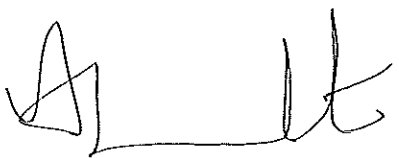
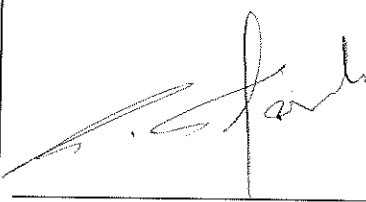

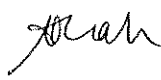


Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

FORM A

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

| | | |
|----|---|---|
| 1. | Name of the Company | Compuage Infocom Limited |
| 2. | Annual financial statements for the year ended | 31 st March, 2015 |
| 3. | Type of Audit observation | Unqualified |
| 4. | Frequency of observation | Not applicable |
| 5. | To be signed by | |
| |  Atul Mehta Chairman & Managing Director |  Ganesh S. Ganesh Chairman of Audit Committee |
| |  Sunil Mehta Chief Financial Officer | Auditors of the Company B. V. DALAL AND CO. CHARTERED ACCOUNTANTS Firm's Registration No. 114214W  MANORI SHAH Partner Membership No.104640 |



NOTICE IS HEREBY GIVEN THAT THE SIXTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF COMPUAGE INFOCOM LIMITED WILL BE HELD ON FRIDAY, 25TH DAY OF SEPTEMBER, 2015 AT 10 A.M. AT VICTORIA MEMORIAL SCHOOL FOR BLIND, TARDEO ROAD, OPP. FILM CENTRE, MUMBAI - 400 034 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended March 31, 2015 and the Balance Sheet as on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. Atul H. Mehta (DIN: 00716869), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if though fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under and pursuant to the recommendation of the Audit Committee and Board of the Company, M/s B.V Dalal & Co., Chartered Accountant (Firm Registration No. 114214W), be and is hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at a remuneration and other terms as may be determined by the Audit Committee and finalized by the Board of Directors of the Company."

Registered Office:
D- 601/602 & G - 601/602, Lotus Corporate Park,
Graham Firth Steel Compound,
Western Express Highway,
Goregaon (E), Mumbai - 400 063, India
CIN: L99999MH1999PLC135914
E-mail: investors.relations@compuageindia.com

By order of the Board of Directors
For Compuage Infocom Limited

Mumbai
14th August, 2015

Atul Mehta
Chairman & Managing Director



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing the proxy, duly completed and stamped, must be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting i.e. by 10 am on 23rd September, 2015. Corporate members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person shall not act as a proxy for more than 50 (fifty) members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company.

2. The Register of Member and the Share Transfer books of the company will remain close from 23rd September, 2015 to 25th September, 2015 (both days inclusive) for the purpose of payment of dividend, if any, approved by the Members.
3. The Dividend for the year ended March 31, 2015 as recommended by the Board, if approved by the Members at the Annual General Meeting will be paid on or after 26th September, 2015 to those members whose names appear in the Company's Register of Members on 18th September, 2015. In respect of shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per the details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
4. Members who hold shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
5. Members holding shares in physical form are requested to advise any change of address, bank details etc. immediately to the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited.

LINK INTIME INDIA PRIVATE LIMITED

C-13, Pannalal Silk Mills Compound, LBS Marg,
Bhandup (West), Mumbai-400 078.



6. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend. The Company or its Registrars and Transfer Agents, LINK INTIME INDIA PRIVATE LIMITED cannot act on any request received directly from the Members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
7. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
8. Members/Proxies/Representatives are requested to bring the enclosed Attendance Slip, duly filled in, for attending the Meeting.
9. The Company's shares are listed on Bombay Stock Exchange Limited, Mumbai (BSE) and applicable listing fees have been paid upto date. The Securities and Exchange Board of India (SEBI) vide its Exit order no. WTM/RKA /MRD/47/2015 dated 14th May, 2015 has now granted exit to Madras Stock Exchange ("MSE"). Subsequently, the securities of Company are no longer listed on MSE.
10. Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM, to the Company's Registrar and Transfer Agent by 10 am on 23rd September, 2015.
11. Pursuant to the provisions of section 123 of the Companies Act, 2013 and Section 205A of the Companies Act, 1956, the following dividends which remain unpaid and unclaimed for a period of seven years will be due for transfer to the Investor Education and Protection Fund (IEPF or Fund) of the Central Government:

| Dividend | Date of declaration of Dividend | Last date for claiming unpaid Dividend | Due date for transfer to IEPF |
|------------------|---------------------------------|--|-------------------------------|
| 2009-10(Final) | 14.08.2010 | 13.08.2017 | 13.09.2017 |
| 2010-11(Final) | 29.07.2011 | 28.07.2018 | 28.08.2018 |
| 2011-12(Interim) | 11.11.2011 | 10.11.2018 | 10.12.2018 |
| 2012-13(Final) | 30.08.2012 | 29.08.2019 | 29.09.2019 |
| 2013-14(Final) | 07.09.2013 | 06.09.2020 | 06.10.2020 |

Shareholders who have not encashed the dividend warrant(s) are requested to return the unpaid dividend warrant(s) for revalidation or write to the Company's Registrar & Share Transfer Agent at the above address to obtain duplicate dividend warrant immediately. Please note that after such transfer no claims shall lie against the Fund or the Company in respect of individual amounts and no payment shall be made in respect of any such claims.



12. Members are requested to note that the dividend which remains Unclaimed / Unpaid for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 123 of the Companies, Act, 2013 (Sec 205A & 205 C of the erstwhile Companies Act, 1956), be transferred to the Investor Education and Protection Fund (IEPF).
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Link Intime India Private Limited.
14. Members may also note that the electronic copy of the Notice of the 16th Annual General Meeting and the Annual Report 2015 will be available on the Company's website, www.compuageindia.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e- communication, or have any other queries, may write to us: investors.relations@compuageindia.com
15. Additional information pursuant to Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the AGM are furnished and forms a part of the Notice. The Directors have furnished the requisite consents/declaration for their appointment/re-appointment.
16. Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 16th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting either through ballot paper or polling paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.



Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.

- IV. The remote e-voting period commences on 21st September, 2015 (9:00 am) and ends on 24th September, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "Compuage Infocom e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Compuage Infocom Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.



(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to **bhattvirendra@gmail.com** or **bhattvirendra1945@yahoo.co.in** with a copy marked to **evoting@nsdl.co.in**

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18th September, 2015.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 18th September, 2015, may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or **investor.relations@compuageindia.com**

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.



- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Virendra G. Bhatt, Practicing Company Secretary (C.P No. 124) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, either by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.compugateindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.



Annexure to Notice

Information required to be furnished under the Listing Agreement:

As required under the Listing Agreement, the particular of the Director who is proposed to be re-appointed is furnished below:

Item No. 3 of the Notice:

Companies (other than Compugate Infocom Limited) in which Mr. Atul H. Mehta holds directorship and committee membership.

Directorship

Inga Capital Private Limited
Technology Distribution Association of India

Chairperson of Board Committees

None

Member of Board Committees

None

Shareholding in the Company

As on 31st March, 2015, Mr. Atul H. Mehta holds 17,80,484 equity shares of the Company.

Expertise:

Mr. Atul H. Mehta, aged 54 years, Chairman and Managing Director of the Compugate Infocom Ltd (herein after referred to as CIL) holds a Bachelor of Commerce degree from India, University of Mumbai and Masters in Business Administration with specialization in finance from University of Portland, USA is engaged in trading business since 1987 i.e for 27 years now. He is the promoter of Compugate Electronics (now CIL) founded in February 1987.

Under the leadership of Mr. Atul H. Mehta CIL has established itself as a leading IT & Telecom Distribution Company in India with 45 offices, 17 Global Alliances, more than 7500 Resellers and a highly motivated team of over 600 personnel.

Mr. Atul H Mehta plays a very important role in Strategizing, Management and Administration Raising Financial Resources for the growth of the Company and Team Building. It is these very activities which will help CIL to sustain growth over the next few years.

The Company has expanded significantly under his leadership and with his support, it will enable to achieve industry, leading growth. The Company's foray into Telecom products will give further impetus to its growth with smart phones expected to have rapid growth over the next 5 years, CIL is well positioned to benefit from the same.

By order of the Board of Directors
For Compugate Infocom Limited

Mumbai
14th August, 2015

Atul Mehta
Chairman & Managing Director

**BOARD'S REPORT**

To The Members,

Your Directors have pleasure in presenting their Sixteenth Annual Report of your company with the Audited Financial Statements for the year ended 31st March, 2015.

Compugate is a leading distribution of technology products Company in India. We act as a vital link between the manufacturers of technology products and the Resellers who in turn fulfill the needs of the end user. Our customers include Value Added Resellers, Corporate Resellers, Retailers and Direct Marketing Companies.

The Company's objective is to grow at a rate higher than industry growth rate. Execution is key to our business. We support our customer through 44 offices, 48 Warehouses and 50 Service Centers.

Our strategy is to operate at optimum product mix that will give us the necessary stability, higher growth and returns. We firmly believe that our value added approach with vendors, resellers and industry at large shall enable your company to sustained and profitable growth.

FINANCIAL HIGHLIGHTS:

The highlights of the Financial Results are

(₹. In Lakhs)

| Particulars | Consolidated | | Standalone | |
|---|-------------------------|--------------------------|-------------------------|--------------------------|
| | Current Year 2014-15 | Previous Year 2013-14 | Current Year 2014-15 | Previous Year 2013-14 |
| Revenue from Operation & Other Income | 238888.96 | 236187.86 | 213887.37 | 228818.16 |
| Profit before Interest, Taxation & Depreciation | 5525.35 | 5352.72 | 5472.88 | 5334.77 |
| Less: Interest | 3260.18 | 3262.61 | 3253.37 | 3258.98 |
| Less: Depreciation | 473.60 | 321.31 | 471.32 | 318.23 |
| Profit before Tax | 1791.57 | 1768.79 | 1748.19 | 1757.56 |
| Less: Provision for taxation | 581.35 | 596.56 | 579.62 | 596.35 |
| Profit after Tax Provision | 1210.22 | 1172.23 | 1168.57 | 1161.21 |
| Balance brought forward | 4794.82 | 3731.59 | 4828.57 | 3776.36 |
| Amount available for Appropriation : | 6005.04 | 4903.82 | 5997.14 | 4937.57 |
| Dividend | | | | |
| Interim Dividend | - | - | - | - |
| Proposed Dividend | 133.10 | 93.17 | 133.10 | 93.17 |
| Dividend Distribution Tax | 26.61 | 15.83 | 26.61 | 15.83 |
| Less: Unrealised Profit | - | - | - | - |



| | | | | |
|--|---------|---------|---------|---------|
| Less: Foreign currency translation Reserve | - | - | - | - |
| Less: Minority Interest | - | - | - | - |
| Balance Carried to Balance Sheet | 5845.33 | 4794.82 | 5837.43 | 4828.57 |
| EPS (Basic) | 18.20 | 17.63 | 17.56 | 17.45 |
| EPS (Diluted) | 18.20 | 17.63 | 17.56 | 17.45 |

FINANCIAL PERFORMANCE:

The consolidated revenue of your company for the year was Rs 238888.96 Lacs as against Rs 236187.86 in the previous year. The consolidated net profit after tax for the year was Rs 1210.22 Lacs as against Rs. 1172.23.

DIVIDEND:

Considering the improved performance of the Company, your Directors are pleased to recommend a final dividend of Rs 2.00 per share for the year ended 31st March, 2015 which is 20% on face value of Rs 10 per share each, subject to the approval of members at the ensuing Annual General Meeting.

In terms of Section 123 of the Companies Act, 2013 and section 205C of the Companies Act, 1956; the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF. A detailed description of the same is provided under point no. 11 of the notes forming part of Notice convening the AGM as well as the Corporate Governance Report.

FUTURE OUTLOOK:

While 2014 - 15 was a challenging year with PC showing a flat to low sign digit growth. It was a year in which the PC industry consolidated with some brands exiting the PC business. And post elections, while sentiments remained positive, momentum was yet to pickup.

However, the future is very promising. With the Digital India Campaign, Smart cities and Broadband penetration plans, and the low PC penetration in India, it is bound to create lot of opportunities in the industry. Your Company with its nationwide operations and strong relationships with Resellers is well positioned to benefit out of it. Further, with its focus on strengthening its Smartphones portfolio will give further impetus to the growth plans of the company

LISTING OF SECURITIES:

The Company's shares are listed on Bombay Stock Exchange Limited, Mumbai (BSE) and applicable listing fees for the year 2015-2016 have been paid. The Securities and Exchange Board of India (SEBI) vide its Exit order no. WTM/RKA /MRD/47/2015 dated 14th May, 2015 has now granted exit to Madras Stock Exchange ("MSE"). Subsequently, the securities of Company are no longer listed on MSE.



SHARE CAPITAL:

The Company at its meeting held on 28th March, 2015 had approved the proposal for issue of bonus shares in the ratio of ratio 3:5 i.e three bonus shares for every 5 shares held subject to the approval of members. For seeking members approval Postal Ballot will be conducted in the year 2015-16 and the bonus shares will be issued to shareholders as on the record date as determined by the Board.

SUBSIDIARY OPERATIONS

The year 2014 - 15 was a very good year for its wholly owned subsidiary- Compuage Infocom (S) Pte. Ltd. Its year on year grew by 187.61 %, while its profits grow by 409.08 %. Future continues to be promising.

INFORMATION TECHNOLOGY:

Compuage continues to upgrade its IT infrastructure and has a solid backbone to support the business.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism/whistle blower policy to deal with instance of fraud and mismanagement, if any. The details of the vigil mechanism/whistle blower policy is explained in the Corporate Governance Report and also posted on the website of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to discharging its social responsibility as a good corporate citizen. As part of its initiatives under "Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Education, Livelihood and Health. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities is annexed herewith as "Annexure A" and forms part of the Boards' Report.

DIRECTORS:

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning. Your Company has Five Directors including Three Independent Directors in consonance with Corporate Governance norm specified in the Clause 49 of the Listing Agreement with the Stock Exchanges.

During the year, no director has been appointed or resigned from the Board of Directors of the Company.

Mr. Atul H. Mehta retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The brief resume of the said Director and other related information has been detailed in the Notice convening the 16th AGM of your Company. Accordingly, your Directors recommend his re-appointment in ensuing AGM.



BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. Also Independent Directors of the Company has met separately during the year without the attendance of non-independent directors and members of management, whereby they reviewed the following -

1. Reviewed the performance of Non-Independent Directors and the Board as a whole;
2. Reviewed the performance of the Chairperson of the Company;
3. Assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

MEETINGS

Notice of Meetings is prepared and circulated in advance to the Directors. During the year, Twelve Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

DISCLOSURE UNDER SECTION 164 (2)

None of the Directors of the Company are disqualified from being appointed as directors as specified under sub-section (2) of Section 164 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under.

AUDITORS' REPORT :

At the 15th AGM of your Company held on 23rd August, 2014, M/s B.V Dalal & Co., Chartered Accountant (Firm Registration No. 114214W), were appointed as the Statutory Auditors of the Company to hold office till the conclusion of the third consecutive Annual General Meeting (AGM) of the Company. The said Auditors are now eligible for being re-appointed as the Statutory Auditors to hold office till conclusion of next AGM. Accordingly, the Board of Directors recommend their appointment.

The report of the Auditor and notes forming part of Accounts are attached along with the Annual Report. There is no qualification in the Audit report and Notes are self explanatory and need no comments.



INTERNAL AUDIT:

Compugage has further strengthened its internal audit team. This team monitors the entire business operations from its centralized database in Mumbai. It reports directly to the Audit Committee which is chaired by a Non Executive Independent Director.

During the year under review, the Company has also appointed M/s. Verma Mehta & Associates (Firm Registration Number 112118W) as the internal auditors of the Company in accordance with section 138 of the Companies Act, 2013 and rules framed thereunder. This has further added to the internal control and audit systems.

DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

Compugage's well defined organization structure, policy guidelines, predefined authority levels, and an extensive system of internal controls ensure optimal utilization and protection of resources, IT security, accurate reporting of financial transactions and compliance with applicable laws and regulations.

- Compugage has adequate system of internal control in place to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded, and reported correctly.
- Compugage's internal audit function is empowered to examine the adequacy, relevance and effectiveness of control systems, compliance with laws, regulations & policies, plans and statutory requirements.
- Compugage has an exhaustive budgetary control system. Actual performance is reviewed with reference to the budget by the management on an ongoing basis.
- Compugage's Audit Committee of the Board reviews the findings and recommendations of the internal auditor.

The system is improved and modified continuously to meet changes in business conditions, statutory and accounting requirements.

SECRETARIAL AUDIT AND THE APPOINTMENT OF THE SECRETARIAL AUDITORS

The Company has appointed Mr. Virendra G. Bhatt, Practising Company Secretary to hold the office of the Secretarial Auditors and to conduct the Secretarial Audit for the financial year 2014-2015. The Secretarial Audit Report is annexed herewith as "Annexure B" and forms part of the Boards' Report. The said report is self explanatory and needs no comments.

INSURANCE & RISK MANAGEMENT

The assets of the Company are adequately insured against the loss of fire, riot, earthquake, terrorism, loss of profits, etc. and other risks which considered necessary by the management.



DEPOSITS:

During the financial year 2014-15, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

The details of the same are as under:

- (a) accepted during the year- Nil
- (b) remained unpaid or unclaimed as at the end of the year- Nil
- (c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
 - (i) at the beginning of the year - Rs. 7,95,39,600/-
 - (ii) repaid during the year - Rs. 7,95,39,600/-
 - (iii) at the end of the year - Nil

DEPOSITORY SYSTEM:

The Company has entered into an agreement with the National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL) to enable shareholders to hold shares in dematerialized form. The Company also offers simultaneous dematerialization of the physical shares lodged for transfer.

STATUS OF DEMATERIALISATION OF SHARES:

NSDL and CDSL have allotted ISIN No. INE070C01029 for compulsorily Dematerialization of Shares.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in accordance with the provisions of section 134(3)(c) and 134(5) of the Companies Act, 2013:

- i. That in preparation of the Annual Accounts for the year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. That the directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2015 and the profit of the Company for the year under review;
- iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the annual accounts for the year ended 31st March, 2015 have been prepared on a 'going concern basis'.
- v. That proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.
- vi. That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

**EXTRACT OF THE ANNUAL RETURN:**

The Extract of the Annual Return for the year 2014-2015 is annexed herewith as "Annexure C" and forms part of the Boards' Report.

CONSOLIDATED FINANCIAL STATEMENTS:

A separate statement containing the salient features of financial statements of the said subsidiary forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of your Company. The financial statements including the consolidated financial statements, financial statements of subsidiary and all other documents required to be attached to this report have been uploaded on the website of your Company (www.compuageindia.com). The financial performance of the said subsidiary included in the consolidated financial statements of your Company is set out in the "Annexure D" to this Report.

The Consolidated Net Worth of the company and its subsidiary as on 31st March, 2015 is Rs. 8022.82 Lacs.

The Consolidated Net Profit of the company and its subsidiary amounted to Rs. 1210.22 Lacs for the financial year ended 31st March, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management discussion and Analysis as required under the Clause 49 of the Listing Agreement is annexed herewith as "Annexure E" and forms part of the Boards' Report.

CORPORATE GOVERNANCE:

Your Company is committed to good Corporate Governance Practices and following to the guidelines prescribed by the SEBI and Stock Exchanges from time to time. The Company has implemented all of its major stipulations as applicable to the Company. The Statutory Auditor's Certificate in accordance with Clause 49 of the Listing Agreement and report on Corporate Governance is annexed as Annexure "F" and forms part of the Boards' Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules 2014 is given hereunder:

A. The particulars relating to conservation of energy and techniques are not relevant to the Company since the Company is not engaged in any manufacturing activities and hence there is not much scope and concern to this matter for the company to take any meaningful action.

**B. Earning And Outgo in Foreign Exchange:**

Mercantile Trade Sales as on 31st March, 2015 is Rs. 12747.01 Lacs as against Rs. 8840.39 Lacs in the previous year.

The payment of foreign exchange outgoes are as under:

| 1. Valuation of Imports calculated on C.I.F. basis for one year period ended 31st March, 2015 is Rs. 27,798.69 Lacs. (Rs. 43,133 Lacs in previous year) | | |
|---|----------------|-----------------|
| 2. Expenditure in Foreign currency: (₹ in Lacs) | (Current Year) | (Previous Year) |
| Traveling | 13.16 | 24.79 |
| Mercantile Trade Purchase | 12627.19 | 8723.02 |

DISCLOSURES RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

Statement of disclosures relating to remuneration of Directors, Key Managerial Personnel and particulars of Employees for the period ended 31st March, 2015 as per the provisions by the Companies Act, 2013 and rules made thereunder which needs to be disclosed in the Directors report.

| Name (Age) | Designation, Nature of duties & Date of commencement of Employment | Qualification / Experience | Gross Remuneration ₹ | Last Employment Designation / Name of Company |
|------------------------|--|----------------------------|--|--|
| *Atul H. Mehta (55) | Chairman & Managing Director, Specialized in Finance & Strategic Planning (16.06.2000) | MBA - U.S.A (25) | 1,20,00,000 (w.e.f 08.09.2011 to 07.09.2014) | Compuage Electronics Ltd. Chairman & Managing Director |
| *Bhavesh H. Mehta (42) | Whole-time Director, Specialized in Imports & Logistics (18.10.2000) | M.Com (18) | 1,20,00,000 (w.e.f 18.10.2011 to 17.10.2014) | Compuage Electronics Ltd. Director |
| Sunil Mehta (43) | Chief Financial Officer Finance, Accounts, Taxation (11.08.2014) | Chartered Accountant (22) | Rs. 39,00,000 | Compuage Electronics Ltd. (Manager-Finance) |
| Dolly Mehta (21) | Company Secretary Secretarial Compliances (01.01.2015) | Company Secretary | Rs. 3,00,000 | Virendra Bhatt, Practising Company Secretary |

Note:

- * 1. Nature of employment is contractual.
2. The above amounts does not include provision of gratuity and leave encashment.
3. As the service contract is expired during the year, company has filed an application with Central Government to seek their approval for payment of Rs. 1,80,00,000 p.a. each to Mr. Atul H. Mehta and Mr. Bhavesh H. Mehta. However, the approval of Central Government has not yet received till 31st March, 2015.

**LOANS AND INVESTMENTS:**

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 are set out in Note no. 5 & 7 (Loans), Note no. 2(1)(r) (Guarantees) and Note no. 12 (Investments) to the financial statements forming part of this Annual Report.

TRANSFER TO RESERVES:

Your Company proposes to transfer Rs. 102.00 lacs to the general reserve. An amount of Rs. 5837.48 lacs is proposed to be retained in the Statement of Profit and Loss.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

ACKNOWLEDGEMENT

Your Directors takes this opportunity to express their deep sense of gratitude to the shareholders, employees, customers, vendors and banks for the support and faith reposed in the company. We also thank the Central and State Government and their department and local authorities for their continued guidance and support.

We also like to place on record our sincere appreciation for the commitment, dedication and hard work put in by every member of Compuage Family.

Registered Office:
D- 601/602 & G - 601/602, Lotus Corporate Park,
Graham Firth Steel Compound,
Western Express Highway,
Goregaon (E), Mumbai - 400 063, India
CIN: L99999MH1999PLC135914
E-mail: investors.relations@compuageindia.com

By order of the Board of Directors
For Compuage Infocom Limited

Mumbai
15th May, 2015

Atul Mehta
Chairman & Managing Director

**ANNEXURE 'A' TO BOARD'S REPORT****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

The Board provide a brief outline of the company's CSR policy including the statement of intent reflecting the ethos of the company, broad areas of CSR interest and an overview of activities proposed to be undertaken. The CSR policy has been hosted at the website of the Company. This includes the full list of projects/activities/programmes proposed to be undertaken by the company.

CSR Policy is stated herein below:

Weblink: http://www.compuageindia.com/share_pdf/CSR_POLICY.pdf

Composition of the CSR Committee.

| Name of Director | Designation |
|---|-------------|
| Mr. Ganesh S. Ganesh (Independent Director) | Chairman |
| Mr. Vijay Agarwal (Independent Director) | Member |
| Mr. Bhavesh Mehta (Whole-Time Director) | Member |

Average Net Profit of the company for last 3 financial year : Rs. 1048.05 lakhs

Threshold Limit-(2% of this amount) : Rs. 35 lakhs

Details of CSR activities/projects undertaken during the year :

| Particulars | CSR project/activity identified | Sector in which the Project is covered | Projects/Programmes Local area/others | Amount outlay (budget) project/program-wise | Amount spent on the project/Programme | Cumulative spend upto the reporting period | Amount spent: Direct/through implementation agency |
|-------------|---------------------------------|--|--|---|---------------------------------------|--|--|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| | Health | | 1. Undertaking sanitation and Cleanliness activities, 2. Providing safe drinking water in the locality. | 3,00,000 | 3,00,000 | 3,00,000 | 3,00,000 |
| | Education | | 1. providing books to the students. 2. providing infrastructure facilities to schools. 3. sponsering scholarship | 10,00,000 | 10,00,000 | 10,00,000 | 10,00,000 |
| | Environment | | 1. undertaking programmes, seminars, etc to spread awareness for conservation of environment | 2,50,000 | 2,50,000 | 2,50,000 | 2,50,000 |



| | | | | | |
|-----------------------------|--|-----------|-----------|-----------|-----------|
| | 2. to promote eco-friendly products. | | | | |
| Social / Medical Facilities | To provide food packets, clothes, shoes and other necessities. | 25,00,000 | 25,00,000 | 25,00,000 | 25,00,000 |

- (a) Total amount to be spent for the year: 35 lakhs
 (b) Amount carried forward from earlier years: NIL
 (c) Amount spent during the year : 40.50 lakhs
 (d) Amount carried forward for the year: NIL

* Details of the implementing agencies:

1. Maya Foundation
2. M P Shah Charitable Trust
3. Sanskar India Foundation
4. Distribution of food packets and other activities done at various branches and units all across India

For **Compuage Infocom Limited**

Atul Mehta
Managing Director

Ganesh S. Ganesh
Chairman- CSR Committee

**ANNEXURE 'B' TO BOARD'S REPORT**

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Compuage Infocom Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Compuage Infocom Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Compuage Infocom Limited, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 generally complied with the statutory provisions listed hereunder:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Compuage Infocom Limited, ("the Company") for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under ;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (Not applicable during the audit period);
- (iv) Foreign Exchange Management Act, 1999 & the rules & regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment & External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;



- (c) The Securities And Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (Not applicable during the audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable during the audit period);
 - (e) The Securities & Exchange Board of India (Issue & listing of Debt securities) Regulations, 2008 (Not applicable during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable during the audit period);
 - (g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the audit period); and
 - (h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable during the audit period);
- (vi) The Company is engaged in composite range of activities like Information Technology distribution products and services. In our opinion, the Company being operating in the aforesaid diversified activities, various laws/ regulations are applicable to it. In the absence of any identifiable specific major law/ regulation under which the sector and the Company operates, we are not in a position to identify and report the same in our report.
- (vii) I have also examined compliance with the applicable clauses of the following:
- (i) The Listing agreements entered into by the Company with the stock exchanges.
 - (ii) Secretarial Standards Issued by The Institute of Company Secretaries of India - (At present not applicable).

As per the information provided by the Company, they have donated the amount towards Corporate Social Responsibility as per rules and provision of Companies Act, 2013

I further report that during the year, Company had made an application to Central Government for remuneration pursuant to Section 196 of the Companies Act, 2013 read with Schedule 5 for Atul Mehta and Bhavesh Mehta appointed as Managing Director and Whole Time Director respectively. The approval for the same is awaited from Central Government.

I further report that the Company has appointed Internal Auditor pursuant to Section 138 of Companies Act, 2013, the form is yet to be filed for the same.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that I rely on statutory auditor's reports in relation to the financial statements and accuracy of financial figures for, Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Accounting Standard 18 & note on foreign currency transactions during our audit period and I have not verified the correctness and appropriateness of the books of accounts of the Company.



I further report that the board of directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors & Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that as per the information provided generally adequate notice is given to all directors to schedule the Board Meetings, agenda & detailed notes on agenda were sent at least seven days in advance & a system exists for seeking & obtaining further information & clarifications on agenda items before the meeting & for meaningful participation at the meeting.

I further report that as per the information provided majority decision is carried through while the dissenting members' views are captured & recorded as part of the minutes.

I further report that there are generally adequate systems & processes in the company commensurate with the size & operations of the company to monitor & ensure compliance with applicable laws, rules, regulations & guidelines.

I further report that the management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department.

I further report that during the audit period the company has no specific events like Public/ Right/Preferential issue of shares/debentures/sweat equity, etc.

I further report that our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.

Virendra Bhatt
ACS No - 1157
COP No - 124

Place: Mumbai
Date: 15th May, 2015



ANNEXURE 'C' TO BOARD'S REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :-

- (i) CIN : L99999MH1999PLC135914
- (ii) Registration Date : 27/07/1999
- (iii) Name of the Company : COMPUAGE INFOCOM LIMITED
- (iv) Category / Sub-Category : Company Limited by Shares of the Company
- (v) Address of the Registered office and contact details : D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth Steel Compound, Western Express Highway, Goregaon (E), Mumbai-400063. Tel No. : 011-66114444, Fax: 022-66114445.
- (vi) Whether listed company : Yes
Yes / No
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai, Tel No. : 022-25946970 Fax: 022-25946969

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :-

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main products/services | NIC Code of the Product/ service | % tototal turnover of the company |
|---------|---|----------------------------------|-----------------------------------|
| 1. | Wholesale of Computers, computer peripheral equipment and software | 4651 | 86.16% |
| 2. | Wholesale of Electronics and, telecommunication equipment and parts | 4652 | 13.84% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :-

| Sr. No. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN SUBSIDIARY/ ASSOCIATE | HOLDING/ held | % of shares | Applicable Section |
|---------|---------------------------------|-------------------------------|---------------|-------------|--------------------|
| 1. | COMPUAGE INFOCOM (S) PTE. LTD | Foreign Company | Holding | 100.00 % | 2(46) |



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|-----------|----------------|-------------------|---|-----------|----------------|-------------------|--------------------------|
| | Demat | Phy-sical | Total | % of Total Shares | Demat | Phy-sical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 4513953 | 0 | 4513953 | 67.83 | 4513953 | 0 | 4513953 | 67.83 | 0 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt (s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (1):- | 4513953 | 0 | 4513953 | 67.83 | 4513953 | 0 | 4513953 | 67.83 | 0 |
| (2) Foreign | | | | | | | | | |
| a) NRIs -Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other-Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (2):- | 0.00 | 0 | 0.00 | 0.00 | 0 | 0 | 0 | 0 | 0 |
| Total | 4513953 | 0 | 4513953 | 67.83 | 4513953 | 0 | 4513953 | 67.83 | 0 |
| shareholding of Promoter (A) = (A)(1)+(A)(2) | | | | | | | | | |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / FI | 40 | 0 | 40 | 0 | 40 | 0 | 40 | 0 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FII's | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



| | | | | | | | | | |
|---|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------|
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 40 | 0 | 40 | 0.00 | 40 | 0 | 40 | 0 | 0 |
| 2. Non-Institutions | | | | | | | | | 0 |
| Bodies Corp. | 321848 | 4012 | 317836 | 4.84 | 505640 | 4012 | 509652 | 7.66 | 2.82 |
| i. Indian | - | - | - | - | - | - | - | - | - |
| ii. Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 456773 | 49074 | 407699 | 6.86 | 362119 | 47826 | 409945 | 6.16 | -0.7 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 570049 | 0 | 570049 | 8.57 | 408458 | 0 | 408458 | 6.14 | -2.43 |
| c) Others (specify) | | | | | | | | | |
| i. Clearing Member | 663577 | 32193 | 695770 | 10.45 | 57488 | 0 | 57488 | 0.86 | -9.59 |
| ii. Market Maker | 36 | 40 | 76 | 0.00 | 240 | 0 | 240 | 0 | 0 |
| iii. Non Resident Indians (Repat) | 4564 | 0 | 4564 | 0.07 | 664345 | 32193 | 696538 | 10.47 | 10.4 |
| iv. Non Resident Indians (NonRepat) | 0 | 54725 | 54725 | 0.82 | 26 | 40 | 66 | 0 | -0.82 |
| v. Foreign Companies | 30885 | 0 | 30885 | 0.46 | 0 | 54725 | 54725 | 0.82 | 0.36 |
| vi. Directors/Relatives | 157 | 0 | 157 | 0.00 | 157 | 0 | 157 | 0.00 | 0 |
| vii. HUF | 5355 | 805 | 6160 | 0.09 | 2933 | 805 | 3738 | 0.06 | -0.03 |
| Sub-total (B)(2):- | 2000158 | 140849 | 2141007 | 32.17 | 2001406 | 139601 | 2141007 | 32.17 | 0 |
| Total Public Shareholding(B) = (B)(1)+(B)(2) | 2000198 | 140849 | 2141047 | 32.17 | 2001446 | 139601 | 2141047 | 32.17 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 6514151 | 140849 | 6655000 | 100.00 | 6515399 | 139601 | 6655000 | 100.00 | 0 |
| | | | | | | | | | |



(ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in share holding during the year |
|---------|----------------------------|---|----------------------------------|---|--------------------------------------|----------------------------------|---|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | |
| 1. | Bhavesh Harkishandas Mehta | 1780485 | 26.75 % | - | 1780485 | 26.75 % | - | - |
| 2. | Atul Harkishandas Mehta | 1780484 | 26.75 % | - | 1780484 | 26.75 % | - | - |
| 3. | Ajay Harkishandas Mehta | 452984 | 6.81 % | - | 452984 | 6.81 % | - | - |
| 4. | Ajay Harkishandas Mehta | 500000 | 7.51 % | - | 500000 | 7.51 % | - | - |
| | Total | 4513953 | 67.83 % | - | 4513953 | 67.83 % | - | - |

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

| Sr. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of shares of the company |
| 1. | At the beginning of the year | No change during the year | | | |
| 2. | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | No change during the year | | | |
| 3. | At the End of the year | No change during the year | | | |

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Shareholding at the End of the year | |
|---------|--|---|----------------------------------|-------------------------------------|----------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of shares of the company |
| 1. | Rashmi Bothra | 224300 | 3.37 | 224300 | 3.37 |
| 2. | Jaykumar Ashok Shah | 220111 | 3.31 | - | - |
| 3. | Dilip S Mehta | 206000 | 3.10 | 206000 | 3.10 |
| 4. | Rajesh Bothra | 203382 | 3.06 | 203382 | 3.06 |
| 5. | Nirshilp Securities Pvt. Ltd. | - | - | 172509 | 2.59 |
| 6. | Tisya Financial Services Private Limited | 110750 | 1.66 | 110750 | 1.66 |
| 7. | Subhash Suganlal Runwal | - | - | 106000 | 1.59 |
| 8. | Ajcon Finance Limited | - | - | 72875 | 1.10 |
| 9. | Ashwani Deedwania | 68500 | 1.03 | 68500 | 1.03 |
| 10. | Pushpanjali Tie-Up Private Limited | 64421 | 0.97 | - | - |
| 11. | Ashok Popatlal Shah | 45152 | 0.68 | - | - |
| 12. | Ajcon Comtrade Private Limited | 37233 | 0.56 | - | - |
| 13. | Naresh Ramesh Dhakad | 31086 | 0.47 | - | - |
| 14. | Khadija Karim Jagmagia | - | - | 58200 | 0.87 |
| 15. | Subhash Suganlal Runwal | - | - | 55145 | 0.83 |

**(v) Shareholding of Directors and Key Managerial Personnel :**

| Sr. No. | For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------------------------|--|---|----------------------------------|---|----------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of shares of the company |
| Mr. Atul H. Mehta | | | | | |
| 1. | At the beginning of the year | 1780484 | 26.75 % | 1780484 | 26.75 % |
| 2. | Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | - | - | - | - |
| 3. | At the End of the year | 1780484 | 26.75 % | 1780484 | 26.75 % |
| Mr. Bhavesh Mehta | | | | | |
| 1. | At the beginning of the year | 1780485 | 26.75 % | 1780484 | 26.75 % |
| 2. | Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | - | - | - | - |
| 3. | At the End of the year | 1780485 | 26.75 % | 1780484 | 26.75 % |
| Mr. Ganesh S. Ganesh | | | | | |
| 1. | At the beginning of the year | 157 | 0.00 % | 157 | 0.00 % |
| 2. | Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | - | - | - | - |
| 3. | At the End of the year | 157 | 0.00 % | 157 | 0.00 % |
| Mr. Vijay Agarwal | | | | | |
| 1. | At the beginning of the year | 0 | 0.00 % | 0 | 0.00 % |
| 2. | Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | - | - | - | - |
| 3. | At the End of the year | 0 | 0.00 % | 0 | 0.00 % |



| Mrs. Preeti Trivedi | | | | | |
|----------------------------|--|-----|--------|-----|--------|
| 1. | At the beginning of the year | 0 | 0.00 % | 0 | 0.00 % |
| 2. | Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | - | - | - | - |
| 3. | At the End of the year | 0 | 0.00 % | 0 | 0.00 % |
| Mr. Sunil Mehta | | | | | |
| 1. | At the beginning of the year | 0 | 0.00 % | 0 | 0.00 % |
| 2. | Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | - | - | - | - |
| 3. | At the End of the year | 100 | 0.00 % | 100 | 0.00 % |
| Ms. Dolly Mehta | | | | | |
| 1. | At the beginning of the year | 0 | 0.00 % | 0 | 0.00 % |
| 2. | Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | - | - | - | - |
| 3. | At the End of the year | 0 | 0.00 % | 0 | 0.00 % |

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹. In Lakhs)

| | Secured Loans excluding deposits | Unsecured Loans* | Deposits | Total Indebtedness |
|--|----------------------------------|------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | 13776.13 | 8457.36 | - | 22233.49 |
| i) Principal Amount | | | - | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | - | |
| Total (i+ii+iii) | 13776.13 | 8457.36 | - | 22233.49 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 1636.56 | - | - | 1636.56 |
| • Reduction | - | 2069.32 | - | 2069.32 |
| Net Change Indebtedness at the end of the financial year | 15412.69 | 6388.04 | - | 21800.73 |
| i) Principal Amount | | | - | |
| ii) Interest due but not paid | | | - | |
| iii) Interest accrued but not due | | | - | |
| Total (i+ii+iii) | 15412.69 | 6388.04 | - | 21800.73 |

*Unsecured loans represents Bill Discounting Loans



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sr. No. | Particulars of Remuneration | Name of MD/WTD/ | | Total Amount |
|---------|---|-----------------------------------|--|--------------------|
| | | Atul H. Mehta (Managing Director) | Bhavesh H. Mehta (Whole-Time Director) | |
| 1. | Gross salary | 1,20,00,000 | 1,20,00,000 | 2,40,00,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - |
| 2. | Stock Option | - | - | - |
| 3. | Sweat Equity | - | - | - |
| 4. | Commission | - | - | - |
| | - as % of profit | - | - | - |
| | - others, specify... | - | - | - |
| 5. | Others, please specify | - | - | - |
| | Total (A) | 1,20,00,000 | 1,20,00,000 | 2,40,00,000 |

B. Remuneration to other directors:

| Sr. No. | Particulars of Remuneration | Name of Independent Directors | | | Total Amount |
|---------|---------------------------------------|-------------------------------|---------------|------------------|-----------------|
| | | Ganesh Shiva Ganesh | Vijay Agarwal | Preeti K Trivedi | |
| | • Fee for attending board / committee | 0 | 80,000 | 80,000 | 1,60,000 |
| | • Meetings | | | | |
| | • Commission | - | - | - | - |
| | • Others, please specify | - | - | - | - |
| | Total (1) | 0 | 80,000 | 80,000 | 1,60,000 |
| | Other Non-Executive Directors | - | - | - | - |
| | • Fee for attending board / committee | | | | |
| | • Meetings | - | - | - | - |
| | • Commission | - | - | - | - |
| | • Others, please specify | - | - | - | - |
| | Total (2) | - | - | - | - |
| | Total (B)=(1+2) | 0 | 80,000 | 80,000 | 1,60,000 |
| | Total Managerial Remuneration | 0 | 80,000 | 80,000 | 1,60,000 |



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Sr. No. | Particulars of Remuneration | Key Managerial Personnel | | |
|---------|---|--------------------------|------------------|------------------|
| | | Company Secretary | CFO | Total |
| A. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3,00,000 | 39,00,000 | 42,00,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | - | - | - |
| B. | Stock Option | - | - | - |
| C. | Sweat Equity | - | - | - |
| D. | Commission | - | - | - |
| | as % of profit | - | - | - |
| | others, specify... | - | - | - |
| E. | Others, please Specify | - | - | - |
| | Total | 3,00,000 | 39,00,000 | 42,00,000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD/NCLT/ COURT] | Appeal made, if any (give Details) |
|------------------------------|------------------------------|-------------------|---|----------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |

However, during the year 2014-2015, BSE has imposed penalty under Clause 31 of Listing Agreement with respect to late submission of Annual Report for the Year Ended 31st March, 2014 and the same has been paid by the company.

**ANNEXURE 'D' TO BOARD'S REPORT**

The financial performance of each of the subsidiaries and joint venture companies included in the consolidated financial statements are detailed below:

1. Name of the Subsidiary/Joint Venture company: Compuage Infocom (S) Pte. Ltd.
2. Turnover :

| | |
|------------------|--------------------|
| Current Period- | Rs. 28,660.48 Lacs |
| Previous Period- | Rs. 9249.21 Lacs |
| Growth (%) - | 209.87% |
3. Profit/(Loss) Before Tax :

| | |
|------------------|----------------|
| Current Period- | Rs. 43.38 Lacs |
| Previous Period- | Rs. 10.44 Lacs |
| Growth (%) - | 315.45% |
4. Profit/(Loss) After Tax

| | |
|------------------|----------------|
| Current Period- | Rs. 41.65 Lacs |
| Previous Period- | Rs. 10.23 Lacs |
| Growth (%) - | 307.07% |

FORM AOC-I : STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIALS STATEMENTS OF SUBSIDIARIES AND JOINT VENTURES.

(PURSUANT TO FIRST PROVISIO TO SUB SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

PART "A": SUBSIDIARIES

1. Name of the subsidiary: Compuage Infocom (S) Pte. Ltd.
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period : Same as parent Co.
3. Reporting currency : USD &
Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries : 1USD = 62.5 INR
4. Share capital : Rs. 62.5 Lacs
5. Reserves & surplus : Nil
6. Total assets : Rs. 3,922 Lacs
7. Total Liabilities : Rs. 3,859 Lacs
8. Investments : Nil
9. Turnover : Rs. 28,660.48 Lacs
10. Profit before taxation : Rs. 43.38 Lacs
11. Provision for taxation : Rs. 1.74 Lacs
12. Profit after taxation : Rs. 41.65 Lacs
13. Proposed Dividend : Rs. 10.85 Lacs
14. % of shareholding : 100%



Notes:

1. Names of subsidiaries which are yet to commence operations - NIL
2. Names of subsidiaries which have been liquidated or sold during the year -NIL

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Since the Company does not have any associate companies nor any Joint Ventures, the said para is not applicable.

FOR COMPUAGE INFOCOM LIMITED

Atul Mehta
Chairman & Managing Director

Bhavesh Mehta
Whole Time Director

Ganesh S. Ganesh
Director

Sunil Mehta
Chief Financial Officer

Dolly Mehta
Company Secretary



ANNEXURE 'E' TO BOARD'S REPORT MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements, based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

ECONOMIC OUTLOOK

2014 on the whole was a good year. The world was beginning to climb out of a recession post the financial crisis. USA lead the way, despite having to cope with funding over its budget. It has been creating jobs and its housing market too has improved sharply. In Europe too there was a better story, though an uneven one. Africa grew encouragingly. But the biggest story has been of the structural shift of the world economy from the developed world to the emerging world. And in the emerging world, India looks most promising. While the world on the whole may not be out of trouble, but 2015 and 2016 are expected to yield much better and balanced growth for the world with IMF forecasting 7.5% growth for the Indian economy.

INDUSTRY OUTLOOK

The technology industry is one of the most dynamic industries in the world. It is this dynamism that offers growth opportunities to those who adopt with changing times. Newer technologies are emerging; businesses are being transacted in ways unheard of in the past.

There are shifts happening in use of devices from PC's to smartphones. Newer opportunities are arriving in mobiles, cloud and big data. E-commerce is gaining traction. However, distribution continues to provide immense value to the vendors and the resellers. But, one needs to constantly evolve to grow and lead.

FUTURE OUTLOOK

With Indian economy expected to grow at 7.5%, the Digital India campaign, smart cities and broadband penetration plans, the Information technology and the mobile industry is likely to grow by double digit. Your company is constantly upgrading its infrastructure, systems and processes, and closely monitoring the same for optimum output. During the year 2014-15, your company successfully migrated to SAP that will help further optimize the use of its assets. In view of the same, the future outlook is very promising.



OPERATIONAL PERFORMANCE:

The year gone by has been satisfactory. The Company registered revenue of Rs. 213887.37 Lacs as against Rs. 228818.16 Lacs in the previous year. The Company's consolidated revenue has grown marginally to Rs. 238888.96 Lacs as against Rs. 236187.86 Lacs in the previous year.

The Net Profit after Tax stood at Rs.1168.57 Lacs as against Rs. 1161.21 Lacs in the previous year. The Consolidated Profit after Tax grew to Rs.1210.22 Lacs as against Rs. 1172.23 Lacs in the previous year.

SWOT Analysis

Strengths:

- The company has over 27 years of existence in Indian market
- It has well established distribution network across the country
- It has presence in all the states of the country with integrated SAP system
- The Company has highly motivated sales team
- The Company enjoys extremely good credibility in the industry

Weakness:

- The Company has high finance cost
- It is operating in low margin industry

Opportunities:

- Domestic IT hardware industry is expected to have good growth
- The rapidly growing telecom industry offers huge opportunities
- It is serving SAARC countries through its Singapore Subsidiary

Threats:

- Global IT distribution companies may enter Indian Market
- Fierce competition may lead to margin reduction

Risks and Concerns

1. Interest Rate Fluctuations Risk:

The nature of business in which our Company is involved requires large amount of Working Capital. Our Company has sourced working capital facilities from various banks. Any change in the interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. Any down grading in India's debt rating by the International agencies may adversely affect our ability to raise requisite finances at reasonable costs. This may adversely impact our results of operations, planned capital expenditures and cash flows.

2. Risks Due To Company dependence on the Information Technology Industry and any radical change or downturn may have an impact on our business.

Our revenue is predominantly derived from the sale of IT hardware products as well as telecom products. The industry is highly fragmented in nature and competitive. In case of any downturn in this industry, or if the demand does not keep in pace with the supply



build-up in the industry, our business operations may be adversely affected. Further, if we are unable to maintain an upgraded supply of new technological developments in our industry, it may adversely affect our sales revenue and impact our business.

3. Risks relating to Supply Chain Management, any break down in the Supply Chain could affect our operations adversely.

Supply Chain Management plays a very vital role in our business. A strong supply chain system is essential to ensure availability of stock at the branch. Ensuring shelf availability for our products warrants quick turnaround time and high level of coordination with suppliers. We rely on our supply chain and adopt operational processes to optimize our inventory position and reduce cost. We strive to keep optimum inventory at our branches and distribution centres to control our working capital requirements. We have set up distribution centres for efficient storage and timely delivery of material to our channel partners. This helps us to minimize lead time and better utilization of working capital. An inefficient supply chain management could adversely affect the results from operations.

4. A slowdown in economic growth in India could cause our business to suffer.

Our performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in the Indian economy may adversely impact our business and financial performance.

5. Government Policies and Regulation.

The role of the Indian central and state governments in the Indian economy has remained significant over the years. Change in the government policy and regulations in the manner adverse to the company, may have a material impact on the profitability of the company.

RISK MANAGEMENT

The Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of various risks, measuring the probable impacts of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. The company has identified and categorized risks in the areas of Operations, Finance & Marketing, Regulatory Compliances and Corporate matter. Necessary internal control systems have also been put in place by the company on various activities across the Board to minimize the impact of various risks. A well-defined and established system of internal audit is also in place to independently review and strengthen these control measures. The Audit committee of the company regularly reviews the report of the internal Auditors and recommends actions for further improvement of the internal controls and remedy for any weakness in the system.

INTERNAL CONTROLS:

Compugate's well defined organization structure, policy guidelines, predefined authority levels, and an extensive system of internal controls ensure optimal utilization and protection of resources, IT security, accurate reporting of financial transactions and compliance with applicable laws and regulations.



- Compugate has adequate system of internal control in place to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded, and reported correctly.
- Compugate's internal audit function is empowered to examine the adequacy, relevance and effectiveness of control systems, compliance with laws, regulations & policies, plans and statutory requirements.
- Compugate has an exhaustive budgetary control system. Actual performance is reviewed with reference to the budget by the management on an ongoing basis.
- Compugate's Audit Committee of the Board reviews the findings and recommendations of the internal auditor.

The system is improved and modified continuously to meet changes in business conditions, statutory and accounting requirements.

HUMAN RESOURCES:

Our Company believes that people and their experience are our biggest assets. Their experience, efforts and dedication are the primary reasons for our consistent growth over the years. In a business model where people are the growth drivers, we are endowed with one of the best talent pool in the industry. We empower our employees at all stages of their careers and provide opportunities to enable them to excel in their individual capacities. We have created an exciting work environment that values individual contribution and helps gain a sense of satisfaction and accomplishment.

We believe in developing the potential of each employee and aid her growth as an individual and a professional. We believe this will enhance our prospects and ensure faster growth of our Company. In view of this we have laid down a comprehensive set of policies aiming at attracting, retaining and motivating employees

The development and use of human potential and a learning organization is our bridge to continued success in the future.

DISCLAIMER:

This "Management Discussion and Analysis" may contain what may be considered as "forward looking statements". These statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance, or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements, on the basis of any subsequent developments, information, or events.

For **Compugate Infocom Limited**

Atul Mehta
Chairman & Managing Director



ANNEXURE 'F' TO BOARD'S REPORT CORPORATE GOVERNANCE REPORT

The report on Corporate Governance is in compliance with clause 49 of the Listing Agreement with the Stock Exchanges is as follows:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The underlying principles of Corporate Governance are the values, ethics and commitments to follow best business practices. Thus, it rests upon the foundations of transparency, disclosures and fairness in dealing with its stakeholders.

It is about demonstrating high level of integrity, transparency, accountability and disclosures across the Company's operations and in its interaction with its stakeholders, including shareholders, customers, employees, the government, lenders and the society. Our endeavor is not merely to comply with regulatory & statutory requirements, but to follow the governance code in spirit. Your Company practices a culture that is built on core values and ethics. The Corporate Governance philosophy of the Company is driven by the following fundamental principles:

1. Conduct the affairs of the Company in an ethical manner
2. Ensure transparency in all our dealings
3. Ensure highest level of responsibility and accountability
4. Ensure Compliance with all laws and regulations as applicable
5. Ensure timely dissemination of all price sensitive information

The Corporate Governance philosophy has been scripted as under:

"As a good corporate Citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving way for its long term success."

The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organization. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused work environment. Additionally, our customers have benefited from high quality products delivered at extremely competitive prices.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Auditors and the senior management.

Compuage Infocom Limited not only adheres to the prescribed corporate governance practices as per Clause 49 of the Listing Agreement with the Stock Exchanges in India (Listing Agreement), but is also committed to sound corporate governance principles and



practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavour to achieve higher standards and provide oversight and guidance to the management in strategy implementation, risk management and fulfillment of stated goals and objectives.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving

2. APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established four Committees to discharge its responsibilities in an effective manner. CIL's Company Secretary acts as the Secretary to all four Committees. The Chairman and Managing Director (CMD) provide overall direction and guidance to the Board. Concurrently, the CMD is responsible for overall implementation. In the operations and functioning of the Company, the CMD is assisted by Executive Directors and a core group of senior level executives.

3. ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. She interfaces between the management and regulatory authorities for governance matters.

4. SELECTION OF INDEPENDENT DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Human Resources & Nomination and Remuneration Committee, for appointment, as an Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he and/or she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

**5. CORPORATE GOVERNANCE**

Your Company believes in adopting the best corporate governance practices and protecting rights and interest of stakeholders. We further believe that the shareholders have the right to know complete information of the Board of Directors and the management, their interest in the organization as well as governance practice to be followed by them.

The report on corporate governance is divided into five parts:

- I. Board of Directors
- II. Committees of the Board
- III. Disclosures
- IV. Means of Communication
- V. Shareholders Information

I. BOARD OF DIRECTORS

The Corporate Governance principles of the Company ensure that the Board remains informed, independent and involved in the Company and that there are ongoing efforts towards better Corporate Governance to mitigate "non business" risks. Directors possess the highest personal and professional ethics, integrity and values and are committed to representing the long term interest of the stakeholders. The Company's business is conducted by its employees under the direction of the Chairman and Managing Director and Whole-time Director and the overall supervision of the board.

The Board of Directors of the Company has appropriate composition of Executive and Non-Executive Directors including Independent Directors. The Board of Directors through their active participation ensures that the discussions and decisions on the policy matters are taken after due deliberation and in consonance with the good corporate governance practices.

Composition of the Board as on 31st March, 2015

| CATEGORY | NO. OF DIRECTOR |
|---------------------------------------|-----------------|
| Non Executive & Independent Directors | 3 |
| Executive Director | 2 |
| Total | 5 |

The Board of Directors of the Company has an optimum combination of Executive and Non Executive Directors. Sixty Percent of the Directors are Independent Non Executive Directors on the Board. Hence the composition of the Board of Directors is well within the norms of Corporate Governance.

As per the Section 149(3) of the Companies Act, 2013, Mrs. Preeti Trivedi, a Women Director, is already associated with the company as an Independent Director on the Board.



The details of the Board of directors of the Company are given below:

| Name of Director | Designation | No. of Directorship in other Public Ltd. Companies | Other Companies Committee's | |
|------------------------|---|--|-----------------------------|--------------|
| | | | Membership | Chairmanship |
| Mr. Atul Mehta | Executive Promoter, Chairman & Managing Director | 0 | Nil | Nil |
| Mr. Bhavesh Mehta | Executive Promoter, Whole-time Director & Chief Operating Officer | 0 | Nil | Nil |
| Mr. Ganesh S.Ganesh | Non-Executive & Independent Director | 1 | Nil | Nil |
| Mr. Vijay Agarwal | Non-Executive & Independent Director | 9 | 8 | Nil |
| Mrs. Preeti K. Trivedi | Non-Executive & Independent Director | 2 | 1 | Nil |

Note:

1. The Directorship held by directors as mentioned above, do not include and Directorships of Foreign Companies, Section 8 Companies of the Companies Act, 2013 and Private Limited Companies.
2. In accordance with Clause 49, Memberships/Chairmanships of only Audit Committees and Stakeholders Relationship Committee of all Public Limited Companies have been considered.
3. As required by the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) & Clause 49 of the Listing Agreement none of the directors hold directorship in more than 20 public companies, membership of board committees (Audit Committees/ Stakeholders Relationship Committee) in excess of 10 and chairmanship of board committees as aforesaid in excess of 5.
4. Except Mr. Atul H. Mehta, Chairman & Managing Director and Mr. Bhavesh H. Mehta, Whole-time Director are related to each other as brothers, none of the other Director is related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

Mr. Atul H. Mehta retires by rotation and being eligible seeks re-appointment at the ensuing Annual General Meeting. A brief resume of Mr. Atul H. Mehta along with the nature of his expertise and details of other directorships, committee's positions held by him and the number of shares held by him in the Company has been disclosed and forms part of the notice convening the Annual General Meeting.



1. REVIEW OF THE BOARD

The Board of Directors' review in their Board Meeting matters relating to:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment and exposure limits
- Business risk analysis and control
- Senior executive appointment
- Compliance with statutory/regulatory requirements and review of major legal issues
- Adoption of quarterly/annual results
- Transactions pertaining to purchase/disposal of property, major provisions and write offs.

2. BOARD MEETINGS

The meetings of the Board of Directors are scheduled well in advance and the folder containing the agenda for the meeting with detailed review of all aspects of the Company business, including performance of the Company, employee relations, details of investment, capital expenditure etc. is circulated to all the directors before the date of Board Meeting. It also highlights important matters discussed at the Audit Committee, Stakeholders Relationship Committee of the Board. **Twelve (12)** Board Meetings were held during the financial year 2014-2015 and the maximum time gap between two (2) meetings did not exceed one hundred and twenty days.

The dates on which the Board Meetings were held are as follows;

30th April, 2014 :: 27th May, 2014 :: 28th June, 2014 :: 30th July, 2014 :: 11th August, 2014 :: 10th September, 2014 :: 14th November, 2014 :: 5th January, 2015 :: 16th January, 2015 :: 14th February, 2015 :: 5th March, 2015 :: 28th March, 2015.

| Name of Director | Category of Director | No. of Board Meetings Held | No. of Board Meetings Attended | Attendance at last A.G.M |
|------------------------|--|----------------------------|--------------------------------|--------------------------|
| Mr. Atul Mehta | Promoter, Chairman & Managing Director | 12 | 12 | Yes |
| Mr. Bhavesh Mehta | Promoter, Whole-time Director | 12 | 12 | Yes |
| Mr. Ganesh S.Ganesh | Independent Director | 12 | 5 | No |
| Mr. Vijay Agarwal | Independent Director | 12 | 6 | No |
| Mrs. Preeti K. Trivedi | Independent Director | 12 | 6 | No |



3. INDEPENDENT DIRECTORS:

Your Company has at its last Annual General Meeting (AGM) held on 23rd August, 2014, appointed Mr. Ganesh S Ganesh, Mr. Vijay Agarwal and Mrs. Preeti Trivedi as Independent Directors pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder and Clause 49 of the Listing Agreement for the period of five (5) consecutive years upto 31st March, 2019. The Independent Directors have submitted declarations that they meet the criteria of Independence as per the provisions of the Companies Act, 2013 and the Listing Agreement; a statement in this regard forms part of the Board's Report. Your Company had also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 and Clause 49 of the Listing Agreement. A sample of the letter of appointment is available on the website of the Company and can be accessed through the following link:

http://www.compuageindia.com/financials_pdf/terms%20of%20appointment%20to%20Independent%20Directors-%20CIL.pdf

DISCUSSION WITH THE INDEPENDENT DIRECTORS.

The Board's Policy is to regularly have separate meeting with the Independent directors to update them on all business related issues and new initiatives.

As Per Clause 49 of the Listing Agreement, a separate meeting of Independent Directors of the company was held on 14th February, 2015 without the attendance of non-independent directors and members of management, inter alia, to discuss:

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the independent directors of the company were present at the meeting.

Familiarisation Programme:

Your Company has put in place a structured induction and familiarisation programme for all its Directors including the Independent Directors. The Company through such programme familiarizes not only the Independent Directors but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company.

The Managing Director & CFO brief them on the operations of the Company, strategy, risks, new initiatives, etc. The familiarization programme for Independent Directors in terms of provisions of Clause 49 of the Listing Agreement is uploaded on the website of the Company and can be accessed through the following link:



http://www.compuageindia.com/financials_pdf/Familiarization%20programme-%20Independent%20Director-%20Compuage%20Infocom%20Limited.pdf

Evaluation of Board Effectiveness:

In terms of provisions of the Companies Act, 2013 read with Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 2015. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

4. CODE OF CONDUCT

The Board of Directors has adopted a Code of Conduct (Code) for Directors and Senior Management personnel one level below the Executive Directors including all Functional Heads, with an aim to ensure effective and best business practices and strict adherence to the legal requirements and which is in compliance with the requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchange. The Code has been posted on the Company's website.

All Directors and designated senior management cadre of the Company have affirmed compliance of the code for the year under review as per the norms of Clause 49 of the Listing Agreement. The declaration to this effect signed by the Chairman & Managing Director is annexed to this report.

5. CFO / CMD CERTIFICATION:

The certificate under Clause 49 IX of the Listing Agreement with the Stock Exchanges, signed by the Chairman & Managing Director and Chief Financial Officer is annexed to this report.

II. COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings.

A. AUDIT COMMITTEE

a) Qualified and Independent Audit Committee

The Company has a qualified and independent Audit Committee constituted with three directors as members. All the members of audit committee are independent directors of the company. All members of audit committee are financially literate and having broad accounting or related financial management expertise. Mr. Ganesh S. Ganesh, the Chairman of the Audit Committee is an independent director of the company.



The Chairman of the Audit Committee regularly interacts with the Internal Auditors and Statutory Auditors of the Company to have independent discussions with them. The Managing Director, Chief Financial Officer, Statutory Auditors and Internal Auditors are regularly invited to attend the Audit Committee meetings.

The previous Annual General Meetings of the Company was held on 23rd August, 2014 and it was attended by the Chairman of the Audit Committee.

The Secretary of the Company acts as the Secretary to the Committee.

b) Terms of Reference of Audit Committee:

The terms of reference/powers of the Audit Committee have been specified by the Board of Directors and includes all aspects specified under Clause 49 of the Listing agreement, as under:

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditor and reviews the processes and safeguards employed by each.

c) Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

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

d) Role of Audit Committee

The role of the Audit Committee includes the following:

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. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to Statutory Auditors for services rendered by the Statutory Auditors.
4. Reviewing with the management, the annual 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 (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - 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
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 agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendation to the Board to take needed steps in the matter.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, the performance of Statutory and Internal Auditors, and adequacy of internal control systems.
13. Reviewing the adequacy of internal audit functions, 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.
14. Discussion with internal Auditors of any significant findings and follow-up thereon.
15. 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.
16. 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.
17. To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism;
19. 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 and background, etc. of the candidate;
20. Carrying out such other function as may be specifically referred to the Committee, by the Board of Directors and/or other Committee of Directors of the Company.

e) Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:



1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

f) Meeting of Audit Committee

The Audit Committee was regularly updated on the findings by the Internal Auditors and the action taken thereof.

The Audit Committee met four times during the financial year 2014-2015 on the following dates;

27th May, 2014 11th August, 2014 14th November, 2014 14th February, 2015

The Composition of the Audit Committee and details of meetings attended by its members are given below;

| Name of Director | Category | Designation | No. of meetings | |
|------------------------|------------------------------------|-------------|-----------------|----------|
| | | | Held | Attended |
| Mr. Ganesh S. Ganesh | Non-Executive Independent Director | Chairman | 4 | 4 |
| Mr. Vijay Agarwal | Non-Executive Independent Director | Member | 4 | 4 |
| Mrs. Preeti K. Trivedi | Non-Executive Independent Director | Member | 4 | 4 |

Mr. Vijay Agarwal, Non-Executive Independent Director have received 80,000/- as sitting fees in the F. Y 2014-15 (i.e 20,000/- per quarter)

Mrs. Preeti K. Trivedi, Non-Executive Independent Director have received 80,000/- as sitting fees in the F. Y 2014-15 (i.e 20,000/- per quarter)

Mr. Ganesh .S Ganesh, Non-Executive Independent Directors of the Company stating his unwillingness towards acceptance of sitting fees for the Board and committee meeting to be attended by him.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has established a Vigil Mechanism/Whistle Blower Policy to deal with instances of fraud and mismanagement, if any pursuant to the provisions of Clause 49 of the Listing Agreement and as per Section 177(9) of the Companies Act, 2013. Accordingly,



this Whistleblower Policy ("the Policy") has been formulated for directors and employees of the Company to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company's code of conduct.

B. NOMINATION & REMUNERATION COMMITTEE

To ensure that remuneration to the Board and senior management is in line with the strategic aims of the business, the Company has a Nomination & Remuneration Committee. The Nomination & Remuneration Committee reviews and approves the annual salaries, performance commissions, service agreements and other employment conditions for executive directors.

The role and Terms of reference of Nomination & Remuneration Committee shall, inter-alia, include the following :

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- The Nomination & Remuneration Committee recommends to the Board the compensation terms including periodic revision, performance bonus, incentives, commission, other services, perquisites and benefits payable to the executive directors;
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of Executive Directors.
- Considering, approving and recommending to the Board the change in Designation and increase in salary of the Executive Directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate Directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of our company and the shareholders.
- Such other matters as the Board may from time to time request the Human Resource, Nomination & Remuneration Committee to examine and recommend / approve.

Composition

The composition of the Human Resource, Nomination & Remuneration Committee and the details of meetings attended by its members are given below;

| Name of Director | Category | Designation | No. of meetings | |
|------------------------|------------------------------------|-------------|-----------------|----------|
| | | | Held | Attended |
| Mr. Ganesh S. Ganesh | Non-Executive Independent Director | Chairman | 3 | 3 |
| Mr. Vijay Agarwal | Non-Executive Independent Director | Member | 3 | 3 |
| Mrs. Preeti K. Trivedi | Non-Executive Independent Director | Member | 3 | 3 |

The Company Secretary of the Company acts as the Secretary to the Committee.

**Remuneration Policy**

The Company's remuneration policy is based on the fundamental rule of rewarding performances as against earmarked objectives. While deciding on remuneration for Directors, the Board and Nomination & Remuneration Committee consider the performance of the company, current trend in the industry, the qualification of the appointee, his experience, Past performance and other relevant factors. This information is used to review the company's remuneration policies. The policy aims at attracting and retaining high caliber talent and ensures equity, fairness and consistency in rewarding the employees.

The annual variable pay of senior managers is linked to the Company's performance in general and the performance of their functions/business units for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

As and when there is a need to fix the Remuneration, the company invites outside expert person to fix the Remuneration of the Managerial Personnel.

Remuneration to Executive Directors:

| Name of Director | Position | Salary & Perquisite | Service Contract |
|-------------------|------------------------------|------------------------|--|
| Mr. Atul Mehta | Chairman & Managing Director | **Rs. 1,20,00,000 p.a. | 3 years w.e.f. 08.09.2011 to 07.09.2014. |
| Mr. Bhavesh Mehta | Whole Time Director | **Rs. 1,20,00,000 p.a. | 3 years w.e.f. 18.10.2011 to 17.10.2014. |

** The Company has received the Approval from the Central Government for the above Managerial Remuneration on application made by the company.

As the service contract is expiring during the year, company has filed an application with Central Government to seek their approval for payment of Rs. 1,80,00,000 p.a. each to Mr. Atul H. Mehta and Mr. Bhavesh H. Mehta. However, the approval of Central Government has not yet received till 31st March, 2015.

The Non-Executive Independent Directors of the Company Mr. Vijay Agarwal and Mrs. Preeti K. Trivedi are paid sitting fees at the rate of Rs. 20,000/- for attending each Meeting in each quarter. The Company has received Letter dated 14th April, 2009 from Mr. Ganesh S. Ganesh, Non-Executive Independent Directors of the Company stating his unwillingness towards acceptance of sitting fees for the Board and committee meeting to be attended by him. The remuneration excludes reimbursement of expenses on actual basis to Directors for attending meetings of the Board/Committee.

Presently, the Non-executive Directors of the Company are not paid commission.

**Shareholding of Non-Executive Directors**

Details of the equity shares held by Non-Executive Directors as on 31st March, 2015 are as under:

| Name of the Director | Nos. of Equity shares |
|------------------------|-----------------------|
| Mr. Ganesh S. Ganesh | 157 |
| Mr. Vijay Agarwal | NIL |
| Mrs. Preeti K. Trivedi | NIL |

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee consists of three members. The Committee meets on a regular basis to approve transfer, transmission, splitting, consolidation and rematerialisation of shares.

The scope of reference to the committee is broadly as follows:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time
- to issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed as per the laid down procedure;
- to issue new certificates against subdivision of shares,
- or consolidation of share certificates/ certificates
- shares/bonus shares subject to such approval as may be
- to grant Employee Stock Options pursuant to approved Employees Stock Options Scheme(s), if any, and to allot shares pursuant to options exercised
- To issue and allot debentures, bonds, and other securities subject to such approvals as may be required
- To approve and monitor dematerialization of shares/debentures/other securities and all matters incidental or related thereto
- To authorize the Company Secretary & Head Compliance / other officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend/interest, change of address for correspondence etc and to monitor action taken;
- monitoring expeditious redressal of investors/stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The Committee also monitors the implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

- The Stakeholders Relationship Committee met four times during the financial year 2014-2015 on the following dates;
27th May, 2014 11th August, 2014 14th November, 2014 14th February, 2015
- The Composition of the Stakeholders Relationship Committee and details of meetings attended by its members are given below;



| Name of Director | Category | Designation | No. of meetings attended |
|------------------------|------------------------------------|-------------|--------------------------|
| Mrs. Preeti K. Trivedi | Non-Executive Independent Director | Chairperson | 4 |
| Mr. Atul H. Mehta | Chairman & Managing Director | Member | 4 |
| Mr. Ganesh S. Ganesh | Non-Executive Independent Director | Member | 4 |

- Name, Designation and Address of Compliance Officer:

Ms. Dolly Mehta

Company Secretary & Compliance Officer

Compuage Infocom Limited

D-601/602 & G-601/602, Lotus Corporate Park,

Graham Firth Steel Compound, Western Express Highway,

Goregaon (East), Mumbai - 400 063.

Tel No: 022- 67114444

Fax No: 022- 67114445

- Number of Shareholder Complaints received during the year : 4
- Number of Complaints not solved to satisfaction : 0
- Number of Complaints pending : 0

D. Corporate Social Responsibility (CSR) Committee

With a view to ensure that the company is complying with its responsibility towards society and also pursuant to section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) Committee has been formed and on the recommendations of the committee corporate social responsibility policy has been approved by the Board.

The Composition of the CSR Committee and details of meetings attended by its members are given below;

| Name of Director | Category | Designation | No. of meetings | |
|----------------------|------------------------------------|-------------|-----------------|----------|
| | | | Held | Attended |
| Mr. Ganesh S. Ganesh | Non-Executive Independent Director | Chairperson | 1 | 1 |
| Mr. Vijay Agarwal | Chairman & Managing Director | Member | 1 | 1 |
| Mr. Bhavesh Mehta | Non-Executive Independent Director | Member | 1 | 1 |

The CSR Committee is empowered pursuant to its terms of reference, inter alia, to:

1. Recommend the amount of expenditure to be incurred on the CSR activities;
2. Monitor implementation and adherence to the CSR Policy of the Company from time to time;
3. Prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/activities proposed to be undertaken by the Company; and
4. Such other activities as the Board of Directors may determine from time to time.



The details of the CSR initiatives of the Company form part of the CSR Section in the Annual Report. The CSR Policy has been placed on the website of the Company and can be accessed through the following link:

http://www.compugateindia.com/share_pdf/CSR_POLICY.pdf

Subsidiary Companies:

Your Company does not have a material non-listed Indian subsidiary company, whose turnover or net worth exceeds 20% of the consolidated turnover or networth respectively, of the Company and its subsidiaries in the immediately preceding accounting year, in terms of Clause 49 (V) of the Listing Agreement.

The Audit Committee reviews the financial statements including investments by the unlisted subsidiary companies of the Company. Also, copies of the minutes of the subsidiary companies of the Company are placed before the Board of the Company on a periodical basis.

GENERAL BODY MEETINGS

1. Location, date and time of General Meetings held in last 3 years:

| Year | AGM/EGM | Date | Time | Venue | Special Resolutions |
|---------|----------|------------|-----------|--|--|
| 2013-14 | 15th AGM | 23.08.2014 | 10.00 a.m | Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai - 400034 | <ol style="list-style-type: none"> Appointment of Mr. Ganesh S. Ganesh (DIN: 00010877) as an Independent Director. Appointment of Mr. Vijay Agarwal (DIN: 00058548) as an Independent Director Appointment of Mrs. Preeti K. Trivedi (DIN: 00179479) as an Independent Director Re-appointment of Mr. Atul H. Mehta (DIN: 00716869) as Managing Director Re-appointment of Mr. Bhavesh H. Mehta (DIN: 00740861) as a Whole-time Director designated as Executive Director |
| 2012-13 | 14th AGM | 07.09.2013 | 10.00 a.m | Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai - 400034 | No Special Business |



| | | | | | |
|---------|----------|------------|------------|--|---|
| 2011-12 | 13th AGM | 30.08.2012 | 10.00 a.m | Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai - 400034 | No Special Business |
| 2011-12 | EGM | 16.08.2011 | 10.00 a.m. | Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai - 400034 | Allotment of 480,000 Equity Shares on preferential basis to the Non Promoters Group of the Company. |

Two special resolution was passed through postal ballot during the year result of which are as under:

During the year ended on March 31, 2015 the Company sought the approval of its members by way of Postal Ballot, notice dated 14th November, 2014. Mr. Virendra Bhatt, Practicing Company Secretary, Mumbai was appointed by the Board of Director as scrutinizer to conduct the postal ballot exercise. Mr. Virendra Bhatt conducted the process and submitted his report to the Chairman and Managing Director. The result was declared on the 20th January, 2015.

Resolution No. 1:**Limits of Borrowings under Section 180(1) (c) of Companies Act, 2013**

| Promoter /Public | No of Shares held (1) | No of Votes Polled (2) | % of Votes polled on Outstanding shares (3)=[(2)/(1)]*100 | No of Votes - in Favour (4) | No of Votes Against (5) | % of Votes in favour on Votes polled (6)=[(4)/(2)]*100 | % of Votes Against on Votes polled (7)=[(5)/(2)]*100 |
|------------------------------|--------------------------|---------------------------|--|--------------------------------|----------------------------|---|---|
| Promoter and Promoter Group | 4513953 | 4513953 | 100.00 | 4513953 | 0 | 100.00 | 0.00 |
| Public Institutional Holders | 4523 | 0 | 0.00 | 0 | 0 | 0.00 | 0.00 |
| Public- Others | 2136524 | 884217 | 41.39 | 883864 | 353 | 99.96 | 0.04 |
| Total (A) | 6655000 | 5398170 | | 5397817 | 353 | 99.99 | 0.01 |



Resolution No. 2 :

Creation of charge on the Assets/Properties of the Company under Section 180(1) (a) of Companies Act, 2013 in connection with the borrowings of the Company.

| Promoter /Public | No of Shares held (1) | No of Votes Polled (2) | % of Votes polled on Outstanding shares (3)=[(2)/(1)]*100 | No of Votes - in Favour (4) | No of Votes Against (5) | % of Votes in favour on Votes polled (6)=[(4)/(2)]*100 | % of Votes Against on Votes polled (7)=[(5)/(2)]*100 |
|------------------------------|--------------------------|---------------------------|--|--------------------------------|----------------------------|---|---|
| Promoter and Promoter Group | 4513953 | 4513953 | 100.00 | 4513953 | 0 | 100.00 | 0.00 |
| Public Institutional Holders | 4523 | 0 | 0.00 | 0 | 0 | 0.00 | 0.00 |
| Public-Others | 2136524 | 884217 | 41.39 | 883864 | 353 | 99.96 | 0.04 |
| Total (A) | 6655000 | 5398170 | | 5397817 | 353 | 99.99 | 0.01 |

The company also intends to pass the below resolutions by postal ballot during the year 2015-2016 :-

1. Special Resolution to accord consent to the issue of bonus shares in the ratio 3:5 i.e three new equity share for every five equity shares held by the Member, through the capitalization of reserves
2. Special Resolution to accord consent to adopt new Memorandum of Association of the company containing regulations in conformity with the Companies Act, 2013
3. Special Resolution to accord consent to adopt new Articles of Association of the company containing regulations in conformity with the Companies Act, 2013

III. DISCLOSURES:

- a) There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.
- b) Lists of transactions with related parties are provided in the Balance Sheet in accordance with Accounting Standard (AS) 18.
- c) The Company has a vigil mechanism/whistle blower policy to deal with instance of fraud and mismanagement, if any. Also, no personnel has been denied access to the chairman of the audit committee as required under exceptional cases.
- d) The Company has generally complied with the requirements of the SEBI/other Statutory Authorities on all matters related to capital markets wherever applicable. There are no penalties or strictures imposed on the Company by SEBI or any Statutory Authorities relating to the above.



However, during the year 2014-2015, BSE has imposed penalty under Clause 31 of Listing Agreement with respect to late submission of Annual Report for the Year Ended 31st March, 2014 and the same has been paid by the company.

- e) The Company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Agreement in respect of Compliance with the non-mandatory requirements, the Company has constituted a Nomination & Remuneration Committee, the details whereof are given under the heading "Nomination & Remuneration Committee".
- f) As required by Clause 49 (IX) of the Listing Agreement, the Managing Director and Chief Financial Officer have given their Certificate to the Board.
- g) Compliance Certificate as required under Clause 49 of the Listing Agreement obtained from Practising Chartered Accountant, certifying the Compliance by the Company with the provisions of Corporate Governance of the Listing Agreement is given as an Annexure to this Report.
- h) Qualifications in the Auditors Report: There are no qualifications in the Auditors Report for the year ended 31st March, 2015.

Secretarial Audit

- i) Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.
- ii) A qualified Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) ("Depositories") and the total issued and listed capital. The audit report confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories).

IV. MEANS OF COMMUNICATION

- I. **Quarterly/Half Yearly/Annual Results:** The quarterly/ half yearly/ annual financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and published in one English Daily and one Marathi daily news papers, normally results are published in Financial Express and Navshakti Times where the registered office of the company is situated.
- II. **Website:** The Company's website www.compuageindia.com contains a separate dedicated section 'Investor Relations' where the latest shareholders information is available. The Quarterly, Half Yearly & Annual Results are regularly posted on the website. Annual Report is also available on the website in a user-friendly and downloadable form.
- III. **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The



Management Discussion and Analysis (MDA) Report forms part of the Annual Report. The Annual Report is also available on the Company's website.

IV. The Consolidated Financial Statements of the Company and its subsidiaries forms part of the Annual Report.

V. **Corporate Filing and Dissemination System (CFDS) Filing:** The Stock Exchanges have vide Clause 52 of the Listing Agreement, introduced the Corporate Filing and Dissemination System (CFDS) which is a portal jointly owned, managed and maintained by the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). It is a single source to view the information filed by listed companies. All disclosures and communications to the BSE and NSE are filed electronically through the CFDS portal www.corpfiling.co.in. Hard copies of the said disclosures and correspondence are also filed with the BSE and NSE.

VI. **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are:

Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaints and its current status.

V. GENERAL SHAREHOLDERS INFORMATION

- | | |
|--|---|
| 1. Annual General Meeting | 25th Septemebr, 2015 at 10 a.m |
| Date | Victoria Memorial School for Blind |
| Time | Tardeo Road, Opp. Film Centre, |
| Venue | Mumbai - 400 034. |
| 2. Board Meeting for considering of Audited Accounts | 15th May, 2015 |
| 3. Book Closure Date | 23rd September, 2015 to 25th September, 2015 (Both days inclusive) |
| 4. Dividend payment Date | On or before 26th September, 2015. |
| 5. Financial Year | 1st April, 2014 to 31st March, 2015 |
| 6. Last date of Receipts of Proxy Forms: | 23rd September, 2015 by 10 a.m. |
| 7. Registered Office | Compuage Infocom Ltd. D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth Steel Compound, Western Express Highway, Goregaon (E), Mumbai - 400 063. |
| 8. Listing on Stock Exchange: | Bombay Stock Exchange Ltd. (BSE) |
| 9. Scrip Code/ID: | |
| Bombay Stock Exchange Ltd. (BSE) | : 532456/ COMPUAGE |



Stock Price Data:

The monthly movement of equity share prices during the year at BSE & NSE is summarized below:

| Monthly Share Price movement during the financial year ended 31st March, 2015 at BSE & NSE | | | | |
|---|--------|--------|--------|--------|
| Month | *BSE | | *NSE | |
| | High | Low | High | Low |
| April, 2014 | 91.00 | 77.60 | 91.00 | 87.20 |
| May, 2014 | 106.45 | 88.70 | 108.80 | 104.70 |
| June, 2014 | 125.00 | 104.05 | 121.20 | 118.30 |
| July, 2014 | 140.20 | 118.10 | 137.75 | 131.15 |
| August, 2014 | 137.90 | 123.55 | 132.80 | 126.10 |
| September, 2014 | 144.00 | 124.05 | 131.45 | 125.05 |
| October, 2014 | 179.80 | 124.00 | 175.00 | 168.50 |
| November, 2014 | 189.00 | 154.05 | 182.00 | 157.30 |
| December, 2014 | 200.00 | 157.00 | 169.90 | 163.10 |
| January, 2015 | 184.60 | 129.00 | - | - |
| February, 2015 | 160.00 | 103.05 | - | - |
| March, 2015 | 157.00 | 117.10 | - | - |

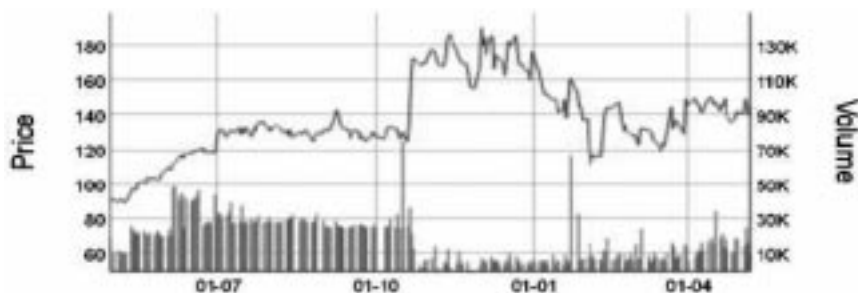
Source: BSE Website and NSE Website

*Pursuant to the agreement (MSE) Madras Stock Exchange Limited had entered into with (NSE) National Stock Exchange of India Limited, proviso (i) to section 13 of the Securities Contracts (Regulations) Act, 1956, the securities of our Company have been allowed for dealings on the National Stock Exchange (Capital Market Segment) with effect from 1st October, 2010 which was informed to us by MSE vide its letter dated 30th September, 2010.

However, as per Circular from NSE vide Ref.No.: 1197/2014 have withdrawn the permission from dealing in securities on the National Stock Exchange (Capital Market Segment) w.e.f January 08, 2015 (i.e. w.e.f. closing hours of trading on January 07, 2015).

**Stock Performance**

The Performance of the Company's shares relative to the BSE Sensitive Index (SENSEX) is given in the Chart below:

**10. Corporate Identity Number (CIN):**

Our Corporate Identification Number, allotted by the Ministry of Corporate Affairs, Government of India is L99999MH1999PLC135914 and our Registration Number is 135914.

11. Payment of Depository Fees:

Annual Custody/Issuer fees for the year 2015-16 have been paid by the Company to NSDL and CDSL.

12. Registrar & Transfer Agents (RTA):

Name & Address : Link Intime India Private Limited
C - 13, Pannalal Silk Mills Compound,
L.B.S Marg, Bhandup (West),
Mumbai - 400 078.

Phone No. : 022-25946970 - 78 / 25963838 / 25960320

Fax No. : 022-25946969 / 25960329

E-Mail : rnt.helpdesk@linkintime.co.in

13. Share Transfer System and Registrar and Transfer Agent:

The share transfers/transmissions are approved Stakeholders Relationship Committee. There are no share transfers pending as on 31st March, 2015.

The Company's Shares are required to be compulsorily traded in the Stock Exchange in the dematerialized form. Transfer of dematerialized shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with the RTA of the Company, at their address mentioned above. Transfers of shares in physical form are normally processed within 10-15 days from the date of receipt, if the documents are complete in all respects.

**14.(i). Distribution of shareholding as on 31st March 2015:**

| No. of Equity Shares held | Shareholders | | Shares | |
|---------------------------|--------------|-----------------|----------------|-----------------|
| | Nos. | % | Nos. | % |
| Upto-500 | 2040 | 90.8686 | 184300 | 2.7693 |
| 501-1,000 | 74 | 3.2962 | 54596 | 0.8204 |
| 1,001-2,000 | 63 | 2.8062 | 93130 | 1.3994 |
| 2,001-3,000 | 15 | 0.6682 | 34364 | 0.5164 |
| 3,001-4,000 | 6 | 0.2673 | 20961 | 0.3150 |
| 4,001-5,000 | 4 | 0.1782 | 19402 | 0.2915 |
| 5,001-10,000 | 13 | 0.5791 | 105691 | 1.5881 |
| 10,001 - Above | 30 | 1.3363 | 6142556 | 92.2999 |
| Total | 2245 | 100.0000 | 6655000 | 100.0000 |

(ii). Category of Shareholdings as on 31st March, 2015:

| Category | No. of shares | % of Shareholding |
|---|------------------|-------------------|
| Promoters & Promoters Group | 4513953 | 67.83 |
| Other Directors & relatives | 157 | 0.00 |
| Clearing Member | 57488 | 0.86 |
| Other Bodies Corporate and Financial Institutions | 509652 | 7.66 |
| Foreign Company | 54725 | 0.82 |
| Hindu Undivided Family | 3738 | 0.06 |
| Market Maker | 240 | 0.00 |
| Nationalised Banks | 40 | 0.00 |
| Non Resident Indians | 696538 | 10.47 |
| Non Resident (Non Repatriable) | 66 | 0.00 |
| Public | 818403 | 12.30 |
| Total | 66,55,000 | 100.00 |

**15. Financial Release Dates:**

| Quarter | Release Date (Tentative and subject to change) |
|-----------------------------------|---|
| 1st Quarter ending 30th June | Mid of August 2015 |
| 2nd Quarter ending 30th September | Mid of November 2015 |
| 3rd Quarter ending 31st December | Mid of February 2015 |
| 4th Quarter ending 31st March | Mid of May 2015 |

16. Dematerialisation of shares and liquidity and Lock-in of Shares:**(a) Dematerialisation Position as on 31st March, 2015:**

| Total No. of fully paid up Shares | Shares in Demat Form | Percentage % | Shares in Physical Form | Percentage % |
|-----------------------------------|----------------------|--------------|-------------------------|--------------|
| 66,55,000 | 65,15,399 | 97.90 | 1,39,601 | 2.10 |

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on both depositories in India i.e NSDL & CDSL. As on 31.03.2015 97.90 % equity shares of the Company were held in dematerialized form.

Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE070C01029.

(b) Details of Locked-in Shares:

Lock- in Equity Shares allotted on preferential basis to Promoter Group:

As on 31st March, 2015, Mr. Atul H. Mehta and Mr. Bhavesh H. Mehta promoters of the company, hold 17,80,484 shares and 17,80,485 Shares Respectively. The shares allotted on conversion of warrants are Lock- in upto:

| Name of Promoter | No. of shares | Date of Allotment | Lock in release date |
|------------------|---------------|-------------------|----------------------|
| Atul H. Mehta | 4,97,500 | 29/08/2011 | 28/08/2014 |
| Bhavesh H. Mehta | 4,97,500 | 29/08/2011 | 28/08/2014 |

17. Outstanding GDRs/ADRs

The Company has not issued any GDRs/ADRs, therefore question of outstanding GDRs / ADRs etc as at end of March 2015, does not arise.

18. Address for Correspondence:

The shareholders may address their communication/suggestions/grievances/queries to the Registrar and Share Transfer Agents at the address mentioned above, or to:

The Company Secretary

Compuage Infocom Limited

D-601/602 & G-601/602, Lotus Corporate Park,
Graham Firth Steel Compound, Western Express Highway,
Goregaon (East), Mumbai - 400 063.

Tel. No.: 91-22-67114444,

Fax: 022-67114445

Email: investors.relations@compuageindia.com

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, payment of dividend on shares and any other query relating to shares of the Company:

**(i) Registrar & Share Transfer Agent:****LINK INTIME INDIA PRIVATE LIMITED**

C-13, Pannalal Silk Mills Compound, L.B.S.

Marg, Bhandup (W), Mumbai - 400 078.

Tel: 91-22-25946970-78, 25963838, 25960320;

Fax: 91-22-25946969, 25960329;

E-mail: rnt.helpdesk@linkintime.co.in

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

(ii) Any query on Annual Report: Registered office of the Company as mentioned aforesaid.

19. Company's Website:

The Company has its website namely www.compuageindia.com This provides detailed information about the Company, products and services offered, location of its corporate office and various sales offices etc. The quarterly results, annual reports and shareholding distributions etc. are updated on the website of the Company from time to time.

20. The following dividends which remain unpaid and unclaimed for a period of seven years will be due for transfer to the Investor Education and Protection Fund (IEPF or Fund) of the Central Government:

| Dividend | Date of declaration of Dividend | Last date for claiming unpaid Dividend | Due date for transfer to IEPF |
|------------------|---------------------------------|--|-------------------------------|
| 2009-10(Final) | 14.08.2010 | 13.08.2017 | 13.09.2017 |
| 2010-11(Final) | 29.07.2011 | 28.07.2018 | 28.08.2018 |
| 2011-12(Interim) | 11.11.2011 | 10.11.2018 | 10.12.2018 |
| 2011-12(Final) | 30.08.2012 | 29.08.2019 | 29.09.2019 |
| 2013-14(Final) | 23.08.2014 | 22.08.2021 | 22.09.2021 |

Shareholders who have not encashed the dividend warrant(s) are requested to return the unpaid dividend warrant(s) for revalidation or write to the Company's Registrar & Share Transfer Agent at the above address to obtain duplicate dividend warrant immediately. Please note that after such transfer no claims shall lie against the Fund or the Company in respect of individual amounts and no payment shall be made in respect of any such claims.

DECLARATION**To the Members of Compuage Infocom Limited****Sub: Compliance with Code of Conduct**

In accordance with Clause 49 of the Listing Agreement, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as Applicable to all the Directors and Senior Management, for the financial year ended March 31, 2015.

For Compuage Infocom Limited

Sd/-

Mr. Atul H. Mehta

Chairman & Managing Director

Place: Mumbai

Date: 15th May, 2015



CMD/CFO CERTIFICATION

To,
The Board of Directors
Compuage Infocom Limited
D-601/602 & G-601/602, Lotus Corporate Park,
Graham Firth Steel Compound, Western Express Highway,
Goregaon (East), Mumbai - 400 063.

Sub: Certification by the Chairman and Managing Director (CMD) and Chief Financial Officer (CFO) On Financial Statements of the Company for the year ended 31st March 2015.

We, Atul H. Mehta, Chairman and Managing Director and Mr. Sunil Mehta (VP-Finance), of Compuage Infocom Limited, certify that:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the financial results/ statements or figures contain therein misleading; and,
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, 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 are responsible for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee:
 - i. significant changes in internal control during the year;
 - ii. significant changes in accounting policies during the year and that the same have 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 a significant role in the Company's internal control system.

Sd/-
Mr. Atul Mehta
Chairman and Managing Director

Sd/-
Mr. Sunil Mehta
Chief Financial Officer

Place: Mumbai
Date: 15th May, 2015



Auditors' Certificate on Corporate Governance.

To the Members of the COMPUAGE INFOCOM LIMITED

1. We have examined compliance of the conditions of Corporate Governance by Compuage Infocom Ltd, for the year ended on 31st March 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the Management, we certify that the company has generally complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.
4. We state that in respect of investor grievances received during the year ended 31st March, 2015, the Registrars of the Company have certified that as at 31st March 2015, there were no investor grievances remaining unattended / pending for more than 30 days.
5. We further state that such compliance is neither on assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

B. V. DALAL AND CO.
CHARTERED ACCOUNTANTS
Firm's registration No. 114214W

MANORI SHAH
Partner
Membership No. 104640
Date : 15th May, 2015



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Compuage Infocom Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of Compuage Infocom Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015 and its profit and its cash flows for the year ended on that date.

Report on legal and other regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that :
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) on the basis of the written representations received from the directors, as on 31st March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director, in terms of Section 164 (2) of the Act; and
 - (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - (i) the Company has disclosed the impact on pending litigations on its financial position in its financial statements - Refer Note 2 (r) to the financial statements;
 - (ii) the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For B. V. Dalal & Co.
Chartered Accountants
Firm's registration No. 114214W

Manori Shah
Partner
Membership No. 104640
Mumbai, May 15, 2015

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March 2015. We report that :

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion, is reasonable, considering the size and nature of its business. As explained to us, no material discrepancies were noticed on such verification.
- (ii) (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of inventory records, we are of the opinion that the company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of the inventories, having regard to the size of the operations of the Company and the same have been properly dealt with in the books of accounts.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained u/s 189 of the Act. Therefore the provisions of clause 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct any major weaknesses in internal controls.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 73 to 76 of the Act with regard to the deposits accepted from the public. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) As explained to us, the Central Government has not prescribed the maintenance of Cost Records under section 148(1). Therefore the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanation given to us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities during the year. According to the information and explanations



given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues were in arrears, as at 31st March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the amounts which have not been deposited as on 31st March 2015 on account of any dispute, are as follows :

| Name of the statute | Nature of Dues | Amount (Rs. in lakhs) | Period to which the amt. relates | Forum where the dispute is pending |
|---|-------------------------|-----------------------|----------------------------------|------------------------------------|
| Sales Tax & Entry Tax Acts of respective states | Sales Tax and Entry Tax | 56.81 | 2007-2010 | Tribunal |
| | | 18.94 | 2007-2013 | D. C. Appeal |
| | | 20.06 | 2009-10 | J. C. Appeal |
| | | 32.97 | 2008-09 & 2009-10 | Commissioner |
| | | 10.55 | 2011-12 | Commissioner |
| | | 18.44 | 2010-11 | D. C. Appeal |
| The Income Tax Act, 1961 | Income Tax | 12.68 | 2011-12 | D. C. Appeal |
| | | 4.24 | 2009-10 | CIT (Appeals) |
| | | 2.41 | 2010-11 | CIT (Appeals) |
| | | 4.12 | 2011-12 | CIT (Appeals) |
| The Customs Act, 1962 | Custom Duty | 216.39 | 2008-2012 | Departmental Authorities / CESTAT |

- (c) According to the information and explanations given to us the amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- (viii) The Company has no accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. There are no debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Therefore the provisions of clause 3(x) of the Order are not applicable to the Company.



- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purpose for which loans were obtained.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For B. V. Dalal & Co.
Chartered Accountants
Firm's registration No. 114214W

Manori Shah
Partner
Membership No. 104640
Mumbai, May 15, 2015

**BALANCE SHEET AS AT 31ST MARCH 2015.**

₹ IN LAKHS

| Particulars | Note No. | 31st March 2015 | 31st March 2014 |
|---------------------------------------|----------|------------------|------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' Funds | | | |
| (a) Share Capital | 3 | 665.50 | 665.50 |
| (b) Reserves and Surplus | 4 | 7,357.32 | 6,415.08 |
| (2) Non-Current Liabilities | | | |
| (a) Long-Term Borrowings | 5 | 97.46 | 512.42 |
| (b) Deferred Tax Liabilities (Net) | 6 | 268.35 | 273.73 |
| (3) Current Liabilities | | | |
| (a) Short-Term Borrowings | 7 | 21,703.27 | 21,721.07 |
| (b) Trade Payables | 8 | 22,024.99 | 22,776.34 |
| (c) Other Current Liabilities | 9 | 1,975.42 | 1,599.92 |
| (d) Short term provisions | 10 | 180.70 | 294.64 |
| Total Equity & Liabilities | | 54,273.01 | 54,258.70 |
| II.ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | 11 | 3,698.93 | 4,110.13 |
| (b) Non-current investments | 12 | 97.12 | 73.92 |
| (c) Long term loans and advances | 13 | - | 5.21 |
| (d) Other non-current assets | 14 | 1.83 | 10.38 |
| (2) Current Assets | | | |
| (a) Inventories | 15 | 20,022.57 | 20,309.15 |
| (b) Trade receivables | 16 | 23,772.22 | 22,594.07 |
| (c) Cash and Bank Balances | 17 | 3,926.00 | 3,951.49 |
| (d) Short-term loans and advances | 18 | 2,614.37 | 3,089.51 |
| (f) Other current assets | 19 | 139.97 | 114.84 |
| Total Assets | | 54,273.01 | 54,258.70 |

Summary Of Significant accounting policies 2

The accompanying Notes form an integral part of the Financial statements.
This is the Balance Sheet referred as per our Report of even date.

For **B.V.DALAL & Co.**
Firm Reg. No. : 114214W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
For **COMPUAGE INFOCOM LIMITED**

(CA M.S.SHAH)

Partner
M.NO.:104640

G. S. Ganesh
Director

Bhavesh H.Mehta
Whole Time Director

Atul H.Mehta
Chairman & Managing Director

PLACE : **MUMBAI**
DATED: **15th May 2015**

Sunil Mehta
CFO

Dolly Mehta
Company Secretary



COMPUAGE INFOCOM LTD.

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015.

₹ IN LAKHS

| Particulars | Note No. | 31st March 2015 | 31st March 2014 |
|--|----------|-------------------|--------------------|
| I Revenue from operations | 20 | 212,888.90 | 2,27,493.44 |
| II Other Income | 21 | 998.47 | 1324.72 |
| III. Total Revenue (I +II) | | 213,887.37 | 2,28,818.16 |
| IV Expenses: | | | |
| Purchase of Stock-in-Trade | 22 | 202,977.81 | 2,18,645.72 |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 23 | 286.58 | (1,312.72) |
| Employee Benefits Expense | 24 | 2,199.04 | 2,170.24 |
| Other Expenses | 25 | 2,951.06 | 3,980.15 |
| Total Expenses (IV) | | 208,414.49 | 2,23,483.39 |
| V Earnings before interest,tax,depreciation and amortisation (EBITDA) (III - IV) | | 5,472.88 | 5,334.77 |
| Finance Costs | 26 | 3,253.37 | 3,258.98 |
| Depreciation | 27 | 471.32 | 318.23 |
| Profit Before Tax | | 1,748.19 | 1,757.56 |
| VI Tax expense: | | | |
| (1) Current tax | | 585.00 | 520.00 |
| (2) Deferred tax | | (5.38) | 76.35 |
| VII Profit/(Loss) for the period from continuing operations (V-VI) | | 1,168.57 | 1,161.21 |
| VIII Earning per equity share: | | | |
| (1) Basic | | 17.56 | 17.45 |
| (2) Diluted | | 17.56 | 17.45 |

Summary Of Significant accounting policies 2

The accompanying Notes form an integral part of the Financial statements.

As per our Report of even date.

For **B.V.DALAL & Co.**
Firm Reg. No. : 114214W
CHARTERED ACCOUNTANTS

(CA M.S.SHAH)

Partner
M.NO.:104640

PLACE : MUMBAI

DATED: 15th May 2015

For and on behalf of the Board of Directors
For **COMPUAGE INFOCOM LIMITED**

G. S. Ganesh
Director

Bhavesh H.Mehta
Whole Time Director

Atul H.Mehta
Chairman & Managing Director

Sunil Mehta
CFO

Dolly Mehta
Company Secretary



COMPUAGE INFOCOM LTD.

Cash Flow Statement for the year ended as at 31st March 2015

₹ IN LAKHS

| | 31st March 2015 | 31st March 2014 |
|---|-------------------|-------------------|
| A. Cash Flows from operating activities | | |
| Net Profit Before Tax & Extraordinary items | 1,748.20 | 1,757.56 |
| Adjustment for: | | |
| Depreciation | 471.32 | 318.23 |
| Loss/(profit) on sale of Fixed Assets | - | - |
| Loss/(profit) on sale of Non current investment | - | - |
| Loss/(profit) on sale of Current investment | - | - |
| Unrealised foreign exchange gain | - | (5.64) |
| Interest paid | 3,253.37 | 3,258.98 |
| Interest received | (987.54) | (1,131.75) |
| Operating profit before Working Capital changes | 4,485.35 | 4,197.39 |
| Increase /(Decrease) in Trade payables | (751.35) | 5,756.10 |
| Increase /(Decrease) in other Current Liabilities | (39.46) | (972.01) |
| Increase /(Decrease) in short term provisions | (113.94) | 217.29 |
| Decrease/(Increase) in Inventories | 286.56 | (1,312.72) |
| Decrease/(Increase) in Trade Receivables | (1,178.15) | (4,511.41) |
| Decrease/(Increase) in short term Loans & Advances | 475.14 | (278.23) |
| Decrease/(Increase) in other current assets | (25.13) | (33.22) |
| Decrease/(Increase) in Long term Loans & Advances | 5.21 | - |
| Decrease/(Increase) in other Non current assets | 10.38 | 16.60 |
| Total | (1,330.74) | (1,117.60) |
| Income Tax | (585.00) | (520.00) |
| Net Cash Inflow/(Outflow) from operating activities..... | 2,569.61 | 2,559.79 |
| B. Cash Flows from Investing Activities | | |
| Purchase of Fixed Assets | (126.74) | (401.47) |
| Sale of fixed Assets | - | - |
| Sale/(Purchase)of current investments | - | - |
| Sale/(Purchase)of non-current investments | (23.20) | - |
| Interest received | 987.54 | 1,131.75 |
| Net Cash Inflow/(Outflow) from Investing activities..... | 837.60 | 730.28 |
| C. Cash Flows from Financing Activities | | |
| Proceeds from Long term borrowings | (0.01) | (460.99) |
| Proceeds from Short term borrowings | (32.80) | 1,051.04 |
| Interest paid | (3,253.37) | (3,258.98) |
| Dividend & Dividend tax paid | (159.71) | (109.00) |
| Net Cash Inflow/(Outflow) from Financing activities..... | (3,445.89) | (2,777.94) |
| Net Increase/(Decrease) in cash and cash Equivalents.... | (38.61) | 512.13 |
| Cash and cash Equivalents as at beginning of the year | 3,951.49 | 3,439.36 |
| Cash and cash Equivalents as at end of the year | 3,912.88 | 3,951.49 |
| | (38.61) | 512.13 |

We have examined the above cash Flow statement of Compuage Infocom Ltd for the year ended March 31, 2015.

As per our report of even date attached

For **B.V.DALAL & Co.**
Firm Reg. No. : 114214W
CHARTERED ACCOUNTANTS

(CA M.S.SHAH)

Partner
M.NO.:104640

PLACE : MUMBAI

DATED: 15th May 2015

For and on behalf of the Board of Directors
For **COMPUAGE INFOCOM LIMITED**

G. S. Ganesh
Director

Bhavesh H.Mehta
Whole Time Director

Atul H.Mehta
Chairman & Managing Director

Sunil Mehta
CFO

Dolly Mehta
Company Secretary



Summary of Significant accounting policies to Financial statements for the year ended 31st MARCH, 2015

Note 1: Corporate Information

Compugate Infocom Limited (The Company) is a public Limited company domiciled in India and incorporated under the provisions of the Companies Act,1956. It's shares are listed on the Mumbai Stock exchange and Madras Stock Exchange.

The company is engaged in trading in Computer parts and peripherals and Telecom Products. The company also provides products support services for Information Technology products.

Notes 2: NOTES TO ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2015

1. Significant Accounting Policies:

a. Basis of Preparation:

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

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for depreciation, which has now been provided in accordance with Schedule II of the Companies Act, 2013. Previous year figures have been regrouped wherever necessary.

b. Use of Estimates:

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

c. Tangible Fixed Assets:

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

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



d. Depreciation on tangible fixed assets:

Depreciation on Tangible assets is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged. The useful lives for the fixed assets prescribed under Part C of Schedule II of the Companies Act, 2013 are as follows:

| Assets | Useful Life |
|----------------------------------|--------------------|
| Office Premises | 60 years |
| Information Technology Equipment | 3 years |
| Servers & Networks | 6 years |
| Vehicles | 8 years |
| Office Equipment | 5 years |
| Furniture and Fixture | 10 years |

During the year, the Company has revised depreciation rates on fixed assets according to the useful life as prescribed under Part C of Schedule II of the Companies Act, 2013. Had there not been a change in the method of providing depreciation, the depreciation for the year would have been lower by Rs. 102.74 lakhs. Depreciation on assets whose useful life is already exhausted before 1.4.2014 amounts to Rs. 66.62 lakhs and the same has been adjusted against General Reserve.

e. Lease:

Where the company is Lessee

Finance Leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of lease liability, so as to achieve constant rate of interest of the remaining balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees , legal charges, and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight line basis over the useful life of the asset as prescribed under Part C of Schedule II of the Companies Act, 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Profit and loss on a straight line basis over the lease term.

f. Borrowing costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest cost.



Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

g. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

Sale of Goods:

Revenue from sale of goods is recognized when the significant risk and rewards of ownership of goods have passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the Government and therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Income from Service:

Revenues from Product Support Services are recognized once the service is provided and the invoice is raised. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest:

Interest income is recognized on a time proportion basis taking into the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

h. Foreign Currency Transaction:

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transactions. In certain cases foreign currency transactions are recorded at a fixed exchange rate. All exchange rate differences in respect of foreign currency transactions are dealt with in statement of Profit & Loss. All foreign currency assets and liabilities, if any as at the balance sheet date are restated at the closing rate or the forward contract rate wherever applicable.

The premium or discount arising at the inception of forward exchange contracts not intended for trading or speculation purposes is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

i. Investments:

Investments which are intended to be held for not more than one year from the reporting date are classified as Current Investments.



Current Investments are carried in the Financials statements at lower of cost or fair value determined on an individual investments basis.

Long Term Investments are stated at cost. Provision for diminution in value of Long term Investments is made if only such a decline is other than temporary.

j. Inventories:

(i) Stock of goods traded is valued at lower of cost and net realizable value. The costs are determined on a weighted average basis.

(ii) Saleable scrap is accounted for as and when sold.

k. Retirement and other employee benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the years when the contributions are due.

The company has no obligation, other than the contribution payable to the provident fund.

The Gratuity is accounted for on the basis of Actuarial valuation, based on premium calculated by LIC under its Group Gratuity (Cash Accumulation) Scheme.

l. Corporate Social Responsibility (CSR):

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The areas of CSR activities includes providing safe drinking water in the locality, promoting education, health care, promoting eco friendly products, and providing clothes, shoes and other necessities to the needy people. The funds were spent on these activities which are specified in Schedule VII of the Companies Act, 2013.

m. Income Taxes:

Tax expense comprises of current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted, at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax



assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current liabilities and deferred tax assets and deferred taxes relate to the same taxable entity.

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

I. Cash and cash equivalents:

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

n. Impairment:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital. Previously recognized impairment



loss if any is further provided or reversed depending on changes in circumstances.

Confirmation from Debtors and Creditors are in the process of being obtained.

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

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

Valuation of Imports calculated on C.I.F. basis for One Year period ended 31st March 2015 is RS. 27,798.69 Lacs (Previous year Rs.43,133 Lacs).

| Expenditure in Foreign currency: (₹ in Lacs) | (Current Year) | (Previous Year) |
|--|----------------|-----------------|
| Traveling | ₹ 13.16 | ₹ 24.79 |
| Mercantile Trade Purchase | ₹ 12,627.19 | ₹ 8723.02 |
| Earning in Foreign currency: (₹ in Lacs) | | |
| Mercantile Trade Sale | ₹ 12,747.01 | ₹ 8840.39 |

Related Party Information:

A. Directors & their relatives:

(Related to Interest on Loans given to the Company Etc.)

| Sr. No. | Name | Relationship |
|---------|-------------------|---------------------------------------|
| 1. | Atul H. Mehta | Chairman and Managing Director |
| 2. | Aditya A. Mehta | Newpew of Atul H. Mehta |
| 3. | Ajay H. Mehta | Brother of Atul H. Mehta |
| 4. | Ajay H. Mehta HUF | HUF of Brother of Atul H. Mehta |
| 5. | Atul H. Mehta HUF | HUF of Chairman and Managing Director |
| 6. | Bhavesh H. Mehta | Whole time Director |
| 7. | Falguni A. Mehta | Wife of Atul A. Mehta |
| 8. | Forum B. Mehta | Wife of Bhavesh H. Mehta |
| 9. | H. T. Mehta HUF | HUF of father of Atul H. Mehta |
| 10. | Karishma A. Mehta | Daughter of Atul H. Mehta |
| 11. | Manisha A. Mehta | Sister-in-law of Atul H. Mehta |
| 12. | Raahil B. Mehta | Son of Bhavesh H. Mehta |
| 13. | Vanita H. Mehta | Mother of Atul H. Mehta |
| 14. | Yash A. Mehta | Son of Atul H. Mehta |



COMPUGAGE INFOCOM LTD.

B. Other Related parties: (Enterprises significantly influenced by key management personnel).

- 1) Trillizo Holdings Limited
- 2) Compugage Infocom (S) PTE. Ltd.

Transactions with related parties: (Rs. in Lakhs)

| Particulars | Current Year | Previous Year |
|---|--------------|---------------|
| Interest Paid to: | | |
| Atul H.Mehta | 7.28 | 23.63 |
| Bhavesh H.Mehta | 25.94 | 29.73 |
| Ajay H.Mehta | 8.40 | 15.84 |
| Falguni A. Mehta | 0.92 | 0.43 |
| Manisha A. Mehta | 2.27 | 2.21 |
| Forum B. Mehta | 3.16 | 8.30 |
| Karishma A. Mehta | 1.80 | 2.39 |
| Vanita H. Mehta | 5.16 | 6.17 |
| Yash A. Mehta | 2.80 | 3.72 |
| Aditya A. Mehta | 0.51 | 0.69 |
| Raahil B. Mehta | 0.01 | 0.02 |
| Ajay H. Mehta HUF | 0.53 | 0.71 |
| Atul H. Mehta HUF | 0.01 | 0.02 |
| H. T. Mehta HUF | 1.42 | 1.89 |
| Remuneration Paid to: | | |
| Atul H.Mehta | 120.00 | 120.00 |
| Bhavesh H.Mehta | 120.00 | 120.00 |
| Manisha Mehta | - | 4.80 |
| Incentive Paid to : | | |
| Compugage S.Pte.Ltd | - | 7.19 |
| Sales of Goods to: | | |
| Compugage S.Pte.Ltd | 3,665.79 | 1890.33 |
| Purchases of Goods from: | | |
| Compugage S.Pte.Ltd | 1.07 | - |
| Corporate Guarantee Fee Recd. from : | | |
| Compugage S.Pte.Ltd | 24.48 | - |
| Dividend Received from : | | |
| Compugage S.Pte.Ltd | 10.85 | - |



COMPUGAGE INFOCOM LTD.

Others:

Outstanding receivables:

| | | |
|-----------------------|--------|--------|
| Compugage S.Pte.Ltd | 10.85 | 485.25 |
| Trillizo Holdings P.L | 138.00 | 138.00 |

Outstanding payables:

| | | |
|---------------------|--------|--------|
| Atul H.Mehta | 727.25 | 861.12 |
| Bhavesh H.Mehta | 723.10 | 689.80 |
| Ajay H.Mehta | - | 251.85 |
| Falguni A.Mehta | - | 53.45 |
| Manisha A.Mehta | - | 67.65 |
| Forum B.Mehta | - | 106.45 |
| Vanita H.Mehta | - | 80.95 |
| Karishma A.Mehta | - | 19.15 |
| Aditya A.Mehta | - | 5.50 |
| Yash A.Mehta | - | 29.75 |
| Raahil B. Mehta | - | 0.15 |
| Ajay H. Mehta HUF | - | 5.65 |
| Atul H. Mehta HUF | - | 0.15 |
| H. T. Mehta HUF | - | 15.10 |
| Compugage S.Pte.Ltd | 225.00 | - |

Segment reporting:

The Company is in the business of Distribution of Computer parts and peripherals in India having similar risks and rewards and therefore there is only one geographical and business segment.

Earning Per Share.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity share outstanding during the period. For the purpose of calculating Diluted Earning per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Measurement of EBITDA:

As permitted by the Guidance Note on the revised Schedule VI to the companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profits/ loss from the continuing operations. In its measurement, the company does not include depreciation and amortization expenses, finance cost and tax expenses.

**Contingent Liabilities :**

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

| | 31st March 2015 | 31st March 2014 |
|---|-----------------|-----------------|
| Guarantees given by the Banks on behalf of the Company | 5742.18 | 5520.10 |
| Corporate Guarantee given on behalf of Subsidiary | 312.50 | 299.55 |
| Disputed demands in respect of VAT/Custom Duty (Based on legal opinion, the Company does not feel any liability will arise and hence no provision has been made in the accounts.) | 162.09 | 182.80 |

As per our report of even dated attached

For **B.V.DALAL & CO.**
Firm Regs. No. 114214W
CHARTERED ACCOUNTANTS

For and Behalf of the Board of Directors
For Compugage Infocom Limited

M.S.Shah
Partner
M.NO.104640
Place : Mumbai
Dated : 15th May 2015

G.S Ganesh Director
Bhavesh H. Mehta Whole Time Director
Atul H. Mehta Chairman & Managing Director
Sunil Mehta CFO
Dolly Mehta Company Secretary

**Notes to Financial statements for the year ended 31st March, 2015****Note 3 : Share Capital****(₹ In Lakhs)**

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| AUTHORIZED | | |
| 19254000 Equity shares of ₹10 each | 1,925.40 | 1,925.40 |
| 4665600 Preference shares of ₹ 0.10 (Ten paise) each | 4.67 | 4.67 |
| 3369344 Preference shares of ₹ 10 each | 336.93 | 336.93 |
| | 2,267.00 | 2,267.00 |
| ISSUED, SUBSCRIBED & FULLY PAID UP | | |
| 6655000 Equity shares of ₹10 each fully paid | 665.50 | 665.50 |
| Total in ₹ | 665.50 | 665.50 |

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

| | 31st March 2015 | | 31st March 2014 | |
|---------------------------------------|-----------------|---------------|-----------------|---------------|
| | No. in Lacs | ₹ In Lacs | No. in Lacs | ₹ In Lacs |
| At the beginning of the Period | 66.55 | 665.50 | 66.55 | 665.50 |
| Outstanding at the end of the period | 66.55 | 665.50 | 66.55 | 665.50 |

Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per Share. Each holder of equity shares is entitled to one vote per share.

The Final Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2015, the amount of per share final dividend proposed as distribution to the equity shareholders is ₹ 2/- (31st March 2014 : ₹ 1.40)

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

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

| | 31st March 2015 | | 31st March 2014 | |
|--|-----------------|--------------|-----------------|--------------|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Equity shares of Rs.10 each fully paid up | In Lacs | | In Lacs | |
| ATUL HARKISHANDAS MEHTA | 17.80 | 26.75% | 17.80 | 26.75% |
| BHAVESH HARKISHANDAS MEHTA | 17.80 | 26.75% | 17.80 | 26.75% |
| AJAY HARKISHANDAS MEHTA | 9.53 | 14.32% | 9.53 | 14.32% |

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



COMPUAGE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2015

Note 4 : Reserve & Surplus (₹ In Lakhs)

| Particulars | 31st March 2015 | 31st March 2014 |
|---|-----------------|-----------------|
| Capital Reserve | 134.84 | 134.84 |
| Capital Redemption Reserve | 129.72 | 129.72 |
| Share premium | 1,219.95 | 1,219.95 |
| General Reserve | 102.00 | 102.00 |
| Less: Reduction in WDV of assets. | (66.62) | - |
| | 35.38 | 102.00 |
| Surplus/(Deficit) in the statement of profit & Loss | | |
| Balance as per last financial statements | 4,828.57 | 3,776.36 |
| Add: Profit for the year | 1,168.57 | 1,161.21 |
| Less: Appropriations: | | |
| Proposed final equity dividend amount | (133.10) | (93.17) |
| Rs.2 per share(31st March 2014: Rs. 1.40) | | |
| Tax on proposed dividend | (26.61) | (15.83) |
| | 5,837.43 | 4,828.57 |
| Total in ₹ (1+2+3+4+5) | 7,357.32 | 6,415.08 |

Note : 5 Long Term Borrowings

| Particulars | 31st March 2015 | 31st March 2014 |
|---------------------------------------|-----------------|-----------------|
| Term Loans | | |
| Indian rupee loan from Bank (Secured) | 97.46 | 512.42 |
| Total in ₹ | 97.46 | 512.42 |

Indian rupee loan from bank carries interest @ 12.95% to 13.25% p.a. The loan is repayable in 20 equal quarterly installments commencing from September 2011 in the case of one term loan and March 2012 in the case of other 2 term loans. Interest is to be paid as and when debited, i.e on a monthly basis. All three term loans are secured by hypothecation of Office premises. Further the loans have been guaranteed by the personal Guarantee of the managing Director and by whole time director of the company.

Note : 6 Deferred Tax Liabilities(Net)

| Particulars | 31st March 2015 | 31st March 2014 |
|---------------------------------|-----------------|-----------------|
| Difference in Book & Income Tax | 789.50 | 805.33 |
| Depreciation Under IT Act 1961 | | |
| Total Timing Difference | 789.50 | 805.33 |
| Total in ₹ | 268.35 | 273.73 |



COMPUAGE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2015

Note : 7 Short term Borrowings (₹ In Lakhs)

| Particulars | 31st March 2015 | 31st March 2014 |
|---|------------------|------------------|
| Cash credit from bank (secured)-net of debit balances | 15,315.23 | 13,263.71 |
| Loans & Advances From Related Parties | 1,450.35 | 2,186.72 |
| Repayable on Demand (Unsecured) | | |
| Loans & Advances From Others | 4,937.69 | 6,270.64 |
| Repayable on Demand (Unsecured) | | |
| Total in ₹ | 21,703.27 | 21,721.07 |

Cash credit from banks is secured against hypothecation of Stocks & Book Debts. The cash credit is repayable on demand and carries interest @ 12% to 14.75% .

Note : 8 Trades Payable

| Particulars | 31st March 2015 | 31st March 2014 |
|--|------------------|------------------|
| Dues to Micro,small & Medium Enterprises | - | - |
| Others(Net of Advances) | 22,024.99 | 22,776.34 |
| Total in ₹ | 22,024.99 | 22,776.34 |

Note : 9 Other Current Liabilities

| Particulars | 31st March 2015 | 31st March 2014 |
|--------------------------------------|-----------------|-----------------|
| Current maturities of Long Term Debt | 414.96 | 422.54 |
| Advance from Subsidiary Co. | 225.00 | - |
| Others | | |
| TDS payable | 76.64 | 540.20 |
| Unpaid Dividend | 10.35 | 7.91 |
| Other payable (Unsecured) | 1,248.47 | 629.27 |
| Total in ₹ | 1,975.42 | 1,599.92 |

Note : 10 Short term provisions

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Provision for Income Tax (Net of Advance tax paid) | 13.83 | 175.12 |
| Provision for Gratuity | 7.16 | 10.52 |
| Proposed Equity Dividend | 133.10 | 93.17 |
| Provision for Tax on proposed Equity Dividend | 26.61 | 15.83 |
| Total in ₹ | 180.70 | 294.64 |



Note : 11 Tangible/Intangible Assets (₹ In Lakhs)

| Particulars | Gross Block | | Value at the end of the year | Depreciation Charged during the year | Transferred to general reserves | Value at the end of the year | Net Block WDV as on 31.03.2015 | WDV as on 31.03.2014 |
|-----------------------------------|------------------------|--------------------------|------------------------------|--------------------------------------|---------------------------------|------------------------------|--------------------------------|----------------------|
| | Value at the beginning | Addition during the year | | | | | | |
| Tangible Assets | | | | | | | | |
| Office Premises | 2,341.98 | - | 2,341.98 | 39.68 | - | 119.88 | 2,222.10 | 2,261.78 |
| Information Technology Equipments | 1,375.71 | 46.42 | 1,422.13 | 192.26 | 66.62* | 1,114.51 | 307.62 | 520.08 |
| Vehicles | 84.38 | - | 84.38 | 8.23 | - | 43.82 | 40.56 | 48.79 |
| Office Equipment | 372.12 | 32.87 | 404.99 | 116.21 | - | 186.02 | 218.97 | 302.31 |
| Furniture & Fixture | 1,185.64 | 47.45 | 1,233.09 | 114.94 | - | 323.41 | 909.68 | 977.17 |
| Total | 5,359.83 | 126.74 | 5,486.57 | 471.32 | - | 1,787.64 | 3,698.93 | 4,110.13 |
| Previous Year | 4,958.36 | 401.47 | 5,359.83 | 318.23 | - | 1,249.70 | 4,110.13 | 4,026.89 |

* Refer note 2-D



Notes to Financial statements for the year ended 31st March, 2015

| Note : 12 Non Current Investment (₹ In Lakhs) | | | |
|--|------------------|------------------|--|
| Particulars | 31st March 2015 | 31st March 2014 | |
| Non-Trade Investments(Unquoted) | | | |
| Investment in Equity Instrument | | | |
| 115416 Equity Shares of Bombay Mercantile Co- Op. Bank Ltd of Rs 30 Each. | 34.62 | 14.00 | |
| Trade Investments(Unquoted) | | | |
| Investments in Subsidiaries | | | |
| 1,50,000, Ordinary Shares of Compuage Infocom Pte.Ltd-Singapore | 62.50 | 59.92 | |
| Total in ₹ | 97.12 | 73.92 | |
| Note : 13 Long Term Loans and Advances | | | |
| Particulars | 31st March 2015 | 31st March 2014 | |
| Security Deposit | | | |
| Unsecured Considered Good | - | 5.21 | |
| Total in ₹ | - | 5.21 | |
| Note : 14 Other Non Current Assets | | | |
| Particulars | 31st March 2015 | 31st March 2014 | |
| Non-Current Bank Balances (Secured) | 1.83 | 10.38 | |
| Total in ₹ | 1.83 | 10.38 | |
| Note : 15 Inventories | | | |
| Particulars | 31st March 2015 | 31st March 2014 | |
| Stock-in-Trade (Valued at lower of cost and Net realisable value) (As taken, valued and certified by a Director) | 20,022.57 | 20,309.15 | |
| Total in ₹ | 20,022.57 | 20,309.15 | |
| Particulars | 31st March 2015 | 31st March 2014 | |
| Details of Stock-in-trade | | | |
| Computer Components | 17517.19 | 12688.58 | |
| Computer Softwares | 777.14 | 1,204.62 | |
| Telecom products | 1,728.24 | 6,415.95 | |
| Total in ₹ | 20,022.57 | 20,309.15 | |



COMPUGATE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2015

Note : 16 Trade Receivables (₹ In Lakhs)

| Particulars | 31st March 2015 | 31st March 2014 |
|---|------------------|------------------|
| Unsecured considered good unless otherwise stated | | |
| Outstanding for more than six months from the date they are due for payment | | |
| a) Secured, Considered Good : | - | - |
| b) Unsecured, Considered Good : (Net) | 207.47 | 90.31 |
| Others | | |
| a) Secured, Considered Good : | - | - |
| b) Unsecured, Considered Good : (Net) | 23,564.75 | 22,503.76 |
| Total in ₹ | 23,772.22 | 22,594.07 |

Note : 17 Cash & Bank balances.

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Cash and Cash Equivalents | | |
| Balances with banks: | | |
| On Current Accounts | 230.92 | 5.63 |
| In Unpaid Dividend Account | 10.35 | 7.91 |
| Cash On Hand | 14.92 | 20.77 |
| Cheque On Hand | 840.00 | 713.00 |
| Deposits with Original maturity less than 3 months | 18.50 | 16.85 |
| Sub Total(1) | 1,114.69 | 764.16 |
| Other Bank Balances | | |
| Deposits with Original maturity for more than 12 months | 83.18 | 694.19 |
| Deposits with Original maturity for more than 3 months but less than 12 months | 2,729.96 | 2,503.52 |
| Sub Total(2) | 2,813.14 | 3,197.71 |
| Amount disclosed under Non-Current Assets | (1.83) | (10.38) |
| Total [1+2] | 3,926.00 | 3,951.49 |



COMPUGATE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2015

Note : 18 Short Terms Loans and Advances (₹ In Lakhs)

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Advances recoverable in cash & kind | | |
| Loans and Advances to Subsidiaries (unsecured) | - | 350.47 |
| Loans and advances to others (Unsecured considered good) | 1,252.61 | 1,071.65 |
| Others | | |
| Loans and Advance to Employees | 80.78 | 59.82 |
| Unjust Enrichment | 86.15 | 80.15 |
| SAD/VAT Service Tax / Receivable | 1,194.83 | 1,527.42 |
| Total in ₹ | 2,614.37 | 3,089.51 |

Note :19 Other Current Assets

| Particulars | 31st March 2015 | 31st March 2014 |
|----------------------------------|-----------------|-----------------|
| Accruals | | |
| (i) Interest accrued on deposits | 129.12 | 114.84 |
| (ii) Dividend | 10.85 | - |
| Total in ₹ | 139.97 | 114.84 |

Note : 20 Revenue from Operations

| Particulars | 31st March 2015 | 31st March 2014 |
|-----------------------------|------------------------|------------------------|
| Sales of products | | |
| Traded goods | 212,583.17 | 227,346.64 |
| Sale of services | 303.23 | 142.27 |
| Sale of Scrap | 2.50 | 4.53 |
| Total in ₹ | 212,888.90 | 227,493.44 |
| Particulars | 31st March 2015 | 31st March 2014 |
| Details of Product Sold. | | |
| Traded goods sold | | |
| Computer Components | 151,718.34 | 146,389.75 |
| Computer Softwares | 25,917.13 | 29,131.74 |
| Telecom products | 34,947.70 | 51,825.15 |
| Total in ₹ | 212,583.17 | 227,346.64 |
| Details Of Service rendered | | |
| (i)Product Support Services | 303.23 | 142.27 |
| Total in ₹ | 303.23 | 142.27 |

**Notes to Financial statements for the year ended 31st March, 2015****Note : 21 Other Income (₹ In Lakhs)**

| Particulars | 31st March 2015 | 31st March 2014 |
|----------------------------------|-----------------|-----------------|
| Interest income on Bank deposits | 345.71 | 327.97 |
| Others | 641.83 | 803.78 |
| Interest on IT Refund | 0.08 | 108.35 |
| Other Income | - | 84.62 |
| Dividend Income | 10.85 | - |
| Total in ₹ | 998.47 | 1,324.72 |

Note : 22 Details of purchase of Traded goods/services

| Particulars | 31st March 2015 | 31st March 2014 |
|---------------------|-------------------|-------------------|
| Computer Components | 149,052.30 | 135,001.09 |
| Computer Softwares | 24,713.68 | 28,570.46 |
| Telecom products | 29,211.83 | 55,074.16 |
| Total in ₹ | 202,977.81 | 218,645.72 |

Note : 23 (Increase)/decrease in Inventories

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-------------------|
| Inventories at the end of the year | | |
| Traded goods | 20,022.57 | 20,309.15 |
| Inventories at the beginning of the year | | |
| Traded goods | 20,309.15 | 18,996.43 |
| Total in ₹ | 286.58 | (1,312.72) |

Note : 24 Employment Benefit Expenses

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Salaries & Bonus | 2,070.44 | 2,037.13 |
| Contribution to provident and other fund | 37.87 | 33.39 |
| Gratuity | 6.49 | 9.94 |
| Staff Welfare | 84.24 | 89.78 |
| Total in ₹ | 2,199.04 | 2,170.24 |

**Notes to Financial statements for the year ended 31st March, 2015****Note : 25 Other Expenses (₹ In Lakhs)**

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Rent and compensation | 584.33 | 639.92 |
| Power & Fuel | 75.57 | 71.40 |
| Insurance | 67.97 | 71.66 |
| Payment to Auditor-(Refer details below) | 11.50 | 10.50 |
| Rates & Taxes | 102.36 | 75.92 |
| Foreign Exchange Loss (Net) | 403.18 | 575.23 |
| Miscellaneous expenses | 1,706.15 | 2,535.52 |
| Total in ₹ | 2,951.06 | 3,980.15 |

Payment to Auditor

| Particulars | 31st March 2015 | 31st March 2014 |
|-------------------|-----------------|-----------------|
| Audit fees | 5.00 | 4.00 |
| Taxation Matters | 4.00 | 4.00 |
| Other services | 2.50 | 2.50 |
| Total in ₹ | 11.50 | 10.50 |

Note : 26 Financial Cost

| Particulars | 31st March 2015 | 31st March 2014 |
|-------------------|-----------------|-----------------|
| Interest | 3,253.37 | 3,258.98 |
| Total in ₹ | 3,253.37 | 3,258.98 |

Note : 27 Depreciation & Amortised Cost

| Particulars | 31st March 2015 | 31st March 2014 |
|---------------------------------|-----------------|-----------------|
| Depreciation on tangible Assets | 471.32 | 318.23 |
| Total in ₹ | 471.32 | 318.23 |



INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Board of Directors of
Compuage Infocom Limited

We have audited the accompanying consolidated financial statements of Compuage Infocom Limited ("the Company") and its subsidiary, which comprise the consolidated Balance Sheet as at 31st March, 2015, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of



the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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

- a. in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March 2015;
- b. in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For B. V. Dalal & Co.
Chartered Accountants
Firm's registration No. 114214W

Manori Shah
Partner
Membership No. 104640
Mumbai, May 15, 2015



**CONSOLIDATED
BALANCE SHEET
AS AT
31st MARCH, 2015**



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015

(₹ In Lakhs)

| Particulars | Note No. | 31st March 2015 | 31st March 2014 |
|---------------------------------------|----------|--------------------|--------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' Funds | | | |
| (a) Share Capital | 3 | 665.50 | 665.50 |
| (b) Reserves and Surplus | 4 | 7,357.32 | 6,373.40 |
| (2) Non-Current Liabilities | | | |
| (a) Long-Term Borrowings | 5 | 97.46 | 512.42 |
| (b) Deferred Tax Liabilities (Net) | 6 | 268.35 | 273.73 |
| (3) Current Liabilities | | | |
| (a) Short-Term Borrowings | 7 | 24,097.04 | 22,307.41 |
| (b) Trade Payables | 8 | 22,957.98 | 22,882.93 |
| (c) Other Current Liabilities | 9 | 1,809.79 | 1,622.76 |
| (d) Short term provisions | 10 | 193.55 | 294.64 |
| Total Equity & Liabilities | | 57,446.99 | 54,932.79 |
| II. ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | 11 | 3,702.39 | 4,114.57 |
| (b) Non-current investments | 12 | 34.62 | 14.00 |
| (c) Long term loans and advances | 13 | 5.88 | 10.85 |
| (d) Other non-current assets | 14 | 1.83 | 10.38 |
| (2) Current Assets | | | |
| (a) Inventories | 15 | 20,867.69 | 20,557.46 |
| (b) Trade receivables | 16 | 24,765.37 | 22,903.41 |
| (c) Cash and Bank Balances | 17 | 4,109.23 | 4,432.62 |
| (d) Short-term loans and advances | 18 | 3,820.01 | 2,774.66 |
| (e) Other current assets | 19 | 139.97 | 114.84 |
| Total Assets | | 57,446.99 | 54,932.79 |

Summary Of Significant accounting policies 2

The accompanying Notes are an integral part of the Financial statements.
This is the Balance Sheet referred to in our Report of even date.

For **B.V.DALAL & Co.**
Firm Reg. No. : 114214W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
For **COMPUAGE INFOCOM LIMITED**

(CA M.S.SHAH)

Partner
M.NO.:104640

G. S. Ganesh
Director

Bhavesh H.Mehta
Whole Time Director

Atul H.Mehta
Chairman & Managing Director

PLACE : **MUMBAI**

DATED: 15th May 2015

Sunil Mehta

CFO

Dolly Mehta

Company Secretary



COMPUGATE INFOCOM LTD.

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

| | | (₹ In Lakhs) | |
|--|----------|--------------------|--------------------|
| Particulars | Note No. | 31st March 2015 | 31st March 2014 |
| I Revenue from operations | 20 | 2,37,882.52 | 2,34,852.32 |
| II Other Income | 21 | 1,006.44 | 1,335.54 |
| III Total Revenue (I +II) | | 2,38,888.96 | 2,36,187.86 |
| IV Expenses: | | | |
| Purchase of Stock-in-Trade | 22 | 2,28,088.35 | 2,25,644.87 |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 23 | (310.23) | (1,240.86) |
| Employee Benefits Expense | 24 | 2,357.55 | 2,334.32 |
| Other Expenses | 25 | 3,227.94 | 4,096.81 |
| Total Expenses (IV) | | 2,33,363.61 | 2,30,835.14 |
| V Earnings before interest,tax,depreciation and amortisation(EBITDA) (III - IV) | | 5,525.35 | 5,352.72 |
| Finance Costs | 26 | 3,260.18 | 3,262.61 |
| Depreciation | 27 | 473.60 | 321.31 |
| Profit Before Tax | | 1,791.57 | 1,768.79 |
| VI Tax expense: | | | |
| (1) Current tax | | 586.73 | 520.21 |
| (2) Deferred tax | | (5.38) | 76.35 |
| VII Profit/(Loss) for the period form continuing operations (V-VI) | | 1,210.22 | 1,172.23 |
| VIII Earning per equity share: | | | |
| (1) Basic | | 18.20 | 17.63 |
| (2) Diluted | | 18.20 | 17.63 |

Summary Of Significant accounting policies 2

The accompanying Notes form an integral part of the Financial statements.
This is the Balance Sheet referred to in our Report of even date.

For **B.V.DALAL & Co.**
Firm Reg. No. : 114214W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
For **COMPUGATE INFOCOM LIMITED**

(CA M.S.SHAH)

Partner
M.NO.:104640

G. S. Ganesh
Director

Bhavesh H.Mehta
Whole Time Director

Atul H.Mehta
Chairman & Managing Director

PLACE : **MUMBAI**
DATED: **15th May 2015**

Sunil Mehta
CFO

Dolly Mehta
Company Secretary



COMPUGATE INFOCOM LTD.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED AS AT 31ST MARCH 2015

(₹ In Lakhs)

| | 31st March 2015 | 31st March 2014 |
|--|-------------------|-------------------|
| A. Cash Flows from operating activities | | |
| Net Profit Before Tax & Extraordinary items | 1,791.57 | 1,768.79 |
| Adjustment for: | | |
| Depreciation | 473.60 | 321.31 |
| Loss/(profit) on sale of Fixed Assets | - | - |
| Loss/(profit) on sale of Non current investment | - | - |
| Loss/(profit) on sale of Current investment | - | - |
| Unrealised foreign exchange gain | (0.11) | (5.12) |
| Interest paid | 3,260.18 | 3,262.61 |
| Interest received | (989.90) | (1,142.57) |
| Operating profit before Working Capital changes | 4,535.34 | 4,205.03 |
| Increase /(Decrease) in Trade payables | 75.05 | 5,919.85 |
| Increase /(Decrease) in Other Current Liabilities | 187.03 | (1,213.12) |
| Increase /(Decrease) in Short Term provisions | (101.09) | 217.29 |
| Decrease/(Increase) in Inventories | (310.23) | (1,240.86) |
| Decrease/(Increase) in Trade Receivables | (1,861.96) | (4,343.86) |
| Decrease/(Increase) in short term Loans & Advances | (1,045.35) | 348.48 |
| Decrease/(Increase) in other current assets | (25.13) | (33.22) |
| Decrease/(Increase) in Long term Loans & Advances | 4.97 | (5.64) |
| Decrease/(Increase) in Non current assets | 8.55 | 16.6 |
| Total | (3,068.16) | (334.48) |
| Income Tax | (586.73) | (520.21) |
| Net Cash Inflow/(Outflow) from operating activities..... | 880.45 | 3,350.35 |
| B. Cash Flows from Investing Activities | | |
| Purchase of Fixed Assets | (127.90) | (405.69) |
| Sale of fixed Assets | - | - |
| Interest received | 989.90 | 1,142.57 |
| Sale/(Purchase) of current investments | - | - |
| Sale/(Purchase) of non-current investments | (20.62) | - |
| Net Cash Inflow/(Outflow) from Investing activities..... | 841.38 | 736.88 |
| C. Cash Flows from Financing Activities | | |
| Proceeds from Long term borrowings | (414.96) | (460.99) |
| Proceeds from Short term borrowings | 1,789.63 | 479.72 |
| Issue of shares(Including premium) | - | - |
| Interest paid | (3,260.18) | (3,262.61) |
| Dividend & Dividend tax paid | (159.71) | (109.00) |
| Net Cash Inflow/(Outflow) from Financing activities..... | (2,045.22) | (3,352.89) |
| Net Increase/(Decrease) in cash and cash Equivalents..... | (323.39) | 734.34 |
| Cash and cash Equivalents as at beginning of the year | 4432.62 | 3698.28 |
| Cash and cash Equivalents as at end of the year | 4,109.23 | 4432.62 |
| | (323.39) | 734.34 |

We have examined the above cash Flow statement of Compugate Infocom Ltd for the year ended March 31, 2015.

As per our report of even date attached

For **B.V.DALAL & Co.**
Firm Reg. No. : 114214W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
For **COMPUGATE INFOCOM LIMITED**

(CA M.S.SHAH)

Partner
M.NO.:104640

G. S. Ganesh
Director

Bhavesh H.Mehta
Whole Time Director

Atul H.Mehta
Chairman & Managing Director

PLACE : **MUMBAI**
DATED: **15th May 2015**

Sunil Mehta
CFO

Dolly Mehta
Company Secretary



Summary of Significant accounting policies to Financial statements for the year ended 31st March, 2015

Note 1: Corporate Information

Compuage Infocom Limited (The Company) is a public Limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay stock exchange & Madras stock exchange.

The Company has one wholly owned and controlled subsidiary, Compuage Infocom (S).Pte. Ltd. (incorporated in Singapore).

The Group of Companies is engaged in trading in Computer parts, peripherals and Telecom Products.

Notes 2: NOTES TO ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2015

1. Significant Accounting Policies:

a. Basis of Preparation:

The Consolidated Financial Statements are prepared in accordance with Accounting Standard (AS-21), on consolidated financial statements and AS-23 on Accounting for Investments in Associates in Consolidated Financial Statements notified pursuant to the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements comprise the financial statements of Compuage Infocom Limited (The Company) and its subsidiaries. The Company and its subsidiaries constitute the Compuage Group. Reference in these notes to the "Company" or Compuage shall mean to include Compuage Infocom Ltd. and its subsidiaries consolidated in these financial statements unless otherwise stated. The details of the subsidiaries Companies which has been included in consolidation and the parent company's holding is as under:

b.

| Name of the Company | Percentage Holding |
|---|--------------------|
| 1. Compuage Infocom (S).Pte. Ltd. (incorporated in Singapore) | 100% |

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

The financial statements of the company and its subsidiaries companies have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities,



income and expenses after eliminating intra group transactions resulting in unrealized profits or unrealized cash losses.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

The excess of cost on Investment in the Subsidiary Companies over the Company's portion of equity of the Subsidiary at the date of investment made is recognized in the financial statements as the goodwill. The excess of company's portion of the subsidiary over the cost of the investments there in is treated as Capital Reserve

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

c. Use of Estimates:

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

d. Tangible Fixed Assets:

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

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

e. Depreciation on tangible fixed assets:

Depreciation on Tangible assets is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged. The useful lives for the fixed assets prescribed under Part C of Schedule II of the Companies Act, 2013 are as follows:



| Assets | Useful Life |
|----------------------------------|-------------|
| Office Premises | 60 years |
| Information Technology Equipment | 3 years |
| Servers & Networks | 6 years |
| Vehicles | 8 years |
| Office Equipment | 5 years |
| Furniture and Fixture | 10 years |

During the year, the Company has revised depreciation rates on fixed assets according to the useful life as prescribed under Part C of Schedule II of the Companies Act, 2013. Had there not been a change in the method of providing depreciation, the depreciation for the year would have been lower by Rs. 102.74 lakhs. Depreciation on assets whose useful life is already exhausted before 1.4.2014 amounts to Rs. 66.62 lakhs and the same has been adjusted against General Reserve.

In case of Compuage Infocom (S) Pte. Ltd., depreciation is calculated on the straight line method so as to write off the cost of the plant and equipment over their estimated useful lives. The Useful lives used for this purpose are -

| | | |
|------------------------|---|---------|
| Furniture and fittings | - | 3 years |
| Computer | - | 3 years |
| Office equipment | - | 3 years |
| Renovation | - | 5 years |

f. Lease:

Where the company is Lessee Finance Leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of lease liability, so as to achieve constant rate of interest of the remaining balance of the liability. Finance charges recognized as finance cost in the statement of profit and Loss. Lease management fees, Legal charges, and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight line basis at the rates prescribed in Schedule XIV of The Companies Act, 1956.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Profit and Loss on a straight line basis over the lease term.

**g. Borrowing costs:**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

h. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Sale of Goods:

Revenue from sale of goods is recognized when the significant risk and rewards of ownership of goods have passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the Government and therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Income from Service:

Revenues from Services are recognized once the service is provided and the invoice is raised. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest:

Interest income is recognized on a time proportion basis taking into the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

i. Foreign currency Translation

Foreign currency transaction are recorded at the exchange rate prevailing on the date of transactions. In certain cases foreign currency transactions are recorded at a fixed exchange rate. All exchange rate differences in respect of foreign currency transaction are dealt with in statement of Profit & Loss. All foreign currency assets and liabilities, if any as at the balance sheet date are restated at the closing rate or the forward contract rate wherever applicable.



The premium or discount arising at the inception of forward exchange contracts not intended for trading or speculation purposes is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

j. Investments:

Investments which are intended to be held for not more than one year from the reporting date are classified as Current Investments.

Current Investments are carried in the Financials statements at lower of cost or fair value determined on an individual investments basis.

Long Term Investments are stated at cost. Provision for diminution in value of Long term Investments is made if only such a decline is other than temporary.

k. Inventories:

Stock of goods traded is valued at lower of cost and net realisable value. The costs are determined on a weighted average basis.

Saleable scrap is accounted for as and when sold.

l. Retirement and other employee benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the years when the contributions are due.

The company has no obligation, other than the contribution payable to the provident fund.

The Gratuity is accounted for on the basis of Actuarial valuation, based on premium calculated by LIC under its Group Gratuity (Cash Accumulation) Scheme.

m. Corporate Social Responsibility (CSR):

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The areas of CSR activities includes providing safe drinking water in the locality, promoting education, health care, promoting eco friendly products, and providing clothes, shoes and other necessities to the needy people. The funds were spent on these activities which are specified in Schedule VII of the Companies Act, 2013.



n. Income Taxes:

Tax expenses comprises of current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted, at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where The company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtual certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtual certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtual certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current liabilities and deferred tax assets and deferred taxes relate to the same taxable entity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for the MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax



Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT credit entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

o. Cash and cash equivalents:

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

p. Impairment :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital. Previously recognized impairment loss, if any is further provided or reversed depending on changes in circumstances.

Confirmation from Debtors and Creditors are in the process of being obtained as yet.

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

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

Valuation of Imports calculated on C.I.F. basis for One Year period ended 31st March 2015 is RS. 27,798.69 Lacs (Previous year Rs. 43,133 Lacs).

| Expenditure in Foreign currency: (₹ in Lacs) | (Current Year) | (Previous Year) |
|--|----------------|-----------------|
| Travelling | ₹ 13.16 | ₹24.79 |
| Mercantile Trade Purchase | ₹ 12,627.19 | ₹ 8723.02 |
| Earning in Foreign currency: (₹ in Lacs) | | |
| Mercantile Trade | ₹ 12,747.01 | ₹ 8840.39 |



Related Party Information:

A. Directors & their relatives:

(Related to Interest on Loans given to the Company Etc.)

| Sr. No. | Name | Relationship |
|---------|-------------------|---------------------------------------|
| 1. | Atul H. Mehta | Chairman and Managing Director |
| 2. | Aditya A. Mehta | Newpew of Atul H. Mehta |
| 3. | Ajay H. Mehta | Brother of Atul H. Mehta |
| 4. | Ajay H. Mehta HUF | HUF of Brother of Atul H. Mehta |
| 5. | Atul H. Mehta HUF | HUF of Chairman and Managing Director |
| 6. | Bhavesh H. Mehta | Whole time Director |
| 7. | Falguni A. Mehta | Wife of Atul A. Mehta |
| 8. | Forum B. Mehta | Wife of Bhavesh H. Mehta |
| 9. | H. T. Mehta HUF | HUF of father of Atul H. Mehta |
| 10. | Karishma A. Mehta | Daughter of Atul H. Mehta |
| 11. | Manisha A. Mehta | Sister-in-law of Atul H. Mehta |
| 12. | Raahil B. Mehta | Son of Bhavesh H. Mehta |
| 13. | Vanita H. Mehta | Mother of Atul H. Mehta |
| 14. | Yash A. Mehta | Son of Atul H. Mehta |

B. Other Related parties: (Enterprises significantly influenced by key management personnel).

- 1) Trillizo Holdings Limited

Transactions with related parties: (₹ in Lacs)

| Particulars | Current Year | Previous Year |
|--------------------------|--------------|---------------|
| Interest Paid to: | | |
| Atul H.Mehta | 7.28 | 23.63 |
| Bhavesh H.Mehta | 25.94 | 29.73 |
| Ajay H.Mehta | 8.40 | 15.84 |
| Falguni A. Mehta | 0.92 | 0.43 |
| Manish A. Mehta | 2.27 | 2.21 |



| | | |
|---------------------------------|--------|--------|
| Forum B. Mehta | 3.16 | 8.30 |
| Karishma A. Mehta | 1.80 | 2.39 |
| Vanita H. Mehta | 5.16 | 6.17 |
| Yash A. Mehta | 2.80 | 3.72 |
| Aditya A. Mehta | 5.18 | 0.69 |
| Raahil B. Mehta | 0.01 | 0.02 |
| Ajay H. Mehta HUF | 0.53 | 0.71 |
| Atul H. Mehta HUF | 0.01 | 0.02 |
| H. T. Mehta HUF | 1.42 | 1.89 |
| Remuneration Paid to: | | |
| Atul H.Mehta | 120.00 | 120.00 |
| Bhavesh H.Mehta | 120.00 | 120.00 |
| Manisha Mehta | 0.00 | 4.80 |
| Outstanding receivables: | | |
| Trillizo Holdings P.L | 138.00 | 138.00 |
| Outstanding payables: | | |
| Atul H.Mehta | 727.25 | 861.12 |
| Bhavesh H.Mehta | 723.10 | 689.80 |
| Ajay H.Mehta | - | 251.85 |
| Falguni A.Mehta | - | 53.45 |
| Manisha A.Mehta | - | 67.65 |
| Forum B.Mehta | - | 106.45 |
| Vanita H.Mehta | - | 80.95 |
| Karishma A.Mehta | - | 19.15 |
| Aditya A.Mehta | - | 5.50 |
| Yash A.Mehta | - | 29.75 |
| Raahil B. Mehta | - | 0.15 |
| Ajay H. Mehta HUF | - | 5.65 |
| Atul H. Mehta HUF | - | 0.15 |
| H. T. Mehta HUF | - | 15.10 |

**Segment reporting:**

The Company is in the business of Distribution of Computer parts and peripherals in India having similar risks and rewards and therefore there is only one geographical and business segment.

Earning Per Share.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity share outstanding during the period.

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

Measurement of EBITDA:

As permitted by the Guidance Note on the revised Schedule VI to the companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profits/ loss from the continuing operations. In its measurement, the company does not include depreciation and amortization expenses, finance cost and tax expenses.

Contingent Liabilities:

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



COMPUGATE INFOCOM LTD.

| | 31st March 2015 | 31st March 2014 |
|---|-----------------|-----------------|
| Guarantees given by the Banks on behalf of the Company | 5742.18 | 5520.10 |
| Corporate Guarantee given on behalf of Subsidiary | 312.50 | 299.55 |
| Disputed demands in respect of VAT/Custom Duty (Based on legal opinion, the Company does not feel any liability will arise and hence no provision has been made in the accounts.) | 162.09 | 182.80 |

As per our report of even dated attached

For **B.V.DALAL & CO.**
Firm Regs. No. 114214W
CHARTERED ACCOUNTANTS

For and Behalf of the Board of Directors of
For Compugate Infocom Limited

M.S.Shah
Partner
M.NO.104640
Place: - Mumbai
Dated: - 15th May 2015

G.S Ganesh **Bhavesh H. Mehta** **Atul H. Mehta** **Sunil Mehta** **Dolly Mehta**
Director Whole Time Director Chairman & Managing Director CFO Company Secretary



COMPUGATE INFOCOM LTD.

Consolidated Notes to Financial statements for the year ended 31st March, 2015

Note 3 : Share Capital

(₹ In Lakhs)

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| AUTHORIZED | | |
| 19254000 Equity shares of ₹10 each | 1,925.40 | 1,925.40 |
| 4665600 Preference shares of ₹ 0.10 (Ten paise) each | 4.67 | 4.67 |
| 3369344 Preference shares of ₹10 each | 336.93 | 336.93 |
| | 2,267.00 | 2,267.00 |
| ISSUED, SUBSCRIBED & FULLY PAID UP | | |
| 6655000 Equity shares of ₹10 each fully paid | 665.50 | 665.50 |
| | | - |
| Total in ₹ | 665.50 | 665.50 |

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

| | 31st March 2015 | | 31st March 2014 | |
|---|-----------------|---------------|-----------------|---------------|
| | No. in Lacs | ₹ In Lacs | No. in Lacs | ₹ In Lacs |
| At the beginning of the Period | 66.55 | 665.50 | 66.55 | 665.50 |
| Outstanding at the end of the period | 66.55 | 665.50 | 66.55 | 665.50 |

Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per Share. Each holder of equity shares is entitled to one vote per share.

The Final Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2015, the amount of per share final dividend proposed as distribution to the equity shareholders is ₹ 2/- (31st March 2014 : ₹ 1.40)

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

**Consolidated Notes to Financial statements for the year ended 31st March, 2015****Note 4 : Reserve & Surplus (₹ In Lakhs)**

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Capital Reserve | 134.84 | 134.84 |
| Capital Redemption Reserve | 129.72 | 129.72 |
| Share premium | 1,219.95 | 1,219.95 |
| General Reserve | 102.00 | 102.00 |
| Less: Reduction in WDV of assets | (66.62) | - |
| | 35.38 | 102.00 |
| Foreign currency translation Reserve | | |
| Balance as per last financial statements | (7.93) | (2.99) |
| Add: Profit for the year | 0.03 | (4.94) |
| | (7.90) | (7.93) |
| Surplus/(Deficit) in the statement of profit & Loss | | |
| Balance as per last financial statements | 4,794.82 | 3,731.59 |
| Add: Profit for the year | 1,210.22 | 1,172.23 |
| Less: Appropriations: | | |
| Proposed final equity dividend amount per share Rs.2 (31st March 2014:Rs.1.40) | (133.10) | (93.17) |
| Tax on proposed dividend | (26.61) | (15.83) |
| Less: Unrealised profit | 0.00 | - |
| | 5,845.33 | 4,794.82 |
| Total in ₹ (1+2+3+4+5) | 7,357.32 | 6,373.40 |

Note : 5 Long Term Borrowings

| Particulars | 31st March 2015 | 31st March 2014 |
|---------------------------------------|-----------------|-----------------|
| Term Loans | | |
| Indian rupee loan from Bank (Secured) | 97.46 | 512.42 |
| Total in ₹ | 97.46 | 512.42 |

Indian rupee loan from bank carries interest @ 12.95% to 13.25% p.a. The loan is repayable in 20 equal quarterly installments commencing from September 2011 in the case of one term loan and March 2012 in the case of other 2 term loans. Interest is to be paid as and when debited, i.e. on a monthly basis. All three term loans are secured by hypothecation of Office premises. Further the loans have been guaranteed by the personal Guarantee of the managing Director and by whole time director of the company.

**Consolidated Notes to Financial statements for the year ended 31st March, 2015****Note : 6 Deferred Tax Liabilities(Net) (₹ In Lakhs)**

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Difference in Book & Income Tax Depreciation Under IT Act 1961 | 789.50 | 805.33 |
| Loss Carried forward under IT Act, 1961 | | |
| Total Timing Difference | 789.50 | 805.33 |
| Total in ₹ | 268.35 | 273.73 |

Note : 7 Short Term Borrowings

| Particulars | 31st March 2015 | 31st March 2014 |
|---|------------------|------------------|
| Cash credit from bank (secured)-net of debit balances | 15,457.88 | 13,351.40 |
| Loans & Advances From Related Parties Repayable on Demand (Unsecured) | 1,450.35 | 2,186.72 |
| Loans & Advances From Others Repayable on Demand (Unsecured) | 7,188.81 | 6,769.29 |
| Total in ₹ | 24,097.04 | 22,307.41 |

Cash credit from banks is secured against hypothecation of Stocks & Book Debts. The cash credit is repayable on demand and carries interest @ 12% to 14.75% .

Note : 8 Trades Payable

| Particulars | 31st March 2015 | 31st March 2014 |
|---|------------------|------------------|
| Dues to Micro, small & Medium Enterprises | - | - |
| Others(Net of Advances) | 22,957.98 | 22,882.93 |
| Total in ₹ | 22,957.98 | 22,882.93 |

Note : 9 Other Current Liabilities

| Particulars | 31st March 2015 | 31st March 2014 |
|--------------------------------------|-----------------|-----------------|
| Current maturities of Long Term Debt | 414.96 | 422.54 |
| Others | | |
| TDS payable | 76.64 | 540.20 |
| Unpaid Dividend | 10.35 | 7.91 |
| Other payable | 1,307.84 | 652.11 |
| Total in ₹ | 1,809.79 | 1,622.76 |

Note : 10 Short Term Provisions

| Particulars | 31st March 2015 | 31st March 2014 |
|---|-----------------|-----------------|
| Provision for Income Tax(Net of Advance tax paid) | 15.83 | 175.12 |
| Provision for Gratuity | 7.16 | 10.52 |
| Proposed Equity Dividend | 143.95 | 93.17 |
| Provision for Tax on proposed Equity Dividend | 26.61 | 15.83 |
| Total in ₹ | 193.55 | 294.64 |



Consolidated Notes to Financial statements for the year ended 31st March, 2015

Note : 11 Tangible/Intangible Assets

(₹ In Lakhs)

| Particulars | Gross Block | | | Foreign Currency Fluctuation | Value at the end | Charged during the year | Depreciation Disposal/ during the year | Foreign Currency Fluctuation | Value at the end | Net Block | |
|-----------------------------------|------------------------|--------------------------|---------------------------|------------------------------|------------------|-------------------------|--|------------------------------|------------------|----------------------|----------------------|
| | Value at the beginning | Addition during the year | Disposals during the year | | | | | | | WDV as on 31.03.2015 | WDV as on 31.03.2014 |
| Tangible Assets | | | | | | | | | | | |
| Office Premises | 2,341.98 | - | - | - | 2,341.98 | 39.68 | - | 0.14 | 119.88 | 2,222.10 | 2,261.78 |
| Information Technology Equipments | 1,380.17 | 47.18 | - | 0.19 | 1,427.54 | 193.14 | 66.62* | - | 1,118.07 | 309.47 | 522.00 |
| Vehicles | 84.38 | - | - | - | 84.38 | 8.23 | - | - | 43.82 | 40.56 | 48.79 |
| Office Equipment | 377.17 | 32.87 | - | 0.22 | 410.26 | 116.55 | - | 0.16 | 190.15 | 220.11 | 303.73 |
| Furniture & Fixture | 1,198.44 | 47.85 | - | 0.56 | 1,246.85 | 116.00 | - | 0.53 | 336.70 | 910.15 | 978.28 |
| Total (Current Year) | 5,382.14 | 127.90 | - | 0.97 | 5,511.01 | 473.60 | - | 0.83 | 1,808.62 | 3,702.39 | 4,114.57 |
| Total (Previous Year) | 4,974.75 | 405.69 | - | 1.70 | 5,382.14 | 321.30 | - | 1.54 | 1,267.57 | 4,114.57 | 4,030.04 |

* Refer note 2-E



Consolidated Notes to Financial statements for the year ended 31st March, 2015

Note : 12 Non Current Investment

(₹ In Lakhs)

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Non-Trade Investments(Unquoted) | | |
| Investment in Equity Instrument | | |
| 115416 Equity Shares of Bombay Marcantile Co- Op. Bank Ltd of ₹ 30 Each. | 34.62 | 14.00 |
| Total in ₹ | 34.62 | 14.00 |

Note : 13 Long Term Loans and Advances

| Particulars | 31st March 2015 | 31st March 2014 |
|-----------------------------|-----------------|-----------------|
| Security Deposit | | |
| a)Unsecured Considered Good | 5.88 | 10.85 |
| Total in ₹ | 5.88 | 10.85 |

Note : 14 Other Non Current Assets

| Particulars | 31st March 2015 | 31st March 2014 |
|-------------------------------------|-----------------|-----------------|
| Non-Current Bank Balances (Secured) | 1.83 | 10.38 |
| Total in ₹ | 1.83 | 10.38 |

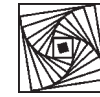
Note : 15 Inventories

| Particulars | 31st March 2015 | 31st March 2014 |
|---|-----------------|-----------------|
| Stock-in-Trade (Valued at lower of cost and Net realisable value) | 20867.69 | 20557.46 |
| (As taken, valued and certified by a Director) | | |
| Less: Unrealised profit on unsold stock | | |
| Total in ₹ | 20867.69 | 20557.46 |

| Particulars | 31st March 2015 | 31st March 2014 |
|----------------------------------|-----------------|-----------------|
| Details of Stock-in-trade | | |
| Computer Components | 18362.31 | 12936.89 |
| Computer Softwares | 777.14 | 1204.62 |
| Telecom products | 1728.24 | 6415.95 |
| Total in ₹ | 20867.69 | 20557.46 |



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Consolidated Notes to Financial statements for the year ended 31st March, 2015

Note : 16 Trade Recievables (₹ In Lakhs)

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Unsecured considered good unless otherwise stated | | |
| Outstanding for more than six months from the date they are due for payment | | |
| a) Secured, Considered Good : | | |
| b) Unsecured, Considered Good : | 207.47 | 90.31 |
| Others | | |
| a) Secured, Considered Good : | - | - |
| b) Unsecured, Considered Good (Net): | 24557.90 | 22813.10 |
| c)Doubtfull | - | - |
| Less: Provision for doubtfull debt | - | - |
| Total in ₹ | 24765.37 | 22903.41 |

Note : 17 Cash & Bank balances.

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Cash and Cash Equivalents | | |
| Balances with banks: | | |
| On Current Accounts | 316.56 | 391.64 |
| In Unpaid Dividend Account | 10.35 | 7.91 |
| Cash On Hand | 15.09 | 23.63 |
| Cheque On Hand | 840.00 | 713.00 |
| Deposits with Original maturity for more than 3 months | 18.50 | 16.85 |
| Margin Money Deposits | 0.00 | 92.26 |
| Sub Total(1) | 1200.50 | 1245.29 |
| Other Bank Balances | | |
| Deposits with Original maturity for more than 12 months | 83.18 | 694.19 |
| Deposits with Original maturity for more than 3 months less than 12 months | 2,827.38 | 2503.52 |
| Sub Total(2) | 2910.56 | 3197.71 |
| Amount disclosed under Non-Current Assets | (1.83) | (10.38) |
| Total [1+2] | 4109.23 | 4432.62 |

Note : 18 Short Terms Loans and Advances

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Advances recoverable in cash & kind | | |
| Loans and advances to others (Unsecured considered good) | 2249.51 | 1074.22 |
| Others | | |
| Loans and Advance to Employees | 80.78 | 60.81 |
| Umjust Enrichment | 86.15 | 80.15 |
| SAD/VAT Receivable/Cenvat available | 1403.57 | 1559.48 |
| Total in ₹ | 3820.01 | 2774.66 |

Consolidated Notes to Financial statements for the year ended 31st March, 2015

Note : 19 Other Current Assets (₹ In Lakhs)

| Particulars | 31st March 2015 | 31st March 2014 |
|----------------------------------|-----------------|-----------------|
| Accruals | | |
| (i) Interest accrued on deposits | 129.12 | 114.84 |
| (ii) Dividend | 10.85 | 0.00 |
| Total in ₹ | 139.97 | 114.84 |

Note : 20 Revenue from Operations

| Particulars | 31st March 2015 | 31st March 2014 |
|-------------------|--------------------|--------------------|
| Sales of products | | |
| Traded goods | 2,37,576.79 | 2,34,705.52 |
| Sale of services | 303.23 | 142.27 |
| Sale of Scrap | 2.50 | 4.53 |
| Total in ₹ | 2,37,882.52 | 2,34,852.32 |

| Particulars | 31st March 2015 | 31st March 2014 |
|------------------------------------|--------------------|--------------------|
| Details of Product Sold. | | |
| Computer Components | 176,711.96 | 153,748.63 |
| Computer Softwares | 25,917.13 | 29,131.74 |
| Telecom products | 34,947.70 | 51,825.15 |
| Total in ₹ | 2,37,576.79 | 2,34,705.52 |
| Details Of Service rendered | | |
| (i)Product Support Services | 303.23 | 142.27 |
| Total in ₹ | 303.23 | 142.27 |

Note : 21 Other Income

| Particulars | 31st March 2015 | 31st March 2014 |
|-----------------------|-----------------|-----------------|
| Interest income on | | |
| Bank deposits | 348.07 | 338.79 |
| Others | 641.83 | 803.78 |
| Other Income | 16.46 | 84.62 |
| Interest on IT Refund | 0.08 | 108.35 |
| Total in ₹ | 1,006.44 | 1,335.54 |

Note : 22 Details of purchase of Traded goods/services

| Particulars | 31st March 2015 | 31st March 2014 |
|---------------------|--------------------|--------------------|
| Computer Components | 174,162.84 | 142,000.25 |
| Computer Softwares | 24,713.68 | 28,570.46 |
| Telecom products | 29,211.83 | 55,074.16 |
| Total in ₹ | 2,28,088.35 | 2,25,644.87 |

**Consolidated Notes to Financial statements for the year ended 31st March, 2015****Note : 23 (Increase)/decrease in Inventories (₹ In Lakhs)**

| Particulars | 31st March 2015 | 31st March 2014 |
|---|-----------------|-------------------|
| Inventories at the end of the year Traded goods | 20,867.69 | 20,557.46 |
| Inventories at the beginning of the year Traded goods | 20,557.46 | 19,316.60 |
| Total in ₹ | (310.23) | (1,240.86) |

Note : 24 Employment Benefit Expenses

| Particulars | 31st March 2015 | 31st March 2014 |
|--|-----------------|-----------------|
| Salaries & Bonus | 2,217.03 | 2,187.12 |
| Contribution to provident and other fund | 49.79 | 47.15 |
| Gratuity | 6.49 | 9.94 |
| Staff Welfare | 84.24 | 90.11 |
| Total in ₹ | 2,357.55 | 2,334.32 |

Note : 25 Other Expenses

| Particulars | 31st March 2015 | 31st March 2014 |
|---|-----------------|-----------------|
| Rent and compensation | 610.13 | 666.18 |
| Power & Fuel | 77.54 | 73.19 |
| Insurance | 86.19 | 74.11 |
| Payment to Auditors-(Refer details below) | 16.32 | 12.80 |
| Rates & Taxes | 102.36 | 75.92 |
| Foregin Exchange gain (Net) | 433.65 | 603.54 |
| Miscellaneous expenses | 1,901.75 | 2,591.06 |
| Total in ₹ | 3,227.94 | 4,096.81 |

Payment to Auditor

| Particulars | 31st March 2015 | 31st March 2014 |
|-------------------|-----------------|-----------------|
| Audit fees | 9.82 | 6.30 |
| Taxation Matters | 4.00 | 4.00 |
| Other services | 2.50 | 4.25 |
| Total in ₹ | 16.32 | 12.80 |

Note :26 Financial Cost

| Particulars | 31st March 2015 | 31st March 2014 |
|-------------------|-----------------|-----------------|
| Interest | 3,260.18 | 3262.61 |
| Total in ₹ | 3260.18 | 3262.61 |

Note : 27 Depreciation & Amortised Cost

| Particulars | 31st March 2015 | 31st March 2014 |
|---------------------------------|-----------------|-----------------|
| Depreciation on tangible Assets | 473.60 | 321.31 |
| Total in ₹ | 473.60 | 321.31 |

COMPUAGE INFOCOM LIMITED

CIN: L99999MH1999PLC135914

Regd. Office : D- 601/602 & G - 601/602, Lotus Corporate Park, Graham Firth Steel Compound,
Western Express Highway, Goregaon (E), Mumbai - 400 063, India

Tel No: + 91 22 6711 4444 Fax: +91 22 6711 4445

Email id: investors.relations@compuageindia.com • Website: www.compuageindia.com

Form No. MGT-11**Proxy form****[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the
Companies (Management and Administration) Rules, 2014]**

CIN : L99999MH1999PLC135914
 Name of the company : COMPUAGE INFOCOM LIMITED
 Registered office : D-601/602 & G-601/602, Lotus Corporate Park,
 Graham Firth Steel Compound,
 Western Express Highway, Goregaon (East),
 Mumbai - 400 063

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

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

| | | |
|-------------|-------------|------------|
| 1. Name: | 2. Name: | 3. Name: |
| Add.: | Add.: | Add.: |
| E-mail Id : | E-mail Id : | E-mail Id: |
| Sign.: | Sign.: | Sign.: |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the
 16th Annual General Meeting of the company, to be held on Friday, 25th day of September,
 2015 at 10 a.m. at Victoria Memorial School for Blind Tardeo Road, Opp. Film Centre, Mumbai-
 400 034 thereof in respect of such resolutions set out in the Notice convening the meeting, as
 indicated below :

| Resolution No. | Particulars of resolution |
|----------------|---|
| 1. | Adoption of Financial Statements for the year ended 31st March, 2015 |
| 2. | To declare a dividend on equity shares |
| 3. | Re- appointment of Mr. Atul Mehta, who retires by rotation |
| 4. | To re- appoint M/s B.V. Dalal & Co., Chartered Accountant (Firm Registration No. 114214W) as the statutory auditors of the Company and fix their remuneration |

Signed this _____ day of _____, 2015

Signature.....

Signature of Proxy holder.....

| |
|---------------------------------------|
| Affix Re. 1.00 Revenue Stamp |
|---------------------------------------|

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