

## FORM A

### Format of covering letter of the annual audit report to be filled with the stock exchanges

1.	Name of the Company	Emgee Cables & Communications Ltd.
2.	Annual Financial Statements for the Year Ended.	31 <sup>st</sup> March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	.....N.A.....
5.	To be signed by –	
	. CEO / Managing Director	<p style="text-align: center;">For Emgee Cables &amp; Comm Ltd</p> <p style="text-align: center;"><i>[Signature]</i> with Sign</p> <p style="text-align: center;"><b>SHRIPAL CHOUDHARI</b></p>
	. Auditor of the Company	<p style="text-align: center;">P.S.D. &amp; ASSOCIATES Chartered Accountants FRN - 004501C</p> <p style="text-align: center;"><i>[Signature]</i></p> <p style="text-align: center;"><b>Sajjan Kumar Rawat</b> Partner M.No. 071806</p>

**EMGEE CABLES AND COMMUNICATIONS LIMITED**

Regd. Office: F-75-76, UDYOG VIHAR, JAIPURA (JAIPUR)  
CIN: L31300RJ1987PLC003918

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**EMGEE CABLES & COMMUNICATIONS LIMITED**

**27<sup>TH</sup> ANNUAL REPORT 2013-14**

**EMGEE CABLES AND COMMUNICATIONS LIMITED**

**Regd. Office : F75-76, Udyog Vihar, Jaipur (Jaipur)**

**Cin : L31300RJ1987PLC003918**

**BOARD OF DIRECTORS**

**SRIPAL H. CHOUDHARI**

Managing Director & CEO

DIN : 00403872

**VIMAL CHAND SURANA**

Non-Executive & Independent Director

DIN : 00092735 (till 31.07.2014)

**HIRACHAND CHOUDHARI**

Non-Executive Director

DIN : 00403806

**NARESH KUMAR JAIN**

Non-Executive & Independent Director

DIN : 02458204

**ABHINAV CHOUDHARI**

Non-Executive Director & CFO

DIN : 03634672

**ARUN KUMAR MAHESHWARI**

Non-Executive & Independent Director

DIN : 06794401

**COMPLIANCE OFFICER**

**MR. S.K. JAIN**

**STATUTORY AUDITORS**

**P.S.D. & ASSOCIATES**

Jaipur

**CORPORATE ADVISOR**

**V.M. & ASSOCIATES**

Jaipur

**REGISTERED OFFICE & MANUFACTURING FACILITY**

F-75-76, UDYOG VIHAR, JAIPURA, JAIPUR.

Web : [www.mgcables.com](http://www.mgcables.com)

**BANKERS**

DENA BANK, M.I. Road, Jaipur

**REGISTRAR & SHARE TRANSFER AGENT**

**MCS LIMITED**

F-65 1<sup>st</sup> Floor, Okhla Industrial Area

Phase-1, New Delhi, Delhi-110020

(Members are requested to bring their copy of the Annual Report at the Annual General Meeting)

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 27th Annual General Meeting [AGM] of the Members of **EMGEE CABLES AND COMMUNICATIONS LIMITED** will be held on Monday, 29<sup>th</sup> Day of September, 2014 at 03.00 P.M. at the registered office of the Company at F-75-76, Udyog Vihar, Jaitpura, Jaipur to transact the following business :-

### **ORDINARY BUSINESS**

1. To receive consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014, Statement of Profit & Loss Account for the year ended on that date, and the reports of Auditors and Directors thereon.
2. To appoint a Director in place of Shri Abhinav Choudhari [DIN : 03634672], who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint the retiring Auditors of the Company M/s. P.S.D. & Associates, Chartered Accountants, Jaipur to hold office from the conclusion of this AGM until the conclusion of the **Thirtieth** AGM of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution** :

"**RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. P.S.D. & Associates, Chartered Accountants, Jaipur, be and are hereby re-appointed as the auditor of the Company, to hold office from the conclusion of this AGM until the conclusion of the **Thirtieth** AGM of the company (subject to ratification of the appointment by members at every AGM held after this AGM) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors."

### **SPECIAL BUSINESS**

4. **RE-APPOINTMENT OF MR. NARESH KUMAR JAIN (DIN : 02458204) AS AN INDEPENDENT DIRECTOR)**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Clause 49 of the Listing

Agreement, Mr. Naresh Kumar Jain (DIN : 02458204), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term up to 31st March, 2019.

**5. RE-APPOINTMENT OF MR. ARUN KUMAR MAHESHWARI (DIN : 06794401) AS AN INDEPENDENT DIRECTOR)**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Clause 49 of the Listing Agreement, Mr. Arun Kumar Maheshwari (DIN : 06794401), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term up to 31st March, 2019.

**6. AUTHORISATION FOR BORROWING MONEY U/S 180(1)(c) OF COMPANIES ACT, 2013**

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or reenactment thereof) and provisions of Articles of Association, and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, consent of the members of the Company be and is hereby accorded to the Board of Directors to borrow from time to time which together with the monies already borrowed by the Company (apart from temporary loans obtained from Company's bankers in ordinary course of Business) may exceed at any time, the aggregate of the paid-up share capital of the Company and its free reserves, provided however the total amount of such borrowing shall not exceed the sum of Rs. 15.00 Crores (Rupees Fifteen Crore only) in Indian Rupees or equivalent thereof in any foreign currency(ies) on such terms and conditions as the Board may deem fit.

**Emgee Cables and Communications Ltd.**

**RESOLVED FURTHER THAT** the Board of Director of the Company be and are hereby authorised on behalf of the Company to execute the legal papers, deeds, documents, instruments etc. in this regard and to sign all papers, documents, writings and to do all such acts, deeds, matters, things and to settle any question, difficulty or matters connected or incidental thereto, to give effect to the aforesaid resolution."

**7. AUTHORISATION FOR RELATED PARTY CONTRACT UNDER SECTION 180(1)(a) AND 188(1)(d) OF COMPANIES ACT, 2013 WITH M/S HMS INVESTMENTS PVT. LTD.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 188(1)(a) and (d), and other applicable provisions (if any) of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and pursuant to Articles of Association and subject to compliances of all applicable laws and regulations, the consent of members of the company be and is hereby accorded to the Board of Directors (hereinafter called "the Board" which term shall be deemed to include any Committee which the board may constitute for this purpose) for execution of a contract with M/s HMS Investments Pvt. Ltd. in Which Mr. Abhinav Choudhari, Director of the Company is interested for sale/purchase of goods and availing financial services or any service of any nature whatsoever, as the Board in its discretion deem proper, upto an amount not exceeding an aggregate of Rs. 125.00 Crore (Rupees One Hundred Twenty Five Crores only) as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for the purposes of identification and in such form and manner as the Board in its absolute discretion may deem fit and proper.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorised to execute the agreement with M/s HMS Investments Pvt. Ltd. and perform all such acts, deeds and to sign all such documents and writings as may be necessary, expedient and incidental thereto including all the negotiations and settlements, to give effect to this resolution and for matter connected therewith or incidental thereto in the best interest of the Company."

**BY ORDER OF THE BOARD**

**DATE : 30.05.2014**  
**PLACE : JAIPUR**

**(SHRIPAL H. CHOUDHARI)**  
**MANAGING DIRECTOR**  
**DIN : 00403872**

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

**A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. Corporate members are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. Brief resume of Directors including those proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided as an annexure to notice.
4. A statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. In terms of Articles of Association of the company, read with Section 160 of the Companies Act, 2013, Shri Abhinav Choudhari [DIN : 03634672], Director of the company, retires by rotation at the ensuing Meeting and being eligible, offers himself for reappointment. The Board of Directors of the Company recommends this re-appointment.
6. Members and Proxies attending the meeting should bring their copy of annual report and the attendance slip duly filled to attend the Meeting.
7. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 27th day of September, 2014 to Monday, 29th day of September, 2014** (both days inclusive).

## **Emgee Cables and Communications Ltd.**

9. The Register of Directors' and key managerial personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
10. Members are requested to address all correspondence to **M/s MCS Limited**, F-65 1st floor, Okhla Industrial Area Phase-1 New Delhi, Delhi-110020 who is acting as our Registrar and Share Transfer Agent. Please quote your folio number and our Company's name in all your future correspondences.
11. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & public holidays between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.
12. For convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as 'proxy'.
13. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with share certificates to the Company.
14. In order to exercise strict control over the transfer documents, members are requested to send the transfer documents/correspondence, if any, directly to the Registered office of the Company.
15. Members desirous of getting any information about the accounts and/or operation of the Company are requested to write to the Company at least seven days before the date of meeting to enable us to keep the information ready at the meeting.
16. Members are requested to immediately intimate change of address/bank mandate if any, to the Registrar and Share Transfer Agent quoting reference of the registered folio number.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their de-mat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agents.
18. Members are informed that Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. Companies are now permitted to send various notices/documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders.
19. Your company has also decided to be a part of this initiative and request the shareholders to send/update their email ID in the company's record. This initiative will enable better flow of the information required to be disseminated to the members and save the environment by saving the paper. We seek your whole-hearted support for this initiative.



20. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on Friday, 22nd August, 2014 (Cut off date).
21. In compliance with the provisions of Section 108, and other applicable provisions (if any) of the Companies Act, 2013 and the rules as applicable in that regard, the Company is pleased to offer E-voting facility for the Members to enable them to cast their votes electronically. The business may be transacted through e-voting services provided by Central Depository Services (India) Ltd.
22. CS Manoj Maheshwari, Practising Company Secretary, Jaipur has been appointed as a scrutinizer for the conduct of e-voting process in a fair and transparent manner.
23. The final results including the E-voting results shall be declared at the AGM of the Company. The final results along with the scrutinizer's report shall be placed on the Company's website [www.mgcables.com](http://www.mgcables.com) within two days of passing of the resolution at the AGM of the Company.
24. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.

**The Instructions for shareholders voting electronically are as under :**

- (i) The voting period begins on **09.00 A.M. on Monday, September 22nd 2014 and ends on 05.00 P.M. on Tuesday, September 23rd 2014**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the company name, "EMGEE CABLES AND COMMUNICATIONS LIMITED" from the drop down menu and click on "SUBMIT".
- (v) Now Enter your User ID
  - a. For CDSL : 16 digit beneficiary ID,
  - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below :

## **Emgee Cables and Communications Ltd.**

### **For Members holding shares in Demat Form and Physical Form**

- PAN** Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
  - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
- DOB** Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
- Dividend Bank Details** Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

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

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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

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

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

- (xvi) Once you "confirm" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

**ITEM NO. 4 & 5**

The provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) provides that an Independent Director, shall hold office for a term of five consecutive years on the Board of the Company but shall be eligible for reappointment on passing of special resolution by the Company. However, no independent Director shall hold office for more than two consecutive terms on the Board of the Company.

Furthermore, clause 49 of the Listing Agreement (as amended) states that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and shall be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution by the company.

## **Emgee Cables and Communications Ltd.**

Provided that a person who has already served as an independent director for five years or more in a company as on October 1, 2014 shall be eligible for re-appointment, on completion of his present term, for one more term of up to five years only.

Under the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from members along with requisite deposit, proposing the appointment of Mr. Naresh Kumar Jain (DIN : 02458204) and Mr. Arun Kumar Maheshwari (DIN : 06794401), respectively as Independent Directors of the Company.

Mr. Naresh Kumar Jain and Mr. Arun Kumar Maheshwari, has given their (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Disqualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of (Appointment & Disqualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the companies Act, 2013.

In consonance with the aforesaid, it is proposed to appoint Mr. Naresh Kumar Jain (DIN : 02458204) and Mr. Arun Kumar Maheshwari (DIN : 06794401), as Independent Directors of the Company to hold office for a term up to 31st March, 2019.

Brief resume of Mr. Naresh Kumar Jain and Mr. Arun Kumar Maheshwari, nature of their expertise in specific functional areas and names of Companies in which they holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the annexure to the notice forming part of the Annual Report.

Save and except, Mr. Naresh Kumar Jain and Mr. Arun Kumar Maheshwari, being appointee, none of the other Directors/Key Managerial Personnel of the company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 & 5 of the Notice.

The Board recommends the resolution 4 & 5 for approval of the members.

### **Item No. 6**

The Board of Directors of the Company envisages requirements of funds in future. As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board can borrow money subject to the condition that the money to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed the aggregate, for the time being, of the paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose unless the Shareholders have authorized the Board to borrow the monies upto some higher limits.

Hence, it is proposed to empower and authorize the Board of Directors of the Company to borrow

money from any Bank(s), Financial Institutions (FIs), Bodies Corporate or business Associates or any other person or entity etc., in excess of paid up capital and free reserves of the Company by a sum not exceeding **Rs. 15.00 Crores (Rupees Fifteen Crores only)** in Indian Rupees or equivalent thereof in any foreign currency(ies) for the purposes of business activities of the Company.

As per Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, approval of the members is sought.

Hence, the Board of Directors recommend passing of the enabling resolution mentioned at item No. 6 in the notice as a Special Resolution.

None of the Directors/Key Managerial Personnel of the company/their relatives are, in any way, concerned or interested, financial or otherwise, in the proposed resolution set out at Item No. 6 of the Notice except to the extent of their shareholding in the company.

**Item No. 7**

The provisions of Section 188 of the companies Act, 2013 governs the Related Party Contracts/ Transactions, requiring a Company to obtain prior approval of the Board of Directors and prior approval of shareholders by way of Special Resolution is required in case the paid up share capital of a Company is Rs. 10 Crores or more or the value of proposed contract with the related party exceeds the limits prescribed under the rules framed in this regard.

Further third proviso of Section 188(1) provides that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

The provisions of Section 188(3) also provide that any contract or arrangement entered into u/s 188(1) may be ratified by the board or as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into.

In the light of the provisions of 2013 Act, the Board of Directors of your Company has approved the proposed transactions along with the limits that the Company may enter into with its Related Parties for the financial year 2014-15 and beyond.

All the prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Company's (Meetings of Board and its Powers) Rules, 2014 are given herein below in a tabular format for kind perusal of members :

Particulars of Proposed Transactions for the purpose of Approvals u/s 188 of the Companies Act, 2013.

<b>NAME and NATURE OF RELATIONSHIP with Related Parties :</b>	<b>NATURE OF CONTRACT</b>	<b>MONETARY VALUE OF CONTRACT</b>
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**Emgee Cables and Communications Ltd.**

M/s. HMS INVESTMENTS PVT. LTD.	Contract under Section 188(1) and/or 188(1)(d)	Rs. 125,00,00,000/- (Rupees One Hun dred twenty Five crores only)
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- (a) The name of the related party and nature of relationship : **As provided in the table above.**
- (b) The nature, duration of the contract and particulars of the contract or arrangement : **The nature and particular of contract are mentioned in the table above. Duration of the contract is one year.**
- (c) The material terms of the contract or arrangement including the value, if any : As provided in the table above.
- (d) Any advance paid or received for the contract or arrangement, if any : **NIL.**
- (e) The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract : All business transactions would be carried out as part of business requirements of the Company. Further the Company is also subject to pricing norms prevailing in the country.
- (f) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and : **YES**
- (g) Any other information relevant or important for the Board to take a decision on the proposed transaction : **NIL**

Common Directors Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Board of Directors of your Company recommends the resolution as set out in the accompanying notice for the approval of members of the Company as Special Resolution.

None of the Directors/Key Managerial Personnel and their relatives except Mr. Abhinav Choudhari is deemed to be concerned or interested, financial or otherwise in the proposed special resolutions except to the extent of their shareholding and interest mentioned herein above, in the company.

**BY ORDER OF THE BOARD**

**DATE : 30.05.2014**  
**PLACE : JAIPUR**

**(SHRIPAL H. CHOUDHARI)**  
**MANAGING DIRECTOR**  
**DIN : 00403872**

**ANNEXURE TO THE NOTICE OF 27<sup>TH</sup> AGM**

Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors who are proposed to be appointed/re-appointed at the ensuing Annual General Meeting to be held on Monday, 29<sup>th</sup> September, 2014 :

<b>Name of Director</b>	Mr. Naresh Kumar Jain
<b>Date of Birth</b>	20.07.1956
<b>Date of Appointment</b>	22.03.2004
<b>Designation</b>	Non Executive Independent Director
<b>Expertise in specific Functional areas</b>	Marketing
<b>Qualifications</b>	Graduate
<b>Name of Companies in Which Directorship held As on 31.3.2014</b>	Nil
<b>Member of the Committees of the Board of Other Companies as on 31.3.2014</b>	Nil
<b>Number of Share held in Company</b>	Nil

<b>Name of Director</b>	Mr. Arun Kumar Maheshwari
<b>Date of Birth</b>	01.04.1962
<b>Date of Appointment</b>	31.07.2014
<b>Designation</b>	Non Executive Independent Director
<b>Expertise in specific Functional areas</b>	Technical
<b>Qualifications</b>	Graduate
<b>Name of Companies in Which Directorship held As on 31.3.2014</b>	Electrical Technology Park of India
<b>Member of the Committees of the Board of Other Companies as on 31.3.2014</b>	Nil
<b>Number of Share held in Company</b>	Nil

**Emgee Cables and Communications Ltd.**

<b>Name of Director</b>	Shri Abhinav Choudhari
<b>Date of Birth</b>	03.05.1992
<b>Date of Appointment</b>	19.10.2011
<b>Designation</b>	Director
<b>Expertise in specific Functional areas</b>	Marketing
<b>Qualifications</b>	Graduate
<b>Name of Companies in Which Directorship held As on 31.3.2014</b>	1. HMS Investments Pvt. Ltd. 2. Electrical Technology Park of India
<b>Member of the Committees of the Board of Other Companies as on 31.3.2014</b>	Nil
<b>Number of Share held in Company</b>	316330



**EMGEE CABLES AND COMMUNICATIONS LIMITED****DIRECTOR'S REPORT**

To,  
The Members,  
Emgee Cables and Communications Limited

Your Directors have pleasure in presenting their 27<sup>th</sup> Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2014.

**FINANCIAL RESULTS :**

<b>Particulars</b>	<b>Year ended on 31.03.2014 (Rs. )</b>	<b>Year ended on 31.03.2013 (Rs. )</b>
Total Income	1522533663	1500693703
Total Expenditure	1516937726	1498551577
<b>Profit before Depreciation and Tax</b>	<b>10461116</b>	<b>6734716</b>
Less : Depreciation	4865179	4592590
<b>Profit before taxes</b>	<b>5595937</b>	<b>2142126</b>
Less : Taxation	2064016	1160622
Deferred Tax	(316225)	457344
<b>Profit after Taxes</b>	<b>3848146</b>	<b>524160</b>
Add : Balance in profit & loss A/c	25814416	25290256
Balance Carried to Balance Sheet	29662562	25814416

**OPERATIONS :**

The Directors are hopeful about achieving better performance in future especially in view of internet and broadband penetration. The Company now focusing more on export business and planning to introduce new technology cables to compete the international market.

**DIVIDEND**

In view of the directors consideration to conserve the profits for future expansion, your Director's do not recommend payment of any dividend for the year ended March 31, 2014.

**BOARD OF DIRECTORS**

During the year under review, Shri Vimal Chand Surana has resigned from the directorship of the Company w.e.f. 31.07.2014. The board of directors wishes to place on record their sincere appreciation for contribution made by him, during his tenure as an Independent director of the Company.

In accordance with the provisions of Articles of Association of the Company, Shri Abhinav Choudhari, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

## **Emgee Cables and Communications Ltd.**

It is also proposed to appoint Mr. Naresh Kumar Jain (DIN : 02458204) and Mr. Arun Kumar Maheshwari (DIN: 06794401), as Independent Directors of the Company to hold office for a term up to 31st March, 2019.

### **FIXED DEPOSITS**

The Company has not accepted deposits from public within the meaning of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975.

### **AUDITORS AND AUDITORS' REPORT**

M/s PSD & Associates, Chartered Accountants, Jaipur the Statutory Auditors of the Company will retire at the ensuing Annual General Meeting and are eligible for re-appointment. The company had received a letter from M/s P.S.D. & Associates, Chartered Accountants, Jaipur to the effect that their re-appointment, if made, would be with the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. They are sought to be re-appointed for 3 (three) Financial Years.

The qualifications/observations of the auditors are self-explanatory and have been explained/clarified wherever necessary in appropriate notes to Accounts.

### **COMPLIANCE CERTIFICATE**

As per the requirement of section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a Certificate from M/s V.M. & Associates, Company Secretaries in Whole-time Practice, confirming that the Company has complied with the provisions of the Companies Act, 1956 and a copy of the Compliance Certificate is annexed to this report.

### **PARTICULARS OF EMPLOYEES**

None of the Employee's of the company were in receipt of the remuneration exceeding the limits prescribed under section 217(2A) of the Companies Act, 1956 as amended, during the year under review.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

#### **A. CONSERVATION OF ENERGY**

The basic engineering design of the plant is based on optimum consumption and provision has been made to conserve energy to the maximum possible extent which would reduce the liability on energy bills. The requisite information with regard to conservation of energy in terms of the Companies (Disclosure of Particulars in report of Board of Directors) Rules, 1988 is set out in separate statements attached hereto and forms part hereof.

#### **B. TECHNOLOGY ABSORPTION**

##### **i) RESEARCH AND DEVELOPMENT**

##### **1. Specific areas in which R&D carried out by the Company :**

Improvement and up gradation in quality, productivity and process efficiency, Development of new applications for utilization of our products and development of new products.

**2. Benefits derived as result of the above R&D :**

Improvement in quality of products, production efficiency and wider application of products manufactured by the Company.

**A. R&D Expenditure :**

- a) Capital : NIL
- b) Recurring expenditure : NIL

**B. Future plan of action :**

Improvement in quality of products and processes, production, efficiency, better product mix, reduction in power and fuel consumption and wider application of the products manufactured by the Company.

**ii) TECHNOLOGY ABSORPTION, ADAPTATION AND INTIMATION**

For the Company's existing product line there is no technical collaboration. Efforts are made for technology absorption.

The Company always takes initiative for technology absorption which includes participation in various programmes relating to technological issues, discussions with various experts in this regard.

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

FOB value of goods exported	Rs. 30652965 (USD 459889.26)
Expenditure in foreign currency	Rs. NIL

**CORPORATE GOVERNANCE**

The Company has implemented all the provisions of the Corporate Governance as stipulated by Clause 49 of the Listing Agreements with all the Stock Exchanges where the Company's securities are listed. It has always been a constant endeavour of the Company to adopt good corporate governance code through independent Board, transparent disclosures and shareholders empowerment for creating and sustaining shareholder value. The Company believes that the practice of each of the principles of Corporate Governance creates the right corporate culture that fulfills the true purpose of Corporate Governance. A separate section on Corporate Governance along with a certificate from M/s V.M. & Associates, Company Secretaries, Jaipur, certifying compliance of stipulations of Clause 49 of listing agreements with the stock exchanges with regard to the Corporate Governance code is present elsewhere.

**SECRETARIAL AUDITOR:**

As per section 204 of Companies Act 2013, every listed company is required to annex with its Boards report, a Secretarial Audit Report which shall be issued from the financial year 2014-15 onwards which is to be given by a Company Secretary in practice.

## **Emgee Cables and Communications Ltd.**

The directors are pleased to confirm the appointment of M/s V.M. & Associates, Company Secretaries, Jaipur as Secretarial Auditor of the company.

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

A detailed discussion on the industrial structure, development, opportunities, threats, review of operational performance and risks, as required under the Listing Agreement with stock exchanges, forms part of this report and is annexed herewith.

### **DIRECTOR'S RESPONSIBILITY STATEMENTS :**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors confirmed that :

- (i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the State of Affairs of the Company for the financial year ended 31st March 2014 and of profit of the Company for that year;
- (iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the Annual Accounts on a 'going concern' basis.

### **ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for assistance and co-operation received from the Bankers, Local Authorities, Client, Vendors, Advisors, Consultants, Associates at all levels for their continued guidance and support. Your Directors also wish to place on record their deep sense of appreciation for their commitment, dedication and hard work put in by every member of the our Company.

To them goes the credit for the Company's achievement and to you, our shareholders we are deeply grateful for the confidence and the faith that you have always reposed in us.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**DATE : 30.05.2014**  
**PLACE : JAIPUR**

**(SHRIPAL H. CHOUDHARI)**  
**MANAGING DIRECTOR**  
**DIN : 00403872**

**(ABHINAV CHOUDHARI)**  
**DIRECTOR**  
**DIN : 03634672**

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **INDUSTRY STRUCTURE & DEVELOPMENTS**

Among the top stories globally, is the resurgence and consistent bullishness of the Indian economy in future. The Company is in the business of wires and cables. The product is generally used item and demand is continuous. The Company product's quality is well known. The Company is maintaining its quality and price despite tough competition. Moreover, in view of internet, and broadband penetration at larger level, the industry is going to be benefited in terms of better volumes and realizations.

### **OUTLOOK ON OPPORTUNITIES**

The Company is looking for good Government Tender which previously successfully handled by the Company. In view of internet, broadband penetration at larger level, the industry is going to be benefited in terms of better volumes and realizations. In the current age where the focus of all the Companies is to build a better brand image for itself, the Company needs to continue the good work in market for years to come, as there is cutthroat competition in the market. In this scenario, the principal of survival is perfectly valid because whoever tightens the grip on its customers will end up making a strong market base for itself. The Company is also focusing more on export business.

### **OUTLOOK ON THREATS, RISKS AND CONCERNS**

The road ahead is challenging. The initiatives of the Company to provide good quality with competitive rates are expected to provide the necessary drive to meet the challenges and spot the growth opportunities. The raw products prices and validity continues to be the main risk factor. Competition is also a key factor. The Company tries to overcome from it by maintaining quality.

### **INTERNAL CONTROL SYSTEM**

The Company remains committed to ensure and effective internal control that provides assurance on the efficiency of operations and security of assets. Your Company's well-established and robust internal audit processes, both at business and corporate levels, continuously monitor the effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements. The Finance Department of the company is well staffed with experienced and qualified personnel who will play an important role in implementing and monitoring the internal control environment and compliance with statutory requirements.

### **FINANCIAL REVIEW & ANALYSIS**

#### **Share Capital**

The Authorised share capital of the company is Rs. 5,00,00,000 comprising of 50,00,000 equity shares of Rs. 10/- each out of which Subscribed & Paid-up Capital of the Company is Rs. 4,40,55,000/-.

## **Emgee Cables and Communications Ltd.**

### **Fixed Assets**

The fixed assets (Net Block) as on 31st March 2014 were Rs. 45,669,042/-. During the financial year ended on 31st March 2014, the Company acquired certain fixed assets to ensure smooth business operations. The said fixed assets were purchased in the best interests of the Company.

### **Investment**

The Company did not make any new investments during the year.

### **Sales**

The Net Sales of the Company grew from Rs. 1,497,265,938/- to Rs. 1,513,850,148/- during the financial year ended on 31st March, 2014.

### **HUMAN RESOURCE MANAGEMENT**

The Company recognizes the importance of Human Resource Management in realizing its growth ambitions and believes in nurturing talent within the organization to take up leadership positions. The Company believes that the development of employees is one of the most important enablers for an organization. This is being done at both individual and team levels. Sustained development of its employees, professional and personal, is the hallmark of its human resource policies. The company is giving emphasis to upgrade the skills of its human resources in context of its new ventures in knowledge industry. This is in keeping with its policy of enhancing the individual's growth potential within the framework of corporate goals.

### **CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections and expectations may be "forward looking statements" within the meaning of the applicable provisions of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations are significant changes in the global, political and economic environment, environment in India and key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs.

**FOR AND ON BEHALF OF THE BOARD**

**DATE : 30.05.2014**  
**PLACE : JAIPUR**

**(SHRIPAL H. CHOUDHARI)**  
**MANAGING DIRECTOR**  
**DIN : 00403872**

**(ABHINAV CHOUDHARI)**  
**DIRECTOR**  
**DIN : 03634672**

## **REPORT ON CORPORATE GOVERNANCE**

### **COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Corporate Governance aims to align, as nearly as possible, the interests of individuals, corporations, employees, shareholders, customers, suppliers, statutory authorities and society and thereby enhancing the stakeholders' value. The Company is committed to learn and adopt the best practices of Corporate Governance. The Board of the Company acts with autonomy and independence in exercising strategic supervision, discharging its fiduciary responsibilities and in ensuring that the management observes high standards of ethics, transparency and disclosure. The commitment to good corporate governance practices predates the laws and mandates of the Securities and Exchange Board of India (SEBI) and the stock exchanges through Clause 49 of their Listing Agreements.

### **BOARD COMPOSITION**

The Company is managed exclusively by and under the directions of the board. The composition of the board is governed by the applicable laws and regulations and Articles of Association of the company. Board of Directors provides strategic direction and thrust to the operations of the company, thereby enhancing the value of the stakeholders. The Board represents an optimal mix of professionalism, knowledge and experience, thus it is in conformity with Clause 49 of the Listing Agreement with the stock exchange, in which the Company's shares are listed.

Four out of Five directors are non-executive directors forming more than half of the total number of directors.

The company has 2 Independent director and 1 Executive Director.

#### **Composition**

The Board has an optimum combination of Executive Non-Executive and Independent Directors, and is in conformity with Clause 49 of the Listing Agreement with the stock exchanges. The composition of the Board as on March 31, 2014 was as under :

Name of Directors	Category	Board Meeting Attended during the year	Attendance At last AGM	No of Directorships Held in other Companies	Committee Position in other public company as Chairman/ Member
Shripal H. Choudhari	Executive Promoter & Managing Director	15	Yes	1	-
Hirachand M. Choudhari	Promoter & Non-Executive Director	15	Yes	-	-

## Emgee Cables and Communications Ltd.

Abhinav Choudhari	Promoter & Non-Executive Director	15	Yes	1	-
Naresh Jain	Non-Executive & Independent Director	15	Yes	-	-
Vimal Chand Surana (Till 31.07.2014)	Non-Executive & Independent Director	15	Yes	48	-

The Board duly met **15 (Fifteen)** times during the financial year 2013-14 on 11.04.2013, 24.04.2013, 01.05.2013, 31.05.2013, 26.06.2013, 13.08.2013, 06.09.2013, 24.09.2013, 14.10.2013, 31.10.2013, 19.11.2013, 01.01.2014, 03.02.2014, 19.03.2014 and 24.03.2014.

### **Board Agenda**

The Board Meetings are scheduled well in time and Board Members are usually given a notice of at least 7 days before the meeting date. The Board Members are provided with well structured and comprehensive agenda papers. All major agenda items are backed by in-depth background information and analysis, wherever possible, to enable the Board members to take informed decisions.

### **Code of Conduct**

The company has adopted a Code of Conduct for its Directors & Senior Management Personnel of the company. During the year all board members and senior management personnel have affirmed compliance with the respective Code of Conduct. A declaration to this effect signed by the CEO forms part of this report.

Shareholding of Non-Executive Directors as on March 31, 2014 is as under :

Name	No. of Shares held	% of Paid-up Capital
<b>Hirachand M. Choudhari</b>	Nil	Nil
<b>Abhinav Choudhari</b>	316330	7.18
<b>V.C. Surana</b>	Nil	Nil
<b>Naresh Jain</b>	Nil	Nil

### **COMMITTEES OF THE BOARD**

There are 3 Committees of the Board of Directors, which have been delegated adequate powers to discharge relevant duties. These Committees are-

1. Audit Committee
2. Share Transfer/Investors' Grievance Committee which is now reconstituted and renamed as Stakeholders Relationship/Grievance Committee.
3. Remuneration Committee which is now reconstituted and renamed as Nomination & Remuneration Committee.



**AUDIT COMMITTEE**

The audit committee of the Company inter-alia acts as a control mechanism in the financial and other important departments of the Company. The terms of reference of the Audit Committee meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and as specified by the Board of Directors of the Company.

The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) issued by the Institute of Chartered Accountants of India during the year.

The Audit Committee consists of 3 members and Mr. S.K. Jain is the Compliance Officer of the Committee.

**Composition & Attendance**

NAME OF MEMBER	CATEGORY	CAPACITY	NO. OF MEETINGS ATTENDED
Sh. V.C. Surana	Non-Executive & Independent Director	Chairman	15
Sh. Naresh Jain	Non-Executive & Independent Director	Member	15
Sh. Hira Chand Choudhari	Promoter & Non-Executive Chairman	Member	15

The Audit Committee met **15 (Fifteen)** times during the financial year 2013-14 on 11.04.2013, 24.04.2013, 01.05.2013, 31.05.2013, 26.06.2013, 13.08.2013, 06.09.2013, 24.09.2013, 14.10.2013, 31.10.2013, 19.11.2013, 01.01.2014, 03.02.2014, 19.03.2014 and 24.03.2014.

**TERMS OF REFERENCE**

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and at the same time maintain the integrity and quality of the financial reporting.

**THE ROLE OF THE AUDIT COMMITTEE INCLUDES :**

Audit Committee in accordance with section 177 of the Companies Act, 2013 of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

The composition, powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. The purpose of the audit committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters. In particular, these include :

- Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

## **Emgee Cables and Communications Ltd.**

- Recommending the board, the appointment, reappointment and, if required, the replacement or removal of Statutory Auditors and fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to :
  - Matters required being included in the Director's Responsibility Statement to be included in the Directors' Report.
  - Changes if any in accounting policies, practices, and reasons for the same.\
  - Major accounting entries involving estimates based on the exercise of judgment by the management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of related party transactions.
  - Qualifications in draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, the statement of uses/application of funds raised through an issue i.e. public issue, rights issue, preferential issue, etc.
- Reviewing with the management, the performance of statutory and internal auditors, and adequacy of internal control systems.
- Discussion with internal auditors on any significant findings and follow up thereon.
- 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 any nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the whistle blower/Vigil mechanism.
- Approval of appointment of CFO (i.e., the whole-time Finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out such other work as may be specifically referred to the committee by the Board of Directors and/or other Committees of Directors of the Company.

### **POWER OF AUDIT COMMITTEE**

- To investigate any activity within terms of reference.
- To seek information from any employee in respect of matter under its preview.
- Obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if consider necessary.

**STAKEHOLDERS RELATIONSHIP/GRIEVANCE COMMITTEE****Terms of Reference**

At present the Share Transfer/Investor's Grievance Committee which is now re-constituted and renamed as Stakeholders Relationship/Grievance Committee is looking after all the matter connected to shareholders/investors grievances viz. transfer of shares/dematerialization and other matters relating to investors/shareholders.

**Composition & Attendance**

NAME OF MEMBER	CATEGORY	CAPACITY	NO. OF MEETINGS ATTENDED
Sh. Naresh Jain	Non-Executive & Independent Director	Chairman	1
Sh. V.C. Surana	Non-Executive & Independent Director	Member	1
Sh. Abhinav Choudhari	Non-Executive Director	Member	1

The Board has designated Mr. S.K. Jain, as the Compliance officer of the Company.

During the year 1 meeting of the Committee was held on 13.08.2013.

During the year under review, the status of request letters/complaints was as follows :-

No complaints were received during the year.

**NOMINATION & REMUNERATION COMMITTEE****Terms of reference**

Terms of reference of the Remuneration Committee which is now re-constituted and renamed as Nomination & Remuneration Committee includes among others :

1. To review, assess and recommend to the Board the appointment of executive and non-executive Directors and compensation payable;
2. To consider and recommend human resource policies relating to compensation and performance management.

**Composition & Attendance**

NAME OF MEMBER	CATEGORY	CAPACITY	NO. OF MEETINGS ATTENDED
Sh. V.C. Surana	Non-Executive & Independent Director	Chairman	1

## Emgee Cables and Communications Ltd.

<b>Sh. Naresh Jain</b>	Non-Executive & Independent Director	Member	1
<b>Sh. Abhinav Choudhari</b>	Non-Executive Director	Member	1

The remuneration committee met 1 time in the year on 26.06.2013..

### Remuneration of Directors

The non-executive Directors do not draw any remuneration including the sitting fee. The details of the remuneration paid to the Managing Director (Executive) for the financial year 2013-14 is as under :

Name	Salary	Contribution to PF	Leave Encashment	Bonus	LTA	Total	Rs.
<b>Sh. Shripal H Choudhari</b>	600000	-	-	-	-	600000	

### CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING PRACTICES

In compliance with the SEBI Regulations on prevention of insider trading, the Company has formulated and implemented a comprehensive Code of Conduct for Prevention of Insider Trading by its management and employees. The code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with shares of EMGEE CABLES AND COMMUNICATIONS LIMITED.

### POSTAL BALLOT

During 2013-14, no resolution was passed through postal ballot. None of the business proposed to be transacted in the ensuing Annual General Meeting requires passing through postal ballot.

### GENERAL BODY MEETINGS

The details of Annual General Meetings held in the last three years are given below :

Annual General Meeting	Day & Date	Time	Venue
24 <sup>th</sup> Meeting	Friday, Sept. 30, 2011	11.00 a.m.	F-75-76, Udyog Vihar, Jaitpura, Jaipur.
25 <sup>th</sup> Meeting	Thursday, Sept. 27, 2012	11.00 a.m.	F-75-76, Udyog Vihar, Jaitpura, Jaipur.
26 <sup>th</sup> Meeting	Monday, Sept. 30, 2013	11.00 a.m.	F-75-76, Udyog Vihar, Jaitpura, Jaipur.

Details of Special Resolutions passed at the AGMs :

Financial Year	Date	Special Resolutions
2010-11	30 <sup>th</sup> Sept., 2011	No Special Resolution was passed
2011-12	27 <sup>th</sup> Sept., 2012	No Special Resolution was passed
2012-13	30 <sup>th</sup> Sept., 2013	No Special Resolution was passed

**DISCLOSURES**

1. There are no materially significant transactions with related parties i.e., Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with the interest of the Company at large.
2. During the last three years, no penalties or strictures have been imposed on the company by the Stock Exchanges or SEBI or any other statutory authorities on matters related to capital market.
3. The company has adopted whistle blower policy and has established necessary mechanism in line with clause 7 of annexure 1d to clause 49 of the listing agreement with the stock exchange, for employees to report concerns about unethical behaviors. No personnel have been denied access to the audit committee.

**MEANS OF COMMUNICATION**

1. In compliance with the requirements of Listing Agreement, the Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges immediately after they are taken on record. The annual, half-yearly and quarterly results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement. The company will also take necessary steps to display various disclosures/information on its web site in due course. The company is also in the process of ensuring compliance of EDIFAR filing of its financial results.
2. Management Discussions and Analysis Report forms part of the Report of Directors.

**LISTING OF SHARES**

Your company's shares are listed at :

1. Bombay Stock Exchange Ltd.
2. The Calcutta Stock Exchange Ass. Ltd.
3. Jaipur Stock Exchange Ltd.
4. Madras Stock Exchange Ltd.
5. Ahmedabad Stock Exchange Ltd.

And the listing fees to BSE Ltd. for the year 2014-15 had been duly paid.

## **Emgee Cables and Communications Ltd.**

### **GENERAL SHAREHOLDER INFORMATION**

- 1. Annual General Meeting**
  - Date & Time : 29<sup>th</sup> September 2014 at 03.00 P.M.
  - Venue : F-75-76, Udyog Vihar, Jaitpura, Jaipur
- 2. Financial Calendar (Tentative)**
  - Result for the qtr ending June 30, 2014 : Within 45 days from end of quarter.
  - Result for the qtr ending Sept 30, 2014 : Within 45 days from end of quarter.
  - Result for the qtr ending Dec 31, 2014 : Within 45 days from end of quarter.
  - Result for the qtr ending Mar 31, 2015 : Within 60 days from end of quarter of the financial year (Audited).
- 3. Book Closure date** : 27<sup>th</sup> September, 2014 to 29<sup>th</sup> September, 2014 (both days inclusive)
- 4. Dividend** : No dividend being recommended by the Board during the year.
- 5. Listing of Equity Shares in Stock Exchanges** :
  1. Bombay Stock Exchange Ltd., Mumbai
  2. The Calcutta Stock Exchange Ltd.
  3. Jaipur Stock Exchange Ltd.
  4. Madras Stock Exchange Ltd.
  5. Ahmedabad Stock Exchange Ltd.
- 6. Demat ISIN exchange number for equity shares** : INE 128F01010

### **REGISTRAR & SHARE TRANSFER AGENT**

MCS Limited,  
F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase I,  
New Delhi-110 020.

### **SHARE TRANSFER SYSTEM**

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the powers of share transfer to Shareholders' & Investors' Grievances Committee. As on date, all the work related to the shares both held in physical and electronic form is handled by Register & Share transfer Agent. All correspondences are to be directed to the Register & Share transfer Agent at the above mentioned address. The correspondences may also be sent at the Company's address which will be sent by the Company to Register & Share transfer Agent. Share transfer is normally affected within the maximum period of 30 days from the date of receipt, if all required documentation is duly submitted by the transferor & transferee.

**MARKET PRICE DATA & ELATED INFORMATIONS**

The high and low prices of every month during the financial year 2013-14 are given below :

**BOMBAY STOCK EXCHANGE**

Month	High	Low	Number of shares
April 2013	...	...	...
May 2013	...	...	...
June 2013	...	...	...
July 2013	...	...	...
August 2013	...	...	...
September 2013	5.87	5.87	300
October 2013	...	...	...
November 2013	...	...	...
December 2013	5.58	5.58	500
January 2014	5.31	5.05	1300
February 2014	4.80	4.80	300
March 2014	-	-	-

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2014**

(Class-wise distribution of Equity Shares)

Range	Shares	Folios	% Shares	% Holders
1 to 500	578200	2029	13.1245	76.5083
501 to 1000	379100	419	8.6052	15.7994
1001 to 2000	139800	85	3.1733	3.2051
2001 to 3000	84000	31	1.9067	1.1689
3001 to 4000	44100	12	1.0010	0.4525
4001 to 5000	109200	22	2.4787	0.8296
5001 to 10000	209700	26	4.7600	0.9804
10001-50000	449700	16	10.2077	0.6033
50001-100000	610300	8	13.8531	0.3017
And Above	1801400	4	40.8898	0.1508
<b>Total</b>	<b>4405500</b>	<b>2652</b>	<b>100.00</b>	<b>100.00</b>

## Emgee Cables and Communications Ltd.

### SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2014 WAS AS UNDER :-

Category	No. of Shareholding	Percentage of Shareholding
<b>A. Promoter's Holding</b>		
<b>1. Promoters</b>		
–Indian promoters	986030	22.38%
–Foreign Promoters	-	-
<b>2. Body Corporate</b>	1062770	24.12%
<b>Sub-Total</b>	<b>2048800</b>	<b>46.51%</b>
<b>B. Non-Promoters Holding</b>		
<b>3. Institutional investors</b>		
(a) Mutual Funds and UTI	-	-
(b) Banks, Financial institutions, Insurance companies (Central/ State Government Institutions/ non-government Institutions)	50000	1.13%
(c) FII(s)	-	-
<b>Sub-Total</b>	<b>50000</b>	<b>1.13%</b>
<b>4. Others</b>		
(a) Private Corporate Bodies	379600	8.62%
(b) Indian Public	1599100	36.30%
(c) NRIs/OCBs	323000	7.33%
(d) Any Other	5000	0.11%
<b>Sub-Total</b>	<b>2306700</b>	<b>52.36%</b>
<b>Grand Total</b>	<b>4405500</b>	<b>100.00%</b>

### DEMATERIALISATION OF SHARES

The shares of the company are in compulsory demat segment and are available for trading in the depository systems. As on 31st March, 2014, 2998900 equity shares of the company forming 68.07% of the total issued capital of the Company stand dematerialised.

### OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENT

The Company has not issued any GDRs/Warrants or any other instrument which is convertible into Equity Shares of the Company.

### PLANT LOCATION OF THE COMPANY

F-75-76, Udyog Vihar,  
Jaitpura, Jaipur



**ADDRESS FOR CORRESPONDENCE**

The Compliance officer,  
T-16-20, 3rd Floor  
Alankar Plaza, Central Spine  
Vidhyadhar Nagar, Jaipur-302 023  
Tel. : 0141-3240104  
Fax : 0141-2230520  
E-mail for investors grievances : Eccl.jpr@gmail.com  
Website : www.emgeecables.com

**SHARE CAPITAL AUDIT**

For each quarter in the financial year 2013-14, M/s V.M. & Associates, company secretaries, Jaipur carried out Quarterly Secretarial Audit of to reconcile the total admitted capital with National Security Depository Limited (NSDL) and Central Depository Security Limited (CDSL) and the total issued and listed capital.

The Audit report confirms that the total Issued/.Paid Up Capital is in agreement with the total number in physical form and the total number of dematerialized shares held with National Security Depository Limited (NSDL) and Central Depository Security Limited (CDSL).

**CIN** : The corporate identification number of the Company as allotted by the Ministry of Corporate Affairs is : L31300RJ1987PLC003918.

**CEO AND CFO CERTIFICATE** : Certificate from CFO for the financial year ended March 31, 2014 has been given elsewhere in the Annual Report.

**FOR AND ON BEHALF OF THE BOARD**

**DATE : 30.05.2014**  
**PLACE : JAIPUR**

**(SHRIPAL H. CHOUDHARI)**  
**MANAGING DIRECTOR**  
**DIN : 00403872**

**(ABHINAV CHOUDHARI)**  
**DIRECTOR**  
**DIN : 03634672**

**Emgee Cables and Communications Ltd.**

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO)/  
CHIEF FINANCIAL OFFICER (CFO)**

I, Shripal H. Choudhari, Chief Executive Officer and Shri Abhinav Choudhary Chief Financial Officer of **Emgee Cables and Communications Limited** certify that :

We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief;

- These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
- These statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- That 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;

That we accept responsibility for establishing and maintaining internal controls, 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 on internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies and;

That we have informed the auditors and the audit committee of :

- significant changes in internal control during the year;
- significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- 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.

**DATE : 30.05.2014**  
**PLACE : JAIPUR**

**(ABHINAV CHOUDHARI)**  
**CHIEF FINANCIAL OFFICER**  
**DIN : 03634672**

**(SRIPAL H. CHOUDHARI)**  
**CHIEF EXECUTIVE OFFICER**  
**DIN : 00403872**

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To,  
The Members,  
Emgee Cables and Communications Ltd.  
Jaipur.

We have examined the compliance of conditions of Corporate Governance by Emgee Cables and Communications Limited for the year ended on 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has generally complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Share Transfer/Investors' Grievance Committee.

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

**For V.M. & Associates  
Company Secretaries**

**CS MANOJ MAHESHWARI  
PARTNER  
FCS 3355; CP NO. 1971**

**PLACE : JAIPUR  
DATE : 30.05.2014**

**Emgee Cables and Communications Ltd.**

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

This is to confirm that the company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel.

I confirm that the Company has, in respect of the financial year ended March 31, 2014, received from the members of the Board and the senior management team of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

**PLACE : JAIPUR  
DATE : 30.05.2014**

**(SHRIPAL H CHOUDHARI)  
MANAGING DIRECTOR & CEO**

## **AUDITOR'S REPORT**

**To The Members of EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s Emgee Cables and Communications Limited, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinion***

In our opinion and to the best of our information and according to the explanations given to us, the 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 :

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at march 31, 2014;

## **Emgee Cables and Communications Ltd.**

(b) in the case of the Profit and Loss Account, of the profit/loss for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that :
  - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - (e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place : Jaipur  
Dated : 30.05.2014

For **P.S.D. & ASSOCIATES**  
Chartered Accountants  
(Firm's Regn. No. 004501C)

**(Sajjan K. Rawat)**  
Partner  
M.No. 071806

**ANNEXURE TO THE AUDIT REPORT**

- (i) (a) The Company has maintained proper record showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year and there is a regular program of verification which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The company has not sold any substantial part of Fixed Assets during the year so as to affect its going concern assumption.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- (b) 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) The Company is maintaining proper record of inventory. The discrepancies noticed on verification between the physical stock and the books records were not material.
- (iii) (a) Company has not granted any loan to the companies, firm and parties covered in the register maintained under section 301 of the Act.
- (b) The rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the interest of the company.
- (c) Principal and interest has been received during the year as per the loan agreement.
- (d) There is no overdue of principal and interest.
- (e) Co. has taken unsecured loans from one person covered in the register maintained under section 301 of the Act amounting to Rs. 548 lacs outstanding at the year end and the maximum amount involved is Rs. 613 lacs.
- (f) interest and other terms & conditions of loan taken are not prima facie prejudicial to the interest to the Company.
- (g) Company is regular in payment of principal amount and interest.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that

## **Emgee Cables and Communications Ltd.**

the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

- (b) In our opinion and according to information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and, exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 58A or any provision of the Companies Act, 1956 and the rules framed there under and the directives issued by the reserve bank of India, where applicable, with regard to the deposits accepted from the public. The provision of Section 58AA of the companies act 1956, are not applicable to the company.
- (vii) In our opinion, the company have an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has prescribed under Section 209(1)(d) of the Act, the maintenance of cost records in respect of its products manufactured by the company. We have broadly reviewed the books of accounts maintained and in our opinion; the prescribed accounts and records have prima facie been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31.03.2014 for a period of more than six months from the date they become payable.  
(c) According to information and explanation given to us, there are no dues of sales tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debentures holders.



- (xii) Company has not granted any loans on the basis of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or Nidhi Mutual benefit fund/society. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's Report) order, 2003 are not applicable to the company.
- (xiv) The Company is not dealing in or trading in share, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information explanation given to us, the company has not given guarantees for loans taken by other from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no fund raised on short-term basis have been used for long-term investment. No long term funds have been used to finance short-term assets except permanent working capital.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The company has not issued any debentures.
- (xx) The Company has not raised any money by Public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Dated : 30.05.2014  
Place : Jaipur

**For P.S.D. & ASSOCIATES**  
Chartered Accountant  
F.R. No. 004501C

**(Sajjan K. Rawat)**  
Partner  
M.No. 71806

**Emgee Cables and Communications Ltd.**

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR  
BALANCE SHEET AS ON 31<sup>st</sup> MARCH, 2014**

<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>AS AT 31.03.2014</b>	<b>AS AT 31.03.2013</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	4,40,55,000	4,40,55,000
(b) Reserves & Surplus	2	10,08,01,266	9,71,34,814
<b>2. Share application money pending allotment</b>		-	-
<b>3. Non-current Liabilities</b>			
(a) Long-term borrowings	3	47,30,543	58,59,524
(b) Deferred tax liabilities (Net)		60,53,506	63,69,731
<b>4. Current Liabilities</b>			
(a) Short-term borrowings	4	23,89,87,184	21,75,54,920
(b) Trade payables		20,88,22,587	16,74,70,869
(c) Other current Liabilities	5	2,11,21,971	3,02,45,562
(d) Short-term provisions	6	34,44,731	24,45,928
<b>Total</b>		<b>62,80,16,788</b>	<b>57,11,36,348</b>
<b>II. Assets</b>			
<b>1. Non-current Assets</b>			
(a) Fixed Assets	7		
(i) Tangible assets		4,56,69,042	4,90,42,707
(ii) Capital work-in-progress		-	-
(b) Non-current investments		-	-
(c) Long-term loans and advances		-	-
(d) Other non-current assets	8	98,600	1,26,405
<b>2. Current Assets</b>			
(a) Current investments		1,71,85,000	2,58,85,000
(b) Inventories		16,45,36,274	18,61,98,420
(c) Trade receivables	9	35,56,61,833	25,41,72,029
(d) Cash and cash equivalents	10	2,31,55,278	2,19,01,654
(e) Short-term loans and advances	11	1,89,96,396	3,19,60,890
(f) Other current assets	12	27,14,365	18,49,243
<b>Total</b>		<b>62,80,16,788</b>	<b>57,11,36,348</b>

Significant Accounting Policies 20  
Notes on Financial Statements "1-19  
As per our attached Report of even date

**For P.S.D. & ASSOCIATES**                      **For EMGEE CABLES & COMMUNICATIONS LTD.**

Chartered Accountants  
F.R.No. 004501C

**(Sajjan K. Rawat)**  
Partner

M. No. 071806  
Place : Jaipur  
Date :30.05.2014

Director

Director

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2014**

PARTICULARS	REFER NOTE NO.	FOR THE YEAR ENDED 31.03.2014	FOR THE YEAR ENDED 30.03.2013
I. Revenue from Operation	13	1,59,05,76,928	1,54,69,26,598
Less : Excise Duty		7,67,26,780	4,96,60,660
		<b>1,51,38,50,148</b>	<b>1,49,72,65,938</b>
II. Other Income	14	86,83,515	34,27,765
<b>III. Total Revenue</b>		<b>1,52,25,33,663</b>	<b>1,50,06,93,703</b>
IV. Expenses :			
Cost of materials consumed	15	56,52,78,440	43,87,90,371
Purchases Goods		80,60,68,050	99,63,63,539
Packages consumed		64,70,303	69,06,787
Changes in inventories	16	4,10,29,735	(3,77,98,727)
Employee benefits expense	17	70,81,198	85,75,956
Finance costs	18	6,50,91,992	5,62,71,218
Depreciation and amortization expense		48,65,179	45,92,590
Other expenses	19	2,10,52,829	2,48,49,843
<b>Total expenses</b>		<b>1,51,69,37,726</b>	<b>1,49,85,51,577</b>
<b>V. Profit before exceptional and extraordinary items and tax</b>		<b>55,95,937</b>	<b>21,42,126</b>
VI. Exceptional items		-	-
<b>VII. Profit before extraordinary items and tax</b>		<b>55,95,937</b>	<b>21,42,126</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax</b>		<b>55,95,937</b>	<b>21,42,126</b>
X. Tax expense :			
(1) Current tax		20,64,016	11,60,622
(2) Deferred tax		(3,16,225)	4,57,344
<b>XI. Profit (Loss) for the period</b>		<b>38,48,146</b>	<b>5,24,160</b>
XII. Earnings per equity shares :			
(1) Basic		0.87	0.12
(2) Diluted		0.87	0.12
Face Value Per Share		10	10

Significant Accounting Policies  
Notes on Financial Statements  
As per our attached Report of even date

20  
"1-19

**For P.S.D. & ASSOCIATES**  
Chartered Accountants  
F.R.No. 004501C

**For EMGEE CABLES & COMMUNICATIONS LTD.**

**(Sajjan K. Rawat)**  
Partner

M. No. 071806  
Place : Jaipur  
Date :30.05.2014

Director

Director

**Emgee Cables and Communications Ltd.**

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

**NOTE-1**

Share Capital	As at 31 <sup>st</sup> March, 2014		As at 31 <sup>st</sup> March, 2013	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
50,00,000 Equity Shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
<b>Issued</b>				
44,50,000 Equity Shares of Rs. 10/- each	44,50,000	4,45,00,000	44,50,000	4,45,00,000
<b>Subscribed &amp; Paid up</b>				
44,05,500 Equity Shares of Rs. 10/- each fully paid	44,05,500	4,40,55,000	44,05,500	4,40,55,000
<b>Total</b>	<b>44,05,500</b>	<b>4,40,55,000</b>	<b>44,05,500</b>	<b>4,40,55,000</b>

Details of shareholders holdings more than 5% shares

Name of Shareholder	As at 31 <sup>st</sup> March, 2014		As at 31 <sup>st</sup> March, 2013	
	No. of Shares held	% of holding	No. of Shares held	% of holding
1. Anuradha Choudhari	269300	6.11	269300	6.11
2. Abhinav Choudhari	316330	7.18	316330	7.18
3. H.M.S. Investments Pvt. Ltd.	1062770	24.12	1062770	24.12

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

## NOTE-2

Reserves & Surplus	As at 31 <sup>st</sup> March, 2014 Rs.	As at 31 <sup>st</sup> March, 2013 Rs.
<b>A. Share Premium Reserve</b>		
Opening Balance	6,18,64,000	6,18,64,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>6,18,64,000</b>	<b>6,18,64,000</b>
<b>B. Investment Allowance (Utilised) Reserve</b>		
Opening Balance	5,29,000	5,29,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>5,29,000</b>	<b>5,29,000</b>
<b>C. Capital Reserve</b>		
Opening Balance	51,38,000	51,38,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>51,38,000</b>	<b>51,38,000</b>
<b>D. General Reserve</b>		
Opening Balance	20,89,970	20,89,970
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>20,89,970</b>	<b>20,89,970</b>
<b>E. Revaluation Reserve</b>		
Opening Balance	16,99,428	18,81,122
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	1,81,694	1,81,694
Closing Balance	<b>15,17,734</b>	<b>16,99,428</b>
<b>F. Surplus</b>		
Opening Balance	2,58,14,416	2,52,90,256
(+) Net Profit/(Net Loss) for the current year	38,48,146	5,24,160
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	<b>2,96,62,562</b>	<b>2,58,14,416</b>
<b>Total</b>	<b>10,08,01,266</b>	<b>9,71,34,814</b>

**Emgee Cables and Communications Ltd.**

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

**NOTE-3**

<b>Long Term Borrowings</b>	<b>As at 31<sup>st</sup> March, 2014 Rs.</b>	<b>As at 31<sup>st</sup> March, 2013 Rs.</b>
<b><u>Secured</u></b>		
<b>(A) Term Loans</b>		
Term Loan from Dena Bank	2,60,818	6,08,558
Term Loan from Banks	1,29,699	8,99,085
<b><u>Unsecured</u></b>		
<b>(A) Term Loans</b>		
Term Loan from Banks	Nil	10,38,506
Term Loan from Others	43,40,026	33,13,375
<b>Total</b>	<b>47,30,543</b>	<b>58,59,524</b>

**\*Secured Loan with Dena Bank Amounting to Rs. 2.61 Lakhs (Previous Year Rs. 6.08 Lakhs) repayable within 1-2 years with interest rate ranging from 7.76% - 9.96%**

**Term loan from Bank under Secured loans includes :-**

Car loan from ICICI Bank Amounting to Rs.1.11 Lacs repayable within 2-3 years with interest rate 11.64%

Car loan from HDFC Bank Amounting to Rs. 0.06 Lacs repayable within 2-3 years with interest rate 19.25%

Car loan from HDFC Bank Amounting to Rs. 0.06 Lacs repayable within 2-3 years with interest rate 19.25%

Car loan from HDFC Bank Amounting to Rs. 0.06 Lacs repayable within 2-3 years with interest rate 19.25%

**Term loan from others under Unsecured loans includes :-**

Loan from Religare Investment Limited Amounting to Rs. 7.58 Lacs payable within 2-3 years with interest rate 16.00%

Loan from Kotak Prime Limited Amounting to Rs. 11.96 Lacs repayable within 2-3 years with interest rate 17.25%

Loan from Capital First Ltd. Amounting to Rs. 5.75 Lacs payable within 2-3 years with interest rate 16.00%

Loan from Bajaj Auto Limited Amounting to Rs. 12.56 Lacs repayable within 2-3 years with interest rate 16.00%

Loan from Reliance Capital Amounting to Rs. 4.30 Lacs repayable within 2-3 years with interest rate 16.00%

Loan from Tata Capital Limited Amounting to Rs. 1.25 Lacs repayable within 2-3 years with interest rate 16.00%

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

## NOTE-4

Short Term Borrowings	As at 31 <sup>st</sup> March, 2014 Rs.	As at 31 <sup>st</sup> March, 2013 Rs.
<b><u>Secured</u></b>		
<b>(a) Loans repayable on demand</b>		
i) Overdraft from Banks*	13,05,66,109	13,15,99,887
<b><u>Unsecured</u></b>		
i) Loan from NSIC Limited	4,86,01,990	4,79,72,932
ii) Loans and advances from related parties	5,48,19,085	3,29,82,101
iii) Loan from others	50,00,000	50,00,000
<b>Total</b>	<b>23,89,87,184</b>	<b>21,75,54,920</b>

\*Secured by First charge by way of Hypothecation of the present and future Inventory of all kinds, Book debts, outstanding money claims, Bills rights and other movable assets and also by personal guarantees of Shri Shripal Choudhari Director of the Company.

## NOTE-5

Other Current Liabilities	As at 31 <sup>st</sup> March, 2014 Rs.	As at 31 <sup>st</sup> March, 2013 Rs.
<b>(a) Current maturities of long-term Borrowing</b>		
i) From Dena Bank	3,47,740	3,47,740
ii) Others	1,00,19,980	1,08,69,336
<b>(b) Advance from Customers</b>	51,05,422	93,62,227
<b>(c) Statutory Liabilities</b>	15,53,593	21,31,677
<b>(d) Other Payables</b>	35,55,763	69,22,951
<b>(e) Other Liabilities</b>	5,39,473	6,11,631
<b>Total</b>	<b>2,11,21,971</b>	<b>3,02,45,562</b>

**Emgee Cables and Communications Ltd.**

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

**NOTE-6**

Short Term Provisions	As at 31 <sup>st</sup> March, 2014 Rs.	As at 31 <sup>st</sup> March, 2013 Rs.
(a) Provision for employee benefits Gratuity (Funded)	13,80,715	12,85,306
Provision for Income Tax	20,64,016	11,60,622
<b>Total</b>	<b>34,44,731</b>	<b>24,45,928</b>

**NOTE-7**

Fixed Assets	Gross Block			Accumulated Depreciation				Net Block		
	Balance As at 1.4.2013	Addition	Disposals	Balance As at 31.03.14	Balance As at 1.4.2013	Dep. charges for the Year	Accumu- lated Dep. on disposal Transferred	Balance As at 31.03.14	Balance As at 31.3.2014	Balance As at 31.3.2013
<b>A) Tangible Assets</b>										
Land Freehold	925245	-		925245	-	-		-	925245	925245
Factory Buildings	11775749	-		11775749	5051230	393310		5444540	6331209	6724519
Office Buildings	2416350	-	-	2416350	709333	114777		824110	1592240	1707017
Leasehold Property-Land	1022000	-	-	1022000	268398	10323		278721	743279	753602
Electric Installation	1666605	-		1666605	1044782	79164		1123946	542659	621823
Plant & Equipment	60567988	1860575	-	62428563	31679617	2918208		34597825	27830738	28888371
Furniture and Fixtures	2256238	-		2256238	880852	142820		1023672	1232566	1375386
Office Equipment	1737161	114117	-	1851278	770958	97084		868042	983236	966203
Transport Equipment	8938916		1579238	7359678	4539313	805199	954304	4390208	2969470	4399603
Computer	2611242	102110		2713352	2432076	195543		2627619	85733	179166
Laboratory Equipment	5944468	221340		6165808	3458124	287749		3745873	2419935	2486344
Borewell & Spinkler	56732			56762	41334	2696		44030	12732	15428
<b>Total A</b>	<b>99918724</b>	<b>2298142</b>	<b>1579238</b>	<b>100637628</b>	<b>50876017</b>	<b>5046873</b>	<b>954304</b>	<b>54968586</b>	<b>45669042</b>	<b>49042707</b>
<b>Total B</b>	<b>96001040</b>	<b>4232968</b>	<b>315284</b>	<b>99918724</b>	<b>46391184</b>	<b>4774284</b>	<b>289451</b>	<b>50876017</b>	<b>49042707</b>	<b>49609856</b>

Note : 1. Total Depreciation for the year is Rs. 50,46,873/- Depreciation on enhanced value of assets due to revaluation amounting to Rs. 1,81,694/- is charged to Revaluation Reserve Account and the Balance of Rs. 48,65,179/- is charged to Profit & Loss Account.



**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

NOTE-8

Other Non-current Assets	As at 31 <sup>st</sup> March, 2014 Rs.	As at 31 <sup>st</sup> March, 2013 Rs.
Prepaid Expenses	22,500	50,305
Toshali Resorts-Time Shares	76,100	76,100
<b>Total</b>	<b>98,600</b>	<b>1,26,405</b>

NOTE-9

Trade Receivables (Unsecured but considered good by Management)	As at 31 <sup>st</sup> March, 2014 Rs.	As at 31 <sup>st</sup> March, 2013 Rs.
Trade receivables outstanding for a period <b>less than six months</b> from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	33,37,80,417	22,56,28,110
Unsecured, considered doubtful	-	-
Less : Provision for doubtful debts	-	-
	<b>33,37,80,417</b>	<b>22,56,28,110</b>
Trade receivables outstanding for a <b>period exceeding six months</b> from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	2,18,81,416	2,82,65,262
Unsecured, considered doubtful	-	2,78,657
Less : Provision for doubtful debts	-	-
	<b>2,18,81,416</b>	<b>2,85,43,919</b>
<b>Total</b>	<b>35,56,61,833</b>	<b>25,41,72,029</b>

**Emgee Cables and Communications Ltd.**

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

**NOTE-10**

Cash and Cash Equivalents	As at 31 <sup>st</sup> March, 2014 Rs.	As at 31 <sup>st</sup> March, 2013 Rs.
<b>A. Balances with banks</b>	21883073	20393170
Current Deposit a/c	1417083	1394362
Bank deposits with more than 12 months maturity (The same are pledged against L/C and B/C taken by the bank)	20465990	18998808
<b>B. Cash in hand</b>	1272205	1508484
Cash in Hand	1272205	1508484
<b>Total</b>	<b>23155278</b>	<b>21901654</b>

**NOTE-11**

Short-term Loans and Advances	As at 31 <sup>st</sup> March, 2014 Rs.	As at 31 <sup>st</sup> March, 2013 Rs.
<b>A. Loans and Advances to related parties</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful		
Less : Provision for doubtful loans and advances	-	-
<b>Total (A)</b>	-	-
<b>B. Others (specify nature)</b>		
Secured, considered good		
<b>Unsecured, considered good</b>		
Advances recoverable in cash or in kind or for value to be received	2,22,000	2,44,000
Balances with Excise, Customs, Port Trust etc.	59,77,496	71,13,082
Security Deposits	18,97,441	47,72,211
Prepaid Expenses	2,52,691	2,72,406
Advances for Capital Goods	2,24,633	3,56,609
Advance for Expenses	25,500	1,91,314
Advances to Suppliers	1,21,938	6,76,911
Advance tax & TDS	44,19,920	32,68,198
Other Accounts Receivable	58,54,777	1,50,66,159
Less : Provision for doubtful loans and advances		
<b>Total (B)</b>	<b>1,89,96,396</b>	<b>3,19,60,890</b>
<b>Total (A+B)</b>	<b>1,89,96,396</b>	<b>3,19,60,890</b>

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

## NOTE-12

<b>Other Current Assets</b>	<b>As at 31<sup>st</sup> March, 2014 Rs.</b>	<b>As at 31<sup>st</sup> March, 2013 Rs.</b>
Int accrued on bank deposits	25,34,786	17,08,714
Other Current Assets	1,79,579	1,40,529
<b>Total</b>	<b>27,14,365</b>	<b>18,49,243</b>

## NOTE-13

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2014 Rs.</b>	<b>For the year ended 31<sup>st</sup> March, 2013 Rs.</b>
<b>Sale of products</b>		
Sale of Goods	1,55,99,23,963	1,54,59,22,364
Export Sales	3,06,52,965	9,55,490
Less : Excise duty	7,67,26,780	4,96,60,660
	<b>1,51,38,50,148</b>	<b>1,49,72,17,194</b>
<b>Other Operating Revenues</b>		
Conversion Received	-	48,744
<b>Total</b>	<b>1,51,38,50,148</b>	<b>1,49,72,65,938</b>

## NOTE-14

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2014 Rs.</b>	<b>For the year ended 31<sup>st</sup> March, 2013 Rs.</b>
Interest Income	33,24,550	33,97,340
Rent Income	12,000	12,000
Profit on sale of Fixed Assets	1,06,252	4,167
Other non-operating income	52,40,713	5,618
Foreign Exchange Difference	-	8,640
<b>Total</b>	<b>86,83,515</b>	<b>34,27,765</b>

**Emgee Cables and Communications Ltd.**

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

**NOTE-15**

<b>Cost of Materials Consumed</b>	<b>For the year ended 31<sup>st</sup> March, 2014 Rs.</b>	<b>For the year ended 31<sup>st</sup> March, 2013 Rs.</b>
Opening Stock	90,73,956	95,42,526
Add : Purchases	58,44,91,778	43,83,21,801
Less : Closing Stock	2,82,87,294	90,73,956
<b>Total</b>	<b>56,52,78,440</b>	<b>43,87,90,371</b>

**NOTE-16**

<b>Changes in Inventories of Finished Goods and Work-in-progress</b>	<b>For the year ended 31<sup>st</sup> March, 2014 Rs.</b>	<b>For the year ended 31<sup>st</sup> March, 2013 Rs.</b>
<b>A. Closing Stock</b>		
Stock in Process	7,49,40,276	10,70,52,619
Finished Products	5,79,04,776	6,56,25,608
Scrap	23,96,196	35,92,756
<b>Total Closing Stock</b>	<b>13,52,41,248</b>	<b>17,62,70,983</b>
<b>B. Opening Stock</b>		
Stock in Process	10,70,52,619	7,92,30,376
Finished Products	6,56,25,608	5,61,54,002
Scrap	35,92,756	30,87,878
<b>Total Opening Stock</b>	<b>17,62,70,983</b>	<b>13,84,72,256</b>
<b>Change (B-A)</b>	<b>4,10,29,735</b>	<b>(3,77,98,727)</b>

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

## NOTE-17

<b>Employee Benefits Expense</b>	<b>For the year ended 31<sup>st</sup> March, 2014 Rs.</b>	<b>For the year ended 31<sup>st</sup> March, 2013 Rs.</b>
Salaries, Wages, Bonus etc.	57,72,393	59,60,265
Contributions to PF & Other Funds		
–Provident fund and ESI	6,01,053	6,49,368
–Gratuity	95,409	12,85,306
Staff welfare expenses	12,343	81,017
Director's Salary	6,00,000	6,00,000
<b>Total</b>	<b>70,81,198</b>	<b>85,75,956</b>

## NOTE-18

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2014 Rs.</b>	<b>For the year ended 31<sup>st</sup> March, 2013 Rs.</b>
Interest on Secured & Unsecured Loans	5,45,70,044	4,68,32,110
Bank Charges	1,05,21,948	94,39,108
<b>Total</b>	<b>6,50,91,992</b>	<b>5,62,71,218</b>

**Emgee Cables and Communications Ltd.**

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**Notes for the Financial Statements**

NOTE-19

Other Expenses	For the year ended 31 <sup>st</sup> March, 2014 Rs.	For the year ended 31 <sup>st</sup> March, 2013 Rs.
Conversion Charges	15,42,240	1,10,58,004
Power & Fuel	46,70,290	40,82,621
Consumable Stores	7,41,885	11,68,479
Cartage & Coolie	9,61,508	6,38,700
<u>Repairs and Maintenance :</u>		
(i) Plant & Machinery	8,18,857	12,87,552
(ii) Factory Bulding	-	15,783
Printing & Stationery	2,20,184	2,88,067
Travelling & Conveyance	3,51,746	1,00,176
Director's Travelling	2,22,832	73,318
Telecommunication & Postage	3,73,860	4,08,287
Rent, Rates & Taxes	2,64,741	4,31,136
Legal & Professional Expenses	5,16,429	2,68,855
Electricity & Water	2,91,095	2,89,673
General Repairs & Maintenance	4,75,957	3,87,265
Insurance Expenses	3,61,424	2,33,722
Membership & Subscription	76,470	55,342
Books & Periodicals	2,400	-
Auditor's Remuneration	28,090	28,090
Advertisement, Publicity & Sales Promotion	7,78,289	1,18,827
License Fees & Expenses	1,70,451	1,57,113
Packing & Forwarding	12,02,592	12,39,938
Discount, Commission & Service charges	7,94,769	10,43,323
Misc. Expenses	36,52,376	1,92,195
Filing Fees	8,885	3,965
Donation	-	26,266
Technical Consultancy	13,66,170	12,49,420
Loss on Sales of Assets	58,147	-
Balance Written off (Net)	2,474	657
Expenses on Export	9,32,284	3,069
Exchange difference	1,66,384	-
<b>Total</b>	<b>2,10,52,829</b>	<b>2,48,49,843</b>

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**F-75-76, Udyog Vihar, Jetpura Jaipur**

NOTE-20

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS :**

**A) SIGNIFICANT ACCOUNTING POLICIES :**

**a) Basis of Accounting:**

- i) The accounts are prepared under the historical cost convention in accordance with generally accepted accounting principle.
- ii) The Company generally follows mercantile system of accounting and recognise significant items of income and expenditure on accrual basis.
- iii) Accounting policies not specifically referred are consistent and in accordance with generally accepted accounting principles.

**b) Fixed Assets and Depreciation :**

- i) All fixed assets are stated at cost of acquisition and subsequent improvements there of.
- ii) Depreciation on all fixed assets is provided on straight line method at the rates prescribed under schedule XIV to the Companies Act, 1956.
- iii) Leasehold land has been written off over the period of lease.

**c) Investments :** Investments are stated at cost. No adjustment is made in carrying cost for temporary decline in the value of investments which are strategic in nature and made on long term basis.

**d) Inventories are valued as under :-**

- |                              |  |
|------------------------------|--|
| i) Raw Materials             | : At Cost                                    |
| ii) Work-in-Process          | : At Cost                                    |
| iii) Finished Goods          | : At Cost or market price whichever is lower |
| Manufactured                 | : At Cost or market price whichever is lower |
| Traded                       | : At Cost                                    |
| iv) Process Scrap/Waste      | : At Estimated Realisable value              |
| v) Stock of packing Material | : At Cost                                    |

**e) CENVAT Credits** availed has been adjusted in the cost of respective inputs.

**f) Retirement Benefit :**

The Company's contribution to recognised provident fund, pension fund and the superannuation fund are charged to revenue.

**(B) NOTES FORMING PART OF ACCOUNTS :**

**1. CONTINGENT LIABILITIES NOT PROVIDED FOR :**

- (i) Counter Guarantees given to Company's Banker for the Guarantee given by them on behalf of the Company is Rs. 996.70 Lacs. (Previous Year Rs. 840.16 Lacs).

## Emgee Cables and Communications Ltd.

(ii) Outstanding Inland/Foreign Letter of Credits Rs. 999.91 Lacs (Previous Year Rs. 993.73 Lacs.)

2. Provision has been made for Gratuity to employees.
3. Loans and advances and book debts are considered good.
4. Debit and Credit balances appearing under Sundry Debtors, Loans and Advances, and Sundry Creditors are subject to confirmation and reconciliation. Adjustment if any in these accounts will be made as and when they will finally reconciled and confirmed.
5. In Terms of Section 22 of the Micro, Small and Medium Enterprises Development Act 2006, The outstanding to these enterprises are required to be disclosed. However, these enterprise are required to be Registered under the Act. In the absence of information about registration of the enterprises under the above Act, the required information could not be furnished.
6. Search operation by Income Tax Authorities was conducted at the business premises of the Company on 09.10.2002. As per records, there was no undisclosed income of the Company and accordingly Block Return of Income has been filed showing NIL undisclosed income. The matter is pending for assessment before tax authorities. Provisions if any will be made at the time of completion of assessment proceedings.
7. Previous year figures are regrouped & rearranged wherever considered necessary.
8. Figures are rounded off to the nearest rupees.
9. None of the Employees of the Company is covered under section 217 (2A) of the Companies Act, 1956.
10. Other Advances includes Rs. NIL due from Director (Previous year Rs. NIL Lacs).
11. During the current year deferred tax liability has been calculated as under :

Particulars	As at 31.03.2014	As at 31.3.2013
Depreciation on Fixed Assets	(60,53,506.00)	(63,69,731.00)
B/F Losses and unabsorbed Depreciation	0.00	0.00
Total	(60,53,506.00)	(63,69,731.00)

### 12. Remuneration and Prerequisites to Directors :

	2013-2014	2012-2013
Salaries	6,00,000	6,00,000
House Accommodation	—	—

### 13. Remuneration paid to statutory Auditors :

	2013-2014	2012-2013
Statutory Audit & Tax Audit Fees (including service tax)	28,090	28,090
	28,090	28,090





**Emgee Cables and Communications Ltd.**

**16. Value of Imported and Indigenous Raw-materials, Stores & Spares and Consumables consumed during the Year:**

	<u>%age</u>	<u>Value</u>	<u>% age</u>	<u>Value</u>
<b>A) RAW-MATERIALS :</b>				
i) Imported	0.00	-	0.00	-
ii) Indigenous	100.00	565278440	100.00	438790371

**B) STORES, SPARES AND CONSUMABLES :**

i) Imported	-	-	-	-
ii) Indigenous	100.00	15,60,742	100.00	24,56,031

**C) VALUE OF IMPORT ON CIF BASIS :**

	<u>Value</u>	<u>Value</u>
i) Raw-Materials	Nil	Nil
ii) Capital Goods (Plant & Machinery)	Nil	Nil

**17. EXPENDITURE IN FOREIGN CURRENCY**

	<u>2013-14</u>	<u>2012-13</u>
Directors Travelling Expenses	Nil	Nil

**18. EARNING IN FOREIGN EXCHANGE :**

FOB value of Goods Exported	\$350175.32	\$110037.56
	22152144	5893349

**19. Remittance of Foreign Currency on account of Dividends**

remitted to Non-Residential Shareholders :	Nil	Nil
--	-----	-----

**20. Earning per Shares :-**

	<u>2013-14</u>	<u>2012-13</u>
a) Profit (Loss) After Tax- Rs.	3848146	524160
b) Weighted average No. of Equity Shares	4405500	4405500
c) Nominal Value of Shares - Rs. 10/-		
d) Basic earning per Equity Shares- Rs.	0.87	0.12

**21. Segmental Reporting :** During the year, Company has only one segment of activity i.e. Manufacturing & Trading of Wires & Cable and single production unit at Jaitpura, Jaipur with sale area- Domestic and Export.

**22. Disclosure with respect to related parties :-**

S.NO.	NAME OF THE PERSON	PARTY RELATIONSHIP	AMOUNT	NATURE OF PAYMENT
1.	Shripal H. Choudhari	Director	6,00,000	Director Remuneration
2.	H.M.S. Investments Pvt. Ltd.	Common Director	9,20,59,288	Purchase

**SIGNATURE TO THE SCHEDULE 1 TO 19**

In terms of our report of even date

For and on behalf of the Board

**For P.S.D. & ASSOCIATES**

**(SHRIPAL H CHOUDHARI)**

Chartered Accountants

Managing Director

F.R.No. 004501C

**(SAJJAN K. RAWAT)**

**(ABHINAV CHOUDHARI)**

Partner

Director

M. No. 071806

Date :30.05.2014

Place : Jaipur

**Emgee Cables and Communications Ltd.**

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**

Balance Sheet abstract and Company's general business profile pursuant to Part IV of schedule VI of the Companies Act, 1956

**1) Registration Details**

Registration Nos.	State Code
3 9 1 8	17

Balance Sheet	Date
31 03	14
Date	Month Year

**2) Capital raised during the Year (Amount in Rs. Thousands)**

Public Issue	Right Issue
-	-
Bonus Issue	Private Placement
-	-

**3) Position of Mobilisation and Depolyment of funds (Amount in Rs. Thousand)**

<b>Total Liabilities</b>	<b>Total Assets</b>
628107	628107

**Sources of Funds**

Paid up Capital	Reserve & Surplus
44055	100801
Secured Loans	Unsecured Loans
131304	122781
Deferred Tax	
6053	

**Application of Funds**

Net Fixed Assets	Investments
45669	17185
Net current Assets	Misc. Expenditure
325621	—
Accumulated Losses/Profit	
—	

**4) Performance of Company (Amount in Thousands)**

Turnover	Total Expenditure
1513850	1516937
Profit/Loss before Tax	Profit After Tax
5596	3848
Earning per Share (in Rs.)	Dividend %
0.87	—

**5) Generic Names of Three principal products/services of Company (as per monetary terms)**

Item Code No (ITC code)	854411.00
Product Description	WINDING WIRE
Item Code No. (ITC Code)	854420.00
Product Description	CO-AXIAL CABLES
Item Code No. (ITC Code)	740811.00
Product Description	COPPER WIRE

**For P.S.D. & ASSOCIATES**  
Chartered Accountants  
F.R.No. 004501C

**(SAJJAN K. RAWAT)**  
Partner

M. No. 071806  
Date :30.05.2014  
Place : Jaipur

For and on behalf of the Board  
**(SHRIPAL H CHOUDHARI)**  
Managing Director

**(ABHINAV CHOUDHARI)**  
Director

**Emgee Cables and Communications Ltd.****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014****(Pursuant to clause 32 of the listing agreement)**

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2013-14</b>	<b>2012-13</b>
<b>1. Profit before Tax and Extra Ordinary items</b>	<b>55,95,937</b>	<b>21,42,126</b>
<b>ADJUST FOR</b>		
<b>2. Depreciation</b>	<b>48,65,179</b>	<b>45,92,590</b>
<b>3. Interest expenses</b>	<b>5,45,70,044</b>	<b>4,68,32,110</b>
<b>4. Interest received</b>	<b>(33,24,550)</b>	<b>(33,97,340)</b>
<b>5. Loss on Sales of Assets</b>	<b>--</b>	<b>--</b>
<b>6. Operating Profit before working capital changes</b>	<b>6,17,06,610</b>	<b>5,01,69,486</b>
<b>ADJUSTMENT FOR</b>		
<b>7. Trade &amp; other Receivables</b>	<b>(8,93,90,432)</b>	<b>(3,28,44,853)</b>
<b>8. Inventories</b>	<b>2,16,62,146</b>	<b>(3,72,09,256)</b>
<b>9. Trade payables</b>	<b>3,26,65,009</b>	<b>1,37,02,693</b>
<b>10. Cash generated by Operating Profit Activities</b>	<b>2,66,43,333</b>	<b>(61,81,930)</b>
<b>11. Interest paid</b>	<b>5,45,70,044</b>	<b>4,68,32,110</b>
<b>12. NET CASH PROVIDED BY OPERATING ACTIVITIES (2,79,26,711)</b>	<b>(5,30,14,040)</b>	
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		
<b>13. Purchase of fixed Assets &amp; Capital Expenditure</b>	<b>(22,98,142)</b>	<b>(42,32,968)</b>
<b>14. Proceeds from Assets (Net)</b>	<b>--</b>	<b>--</b>
<b>15. (Purchase)/Sale of Investments (Net)</b>	<b>87,00,000</b>	<b>1,55,40,000</b>
<b>16. Interest received</b>	<b>33,24,550</b>	<b>33,97,340</b>
<b>17. NET CASH USED IN INVESTMENT ACTIVITIES</b>	<b>97,26,408</b>	<b>1,47,04,372</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>18. Proceeds from Issue of Share Capital (Reissue)</b>		
<b>19. Term Loan</b>	<b>(11,17,126)</b>	<b>(1,31,174)</b>
<b>20. Borrowings (payment) of Short Term Loans (Car loan)</b>		
<b>21. Unsecured Loans</b>	<b>2,16,04,831</b>	<b>3,56,28,431</b>
<b>22. NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>2,04,87,705</b>	<b>3,54,97,257</b>

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<b>23. NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>22,87,402</b>	<b>-28,12,411</b>
<b>Cash &amp; Cash equivalents, at the beginning of the year</b>		
<b>24. Cash &amp; Current Account Balance</b>	2,19,01,654	1,91,83,430
<b>25. Cash Credit Account</b>	<u>(13,15,99,887)</u>	<u>(12,60,69,252)</u>
	(10,96,98,233)	(10,68,85,822)
<b>26. Cash &amp; Cash equivalents, at the end of the year</b>		
<b>27. Cash &amp; Current Account Balance</b>	2,31,55,278	2,19,01,654
<b>28. Cash Credit Account</b>	<u>(13,05,66,109)</u>	<u>(13,15,99,887)</u>
<b>29.</b>	<u>(10,74,10,831)</u>	<u>(10,96,98,233)</u>

For and on behalf of the Board

**(SHRIPAL H. CHOUDHARI)** **(ABHINAV CHOUDHARI)**  
MANAGING DIRECTOR DIRECTOR

**AUDITORS' REPORT**

We have verified the attached Cash flow statement of **EMGEE CABLES AND COMMUNICATIONS LIMITED**, derived from the audited financial statement and the books and records maintained by the Company for the year ended on 31st March, 2014 and found the same is agreement therewith.

JAIPUR  
DATED : 30.05.2014

For **PSD & ASSOCIATES**  
Chartered Accountants

**(SAJJAN K. RAWAT)**  
Partner  
M.No. 71806

**Emgee Cables and Communications Ltd.**

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**

**Registered Office : F, 75-76, Udyog Vihar, Jaitpura, Jaipur**

**CIN : L31300RJ1987PLC003918**

**ATTENDANCE SLIP**

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

**Joint shareholders may obtain additional slip at the venue of the meeting.**

SHAREHOLDER'S NAME (in BLOCK LETTERS)	I hereby record my presence at the 27 <sup>th</sup> Annual General Meeting [AGM] of the company being held at Reg. Office at F, 75-76, Udyog Vihar, Jaitpura, Jaipur of the company on Monday, 29 <sup>th</sup> day of September, 2014 at 03:00 P.M.
FOLIO/DP CLIENT ID	
NAME OF PROXY (To be filled by the Proxy who attends instead of the member.)	
Signature of Shareholder/proxy	
Shareholders/Proxy holders are requested to bring the attendance slip with them duly completed when they come to the meeting and hand it over at the gate after affixing signature on it.	

**Notes :**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the company.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
4. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Book post

If undelivered please return to :

**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**  
**F, 75-76, Udyog Vihar, Jaitpura, Jaipur**



**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**

Regd. Office : F, 75-76, Udyog Vihar, Jaitpura, Jaipur

CIN : L31300RJ1987PLC003918

**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]

<b>Name of the Member(s)</b>	
<b>Registered Address</b>	
<b>E-mail ID</b>	
<b>Folio No./DP ID and Client ID</b>	

I/We, being the Member(s) of ..... shares of the above named Company, hereby appoint

1. Name : .....  
Address : .....  
E-mail ID : .....  
Signature : ....., or failing him/her
2. Name : .....  
Address : .....  
E-mail ID : .....  
Signature : ....., or failing him/her
3. Name : .....  
Address : .....  
E-mail ID : .....  
Signature : .....

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Monday, the 29th Day of September, 2014 at 03.00 P.M. at the Registered Office of the Company situated at F-75-76, Udyog Vihar, Jaitpura, Jaipur and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below :

**Emgee Cables and Communications Ltd.**

<b>Reso. No.</b>	<b>Description</b>	<b>For*</b>	<b>Against*</b>
1.	Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2014		
2.	Re-appointment of Directors eligible to retire by rotation : Shri Abhinav Choudhari		
3.	Appointment of statutory auditor and to fix their remuneration.		
4.	Appointment of Shri Naresh Kumar Jain, as an Independent Director of the Company for a term upto 31st March, 2019.		
5.	Appointment of Shri Arun Kumar Maheshwari, as an Independent Director of the Company for a term of upto 31st March, 2019.		
6.	Authorisation for borrowing money u/s 180(1)(c) of Companies Act, 2013.		
7.	Approve Related Party Transactions Under Section 188(1)(a) and (d) of the Companies Act, 2013 with M/s HMS Investments Pvt. Ltd.		

Signed this ..... day of ..... 2014.

Signature of shareholder .....

Signature of proxy holder(s) .....

Affix  
Revenue  
Stamp

**Notes :**

**This form of proxy, to be effective, should be deposited at the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.**