly by the executive Management.

The accounting policies adopted for segment reporting are in line with the accounting of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segments.

Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocable to segment on reasonable basis have been included under " Unallocated revenue/ expenses/assets/ liabilities.

**16. Earning per share**

Basic Earning per share is computed by dividing the profit after tax (including the post tax effect of extraordinary items if any) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing the profit after tax (Including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expenses or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares.

#### **17. Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the difference, between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

#### **18. Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimation. Contingent liabilities are disclosed in Notes.

#### **19. Provision for warranty**

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates possible future incident based on corrective actions on product failures. The timing of outflow will vary as and when warranty claim will arise-being typically upto three years.

As per the terms of the contract, the Company provides post-contract services / warranty support to some of its customer. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimation.

#### **20. Insurance claims**

Insurance claims are accounted for on the basis of claim admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

#### **21. Service tax input credit**

Service tax input credit is accounted for in the books in the period in which the understanding service received is accounted and when there is no uncertainty in availing / utilising the credits.

#### **22. Previous Period Comparatives**

- i) Previous period's figures have been regrouped where necessary to conform to current period's Classification
- ii) Notes 1 to 32 form an integral part of the Balance Sheet as on 31st March 2013 and the profit and Loss account for the year ended 31st March 2013.

## NOTES FORMING PART OF THE FINANCIAL STATEMENT

### Notes to Balance Sheet

(Rs. in Lacs)

**NOTE:2****SHARE CAPITAL**

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Authorised Share Capital</b>		
85,980,000 Equity Share of Rs.10/- each  (Previous Year 85,980,000 equity share of Rs. 10/- each)	<b>8,598</b>	8,598
<b>Issued, subscribed &amp; fully paid share capital</b>		
85,814,191 Equity Share of Rs. 10/-each fully paid up  (Previous year 85,814,191 Equity Share of Rs. 10/-each fully paid up)	<b>8,581</b>	8,581
<b>Total</b>	<b>8,581</b>	8,581

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each Holder of equity is entitled to one vote per share.

In the event of liquidation of the Company, the total proceeds from such liquidation after discharging the liability of the Company will be distributed among the holders of the shares of the Company.

List of shareholders holding Equity Shares 5 % or more	31 March, 2013		31 March, 2012	
	No. of Shares	%	No. of Shares	%
GRA Enterprises Pvt Ltd	<b>38,738,500</b>	<b>45.14</b>	38,738,500	45.14
Mr. Ashok Gupta	<b>5,754,894</b>	<b>6.71</b>	5,754,894	6.71
Mrs. Renu Gupta	<b>6,981,111</b>	<b>8.14</b>	6,981,111	8.14
Mr. Deepesh Gupta	<b>5,365,029</b>	<b>6.25</b>	5,365,029	6.25
Mr. Neetesh Gupta	<b>5,214,607</b>	<b>6.08</b>	5,214,607	6.08



**NOTE:3**

**RESERVE AND SURPLUS**

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>General Reserve</b>	<b>261</b>	261
<b>Sub-Total</b>	<b>261</b>	261
<b>Surplus</b>		
Opening Profit and Loss A/c	<b>5,197</b>	2,385
Add : Surplus during the year	<b>3,062</b>	2,813
<b>Sub-Total</b>	<b>8,259</b>	5,198
<b>Total</b>	<b>8,520</b>	5,459

**NOTE:4**

**BORROWINGS**

**(a) Long Term Borrowings**

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Secured</b>		
Term Loan from Banks	<b>7,274</b>	6,391
Vehicle Loan	<b>60</b>	123
<b>Unsecured</b>		
From Directors	—	
From Others	<b>4,604</b>	4,470
<b>Total</b>	<b>11,938</b>	10,984

**(b) Short Term Borrowings**

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Secured</b>		
Working Capital Loans from Bank	<b>5,748</b>	6,101
Bill Discounting	<b>6,000</b>	6,000
<b>Total</b>	<b>11,748</b>	12,101

Notes :- Working Capital Loans are secured by a first ranking pari passu charge over entire current assets of the Company including stocks of finished goods, Stock in trade, goods in transit, Book Debts and other current assets of the Company (Present and Future)

Term loan is secured by the the Equitable Mortgage of Land and Building situated at Noida, Vehicle loans are secured by hypothecation of vehicles.

**NOTE:-5****DEFERRED TAX LIABILITIES / ASSETS (NET)**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Deferred Tax Liabilities :		
Depreciation	219	172
	219	172
Deferred Tax Assets:		
Provision for Expenses u/s 43B	17	—
	17	—
Deferred Tax Liability (Net)	202	172

**NOTE:-6****OTHER LIABILITIES****(a) Other Non-Current Liabilities**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Retention Money	56	—
Security Deposit (Against Leasing of Noida Property)	809	—
Present Value of Defined Benefit Obligations	119	24
Less : Plan Assets	(28)	—
<b>Total</b>	<b>956</b>	<b>24</b>

**(b) Other Current Liabilities**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Duties And Taxes	65	16
Other payables	367	14
Advance from Vendors/Customers	35	56
Advance Rent	887	—
Loan Instalments Falling during 2013-14	834	—
<b>Total</b>	<b>2,188</b>	<b>86</b>



## NOTE:-7

## PROVISIONS

## (a) Long Term Provisions

Particulars	As at 31 March, 2013	As at 31 March, 2012
Provision for Diminuation in value of Investments	57	—
<b>Total</b>	<b>57</b>	<b>—</b>

## (b) Short Term Provisions

Particulars	As at 31 March, 2013	As at 31 March, 2012
Provision For Tax (Net of Advance Tax)	86	487
Provision for wealth Tax	2	3
<b>Total</b>	<b>88</b>	<b>490</b>

## NOTE:-8

## TRADE PAYABLES

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Trade Payables	22,872	16,895
<b>Total</b>	<b>22,872</b>	<b>16,895</b>

**NOTE:-9****FIXED ASSETS****(a) TANGIBLE ASSETS**

(₹ in Lacs)

Particulars	Gross Block			Depreciation			Net Block	
	Rate of Dep. (%)	As on 01.04.2012	Additions	Deduction	As on 31.03.2013	Depreciation during the year	As on 31.03.2013	As on 1.04.2012
LAND	0.00%	8,301	-	-	8,301	-	-	8,301
BUILDING & INFRASTRUCTURE	5.00%	4,478	-	-	4,478	222	251	4,450
PLANT & MACHINERY	13.91%	621	28	-	649	43	375	289
OFFICE EQUIPMENT	13.91%	146	4	-	150	10	85	71
FURNITURE & FIXTURE	18.10%	52	-	-	52	4	36	19
MOTOR VEHICLES	25.89%	671	55	42	684	69	445	263
COMPUTERS	40.00%	4,250	15	1	4,264	283	3,832	701
Total		18,519	102	43	18,578	631	5,024	14,094

**(b) INTANGIBLE ASSETS**

Particulars	Gross Block			Depreciation			Net Block	
	Rate of Dep. (%)	As on 01.04.2012	Additions	Deduction	As on 31.03.2013	Depreciation during the year	As on 31.03.2013	As on 1.04.2012
0.00%	10	-	-	-	10	-	10	-
Total		10	-	-	10	-	10	-
Grand Total		18,529	102	43	18,588	631	5,034	14,094





Note:10

INVESTMENT

(a) Non-current investments

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Investments in Equity instruments (at Cost)</b>		
<b>QUOTED EQUITY SHARES</b>		
Anant Raj Ltd. (3001 Equity Shares of Rs. 2 each fully paid up)	10	10
Arvind Remedies Ltd. (30000 Equity Shares of Rs. 10 each fully paid up)	17	17
Gateway Distriparks Ltd. (10000 Equity Shares of Rs. 10 each fully paid up)	12	12
GTL Infrastructure Ltd. (2000 Equity Shares of Rs. 10 each fully paid up)	1	1
IKF Technologies Ltd. (220000 Equity Shares of Rs. 1 each fully paid up)	34	34
JSW Ispat Steels Ltd. (2200 Equity Shares of Rs. 10 each fully paid up)	1	1
Cybele Industries Ltd. (25000 Equity Shares of Rs. 10 each fully paid up)	11	11
<b>UNQUOTED EQUITY SHARES (at cost)</b>		
Travancore Marketing Pvt Ltd. (11000 Equity Shares of Rs 10/- each fully paid up)	0	0
<b>Investments in 100% Foreign Subsidiary Co.</b>		
Optiemus Infracom (Singapore) Pte Ltd. (1 Equity shares of 1 Singapore Dollor)	0	0
Share Application Money	309	7
<b>Total</b>	<b>395</b>	<b>93</b>
<b>(b)-Current Investments (At market value)</b>		
<b>Investments in Mutual funds</b>		
SBI Infrastructure Fund (20000 Units F.V. of Rs 10/-each)	1	2
SBI Mutual Fund (500000 Units F.V. of Rs 10/-each)	-	50
SBI One India Fund (200000 Units F.V. of Rs 10/-each)	23	20
SBI Mutual Fund (50000 Units F.V. of Rs 10/-each)	4	5
<b>Total</b>	<b>28</b>	<b>77</b>

- 3,00,000 Equity Shares of Rs. 1/- each of Arvind Remedies Ltd has been consolidated into 30,000 equity shares of Rs. 10/- each during the year
- Agreegate amount of Quoted Investment is Rs. 85.73 lacs and market value of such investment is Rs.29.30 lacs
- Agreegate amount of Unquoted Investment is Rs. 7,700 and market value of such investment is not available
- Agreegate amount of Provision for diminuation in value of Quoted Investments is Rs. 56.43 lacs

## Note:11

## LOANS AND ADVANCES

## (a) Long Term Loans and Advances

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Unsecured considered good</b>		
Loans & Advances	244	—
<b>Total</b>	<b>244</b>	<b>—</b>

## (b) Short Term Loans and Advances

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Unsecured considered good</b>		
Other Loans and Advances	8,835	5,239
Advance to Staff	26	31
<b>Total</b>	<b>8,861</b>	<b>5,270</b>

## Note:12

## OTHER CURRENT ASSETS

## (a) Other non-current assets

Particulars	As at 31 March, 2013	As at 31 March, 2012
Preliminary Expenses	—	5
Security Deposit	584	579
<b>Total</b>	<b>584</b>	<b>584</b>

## (b) Other Current assets

Particulars	As at 31 March, 2013	As at 31 March, 2012
Interest accrued but not received	209	144
Other Advances Receivable	497	398
<b>Total</b>	<b>706</b>	<b>542</b>

## Note:13

## INVENTORIES

Particulars	As at 31 March, 2013	As at 31 March, 2012
Finished goods (Valued at Cost or NRV whichever is lower)	6,907	4,241
<b>Total</b>	<b>6,907</b>	<b>4,241</b>

**Note:14**
**TRADE RECEIVABLES**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Trade Receivables Less than Six Months	24,976	24,193
Other trade Receivables	147	215
Less:-		
Provision for Doubtful Debts	(5)	—
<b>Total</b>	<b>25,118</b>	<b>24,408</b>

Note- Trade Receivables are subject to confirmation and reconciliation

**Note:15**
**CASH AND CASH EQUIVALENTS**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Balances with banks	5,872	3,777
Cash on hand	52	19
In Fixed Deposit Accounts *	1,123	1,667
<b>Total</b>	<b>7,047</b>	<b>5,463</b>

\*Under Lien of Banks

**Note:16**
**REVENUE FROM OPERATIONS**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Revenue from - Sale From Trading Activities	282,662	185,138
Sale From Construction Activity	36	81
Other operating revenues	459	236
<b>Total</b>	<b>283,157</b>	<b>185,455</b>

**Note:17**
**OTHER INCOME**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Dividend Income	1	0
Other Income	149	0
Income from Machinery Rent	—	231
Interest on Loans & Advances	192	—
<b>Total</b>	<b>342</b>	<b>231</b>

## Note:18

## DIRECT EXPENSES

Particulars	As at 31 March, 2013	As at 31 March, 2012
Scheme and Claim Paid	8,406	5,144
Custom Duty	252	179
Freight Inward	45	66
Labour Charges	50	22
Octroi Paid	13	6
Packing Expenses	134	174
Project Expenses	—	15
Repair to Machinery	—	22
<b>Total</b>	<b>8,900</b>	<b>5,628</b>

## Note:19

## PURCHASE OF STOCK-IN-TRADE

Particulars	As at 31 March, 2013	As at 31 March, 2012
Purchase Central	3	15
Purchase Imported	1,799	1,662
Purchase Local	263,164	168,240
Purchase Exempted	49	12
Purchase of Construction Material	—	67
<b>Total</b>	<b>265,015</b>	<b>169,996</b>

## Note:20

## CHANGE IN INVENTORIES OF FINISHED GOODS

Particulars	As at 31 March, 2013	As at 31 March, 2012
Opening Stock	4,241	4,182
Less: Closing Stock	(6,906)	(4,242)
<b>Total</b>	<b>(2,665)</b>	<b>(60)</b>



## Note:21

## EMPLOYEE BENEFITS EXPENSES

Particulars	As at 31 March, 2012	As at 31 March, 2011
Salaries and Allowances	1,390	1,097
Director Remuneration & Sitting Fees	70	81
Contribution to provident and other funds	70	59
Staff welfare expenses	45	31
Gratuity	40	24
Recruitment Charges	4	—
Training & Seminar Expenses	48	—
<b>Total</b>	<b>1,667</b>	<b>1,292</b>

## Note:22

## FINANCE COSTS

Particulars	As at 31 March, 2013	As at 31 March, 2012
Interest on Term Loan	860	75
Interest on Vehicle Loans	9	10
Other borrowing costs	1,966	1,489
Foreign Fluctuation Expenses(Net)	32	(1)
<b>Total</b>	<b>2,867</b>	<b>1,573</b>

## Note:23

## DEPRECIATION AND AMORTIZATION

Particulars	As at 31 March, 2013	As at 31 March, 2012
Depreciation as per companies Act	631	623
Amortization expenses (Preliminary Expenses)	5	6
<b>Total</b>	<b>636</b>	<b>629</b>

## Note:24

## OTHER EXPENSES

Particulars	As at 31 March, 2013	As at 31 March, 2012
Advertisement and Publicity	23	24
Annual Listing Fees	3	2
Audit Fees	4	4
Business Promotion Expenses	205	299
Communication Expenses	54	65
Computer Repairs & Maintenance	11	9
Conveyance Local	62	61
CWC Warehouse Rent	4	3
Donations	9	9
Electrical Power & Water Expenses	30	25
Festival Expenses	30	24
Freight And Cartage Outward	219	209
Incentive and Commision	78	605
Insurance Premiums	71	96
ISD Expenses	299	205
Legal & Professional Expenses	442	248
Provision for diminuation in value of Investment(net)	56	—
Loss on sale of Assets(Net)	3	(2)
Office Expenses	38	38
Postage & Courier Expenses	11	10
Printing & Stationery	25	20
Provision for Doubtful Debt	5	—
Rates & Taxes	14	10
Relocation Expenses	4	15
Rent Charges	321	136
Repair & Maintanance	29	25
Security Guard Charges	12	3
Software & Website Expenses	3	2
Statutory Expenses	48	47
Subscription & Membership Fees	1	0
Tour & Travelling Expenses	134	362
Vehicle Running & Maintenance	47	26
Water Expenses	1	1
<b>Total</b>	<b>2,296</b>	<b>2,581</b>

**Note:25****Disclosure under Accounting Standard 16 - Borrowing Cost**

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Details of Borrowing Cost capitalised</b>		
<b>Borrowing Costs capitalised during the year</b>		
Fixed Assets - Building		
Interest on Loan	—	168
Bank Processing Fee	—	77
Fixed Assets - Capital WIP		
Interest on Loan	18	—
Bank Processing Fee	72	—
<b>Total</b>	<b>90</b>	245

**Note:26****Disclosure under Accounting Standard 17 - Segment Reporting****Segment Information**

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Mobile & Mobile Accessories and construction of Road and Highways business. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed Assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.

Particulars	Business Segments-2012-13			Business Segments-2011-12		
	Telecommunication -Mobile Handset and Accessories	Construction of Road and Highways	Total	Telecommunication - Mobile Handset and Accessories	Construction of Road and Highways	Total
Revenue	283,121	36	283,157	185,374.00	81.00	185,455
Inter-segment Revenue	—	—	—	—	—	—
<b>Total Revenue</b>	<b>283,121</b>	<b>36</b>	<b>283,157</b>	<b>185,374.00</b>	<b>81.00</b>	<b>185,455</b>
<b>Segment Result</b>	<b>7,491</b>	<b>(184)</b>	<b>7,307</b>	<b>5,532.00</b>	<b>(143.00)</b>	<b>5,389</b>
Unallocable Expenses			(58)		—	—
<b>Operating Income</b>			<b>7,249</b>			<b>5,389</b>
<b>Other Income</b>			<b>342</b>			<b>231</b>
<b>Total Revenue</b>			<b>7,591</b>			<b>5,620</b>
Interest Expenses			(2,867)			(1,573)
<b>Profit before tax</b>			<b>4,724</b>			<b>4,047</b>
Tax Expense			(1,664)			(1,233)
<b>Net Profit for the year</b>			<b>3,060</b>			<b>2,814</b>

Particulars	Business Segments-2012-13			Business Segments-2011-12		
	Telecommunication -Mobile Handset and Accessories	Construction of Road and Highways	Total	Telecommunication -Mobile Handset and Accessories	Construction of Road and Highways	Total
Segment Assets	60,838	6,312	67,150	55,708	85	55,793
Unallocable Assets			—			—
<b>Total Assets</b>			<b>67,150</b>			<b>55,793</b>
Segment Liabilities	(87)	6	(81)	555	85	640
Unallocable Liabilities			8,805,000			(7,726)
<b>Total Liabilities</b>			<b>8,804,919</b>			<b>(7,086)</b>
Capital Expenditure			18,589			18,529
Depreciation / Amortisation			5,034			4,435



**Secondary Segment Reporting (by Geographical Segments)**

The following table shows the distribution of the company's consolidated revenue and debtors by geographical market

Particulars	As at 31 March, 2013	As at 31 March, 2012
Revenue -Domestic Market	<b>283,157</b>	190,667
Revenue- Overseas Market		1,169
<b>Total Revenue</b>	<b>283,157</b>	191,836
Debtors of Domestic Market	<b>25,091</b>	24,354
Debtors of Overseas Market	<b>27.00</b>	60
<b>Total Debtors</b>	<b>25,118</b>	24,414

Note:

The company has common assets for producing goods for Domestic Market and Overseas Markets. Hence separate figures for assets/ additions to fixed assets cannot be furnished.

**Note:27**
**Disclosure under Accounting Standard 7 - Construction Contract**

The company follows the "percentage of Completion method" of accounting for all contracts in accordance with "Accounting Standard - 7" - "Accounting for Construction Contract" issued by the Institute of Chartered Accountants of India. The revenue from the execution of contracts is recognised proportionately with the degree of completion achieved under each contracts, matching revenue with expenses incurred and after considering the total contracts value and associated costs.

Particulars	As at 31 March, 2013	As at 31 March, 2012
Contract Revenue recognised as revenue in the period	<b>57</b>	82
Contract Costs recognised as expenses in the period	<b>(226)</b>	(275)
Recognised Profits	<b>(169)</b>	(192)
Income Billed but not Due	—	—
Progress Billing in the period	—	82
Amounts due from Customers (Amounts Claims receivable)	—	2,408

Note:

Contract prices are either fixed or subject to price escalation clause. Amounts due in respect of price escalation and/or variation in contact work approved by the customers are recognised as revenue only when there are conditions in the contracts for such claims or variations and/or evidence of the acceptability of the same customers.

**Note:28****Disclosure under Accounting Standard 18 - Related Party**

Related Party transactions

Details of Related Parties:

Description of Relationship	Names of Related Parties	Outstanding Balance as on 31st March 2013
Ultimate Holding Company	No	
Holding Company	No	
Subsidiary Company	Optiemus Infracom (Singapore) Pte Ltd	309
Fellow Subsidiary Company	Optiemus Metals & Mining Pte. Ltd.	—
Key Management Personnel (KMP)	Mr. Ashok Gupta (Director)	—
Relative of KMP	Renu Gupta ( wife of Ashok Gupta)	—
	Deepesh Gupta ( son of Ashok Gupta)	—
	Neetesh Gupta ( son of Ashok Gupta)	—
Entities in which KMP/ Relatives of KMP can exercise significant influence	GRA Enterprises Private Limited	—
	United Online India Private Limited	—
	Emu Exports Private Limited	—
	Mobiphone Network India Pvt. Ltd.	—
	Teleecare Network (India) Private Limited	—

Note: Related Parties have been identified by the management

Particulars	Teleecare Network India Private Limited	Optiemus Infracom (Singapore) Pte Ltd.	Xcite Communication Pvt. Ltd.	Mobiphone Network India Pvt. Ltd.
Sale of goods	6,405	27	—	55
Purchase of Goods	—	—	628	—

**Note:29**
**Disclosure under Accounting Standard 20 - Earning Per Share**

(Rs. In Lacs Except EPS and Share Data)

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Earning Per Share</b>		
<b>Basic</b>		
Net Profit after tax as per Profit & Loss to Equity Shareholders	3,062	2,813
Net Profit before exceptional items	3,062	2,813
Weighted Average number of Equity Shares used as denominator for calculating EPS	85,814,191	85,814,191
<b>Earning Per Share</b>	3.57	3.28
Earning Per Share (before exceptional items)	3.57	3.28
Face Value per Share	10	10
<b>Diluted</b>		
The diluted earning per share has been computed by dividing the Net profit after tax available for Equity Shareholders by the weighted average number of equity shares, after giving diluted effect of the outstanding warrants and convertible bonds for the respective period		
Net Profit after tax as per Profit & Loss to Equity Shareholders	3,062	2,813
Weighted Average number of Equity Shares used as denominator for calculating EPS	85,814,191	85,814,191
<b>Earning Per Share</b>	3.57	3.28
Face Value per Share	10	10

**Note:30**
**Disclosure relating to AS-15 (Revised) - Employees Benefits:-**

- (a) Provident Fund - 12% of Basic (including dearness pay) plus Dearness Allowance, contributed to Recognised Provident Fund
- (b) Gratuity- Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service for 5 years or more. Maximum limit is Rs. 10.00 lakh.
- In terms of Accounting Standard 15 (Revised) on Employees Benefits, the following disclosure sets out the status as required:-

(Rs. In lacs)

S.No	Particulars	Gratuity
	<b>Fair value of Defined Obligation</b>	
i.	Present value of projected benefit obligation as at 01.04.12	24
ii.	Current service cost	26
iii.	Interest cost	—
iv.	Actuarial gain(-) / losses(+)	12
v.	Past service cost	57
vi.	Benefits paid	—
vii.	Present value of projected benefit obligation as on 31.03.2013(I+ii+iii+iv-v+vi)	119

S.No	Reconciliation of fair value of Assets and obligations	Gratuity
I.	<b>Fair value of plan assets as on 1.04.2012</b>	—
ii.	Acquisition adjustment	—
iii.	Expected return on plan assets	2
iv.	Actual Company*s contribution	26
v.	Acturial gain(-) / losses(+)	0
vi.	Benefits paid	—
vii.	Fair value of plan assets as on 31.03.2013	28
viii.	Present value of defined obligation	119
ix.	Net liability recognised in the Balance Sheet (Schedule-6(a))	91

S.No	Expenses recognised in the Statement of Profit & Loss Account for the year ended 31.03.2013	Gratuity
I.	Current service cost	26
ii.	Interest cost	—
iii.	Acturial gain(-) / losses(+)	12
iv.	Past service cost	57
v.	Expected return on plan assets	(2)
a)	Employees remuneration & benefit charged to profit & loss A/c- a)Gratuity	93
b)	Others	1,557

Gratuity Fund Investment details (Fund manager wise, to the extent funded)

Particulars	As on 31.03.2013
<b>Life Insurance Corporation of India</b>	28.03

#### Acturial assumption

I	Discount rate	8.00% per annum
ii.	Mortality rate	LIC 94-96 Ultimate
iii.	Withdrawal rate(18-30 years)	0.00% p.a.
	Withdrawal rate(31-44 years)	1.00% p.a.
	Withdrawal rate(44-58 years)	3.00% p.a.
iv.	Expected rate of return	8.96% p.a.
v.	Future salary increase	6.00% p.a.
vi	Retirement age	60 years



**Note:31**

**Disclosure under Accounting Standard 29 - Contingent Liability**

(Rs. In Lacs)

<b>Particulars</b>	<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
Contingent Liabilities not provided for :		
a) Claim against the company not acknowledged as debt Income Tax matters (Deemand of Rs 3231861 raised by Incoem Tax department for the AY 2010-11 against which Rs. 890970 has been recognised and for Rs. 2334071 rectification u/s 154 has been filed with Department)	<b>2,334,071</b>	—
b) Sales Tax	<b>30,016,946</b>	9,784,260
	<b>32,351,017</b>	9,784,260.00

**Note:32**

**Additional Information to the Financial Statements**

(Rs. In Lacs)

<b>Particulars</b>	<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
<b>Import/Export in Foreign Currency</b>		
FOB Value of Export (incl. High seas sales)	<b>27</b>	1
Value of Imports (incl. High seas Purchase)	<b>415</b>	166
<b>Advance for Import</b>		
Advance for Import at year end rate	<b>631</b>	-
<b>Investment in Wholly Owned Subsidiary</b>	<b>302</b>	7
<b>Expenditure in Foreign Currency</b>		
Business Promotion	<b>13</b>	-
Travelling and Coveyance	<b>18</b>	28
<b>Profit and (Loss) Foreign Exchange Fluction</b>		
Loss In foreign Exchange Fluctuation	<b>32</b>	1
<b>Director's Remuneration</b>		
Director's Remuneration paid during the year	<b>67</b>	81
<b>Auditor Remuneration</b>		
Audit Fee	<b>4</b>	4

Note:-

Advance for Import is outstanding for more than 12 months

Export against certain amounts outstanding for more than 12 months

**INDEPENDENT AUDITOR'S REPORT**

To

**THE MEMBERS OF**

**OPTIEMUS INFRACOM LIMITED**

**NEW DELHI**

We have audited the attached Consolidated Balance Sheet of **Optiemus Infracom Limited** ('the company') as at March 31, 2013, the Profit & Loss Account of the company and cash flow statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standard 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**We report that:**

1. We have not audited the financial Statement of one subsidiaries and one Fellow Subsidiary. The Consolidated Financial Statements reflects total assets of Rs. 67165 Lacs as at 31st March, 2013 and total revenue of Rs. 283583 Lacs. The Subsidiaries' financial statements have not yet been audited till the date of our report and hence the unaudited figures have been consolidated.
2. We report that Consolidated Financial Statement have been prepared by the company in accordance with the requirements of Accounting Standard (AS-21) – "Consolidated Financial Statements", notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate Audited Financial Statements of the Company and unaudited financial statements of its subsidiaries included in the Consolidated Financial Statements.
3. In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with notes on Accounts of Consolidated Financial Statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



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

For **RMA & ASSOCIATES**

Firm Registration No: 000978N

Chartered Accountants

**Ajay Kumar Ojha**

Partner

Membership No-522642

Place : New Delhi

Dated : 27th May, 2013

**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2013**

(Rs. in Lacs)

	Note No.	AS AT 31.03.2013	AS AT 31.03.2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Share Holders Fund</b>			
Share capital	2	8,581	8,581
Reserves and surplus	3	8,509	5,453
Money received against share warrants		—	—
<b>2) Share Application Money pending allotment</b>			
		—	—
<b>3) Non-Current Liabilities</b>			
Long-term borrowings	4(a)	11,938	10,984
Deferred tax liabilities (Net)	5	202	172
Other Long term liabilities	6(a)	956	24
Long-term provisions	7(a)	57	—
<b>4) Current Liabilities</b>			
Short-term borrowings	4 (b)	11,748	12,101
Trade payables	8	22,898	16,920
Other current liabilities	6 (b)	2,188	88
Short-term provisions	7 (b)	89	490
		<b>67,166</b>	<b>54,813</b>
<b>II. ASSETS</b>			
<b>1) Non Current Assets</b>			
Fixed assets			
Tangible Assets	9(a)	13,554	14,094
Intangible Assets	9(b)	—	—
Capital Work-In- Progress		3,706	20
Non-current investments	10(a)	86	86
Long-term loans and advances	11 (a)	322	—
Other non-current assets	12 (a)	584	584
<b>2) Current Assets</b>			
Current investments	10(b)	28	77
Inventories	13	6,907	4,263
Trade receivables	14	25,144	24,411
Cash and cash equivalents	15	7,195	5,465
Short-term loans and advances	11 (b)	8,934	5,271
Other current assets	12 (b)	706	542
		<b>67,166</b>	<b>54,813</b>
<b>Notes forming part of the financial statement</b>	<b>1-24</b>		

In terms of our report attached

For **RMA & ASSOCIATES**

Firm Registration No: 000978N

Chartered Accountants

**Ajay Kumar Ojha**

Partner

Membership No-522642

Place : New Delhi,

Dated : 27th May 2013

For and on behalf of the Board of Directors

**Ashok Gupta**  
Managing Director**Hardip Singh**  
Executive Director**Parveen Sharma**  
Chief Financial Officer**Vikas Chandra**  
Company Secretary





**CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED  
31 ST MARCH, 2013**

(Rs. in Lacs)

	Note No.	For the year ended on 31.03.2013	For the year ended on 31.03.2012
<b>I. Revenue from Operations</b>	16	<b>283,241</b>	185,458
<b>II. Other Income</b>	17	<b>342</b>	231
<b>III. TOTAL REVENUE (I+II)</b>		<b>283,583</b>	<b>185,689</b>
<b>IV. EXPENDITURE</b>			
Direct Expenses	18	<b>8,901</b>	5,631
Purchases of Stock-in-Trade	19	<b>265,065</b>	170,021
Changes in inventories of finished goods Stock-in-Trade	20	<b>(2,642)</b>	(82)
Employee benefits expense	21	<b>1,667</b>	1,292
Finance costs	22	<b>2,868</b>	1,573
Depreciation and amortization expense	23	<b>636</b>	629
Other expenses	24	<b>2,311</b>	2,583
<b>TOTAL EXPENSES</b>		<b>278,806</b>	<b>181,647</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>4,777</b>	4,042
<b>VI. Exceptional items ( Past years Gratuity Liability )</b>		<b>(58)</b>	—
<b>VII. Profit before Extraordinary Item and Tax (V-VI)</b>		<b>4,719</b>	4,042
<b>VIII. Extraordinary Items</b>		<b>—</b>	—
<b>IX. Profit before tax (VII-VIII)</b>		<b>4,719</b>	4,042
<b>X. Tax Expenses:</b>			
(1) Current Tax		<b>1,584</b>	1,297
(2) Deferred Tax		<b>30</b>	(7)
(3) Wealth Tax		<b>2</b>	3
(4) Taxation Adjustment of Previous year (Net)		<b>47</b>	(60)
<b>XI. Profit /(Loss) for the period from continuing operations</b>		<b>3,056</b>	<b>2,809</b>
<b>XII. Profit/(Loss) from discontinuing operations</b>		<b>—</b>	—
<b>XIII. Tax expenses of discontinuing operations</b>		<b>—</b>	—
<b>XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>		<b>—</b>	—
<b>XV. Profit/(Loss) for the period (XI+XIV)</b>		<b>3,056</b>	<b>2,809</b>
<b>XVI. Earning Per Equity Shares:</b>			
(1) Basic		<b>3.56</b>	<b>3.27</b>
(2) Diluted		<b>3.56</b>	<b>3.27</b>
<b>Notes forming part of the financial statements</b>	<b>1-24</b>		

In terms of our report attached

For **RMA & ASSOCIATES**  
Firm Registration No: 000978N  
Chartered Accountants

**Ajay Kumar Ojha**  
Partner  
Membership No-522642

Place : New Delhi,  
Dated : 27th May 2013

For and on behalf of the Board of Directors

**Ashok Gupta**  
Managing Director

**Parveen Sharma**  
Chief Financial Officer

**Hardip Singh**  
Executive Director

**Vikas Chandra**  
Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2013

	31 March, 2013	31 March, 2012
(Rs. in Lacs)		
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) before tax and after prior period items (Excluding Deferred Tax)	4,719	4,039
Adjusted for		
Depreciation	632	623
Preliminary expenses	5	-
Finance Charges	2,835	1,575
Loss on Sale/Discarding of Fixed assets	3	0
Provision for doubtful debts	5	-
Loss on decline in current investment (net)	1	-
Provision for Permanent Decline in Investment	56	-
Gratuity	38	-
Dividend Income	(1)	(0)
Interest Income	(192)	(230)
<b>Operating profit before working capital Charges</b>	<b>8,101</b>	<b>6,007</b>
<b>Movements in Working Capital</b>		
Decrease/(Increase) in Inventory	(2,644)	(82)
Decrease/(Increase) in Sundry Debtors	(733)	(3,409)
Decrease/(Increase) in Loans & Advances and Other Current Assets	(3,826)	52
Increase/(Decrease) in Trade and other Payables, Current liabilities and provisions	8,046	4,794
<b>Cash Generated from Operation</b>	<b>8,944</b>	<b>7,362</b>
Foreign Exchange Fluctuation	32	1
Add: Net Prior Year Adjustment	58	60
Less: Direct Tax Paid	(2,036)	(1,299)
<b>Net cash used in Operating Activities (A)</b>	<b>6,998</b>	<b>6,124</b>
<b>B. Cash Flow from Investing Activities</b>		
Acquisition of Fixed Assets (including Advance Against Capital Expenditure)	(103)	(12,802)
Investment in capital W.I.P.	(3,686)	-
Sale of Fixed Assets	8	0
Purchase of Investment	0	(52)
Dividend Received	1	0
Interest Received	192	230
Investment in Plan Assets	(26)	-
Decrease/(Increase) in Non current Assets	(327)	-
Sale of Investment	50	0
<b>Net cash Used in Investing Activities (B)</b>	<b>(3,891)</b>	<b>(12,624)</b>
<b>C. Cash Flow from financing Activities</b>		
Proceeds from issuance of Share Application Money	-	(205)
Proceeds/(Repayment) from long term borrowings	954	10,381
Proceeds/(Repayment) to short term borrowing	(352)	-
Finance Charges	(2,835)	(1,575)
Increase/(Decrease) in Non current liabilities	864	-
<b>Net Cash Flow Financing activities (C)</b>	<b>(1,369)</b>	<b>8,601</b>
<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>1,738</b>	<b>2,101</b>
Cash and cash equivalents at the beginning of the year	5,465	3,363
<b>Cash and cash equivalents at the end of the year</b>	<b>7,195</b>	<b>5,464</b>

- Cash flow statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement notified by the Companies (Accounting Standards) Rules 2006.
- These earmarked account balances with banks can be utilised only for the specific identified purposes

**See accompanying notes forming part of the financial statements**

In terms of our report attached

For **RMA & ASSOCIATES**  
Firm Registration No: 000978N  
Chartered Accountants

**Ajay Kumar Ojha**  
Partner  
Membership No-522642

Place : New Delhi,  
Dated : 27th May 2013

For and on behalf of the Board of Directors

**Ashok Gupta**  
Managing Director

**Parveen Sharma**  
Chief Financial Officer

**Hardip Singh**  
Executive Director

**Vikas Chandra**  
Company Secretary

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Notes Forming part of the financial statement

NOTE:1

**Significant Accounting Policies**

**1. Nature of Operations**

The Company is primarily engaged in the trading of mobile handset and mobile accessories and construction of road and highways business etc.

**2. Basis of accounting and preparation of financial statement**

The financial statements of the company have been prepared in accordance with the Generally Accepted accounting principles in India (Indian GAAP) to comply with the accounting standard notified under the Companies (Accounting Standard) Rules, 2006 (As amended) and the relevant provisions of the Companies Act , 1956. The financial statements have been prepared on accrual basis under the historical costs convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**3. Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (Including Contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognised the periods in which the results are materialise.

**4. Inventories**

Inventories are valued at the lower of cost (On FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Costs included all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

**5. Cash and Cash equivalents (For purposes of cash Flow Statements)**

Cash comprises cash on hand and fixed deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

**6. Cash flow Statement**

Cash flows are reported using the indirect method, whereby Profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accrual of past or future cash receipts or payments. The cash flows from operating, investing and financial activities of the company are segregated based on the available information.

**7. Depreciation**

Depreciation has been provided on the written down value method at the rates prescribed in schedule XIV to the Companies Act 1956.

Depreciation on additions to Fixed Assets is provided from the date of acquisition of the Asset. Depreciation on Assets sold/scrapped during the period is provided for up to date of sale/scrap as the case may be

**8. Revenue Recognition**

**Sale of Goods**

Sales are recognised, net of returns , on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.

**Income from services**

Revenue from service contracts are recognised pro-rata over the period of the contract as and when services are rendered.

**Other Income**

Interest Income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.

**9. Tangible Fixed Assets**

Fixed assets are stated at cost, less accumulated depreciation/amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. However the expenses incurred on Fixed Assets which takes substantial time to bring the assets for its intended use are capitalised in Capital Work in Progress. Fixed Assets not exceeding Rs.5,000/- is charged to the profit and loss account.

Borrowing costs relating to acquisition and fit outs of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready for its intended use.

Fixed Assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance sheet

**10. Intangible Assets**

Intangible assets are carried at cost less accumulated amortisation and impairments losses, if any. The cost of intangible assets comprises its purchase price, including any imports duties and other taxes and any directly attributable expenditure on making the assets ready for its intended use and net of any trade discounts and rebates.

**11. Foreign currency transactions**

Income and expenses in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Monetary current assets and current liabilities are reinstated at period-end exchange rates and the profit/loss so determined and also the realized exchange gains/losses are recognized in the Profit & Loss Account.

**Initial recognition**

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

**Measurement of foreign currency monetary items at the Balance Sheet date**

Foreign currency monetary items (other than derivatives contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (Other Than Monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the statement of profit and loss.

**Treatment of Exchange differences**

Exchange differences arising on settlement/restatement of short term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expenses in the statement of profit and loss. The Exchange differences on restatement/settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a Foreign Currency monetary item translation difference account

**Accounting of forward contracts**

Premium or discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance sheet date.

**12. Investments**

Investments are classified into current investments and long term investments.

Current investments are carried at market value. Any reduction/increase in carrying amount are charged or credited to the Profit & Loss Account.

Long Term Investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Cost of investments include acquisition charges such as brokerage, fees and duties

**13. Retirement and other Employee benefits****Provident Fund and Superannuation**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The provident fund contributions, as specified under the law, are paid to Employees State Insurance Fund (Defined Contribution Schemes), administrated by the Central Government of India. The contributions paid during the year are charged to Profit and Loss account.

**Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. The Company makes annual contribution to Life Insurance Corporation of India through Group Gratuity Trust established by it. The Company accounts for the liability for gratuity benefits payable in future based on actuarial valuation provided by LIC of India.

**14. Borrowing Costs**

Borrowing costs including processing fee that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Borrowing costs are capitalized as part of the cost of a qualifying asset when it is probable that they will result in future economic benefits to the enterprise and the costs can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**15. Segment reporting**

The Company identifies primary segments based on the dominant sources, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit and loss amounts are evaluated regularly by the executive Management.

The accounting policies adopted for segment reporting are in line with the accounting of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segments.

Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocable to segment on reasonable basis have been included under " Unallocated revenue/ expenses/assets/ liabilities.

**16. Earning per share**

Basic Earning per share is computed by dividing the profit after tax (including the post tax effect of extraordinary items if any) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing the profit after tax (Including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expenses or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares.

#### **17. Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the difference, between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

#### **18. Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimation. Contingent liabilities are disclosed in Notes.

#### **19. Provision for warranty**

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates possible future incident based on corrective actions on product failures. The timing of outflow will vary as and when warranty claim will arise-being typically upto three years.

As per the terms of the contract, the Company provides post-contract services / warranty support to some of its customer. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimation.

#### **20. Insurance claims**

Insurance claims are accounted for on the basis of claim admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

#### **21. Service tax input credit**

Service tax input credit is accounted for in the books in the period in which the understanding service received is accounted and when there is no uncertainty in availing / utilising the credits.

#### **22. Previous Period Comparatives**

- i) Previous period's figures have been regrouped where necessary to conform to current period's Classification
- ii) Notes 1 to 32 form an integral part of the Balance Sheet as on 31st March 2013 and the profit and Loss account for the year ended 31st March 2013.

**NOTES FORMING PART OF THE FINANCIAL STATEMENT**
**Notes to Balance Sheet**

(Rs. in Lacs)

**NOTE:2**
**SHARE CAPITAL**

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Authorised Share Capital</b>		
85,980,000 Equity Share of Rs.10/- each (Previous Year 85,980,000 equity share of Rs. 10/- each)	<b>8,598</b>	8,598
<b>Issued, subscribed &amp; fully paid share capital</b>		
85,814,191 Equity Share of Rs. 10/-each fully paid up (Previous year 85,814,191 Equity Share of Rs. 10/- each fully paid up)	<b>8,581</b>	8,581
<b>Total</b>	<b>8,581</b>	8,581

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each Holder of equity is entitled to one vote per share.

In the event of liquidation of the Company, the total proceeds from such liquidation after discharging the liability of the Company will be distributed among the holders of the shares of the Company.

List of shareholders holding Equity Shares 5 % or more	31 March, 2013		31 March, 2012	
	No. of Shares	%	No. of Shares	%
GRA Enterprises Pvt Ltd	<b>38,738,500</b>	<b>45.14</b>	38,738,500	45.14
Mr. Ashok Gupta	<b>5,754,894</b>	<b>6.71</b>	5,754,894	6.71
Mrs. Renu Gupta	<b>6,981,111</b>	<b>8.14</b>	6,981,111	8.14
Mr. Deepesh Gupta	<b>5,365,029</b>	<b>6.25</b>	5,365,029	6.25
Mr. Neetesh Gupta	<b>5,214,607</b>	<b>6.08</b>	5,214,607	6.08



## NOTE:3

## RESERVE AND SURPLUS

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>General Reserve</b>	<b>261</b>	261
<b>Sub-Total</b>	<b>261</b>	261
<b>Surplus</b>		
Opening Profit and Loss A/c	<b>5,192</b>	2,383
Add : Surplus during the year	<b>3,056</b>	2,809
<b>Sub-Total</b>	<b>8,248</b>	5,192
<b>Total</b>	<b>8,509</b>	5,453

## NOTE:4

## BORROWINGS

## (a) Long Term Borrowings

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Secured</b>		
Term Loan from Banks	<b>7,274</b>	6,391
Vehicle Loan	<b>60</b>	123
<b>Unsecured</b>		
From Directors	—	
From Others	<b>4,604</b>	4,470
<b>Total</b>	<b>11,938</b>	10,984

## (b) Short Term Borrowings

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Secured</b>		
Working Capital Loans from Bank	<b>5,748</b>	6,101
Bill Discounting	<b>6,000</b>	6,000
<b>Total</b>	<b>11,748</b>	12,101

Notes :- Working Capital Loans are secured by a first ranking pari passu charge over entire current assets of the Company including stocks of finished goods, Stock in trade, goods in transit, Book Debts and other current assets of the Company (Present and Future)

Term loan is secured by the the Equitable Mortgage of Land and Building situated at Noida, Vehicle loans are secured by hypothecation of vehicles.





**NOTE:-5**

**DEFERRED TAX LIABILITIES / ASSETS (NET)**

<b>Particulars</b>	<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
Deferred Tax Liabilities :		
Depreciation	<b>219</b>	172
	<b>219</b>	172
Deferred Tax Assets:		
Provision for Expenses u/s 43B	<b>17</b>	—
	<b>17</b>	—
Deferred Tax Liability (Net)	<b>202</b>	172

**NOTE:-6**

**OTHER LIABILITIES**

**(a) Other Non-Current Liabilities**

<b>Particulars</b>	<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
Retention Money	<b>56</b>	-
Security Deposit (Against Leasing of Noida Property)	<b>809</b>	-
Present Value of Defined Benefit Obligations	<b>119</b>	24
Less : Plan Assets	<b>(28)</b>	-
<b>Total</b>	<b>956</b>	24

**(b) Other Current Liabilities**

<b>Particulars</b>	<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
Duties And Taxes	<b>65</b>	16
Other payables	<b>367</b>	16
Advance from Vendors/Customers	<b>35</b>	56
Advance Rent	<b>887</b>	-
Loan Instalments Falling during 2013-14	<b>834</b>	-
<b>Total</b>	<b>2,188</b>	88

**NOTE:-7****PROVISIONS****(a) Long Term Provisions**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Provision for Diminuation in value of Investments	57	—
<b>Total</b>	<b>57</b>	<b>—</b>

**(b) Short Term Provisions**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Provision For Tax (Net of Advance Tax)	87	487
Provision for wealth Tax	2	3
<b>Total</b>	<b>89</b>	<b>490</b>

**NOTE:-8****TRADE PAYABLES**

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Trade Payables	22,898	16,920
<b>Total</b>	<b>22,898</b>	<b>16,920</b>

**NOTE:-9**
**FIXED ASSETS**
**(a) TANGIBLE ASSETS**

(₹ in Lacs)

Particulars	Gross Block			Depreciation			Net Block		
	Rate of Dep. (%)	As on 01.04.2012	Additions	Deduction	As on 31.03.2013	Depreciation during the year	Deduction	As on 31.03.2013	As on 1.04.2012
LAND	0.00%	8,301	-	-	8,301	-	-	8,301	8,301
BUILDING & INFRASTRUCTURE	5.00%	4,478	-	-	4,478	222	-	4,227	4,450
PLANT & MACHINERY	13.91%	621	28	-	649	43	-	274	289
OFFICE EQUIPMENT	13.91%	146	4	-	150	10	-	65	71
FURNITURE & FIXTURE	18.10%	52	-	-	52	4	-	16	19
MOTOR VEHICLES	25.89%	671	55	42	684	69	31	445	263
COMPUTERS	40.00%	4,250	15	1	4,264	283	1	3,832	701
Total		18,519	102	43	18,578	631	32	5,024	14,094

**(b) INTANGIBLE ASSETS**

Particulars	Gross Block			Depreciation			Net Block		
	Rate of Dep. (%)	As on 01.04.2012	Additions	Deduction	As on 31.03.2013	Depreciation during the year	Deduction	As on 31.03.2013	As on 1.04.2012
0.00%	10	-	-	-	10	-	-	10	-
Total		10	-	-	10	-	-	10	-
Grand Total		18,529	102	43	18,588	631	32	5,034	14,094

## Note:10

## INVESTMENT

## (a) Non-current investments

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Investments in Equity instruments (at Cost)</b>		
<b>QUOTED EQUITY SHARES</b>		
Anant Raj Ltd. (3001 Equity Shares of Rs. 2 each fully paid up)	10	10
Arvind Remedies Ltd. (30000 Equity Shares of Rs. 10 each fully paid up)	17	17
Gateway Distriparks Ltd. (10000 Equity Shares of Rs. 10 each fully paid up)	12	12
GTL Infrastructure Ltd. (2000 Equity Shares of Rs. 10 each fully paid up)	1	1
IKF Technologies Ltd. (220000 Equity Shares of Rs. 1 each fully paid up)	34	34
JSW Ispat Steels Ltd. (2200 Equity Shares of Rs. 10 each fully paid up)	1	1
Cybele Industries Ltd. (25000 Equity Shares of Rs. 10 each fully paid up)	11	11
<b>UNQUOTED EQUITY SHARES (at cost)</b>		
Travancore Marketing Pvt. Ltd. (11000 Equity Shares of Rs 10/- each fully paid up)	0	0
<b>Total</b>	<b>86</b>	<b>86</b>
(b)-Current Investments (At market value)		
<b>Investments in Mutual funds</b>		
SBI Infrastructure Fund (20000 Units F.V. of Rs 10/-each)	1	2
SBI Mutual Fund (500000 Units F.V. of Rs 10/-each)	-	50
SBI One India Fund (200000 Units F.V. of Rs 10/-each)	23	20
SBI Mutual Fund (50000 Units F.V. of Rs 10/-each)	4	5
<b>Total</b>	<b>28</b>	<b>77</b>

- 3,00,000 Equity Shares of Rs. 1/- each of Arvind Remedies Ltd has been consolidated into 30,000 equity shares of Rs. 10/- each during the year
- Agreegate amount of Quoted Investment is Rs. 85.73 lacs and market value of such investment is Rs. 29.30 lacs
- Agreegate amount of Unquoted Investment is Rs. 7,700 and market value of such investment is not available
- Agreegate amount of Provision for diminuation in value of Quoted Investments is Rs. 56.43 lacs



Note:11

**LOANS AND ADVANCES**

**(a) Long Term Loans and Advances**

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Unsecured considered good</b>		
Loans & Advances	322	—
<b>Total</b>	<b>322</b>	<b>—</b>

**(b) Short Term Loans and Advances**

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Unsecured considered good</b>		
Other Loans and Advances	8,908	5,240
Advance to Staff	26	31
<b>Total</b>	<b>8,934</b>	<b>5,271</b>

Note:12

**OTHER CURRENT ASSETS**

**(a) Other non-current assets**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Preliminary Expenses	—	5
Security Deposit	584	579
<b>Total</b>	<b>584</b>	<b>584</b>

**(b) Other Current assets**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Interest accrued but not received	209	144
Other Advances Receivable	497	398
<b>Total</b>	<b>706</b>	<b>542</b>

Note:13

**INVENTORIES**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Finished goods (Valued at Cost or NRV whichever is lower)	6,907	4,263
<b>Total</b>	<b>6,907</b>	<b>4,263</b>

**Note:14****TRADE RECEIVABLES**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Trade Receivables Less than Six Months	25,002	24,196
Other trade Receivables	147	215
Less:-		
Provision for Doubtful Debts	(5)	—
<b>Total</b>	<b>25,144</b>	<b>24,411</b>

Note- Trade Receivables are subject to confirmation and reconciliation

**Note:15****CASH AND CASH EQUIVALENTS**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Balances with banks	6,020	3,779
Cash on hand	52	19
In Fixed Deposit Accounts *	1,123	1,667
<b>Total</b>	<b>7,195</b>	<b>5,465</b>

\*Under Lien of Banks

**Note:16****REVENUE FROM OPERATIONS**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Revenue from - Sale From Trading Activities	282,746	185,141
Sale From Construction Activity	36	81
Other operating revenues	459	236
<b>Total</b>	<b>283,241</b>	<b>185,458</b>

**Note:17****OTHER INCOME**

Particulars	As at 31 March, 2013	As at 31 March, 2012
Dividend Income	1	0
Other Income	149	0
Income from Machinery Rent	—	231
Interest on Loans & Advances	192	—
<b>Total</b>	<b>342</b>	<b>231</b>

**Note:18**
**DIRECT EXPENSES**

<b>Particulars</b>	<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
Scheme And Claim Paid	<b>8,406</b>	5,143
Custom Duty	<b>252</b>	179
Freight Inward	<b>45</b>	66
Labour Charges	<b>50</b>	22
Octroi Paid	<b>13</b>	6
Packing Expenses	<b>134</b>	174
Project Expenses	<b>—</b>	15
Clearing and Forwarding Expenses	<b>1</b>	4
Repair to Machinery	<b>—</b>	22
<b>Total</b>	<b>8,901</b>	5,631

**Note:19**
**PURCHASE OF STOCK-IN-TRADE**

<b>Particulars</b>	<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
Purchase Central	<b>3</b>	15
Purchase Imported	<b>1,849</b>	1,686
Purchase Local	<b>263,164</b>	168,241
Purchase Exempted	<b>49</b>	12
Purchase of Construction Material	<b>—</b>	67
<b>Total</b>	<b>265,065</b>	170,021

**Note:20**
**CHANGE IN INVENTORIES OF FINISHED GOODS**

<b>Particulars</b>	<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
Opening Stock	<b>4,264</b>	4,182
Less: Closing Stock	<b>(6,906)</b>	(4,264)
<b>Total</b>	<b>(2,642)</b>	(82)

## Note:21

## EMPLOYEE BENEFITS EXPENSES

Particulars	As at 31 March, 2012	As at 31 March, 2011
Salaries and Allowances	1,390	1,097
Director Remuneration & Sitting Fees	70	81
Contribution to provident and other funds	70	59
Staff welfare expenses	45	31
Gratuity	40	24
Recruitment Charges	4	—
Training & Seminar Expenses	48	—
<b>Total</b>	<b>1,667</b>	<b>1,292</b>

## Note:22

## FINANCE COSTS

Particulars	As at 31 March, 2013	As at 31 March, 2012
Interest on Term Loan	860	75
Interest on Vehicle Loans	9	10
Other borrowing costs	1,967	1,489
Foreign Fluctuation Expenses(Net)	32	(1)
<b>Total</b>	<b>2,868</b>	<b>1,573</b>

## Note:23

## DEPRECIATION AND AMORTIZATION

Particulars	As at 31 March, 2013	As at 31 March, 2012
Depreciation as per companies Act	631	623
Amortization expenses (Preliminary Expenses)	5	6
<b>Total</b>	<b>636</b>	<b>629</b>





**Note:24**

**OTHER EXPENSES**

<b>Particulars</b>	<b>As at 31 March, 2013</b>	<b>As at 31 March, 2012</b>
Advertisement and Publicity	23	24
Annual Listing Fees	3	2
Audit Fees	4	4
Business Promotion Expenses	205	299
Communication Expenses	54	65
Computer Repairs & Maintenance	11	9
Conveyance Local	62	61
CWC Warehouse Rent	4	3
Donations	9	9
Electrical Power & Water Expenses	30	25
Festival Expenses	30	24
Freight And Cartage Outward	219	209
Incentive and Commision	78	605
Insurance Premiums	71	96
ISD Expenses	299	205
Legal & Professional Expenses	442	248
Provision for diminuation in value of Investment (net)	56	-
Loss on sale of Assets (Net)	3	(2)
Office Expenses	53	40
Postage & Courier Expenses	11	10
Printing & Stationery	25	20
Provision for Doubtful Debt	5	-
Rates & Taxes	14	10
Relocation Expenses	4	15
Rent Charges	321	136
Repair & Maintanance	29	25
Security Guard Charges	12	3
Software & Website Expenses	3	2
Statutory Expenses	48	47
Subscription & Membership Fees	1	0
Tour & Travelling Expenses	134	362
Vehicle Running & Maintenance	47	26
Water Expenses	1	1
<b>Total</b>	<b>2,311</b>	<b>2,583</b>

**Note:25****Disclosure under Accounting Standard 16 - Borrowing Cost**

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Details of Borrowing Cost capitalised</b>		
<b>Borrowing Costs capitalised during the year</b>		
Fixed Assets - Building		
Interest on Loan	—	168
Bank Processing Fee	—	77
Fixed Assets - Capital WIP		
Interest on Loan	<b>18</b>	—
Bank Processing Fee	<b>72</b>	—
<b>Total</b>	<b>90</b>	245

**Note:26****Disclosure under Accounting Standard 17 - Segment Reporting****Segment Information**

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Mobile & Mobile Accessories and construction of Road and Highways business. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed Assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.



Particulars	Business Segments-2012-13			Business Segments-2011-12		
	Telecommunication -Mobile Handset and Accessories	Construction of Road and Highways	Total	Telecommunication - Mobile Handset and Accessories	Construction of Road and Highways	Total
Revenue	283,121	36	283,157	185,374.00	81.00	185,455
Inter-segment Revenue	—	—	—	—	—	—
<b>Total Revenue</b>	<b>283,121</b>	<b>36</b>	<b>283,157</b>	<b>185,374.00</b>	<b>81.00</b>	<b>185,455</b>
<b>Segment Result</b>	<b>7,491</b>	<b>(184)</b>	<b>7,307</b>	<b>5,532.00</b>	<b>(143.00)</b>	<b>5,389</b>
Unallocable Expenses			(58)		—	—
<b>Operating Income</b>			<b>7,249</b>			<b>5,389</b>
<b>Other Income</b>			<b>342</b>			<b>231</b>
<b>Total Revenue</b>			<b>7,591</b>			<b>5,620</b>
Interest Expenses			(2,867)			(1,573)
<b>Profit before tax</b>			<b>4,724</b>			<b>4,047</b>
Tax Expense			(1,664)			(1,233)
<b>Net Profit for the year</b>			<b>3,060</b>			<b>2,814</b>

Particulars	Business Segments-2012-13			Business Segments-2011-12		
	Telecommunication -Mobile Handset and Accessories	Construction of Road and Highways	Total	Telecommunication -Mobile Handset and Accessories	Construction of Road and Highways	Total
Segment Assets	60,838	6,312	67,150	55,708	85	55,793
Unallocable Assets			—			—
<b>Total Assets</b>			<b>67,150</b>			<b>55,793</b>
Segment Liabilities	(87)	6	(81)	555	85	640
Unallocable Liabilities			8,805,000			(7,726)
<b>Total Liabilities</b>			<b>8,804,919</b>			<b>(7,086)</b>
Capital Expenditure			18,589			18,529
Depreciation / Amortisation			5,034			4,435

**Secondary Segment Reporting (by Geographical Segments)**

The following table shows the distribution of the company's consolidated revenue and debtors by geographical market

Particulars	As at 31 March, 2013	As at 31 March, 2012
Revenue -Domestic Market	283,583	190,667
Revenue- Overseas Market	—	1,169
<b>Total Revenue</b>	<b>283,583</b>	<b>191,836</b>
Debtors of Domestic Market	25,091	24,354
Debtors of Overseas Market	54	60
<b>Total Debtors</b>	<b>25,145</b>	<b>24,414</b>

Note:

The company has common assets for producing goods for Domestic Market and Overseas Markets. Hence separate figures for assets/ additions to fixed assets cannot be furnished.

**Note:27**
**Disclosure under Accounting Standard 7 - Construction Contract**

The company follows the "percentage of Completion method" of accounting for all contracts in accordance with "Accounting Standard - 7" - "Accounting for Construction Contract" issued by the Institute of Chartered Accountants of India. The revenue from the execution of contracts is recognised proportionately with the degree of completion achieved under each contracts, matching revenue with expenses incurred and after considering the total contracts value and associated costs.

Particulars	As at 31 March, 2013	As at 31 March, 2012
Contract Revenue recognised as revenue in the period	57	82
Contract Costs recognised as expenses in the period	(226)	(275)
Recognised Profits	(169)	(192)
Income Billed but not Due	—	—
Progress Billing in the period	—	82
Amounts due from Customers (Amounts Claims receivable)	—	2,408

Note:

Contract prices are either fixed or subject to price escalation clause. Amounts due in respect of price escalation and/or variation in contact work approved by the customers are recognised as revenue only when there are conditions in the contracts for such claims or variations and/or evidence of the acceptability of the same customers.



**Note:28**

**Disclosure under Accounting Standard 18 - Related Party**

Related Party transactions

Details of Related Parties:

Description of Relationship	Names of Related Parties	Outstanding Balance as on 31st March 2013
Ultimate Holding Company	No	
Holding Company	No	
Subsidiary Company	Optiemus Infracom ( Singapore) Pte Ltd	309
Fellow Subsidiary Company	Optiemus Metals & Mining Pte. Ltd.	149
Key Management Personnel (KMP)	Mr. Ashok Gupta (Director)	—
Relative of KMP	Renu Gupta ( wife of Ashok Gupta)	—
	Deepesh Gupta ( son of Ashok Gupta)	—
	Neetesh Gupta ( son of Ashok Gupta)	—
Entities in which KMP/ Relatives of KMP can exercise significant influence	GRA Enterprises Private Limited	—
	United Online India Private Limited	—
	Emu Exports Private Limited	—
	Mobiphone Network India Pvt. Ltd.	—
	Teleecare Network (India) Private Limited	—

Note: Related Parties have been identified by the management

Particulars	Teleecare Network India Private Limited	Optiemus Infracom (Singapore) Pte Ltd	Xcite Communication Pvt. Ltd.	Mobiphone Network India Pvt. Ltd.
Sale of goods	6,405	27	—	55
Purchase of Goods	—	—	628	—

**Note:29****Disclosure under Accounting Standard 20 - Earning Per Share**

(Rs. In Lacs Except EPS and Share Data)

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Earning Per Share</b>		
<b>Basic</b>		
Net Profit after tax as per Profit & Loss to Equity Shareholders	3,049	2,813
Net Profit before exceptional items	3,049	2,813
Weighted Average number of Equity Shares used as denominator for calculating EPS	85,814,191	85,814,191
<b>Earning Per Share</b>	3.55	3.28
Earning Per Share (before exceptional items)	3.55	3.28
Face Value per Share	10	10
<b>Diluted</b>		
The diluted earning per share has been computed by dividing the Net profit after tax available for Equity Shareholders by the weighted average number of equity shares, after giving diluted effect of the outstanding warrants and convertible bonds for the respective period		
Net Profit after tax as per Profit & Loss to Equity Shareholders	3,049	2,813
Weighted Average number of Equity Shares used as denominator for calculating EPS	85,814,191	85,814,191
<b>Earning Per Share</b>	3.55	3.28
Face Value per Share	10	10

**Note:30****Disclosure relating to AS-15 (Revised) - Employees Benefits:-**

- (a) Provident Fund - 12% of Basic (including dearness pay) plus Dearness Allowance, contributed to Recognised Provident Fund
- (b) Gratuity- Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service for 5 years or more. Maximum limit is Rs. 10.00 lakh
- In terms of Accounting Standard 15 (Revised) on Employees Benefits, the following disclosure sets out the status as required:-

(Rs. In lacs)

S.No	Particulars	Gratuity
	<b>Fair value of Defined Obligation</b>	
i.	Present value of projected benefit obligation as at 01.04.12	24
ii.	Current service cost	26
iii.	Interest cost	—
iv.	Actuarial gain(-) / losses(+)	12
v.	Past service cost	57
vi.	Benefits paid	—
vii.	Present value of projected benefit obligation as on 31.03.2013(I+ii+iii+iv-v+vi)	119

S.No	Reconciliation of fair value of Assets and obligations	Gratuity
I.	<b>Fair value of plan assets as on 1.04.2012</b>	—
ii.	Acquisition adjustment	—
iii.	Expected return on plan assets	2
iv.	Actual Company*s contribution	26
v.	Acturial gain(-) / losses(+)	0
vi.	Benefits paid	—
vii.	Fair value of plan assets as on 31.03.2013	28
viii.	Present value of defined obligation	119
ix.	Net liability recognised in the Balance Sheet (Schedule-6(a))	91

S.No	Expenses recognised in the Statement of Profit & Loss Account for the year ended 31.03.2013	Gratuity
I.	Current service cost	26
ii.	Interest cost	-
iii.	Acturial gain(-) / losses(+)	12
iv.	Past service cost	57
v.	Expected return on plan assets	(2)
a)	Employees remuneration & benefit charged to profit & loss A/c- a)Gratuity	93
b)	Others	1,557

Gratuity Fund Investment details(Fund manager wise,to the extent funded)

Particulars	As on 31.03.2013
<b>Life Insurance Corporation of India</b>	28.03

#### Acturial assumption

I	Discount rate	8.00% per annum
ii.	Mortality rate	LIC 94-96 Ultimate
iii.	Withdrawal rate(18-30 years)	0.00% p.a.
	Withdrawal rate(31-44 years)	1.00% p.a.
	Withdrawal rate(44-58 years)	3.00% p.a.
iv.	Expected rate of return	8.96% p.a.
v.	Future salary increase	6.00% p.a.
vi	Retirement age	60 years

**Note:31****Disclosure under Accounting Standard 29 - Contingent Liability**

(Rs. In Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
Contingent Liabilities not provided for :		
a) Claim against the company not acknowledged as debt Income Tax matters (Deemand of Rs 3231861 raised by Incoem Tax department for the AY 2010-11 against which Rs. 890970 has been recognised and for Rs. 2334071 rectification u/s 154 has been filed with Department)	2,334,071	—
b) Sales Tax	30,016,946	9,784,260
	<b>32,351,017</b>	9,784,260.00

**Note:32****Additional Information to the Financial Statements**

(Rs. In Lacs)

Particulars	As at 31 March, 2013	As at 31 March, 2012
<b>Import/Export in Foreign Currency</b>		
FOB Value of Export (incl. High seas sales)	27	1
Value of Imports (incl. High seas Purchase)	415	166
<b>Advance for Import</b>		
Advance for Import at year end rate	631	—
<b>Investment in Wholly Owned Subsidiary</b>	302	7
<b>Expenditure in Foreign Currency</b>		
Business Promotion	13	—
Travelling and Coveyance	18	28
<b>Profit and (Loss) Foreign Exchange Fluction</b>		
Loss In foreign Exchange Fluctuation	32	1
<b>Director's Remuneration</b>		
Director's Remuneration paid during the year	67	81
<b>Auditor Remuneration</b>		
Audit Fee	4	4

Note:-

Advance for Import is outstanding for more than 12 months

Export against certain amounts outstanding for more than 12 months





**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

Sr. No.	Particulars	Optiemus Infracom (Singapore) Pte Ltd	Optiemus Metals & Mining Pte Ltd
1	Financial years of the Subsidiary Company ended on	31st March, 2013	31st March, 2013
2	Material changes, if any between the end of the financial year of the subsidiary company and that of the Holding Company	N.A	N.A
3	Additional information on Subsidiary Companies		
	Reporting Currency	USD	USD
	Exchange Rate	54.28	54.28
	Share Capital	569,769	1
	Reserves	(4117)	(21,860)
	Total Assets	616,880	378,141
	Total Liabilities	616,880	378,141
	Investment(except in case of investment in subsidiaries)	Nil	Nil
	Turnover	154,447	Nil
	Profit before Taxation	8,641	(21,860)
	Provision for Taxation	Nil	Nil
	Profit after Taxation and write back	8,641	(21,860)
	Interim/Proposed final Dividend (including Dividend Distribution Tax thereon)	Nil	Nil

**Notes:**

- Your Company has two subsidiary companies as on March 31, 2013.
- Optiemus Metals & Mining Pte Limited is a subsidiary of Optiemus Infracom (Singapore) Pte Limited, which is 100% subsidiary of the Company.
- The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated February 8, 2011 and February 21, 2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption.
- The Annual Accounts for 2012-13 of the subsidiaries are available at Company's Registered Office. Any investor either of Holding Company or any Subsidiary Company can seek any information at any point of time by making a request in writing to the Company Secretary of the Company at Optiemus Infracom Limited, K-20, Second Floor, Lajpat Nagar-II, New Delhi – 110 024 to obtain a copy of the financial statements of the subsidiary companies.
- The consolidated financial statements in terms of Clause 32 of the Listing Agreement and in terms of Accounting Standards 21 as prescribed by Companies (Accounting Standards) Rules, 2006 issued by Ministry of Corporate Affairs vide notification no. G.S.R. 739 (E) dated December 7, 2006 also form part of this Annual Report.

## NOTICE

**NOTICE** is hereby given that the **20th** Annual General Meeting of the Members of **OPTIEMUS INFRACOM LIMITED** (the “Company”/ “Optiemus”) will be held on Monday, the 30th Day of September, 2013 at 11:00 A.M. at Emerald Hotels, 112, Babar Road, Opp. W.T.C., Connaught Place, New Delhi-110001 to transact the following business:

### AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2013 and Profit and Loss Account of the company for the year ended on that date together with the Directors’ report and the Auditors’ Report thereon.

2. To appoint a director in place of Mrs. Parul Rai, who retires by rotation and being eligible, offers herself for re-appointment 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** pursuant to provisions of Section 255 and all other applicable provisions, if any, of the Companies Act, 1956, Mrs. Parul Rai, Director of the Company, who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as Director of the company.”

3. To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment and fixation of the remuneration for the Statutory Auditor of the Company for the financial year 2013-2014 as an **Ordinary Resolution**:

“**RESOLVED THAT** the retiring Auditors of the company, M/s RMA & Associates, Chartered Accountants (Firm Registration No. 000978N), being eligible and offering themselves for re-appointment, be and are hereby re-appointed as Statutory Auditors for the financial year 2013-2014 to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be determined by the Board of Directors of the Company.”

### AS SPECIAL BUSINESS:

#### 4. TO APPOINT MR. TEJENDRA PAL SINGH JOSEN, AS DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Tejendra Pal Singh Josen, who was appointed as an Additional Director of the Company and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member, along with requisite deposit under Section 257 of the Act, proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### 5. TO INCREASE REMUNERATION OF MR. ASHOK GUPTA, CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY

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

“**RESOLVED THAT** in partial modification of the Ordinary Resolution passed in the Annual General



Meeting of the Company held on 23rd April, 2011 and subject to the provisions of Sections 198, 269, 309, 310, 311 and all other applicable provisions, if any, of the Companies Act, 1956 (including any notification(s) or re-enactment thereof, for the time being in force) (hereinafter referred to as “the Act”) read with Schedule XIII of the Act and subject to further approval of the Central Government and all other applicable regulatory approvals, consent(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by the authorities while granting such approval(s), consent(s) and permission(s) as are agreed by the Board of Directors, the consent of the Members of the company be and is hereby accorded to the revision in remuneration of Mr. Ashok Gupta, Chairman & Managing Director of the Company with effect from 1st April, 2013 for the remaining term of his appointment as Managing Director of the Company, on the terms and conditions hereinafter mentioned:

- I. The Managing Director shall, subject to the supervision and control of the Board of Directors; carry out such duties as may be entrusted to him by the Directors and shall exercise such powers as are delegated to him by the Board of Directors.

**II. Remuneration:**

- a. Basic Salary: Rs. 15,00,000/- (Rupees Fifteen Lakh only) per month or as may be decided by the Board from time to time.
- b. Bonus: As per the Company’s Schemes and Incentives & Other as may be decided by the Board from time to time.
- c. Motor Car: Provision of motor car with a chauffeur.
- d. Medical: As per rules of the Company’s Reimbursement Scheme.
- e. Leave Travel: As per rules of the Company’s Concession Scheme.
- f. Provident: As per rules of the Company’s Superannuation Scheme and other Funds.
- g. Gratuity: As per rules of the Company’s Scheme.
- h. Club Subscription: Reimbursement of club subscription fees to two clubs.
- i. Other allowances: Subject to any statutory ceiling/s, the Managing Director may be given any other allowances, perquisites, benefits and facilities as may be decided by the Board of Directors from time to time.

**III. Commission:**

The Board will decide the amount of commission payable to the managing director based on the net profits of the Company each year, provided that the total remuneration of the Managing Director will **not exceed 5% of the net profits** of the Company in accordance of the Sections 198, 309 and schedule XIII to the Companies Act, 1956.

**IV. Minimum Remuneration:**

In the event of any absence or inadequacy of profits in any financial year, the basic salary as mentioned above shall be the minimum remuneration payable to the Managing Director.

- V. The Managing Director shall be entitled to reimbursement of all actual expenses or charges including travel entertainment or other out-of-pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.

The above said remuneration is governed by the provisions of Section 198 read with section 349 and 350 and Section I of part II of Schedule XIII of the Companies Act 1956.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or Committee thereof be and are hereby authorized to vary the terms and conditions of appointment including the remuneration payable to Mr. Ashok Gupta upto an amount not exceeding 40% of the Basic Salary on yearly basis provided however that such remuneration shall not exceed the maximum limits specified in Schedule XIII to the Companies Act, 1956, or any amendments thereto, as may be made from time to time.

**RESOLVED FURTHER THAT** Mr. Ashok Gupta shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof, he shall however be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company, which shall not be included in the total remuneration as mentioned above.

**RESOLVED FURTHER THAT** subject to the approval of Central Government, if necessary, in the event of any absence or inadequacy of net profit in any financial year, the aforesaid remuneration other than commission shall be paid as minimum remuneration;

**RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution.”

**NOTES:**

1. An Explanatory Statement as required pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. **MEMBERS ENTITLED TO ATTEND AND VOTE MAY, APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF THEMSELVES AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING IN ORDER TO BE PROXY BEING EFFECTIVE.**
3. Members/proxies are requested to bring the duly filled attendance slip sent herewith for attending the meeting. Photocopies of Attendance Slip will not be entertained for issuing Gate Pass for attending Annual General Meeting. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office for issuing the duplicate of the same. No eatables, brief case or bag will be allowed to be taken inside the meeting hall for security reasons.
4. In case of Joint holders attending the meeting, only such Joint holder who is higher in the order of names will be entitled to vote. No gift will be distributed at the meeting.
5. The register of members and share transfer books of the company will remain closed from 23.09.2013 to 30.09.2013 (both days inclusive)
6. Members are requested to bring their copy of Annual Report with them at the Annual General Meeting.
7. The securities of the company are listed on three stock exchanges namely (I) BSE Limited, Mumbai; (II) Delhi Stock Exchange Limited, New Delhi; and (III) Jaipur Stock Exchange Limited, Jaipur.
8. Members desiring any information with regard to Accounts/Reports are requested to submit their queries addressed to the Company Secretary at least 10 days in advance of the meeting so that the information called for can be made available at the meeting.
9. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and holidays, between 11.30 a.m. to 01.30 p.m. up to the date of the Annual General Meeting.



10. Members holding shares in physical form are requested to quote their Ledger Folio No. in all their correspondence and intimate the following directly to the Company's Registrar and Share Transfer Agent i.e. M/s Beetal Financial and Computer Services (P) Limited.
  - i) Changes, if any, in their address with pin code numbers.
  - ii) Request for nomination forms for making nominations as per amended provisions of the Companies Act, 1956.
11. Members holding shares in dematerialized (electronic) form are requested to notify the changes if any in their address to their respective depository participants and inform their address as furnished to the Company by respective Depositories, viz, NSDL and CDSL. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance in the meeting.
12. Ministry of Corporate Affairs, Vide its Circular nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 has taken a "Green Initiative" by allowing paperless compliances by the companies to serve the requisite documents to its members vide e-mode in pursuance to Section 53 of the Companies Act 1956. In connection with the same, Shareholders are requested to provide their latest/updated email address on which future communication/correspondence/documents can be sent. Shareholders holding shares in demat mode, are requested to register their e-mail id with the concerned Depository participant and in case the Shareholders holding shares in physical mode, are requested to register their e-mail id with Beetal Financial & Computer Services (P) Ltd. (RTA) by sending a request letter duly signed by first/sole shareholder.
13. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend & Vote at the Annual General Meeting.
14. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect to their shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar & Transfer Agents, M/s Beetal Financial and Computer Services (P) Limited.
15. Additional information, pursuant to clause 49 of the Listing Agreement with Stock Exchanges, in respect of directors recommended for appointment/re-appointment at the Annual General Meeting, is given in the Annexure to the Notice.
16. The Annual Report of the Company for the financial year 2012-13 circulated to the Members of the Company is available on the Company's website, viz. [www.optiemus.com](http://www.optiemus.com)

On behalf of the Board of Directors  
For **Optiemus Infracom Limited**

Place : New Delhi  
Date : September 5, 2013

**Vikas Chandra**  
**Company Secretary**

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF  
COMPANIES ACT, 1956**

**Item No. 4**

Mr. Tejendra Pal Singh Josen was appointed as an Additional Director of the Company by the Board of Directors at their Meeting held on 27th May, 2013 and holds office up to the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956 ("the Act"). A notice under Section 257 of the Act, along with the requisite deposit of Rs. 500/- (Rupees Five Hundred only), has been received from a Member signifying his intention to propose the appointment of Mr. Tejendra Pal Singh Josen, as Director of the Company. It will be in the best interest of the Company if he is appointed as a Director liable to retire by rotation.

Section 257 mandates that appointment of Director be made in the general meeting by way of an Ordinary resolution. Hence, necessary resolution is placed before the Meeting for Members' approval.

None of the Directors of the Company except Mr. Tejendra Pal Singh Josen is in anyway interested or concerned in the above resolution.

**Item No. 5**

Mr. Ashok Gupta had been appointed as Managing Director of the Company with effect from 1st day of April, 2011 for a period of 5 years and holding same position till date. The Board of directors of the Company at its meeting held on 27th May, 2013 considered contribution and guidance given by him towards progress of the company and recommended to increase his remuneration to the maximum of 5% of the Net Profit computed under section 349 and 350 of the companies Act 1956 for the remaining period of his tenure.

This Explanatory Statement in respect of resolution at item No. 5 together with the accompanying Notice may also be regarded as an Abstract and Memorandum under Section 302 of the Companies Act, 1956.

The Board of Directors recommends the resolution for the approval of the shareholders as a Special Resolution.

None of the other Directors except Mr. Ashok Gupta is in anyway interested or concerned in the aforesaid Resolution.

On behalf of the Board of Directors  
For **Optiemos Infracom Limited**

Place : New Delhi  
Date : September 5, 2013

**Vikas Chandra**  
**Company Secretary**



**ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR  
APPOINTMENT OR SEEKING RE-APPOINTMENT AT  
THE ANNUAL GENERAL MEETING  
(In Pursuance of Clause 49 IV (G) of Listing Agreement)**

**1. RE-APPOINTMENT**

<b>Name of Director</b>	Mrs. Parul Rai
<b>Date of Birth</b>	05/11/1966
<b>DIN</b>	00429616
<b>Qualification</b>	M.A & B.Ed
<b>Experience</b>	Mrs. Parul Rai is having more than 15 years of exposure in the field of Telecom, Communication and Travel Industry. Mrs. Parul Rai has a remarkable entrepreneurship quality and has been running successfully all associated concerns.
<b>List of other Companies in which Mrs. Parul Rai holds Directorship</b>	1. RPJ Travels Private Limited 2. Telemart Communication (India) Private Limited 3. Telecare Network India Private Limited
<b>Chairman/Member of the Committee of Board of Directors of other Companies</b>	Mrs. Parul Rai is not holding Chairmanship/ Membership of any Board committee in any other public company.
<b>Shareholding &amp; Relationship</b>	Mrs. Parul Rai is not holding any Equity Shares in the Company and is not related to any other Board Member of the Company.

**1. APPOINTMENT**

<b>Name of Director</b>	Mr. Tejendra Pal Singh Josen
<b>Date of Birth</b>	26/07/1951
<b>DIN</b>	02485388
<b>Qualification</b>	MBA from IIM Ahmadabad
<b>Experience</b>	Mr. Josen has wide experience in the field of Agri inputs, fertilizers and agro industry, Mr. Josen has worked with Indian Potash Limited for various management positions for a period of 24 years.
<b>List of other Companies in which Mr. Josen holds Directorship</b>	1. NUVO Resources & Trading Private Limited 2. Josen Trading House Private Limited
<b>Chairman/Member of the Committee of Board of Directors of other Companies</b>	Mr. Josen is not holding Chairmanship/ Membership of any Board committee in any other public company.
<b>Shareholding &amp; Relationship</b>	Mr. Josen is not holding any Equity Shares in the Company and is not related to any other Board Member of the Company.





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**OPTIEMUS INFRACOM LIMITED**

Registered Office: K-20, IInd Floor, Lajpat Nagar-II, New Delhi-110024

**GREEN INITIATIVE IN THE CORPORATE GOVERNANCE-SERVICE OF  
DOCUMENTS THROUGH ELECTRONIC MODE**

Dear Members,

The Ministry of Corporate Affairs ('MCA') has taken a "Green Initiative in Corporate Governance" by allowing the companies to service the documents to its members through electronic mode. In accordance with the Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 issued by the said Ministry, the companies can send various notices /documents including Annual Reports etc. to its members by electronic mail.

Recognising the spirit of the circulars issued by the MCA, we are now sending various documents including Annual Report comprising of Notice, Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Reports, etc. to the email addresses of the members made available to the Company by the Depositories (CDSL/NSDL) or registered by the members directly with the Company.

In case you wish to receive future communication in electronic mode, kindly register your email address by sending the "**E-communication Registration Form**" (given below) duly filled and signed to the RTA of the Company **M/s Beetal Financial and Computer Services (P) Limited**, Beetal House, 3rd Floor, 99, Madangir, New Delhi-110062; Tel: (011) 29961281/83 or at the Registered Office of the Company at **K-20, 2nd Floor, Lajpat Nagar-II, New Delhi-110024**.

Please note that as a Member of the Company you will be entitled to receive all such communication in physical form, upon request.

Thanking you.

Yours faithfully,

For **Optiemus Infracom Limited**

**Vikas Chandra**  
**Company Secretary**







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**OPTIEMUS INFRACOM LIMITED**

Registered Office: K-20, IInd Floor, Lajpat Nagar-II, New Delhi-110024

**E-COMMUNICATION REGISTRATION FORM**

I agree to receive all communication from the Company in electronic mode. Please register my email ID in your records for sending communication through email as per the details given below:

Folio No. : \_\_\_\_\_

(For shares held in physical mode) : \_\_\_\_\_

DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

Name of First Registered Holder: : \_\_\_\_\_

Registered Address : \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Email ID of the First Registered Holder: : \_\_\_\_\_

**Date:** ..... **Signature of the First Registered Shareholder** .....

**Important Notes:**

- 1) On registration, all the communication will be sent to the Registered email ID.
- 2) Members are requested to keep informed as and when there is any change in their email addresses to their Depository Participant(s) in case the shares are held in Demat Mode and to the RTA of the Company or at the Registered Office of the Company in case the shares are held in physical mode.



## OPTIEMUS INFRACOM LIMITED

Registered Office: K-20, IInd Floor, Lajpat Nagar-II, New Delhi-110024

### PROXY FORM

DP ID*	Master Folio No.
Client ID*	Number of Shares held:

I/We.....R/o.....  
 ..... being a member/members of **Optiemus Infracom Limited** hereby appoint  
 Mr./Ms.....of.....or  
 failing him/her Mr./Ms ..... of.....  
 as my/our proxy to attend and vote for me/us, and on my/our behalf, at the 20th Annual General Meeting of the Company to be held on Monday, 30th September, 2013 and at any adjournment thereof.

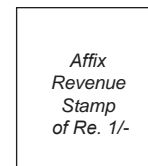
I wish my above proxy to vote in the manner as indicated in the box given below:

Resolution No.	Particulars	For	Against
1.	Adoption of Accounts, Directors' Reports and Auditors' Report thereon.		
2.	Re-appointment of Mrs. Parul Rai, Director retiring by rotation		
3.	Appointment of Auditors & fixing their remuneration.		
4.	Appointment of Mr. Tejendra Pal Singh Josen.		
5.	Approval for revision of the Remuneration of Mr. Ashok Gupta.		

Signed this \_\_\_\_\_ Day of \_\_\_\_\_ 2013

Dated this ..... day of .....2013.

For Office Use Only	
Proxy No. :	No. of Shares:



**(Signature of the Member)**

*Note: This proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the company at K-20, IInd Floor, Lajpat Nagar-II, New Delhi-110024 not less than forty eight hours before the time of the aforesaid Annual General Meeting. A shareholder may vote either 'for' or 'against' the resolutions.*

\* Applicable for investor holding shares in electronic form





**OPTIEMUS INFRACOM LIMITED**

Registered Office: K-20, IInd Floor, Lajpat Nagar-II, New Delhi-110024

**ATTENDANCE SLIP**

(20th Annual General Meeting, Monday, 30th September, 2013 at 11:00 A.M.)

Please fill in the attendance slip and hand it over at the entrance of meeting venue:

DP ID*	Master Folio No.
Client ID*	Number of Shares held:

I certify that I am member/proxy for the member of the company.....

I/we hereby record my/our presence at the 20th Annual General Meeting of the Company at Emerald Hotels, 112, Babar Road, Opp. W.T.C., Connaught Place, New Delhi-110001 on Monday, September 30, 2013 at 11:00 A.M. and certify that i am a registered shareholder of the Company and hold..... shares.

**Name of Member & Joint Holder(s)/Proxy**

**Shareholder's/proxy's Signature**

**Important:**

1. *Shareholder or proxy holder attending this meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled and signed.*
2. *Shareholders and Proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.*

\*Applicable for investors holding share(s) in electronic form.









**OPTIEMUS INFRACOM LIMITED**  
(Formerly Akanksha Cellular Limited)

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**Reg. Office :** K-20, 2nd Floor, Lajpat Nagar Part-II, New Delhi- 110 024  
Ph. No.: 011-29840905, Fax: 011-29840908  
Website: [www.optiemus.com](http://www.optiemus.com)  
E-mail : [info@optiemus.com](mailto:info@optiemus.com)



## FORM A

As per clause 31(a) of Listing Agreement

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

1.	Name of the Company	Optiemus Infracom Limited
2.	Annual financial statement for the year ended	31 <sup>st</sup> March, 2013
3.	Type of Audit Observation	Unqualified
4.	Frequency Observation	Not Applicable
5.	To be Signed by- <ul style="list-style-type: none"><li>• Managing Director</li><li>• CFO</li><li>• Auditor of the Company</li><li>• Audit Committee Chairman</li></ul>	Duly signed

For Optiemus Infracom Limited

Hardip Singh  
Whole Time Director

Parveen Sharma  
Chief Financial Officer

Gautam Kanjilal  
Audit Committee Chairman

Date: September 5, 2013  
Place: New Delhi

For RMA & Associates  
Chartered Accountants  
Firm Reg. No.: 000978M

Ajay Ojha  
Partner  
Membership No.: 522642  
Date: September 5, 2013  
Place: New Delhi



**OPTIEMUS INFRACOM LIMITED**  
(Formerly Akanksha Cellular Limited)

Reg. Office: K-20, Lajpat Nagar-II, New Delhi-110 024  
Ph No. 011-29840906, Fax 011-29840908  
Website : www.optiemus.com