

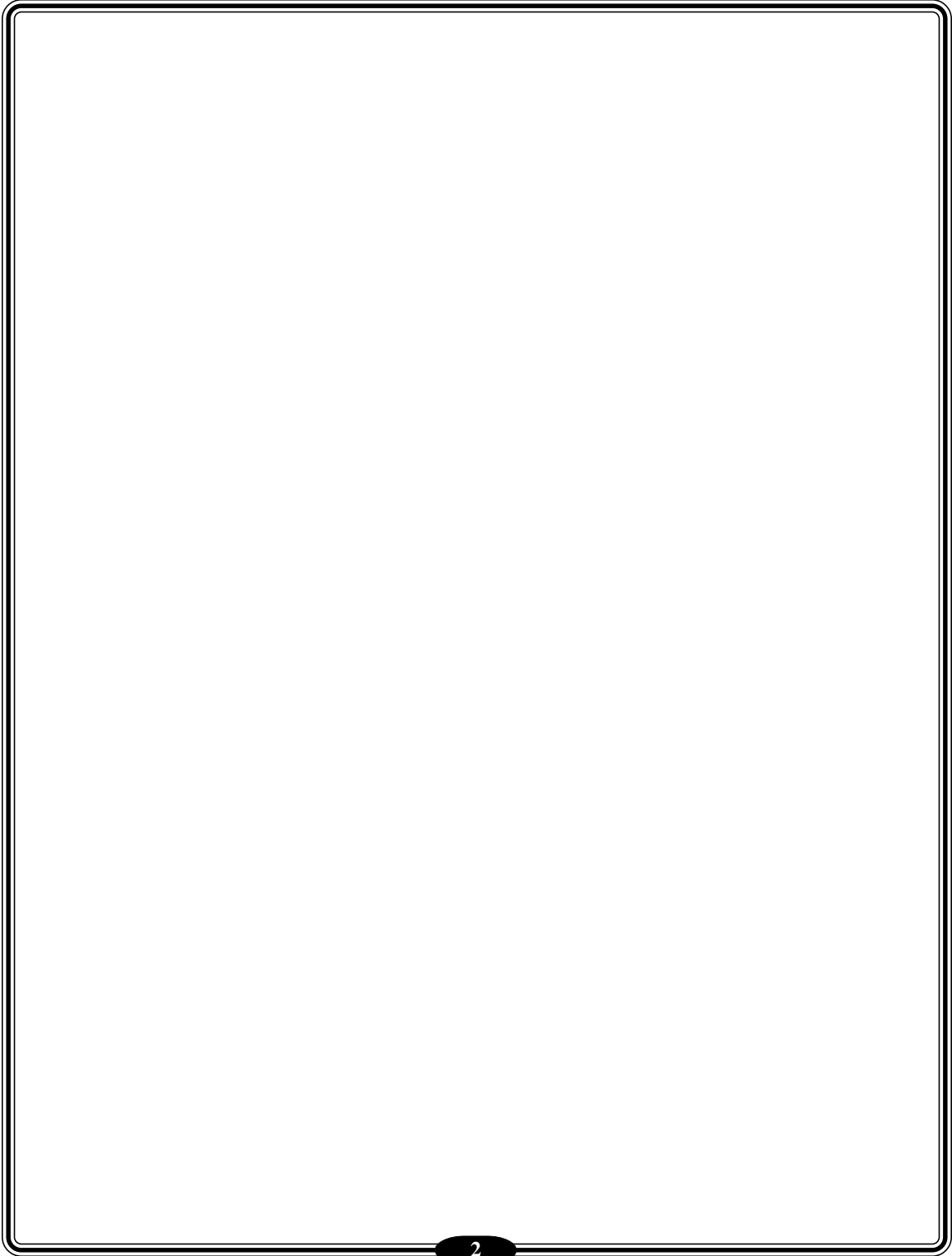
26th

Annual Report

2012-2013

EMGEE CABLES AND COMMUNICATIONS LTD.

Emgee Cables and Communications Ltd.



EMGEE CABLES AND COMMUNICATIONS LIMITED

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

BOARD OF DIRECTORS

SHRIPAL H. CHOUDHARI

Managing Director & CEO

VIMAL CHAND SURANA

Non-Executive Director

HIRACHAND CHOUDHARI

Non-Executive Director

NARESH KUMAR JAIN

Non-Executive Director

ABHINAV CHOUDHARI

Non-Executive Director & CFO

COMPLIANCE OFFICER

MR. S.K. JAIN

STATUTORY AUDITORS

P.S.D. & ASSOCIATES

Chartered Accountants

324, Ganpati Plaza,

M.I. Road, Jaipur-302001

F.R. No. 004501C

CORPORATE ADVISOR

V.M. & ASSOCIATES

Company Secretaries,

403, Royal World,

S.C. Road, Jaipur-302001

REGISTERED OFFICE & MANUFACTURING FACILITY

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

Web : www.mgcables.com

BANKERS

DENA BANK, M.I. Road, Jaipur

REGISTRAR & SHARE TRANSFER AGENT

MCS LIMITED

F-65 1st 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 26th Annual General Meeting of the Members of **EMGEE CABLES AND COMMUNICATIONS LIMITED** will be held on Thursday, 30th Day of September, 2013 at 11.00 A.M. at the registered office of the Company at F-75-76, Udyog Vihar, Jaipur, 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, 2013, 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 Naresh Kumar Jain, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office for the period commencing from the conclusion of this annual general meeting upto the conclusion of the next annual general meeting and to fix their remuneration.

SPECIAL BUSINESS

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

"**RESOLVED THAT** pursuant to Section 383A of the Companies Act, 1956 M/s V.M. & Associates, Company Secretaries in Whole-time practice, Jaipur be and is hereby appointed for the issuance of Compliance Certificate for the financial year 2013-14 and to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors of the Company in consultation with the said firm."

BY ORDER OF THE BOARD

DATE : 30.05.2013

PLACE : JAIPUR

(SHRIPAL H. CHOUDHARI)

MANAGING DIRECTOR

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING AND THE PROXY FORM SHOULD BE DULY FILLED, STAMPED AND SIGNED BY THE MEMBER.**
2. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 days in advance, so as to enable the Company to keep the information ready.
3. Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting.
4. Register of Members and the Share Transfer Books of the Company shall remain closed from Friday 27th day of September, 2013 to Monday 30th day of September, 2013 (both days inclusive).
5. In terms of provisions of Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Shri Naresh Kumar Jain, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.
6. A brief resume of Shri Naresh Kumar Jain and other information required under clause 49 of the listing agreement is included in the Report of Corporate Governance.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Shareholders holding shares in the certificate form are requested to notify/send to facilitate better servicing the followings to M/s MCS Limited, New Delhi :
 - Any change in their address/mandate/bank details,
 - Particulars of their bank account, in case the same have not been furnished earlier, and
 - Share certificate held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.
9. As per Circular No. MRD/Dop/Cir-5/2009 dated May 20, 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote PAN for transfers of shares in physical form. Therefore, the transferee(s) are required to furnish a copy of their PAN to the Registrar and Share Transfer Agents of the Company.
10. 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

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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. 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.

11. The shareholders, who have not converted their shares in demat form, are requested to do so.
12. All documents referred to in accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day excluding Sundays and holidays up to the date of Annual General Meeting.
13. Members are requested to bring their personal copy of Annual Report to the Meeting.
14. Explanatory Statement as required by under section 173(2) of the Companies Act, 1956 is enclosed.

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

ITEM NO. 4

As per the requirements of Section 383A of the Companies Act, 1956 and (Companies Compliance) Certificate Rules, 2001 the Company has to obtain a certificate from Company Secretary in practice certifying that legal and procedural requirement under the Companies Act have been duly complied with by the Company. For which appointment of V.M. & Associates, Company Secretaries, Jaipur for conducting and issuing Compliance Certificate u/s 383A of the Companies Act, 1956 is sought.

Your Directors recommend the appointment of V.M. & Associates, Company Secretaries, Jaipur.

None of the Directors of the Company are, in any way, concerned or interested in the resolution.

BY ORDER OF THE BOARD

DATE : 30.05.2013
PLACE : JAIPUR

(SHRIPAL H. CHOUDHARI)
MANAGING DIRECTOR

ANNEXURE TO THE NOTICE OF 26TH 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 30th September, 2013 :

Name of Director	Mr. Naresh Kumar Jain
Date of Birth	20.07.1956
Date of Appointment	22.03.2004
Designation	Non Executive Director
Expertise in specific Functional areas	Marketing
Qualifications	Graduate
Name of Companies in Which Directorship held As on 31.3.2013	Nil
Member of the Committees of the Board of Other Companies as on 31.3.2013	Nil
Number of Share held in Company	Nil

EMGEE CABLES AND COMMUNICATIONS LIMITED

DIRECTOR'S REPORT

To,
The Members,
Emgee Cables and Communications Limited

Your Directors have pleasure in presenting their 26th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS :

Particulars	Year ended on 31.03.2013 (Rs.)	Year ended on 31.03.2012 (Rs.)
Total Income	1500693703	1522547557
Total Expenditure	1498551577	1512580112
Profit before Depreciation and Tax	6734716	14378093
Less : Depreciation	4592590	4410648
Profit before taxes	2142126	9967445
Less : Taxation	1160622	3260317
Deferred Tax	457344	-1210137
Profit after Taxes	524160	7917265
Add : Balance in profit & loss A/c	25290256	17372991
Balance Carried to Balance Sheet	25814416	25290256

OPERATIONS :

The Directors are hopeful about achieving better performance in future especially in view of internet and broadband penetration.

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, 2013.

BOARD OF DIRECTORS

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

FIXED DEPOSITS

The Company has not issued any advertisement inviting fixed deposits from the public. However it accepts the deposits. The Company has duly complied with the provisions of Companies (Acceptance of Deposits) Rules, 1975.

AUDITORS AND AUDITORS' REPORT

M/s PSD & Associates, Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The company has received the necessary certificate from the Statutory Auditors pursuant to section 224(1B) of the Companies Act, 1956 regarding their eligibility for appointment. Accordingly, approval of members is being sought at the forthcoming Annual General Meeting. The notes on accounts referred to in the Auditors Report are self explanatory.

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.

Further it is proposed to appoint, M/s V.M. & Associates, Company Secretaries in Whole-time Practice, for issuance of Compliance Certificate under Section 383A of the Companies Act, 1956, for the financial year 2013-14.

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.

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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. 955490
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.

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 2013 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.

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 2013-14 had been duly paid.

CODE 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.

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 : 30.05.2013
PLACE : JAIPUR**

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

**(ABHINAV CHOUDHARI)
DIRECTOR**

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 Govt. 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.

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/-.

Fixed Assets

The fixed assets (Net Block) as on 31st March 2013 were Rs. 4,90,42,707. During the financial year ended 31.03.2013, 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

During the period under review, the Company has transacted in trading of shares. However, the Company did not make any new investments during the year.

Sales

The Net Sales of the Company grew from Rs. 1,517,956,669/- to Rs. 1,49,72,65,938/- during the financial year ended 31st March, 2013.

INTERNAL CONTROL SYSTEMS

The Company has a well established and comprehensive internal control system. Documents, policies and authorization guidelines comply with the level of responsibility and standard operating procedures specific to the respective businesses. Observation made in internal audit reports on business processes, systems, procedures and internal control and implementation status of recommended remedial measures by Ernst & Young, Internal Auditors, are regularly presented to and reviewed by the Audit Committee of the Board.

The system of internal control is being improved to ensure that all assets are safe and protected against loss from unauthorized use or disposition, and that all transactions are authorized, recorded and reported correctly. The Company regularly conducts internal check, using external and internal resources to monitor the effectiveness of internal control in the organization. It strictly adheres to corporate policy with respect to financial reporting and budgeting functions. The Audit Committee of the Board of Directors deals with significant control issues and instructs further areas to be covered.

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.

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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 : 30.05.2013
PLACE : JAIPUR

(SRIPAL H. CHOUDHARI)
MANAGING DIRECTOR

(ABHINAV CHOUDHARI)
DIRECTOR

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 and Non-Executive 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, 2013 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	13	Yes	1	–
Hirachand M. Choudhari	Promoter & Non-Executive Chairman	13	Yes	–	–

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Abhinav Choudhari	Promoter & Non-Executive Director	13	-	1	-
V.C. Surana	Non-Executive & Independent Director	13	Yes	48	-
Naresh Jain	Non-Executive & Independent Director	13	Yes	-	-

The Board duly met **13 (Thirteen)** times during the financial year 2012-13 on 19.04.2012, 23.06.2012, 10.07.2012, 30.07.2012, 24.08.2012, 30.08.2012, 21.09.2012, 31.10.2012, 01.11.2012, 30.01.2013, 13.02.2013, 16.02.2013 and 27.03.2013.

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, 2013 is as under :

Name	No. of Shares held	% of Paid-up Capital
Hirachand M. Choudhari	Nil	Nil
Abhinav Choudhari	316330	7.18
V.C. Surana	Nil	Nil
Naresh Jain	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
3. Remuneration Committee

AUDIT COMMITTEE

The audit committee has adequate powers and detailed terms of reference to play an effective role as required under the provisions of the Companies act, 1956 and clause 49 of the company's listing agreement with the stock exchanges.

The audit committee shall have powers, which should include the following :

1. Hold discussions with statutory auditors on the nature and scope of audits;
2. Discussion on financial control and reporting process;
3. Ensure compliance with accounting standards and listing requirements concerning financial statements;
4. Review the adequacy of internal controls in the Company including the plan, scope of internal audits and performance of the internal auditors;
5. Recommend the appointment of statutory auditors and their fees and approval for payment for any other services;
6. Reviewing the Company's financial and risk management policies.
7. Reviewing other matters as envisaged in Clause 49 of Listing Agreement, as amended from time to time.

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

Composition & Attendance

NAME OF MEMBER	CATEGORY	CAPACITY	NO. OF MEETINGS ATTENDED
Sh. V.C. Surana	Non-Executive & Independent Director	Chairman	13
Sh. Naresh Jain	Non-Executive & Independent Director	Member	13
Sh. Hira Chand Choudhari	Promoter & Non-Executive Chairman	Member	13

The Audit Committee met 6 (Six) times during the financial year 2012-13 on 19.04.2012, 23.06.2012, 10.07.2012, 30.07.2012, 24.08.2012, 30.08.2012, 21.09.2012, 31.10.2012, 01.11.2012, 30.01.2013, 13.02.2013, 16.02.2013 and 27.03.2013.

SHARE TRANSFER/INVESTOR'S GRIEVANCE COMMITTEE

Terms of Reference

At present the Share Transfer/Investor's Grievance Committee is looking after all the matters connected to shareholders/investors grievances viz. transfer of shares/dematerialization and other matters relating to investors/shareholders.

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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 (one) meeting of the Committee was held on 01.11.2012.

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

No complaints were received during the year.

REMUNERATION COMMITTEE

Terms of reference

Terms of reference of the 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
Sh. Naresh Jain	Non-Executive & Independent Director	Member	1
Sh. Abhinav Choudhari	Non-Executive Director	Member	1

The remuneration committee met 1 (One) time in the year on 13.02.2013.

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 2012-13 is as under :

Name	Salary	Contribution to PF	Leave Encashment	Bonus	LTA	Total
Sh. Shripal H Choudhari	600000	-	-	-	-	600000

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
23 rd Meeting	Monday, Sept. 27, 2010	11.00 a.m.	F-75-76, Udyog Vihar, Jaitpura, Jaipur.
24 th Meeting	Friday, Sept. 30, 2011	11.00 a.m.	F-75-76, Udyog Vihar, Jaitpura, Jaipur.
25 th Meeting	Thursday, Sept. 27, 2012	11.00 a.m.	F-75-76, Udyog Vihar, Jaitpura, Jaipur.

Details of Special Resolutions passed at the AGMs :

Financial Year	Date	Special Resolutions
2009-10	27 th Sept., 2010	No Special Resolution was passed
2010-11	30 th Sept., 2011	No Special Resolution was passed
2011-12	27 th Sept., 2012	No Special Resolution was passed

Further, no special resolution requiring postal ballot is being proposed for the ensuing Annual General Meeting.

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,

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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.

GENERAL SHAREHOLDER INFORMATION

1. **Annual General Meeting**
 - Date & Time : 30th September 2013 at 11 A.M.
 - Venue : F-75-76, Udyog Vihar, Jaitpura, Jaipur
2. **Financial Calendar (Tentative)**
 - Result for the qtr ending June 30, 2013 : Within 45 days from end of quarter.
 - Result for the qtr ending Sept 30, 2013 : Within 45 days from end of quarter.
 - Result for the qtr ending Dec 31, 2013 : Within 45 days from end of quarter.
 - Result for the qtr ending Mar 31, 2014 : Within 60 days from end of quarter of the financial year (Audited).
3. **Book Closure date** : 27th September, 2013 to 30th September, 2013 (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

MARKET PRICE DATA & RELATED INFORMATIONS

The trading in the equity shares of the company are infrequent at the Bombay Stock Exchange Limited.

REGISTRAR & SHARE TRANSFER AGENT

MCS Limited,
F-65, 1st 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

The high and low prices of every month during the financial year 2012-13 are given below :

BOMBAY STOCK EXCHANGE

Month	High	Low	Number of shares
April 2012	7.27	6.57	3800
May 2012	6.80	6.15	2800
June 2012	7.80	6.15	2600
July 2012	7.50	7.13	1700
August 2012	7.82	7.82	400
September 2012	–	–	–
October 2012	7.43	7.43	200
November 2012	7.06	6.71	600
December 2012	6.50	6.50	1100
January 2013	6.18	5.88	400
February 2013	6.17	6.17	200
March 2013	–	–	–

Emgee Cables and Communications Ltd.

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2013

(Class-wise distribution of Equity Shares)

Range	Shares	Folios	% Shares	% Holders
1 to 500	580400	2039	13.1744	76.5678
501 to 1000	380100	420	8.6279	15.7717
1001 to 2000	139300	85	3.1620	3.1919
2001 to 3000	81600	30	1.8522	1.1265
3001 to 4000	44100	12	1.0010	0.4506
4001 to 5000	114200	23	2.5922	0.8637
5001 to 10000	209700	26	4.7600	0.9763
10001-50000	447700	16	10.1623	0.6008
50001-100000	605300	8	13.7396	0.3004
And Above	1803100	4	40.9284	0.1502
Total	4405500	2663	100.00	100.00

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2013 WAS AS UNDER :-

Category	No. of Shareholding	Percentage of Shareholding
A. Promoter's Holding		
1. Promoters		
–Indian promoters	986030	22.38%
–Foreign Promoters	-	-
2. Body Corporate	1064470	24.16%
Sub-Total	2050500	46.54%
B. Non-Promoters Holding		
3. Institutional investors		
(a) Mutual Funds and UTI	-	-
(b) Banks, Financial institutions, Insurance companies (Central/ State Government Institutions/ non-government Institutions)	50000	1.14%
(c) FII(s)	-	-
Sub-Total	50000	1.14%
4. Others		
(a) Private Corporate Bodies	379600	8.62%
(b) Indian Public	1598400	36.29%
(c) NRIs/OCBs	322000	7.31%
(d) Any Other	5000	0.11%
Sub-Total	2305000	52.32%
Grand Total	4405500	100.00%

DEMATERIALIZATION 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, 2013, 3078900 equity shares of the company forming 67.58% 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,
Jaipur, Jaipur
Phone Nos. 01423-224343

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

SECRETARIAL AUDIT

For each quarter in the financial year 2012-13, 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, 2013 has been given elsewhere in the Annual Report.

FOR AND ON BEHALF OF THE BOARD

**DATE : 30.05.2013
PLACE : JAIPUR**

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

**(ABHINAV CHOUDHARI)
DIRECTOR**

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, 2013 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 : 30.05.2013
PLACE : JAIPUR

(ABHINAV CHOUDHARI)
CHIEF FINANCIAL OFFICER

(SRIPAL H. CHOUDHARI)
CHIEF EXECUTIVE OFFICER

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, 2013, 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 : 30.05.2013**

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, 2013, 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 : 30.05.2013**

**(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 31st March, 2013, 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, 2013;

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, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, 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 : 30.05.2013

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) The Company has taken/granted loan& advances from/to the Companies, Firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion, the rate of interest and other terms and conditions on which loans have been granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (c) The parties to whom loans have been given, have repaid the principal amounts as stipulated and have been regular in the payment of interest.
- (d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (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 the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

Emgee Cables and Communications Ltd.

- (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) The company is maintained cost record in pursuant to the Rules made by the Central Governemnt for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
- (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 31.03.2013 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) In our opinion, the terms and conditions on which the company has given guarantees for loans taken by other from banks or financial institutions are not prejudicial to the interest of the company.
- (xv) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no 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.
- (xvii) 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.
- (xviii) The company has not issued any debentures.
- (xix) The Company has not raised any money by Public issue during the year.
- (xx) 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 : 30.05.2013
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 31st MARCH, 2013**

PARTICULARS	NOTE NO.	AS AT 31.03.2013	AS AT 31.03.2012
<u>I. EQUITY AND LIABILITIES</u>			
1. Shareholders' Funds			
(a) Share Capital	1	4,40,55,000	4,40,55,000
(b) Reserves & Surplus	2	9,71,34,814	9,67,92,348
2. Share application money pending allotment		-	-
3. Non-current Liabilities			
(a) Long-term borrowings	3	58,59,524	98,08,916
(b) Deferred tax liabilities (Net)		63,69,731	59,12,387
4. Current Liabilities			
(a) Short-term borrowings	4	21,75,54,920	18,89,79,186
(b) Trade payables		16,74,70,869	13,66,50,521
(c) Other current Liabilities	5	3,02,45,562	2,90,17,805
(d) Short-term provisions	6	24,45,928	32,60,317
Total		57,11,36,348	51,44,76,480
<u>II. Assets</u>			
1. Non-current Assets			
(a) Fixed Assets	7		
(i) Tangible assets		4,90,42,707	4,96,09,856
(ii) Capital work-in-progress		-	-
(b) Non-current investments		-	-
(c) Long-term loans and advances		-	-
(d) Other non-current assets	8	1,26,405	1,31,721
2. Current Assets			
(a) Current investments		2,58,85,000	4,14,25,000
(b) Inventories		18,61,98,420	14,89,89,164
(c) Trade receivables	9	25,41,72,029	18,31,06,695
(d) Cash and cash equivalents	10	2,19,01,654	1,91,83,430
(e) Short-term loans and advances	11	3,19,60,890	7,04,09,529
(f) Other current assets	12	18,49,243	16,21,085
Total		57,11,36,348	51,44,76,480

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

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For P.S.D. & ASSOCIATES

For EMGEE CABLES & COMMUNICATIONS LTD.

Chartered Accountants

F.R.No. 004501C

Director

Director

(Sajjan K. Rawat)

Partner

M. No. 71806

Place : Jaipur

Date :30.05.2013

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2013

PARTICULARS	REFER NOTE NO.	FOR THE YEAR ENDED 31.03.2013	FOR THE YEAR ENDED 30.03.2012
I. Revenue from Operation	13	1,54,69,26,598	1522080762
Less : Excise Duty		4,96,60,660	36685848
		1,49,72,65,938	1485394914
II. Other Income	14	34,27,765	3,71,52,643
III. Total Revenue		1,50,06,93,703	1,52,25,47,557
IV. Expenses :			
Cost of materials consumed	15	43,87,90,371	36,61,13,875
Purchases Goods		99,63,63,539	1,06,58,57,448
Packages consumed		69,06,787	62,11,199
Changes in inventories	16	(3,77,98,727)	(1,60,19,268)
Employee benefits expense	17	85,75,956	78,21,040
Finance costs	18	5,62,71,218	4,99,19,623
Depreciation and amortization expense		45,92,590	44,10,648
Other expenses	19	2,48,49,843	2,82,65,547
Total expenses		1,49,85,51,577	1,51,25,80,112
V. Profit before exceptional and extraordinary items and tax		21,42,126	99,67,445
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax		21,42,126	99,67,445
VIII. Extraordinary Items		-	-
IX. Profit before tax		21,42,126	99,67,445
X. Tax expense :			
(1) Current tax		11,60,622	32,60,317
(2) Deferred tax		4,57,344	(12,10,137)
XI. Profit (Loss) for the period		5,24,160	79,17,265
XII. Earnings per equity shares :			
(1) Basic		0.12	1.80
(2) Diluted		0.29	1.80
Face Value Per Share		10	10

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

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For P.S.D. & ASSOCIATES

For EMGEE CABLES & COMMUNICATIONS LTD.

Chartered Accountants

F.R.No. 004501C

Director

Director

(Sajjan K. Rawat)

Partner

M. No. 71806

Place : Jaipur

Date :30.05.2013

Emgee Cables and Communications Ltd.**EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**
Notes for the Financial Statements**NOTE-1**

Share Capital	As at 31 st March, 2013		As at 31 st March, 2012	
	Number	Rs.	Number	Rs.
Authorised				
50,00,000 Equity Shares of Rs. 10/- each	50,00,000	50,00,000	50,00,000	50,00,000
Issued				
44,50,000 Equity Shares of Rs. 10/- each	44,50,000	44,50,000	44,50,000	44,50,000
Subscribed & Paid up				
44,05,500 Equity Shares of Rs. 10/- each fully paid	44,05,500	44,05,500	44,05,500	44,05,500
Total	44,05,500	44,05,500	44,05,500	44,05,500

Details of shareholders holdings more than 5% shares

Name of Shareholder	As at 31 st March, 2013		As at 31 st March, 2012	
	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.	1064470	24.16	1064470	24.16

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR

NOTE-2

Reserves & Surplus	As at 31st March, 2013	As at 31st March, 2012
A. Share Premium Reserve		
Opening Balance	6,18,64,000	6,18,64,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	6,18,64,000	6,18,64,000
B. Investment Allowance (Utilised) Reserve		
Opening Balance	5,29,000	5,29,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	5,29,000	5,29,000
C. Capital Reserve		
Opening Balance	51,38,000	51,38,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	51,38,000	51,38,000
D. General Reserve		
Opening Balance	20,89,970	20,89,970
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	20,89,970	20,89,970
E. Revaluation Reserve		
Opening Balance	18,81,122	20,62,816
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	1,81,694	1,81,694
Closing Balance	16,99,428	18,81,122
F. Surplus		
Opening Balance	2,52,90,256	1,73,72,991
(+) Net Profit/(Net Loss) for the current year	5,24,160	79,17,265
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	2,58,14,416	2,52,90,256
Total	9,71,34,814	9,67,92,348

Emgee Cables and Communications Ltd.

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR

NOTE-3

Long Term Borrowings	As at 31st March, 2013	As at 31st March, 2012
<u>Secured</u>		
(A) Term Loans		
Term Loan from Dena Bank	6,08,558	9,56,298
Term Loan from Banks	8,99,085	4,20,171
<u>Unsecured</u>		
(A) Term Loans		
Term Loan from Banks	10,38,506	32,13,170
Term Loan from Others	33,13,375	52,19,277
Loans and advances from related parties	-	-
Total	58,59,524	98,08,916

***Secured Loan with Dena Bank Amounting to Rs. 6.08 Lakhs (March 2011-12 : Rs. 9.56 Lakhs) repayable within 2-3 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. 0.56 Lacs repayable within 2-3 years with interest rate 11.7%
 Car loan from ICICI Bank Amounting to Rs. 0.59 Lacs repayable within 2-3 years with interest rate 12.75%
 Car loan from ICICI Bank Amounting to Rs. 5.23 Lacs repayable within 2-3 years with interest rate 11.64%
 Car loan from HDFC Bank Amounting to Rs. 2.03 Lacs repayable within 2-3 years with interest rate 12.83%
 Car loan from HDFC Bank Amounting to Rs. 0.19 Lacs repayable within 2-3 years with interest rate 19.25%
 Car loan from HDFC Bank Amounting to Rs. 0.19 Lacs repayable within 2-3 years with interest rate 19.25%
 Car loan from HDFC Bank Amounting to Rs. 0.19 Lacs repayable within 2-3 years with interest rate 19.25%

Term loan from Bank under Unsecured loans includes :-

Loan from Kotak Mahindra Bank Amounting to Rs. 2.84 Lacs repayable within 2-3 years with interest rate 19.50%
 Loan from Dhanlaxmi Bank Amounting to Rs. 3.57 Lacs repayable within 2-3 years with interest rate 15.50%

Term loan from others under Unsecured loans includes :-

Loan from Religare Investment Limited Amounting to Rs. 7.11 Lacs payable within 2-3 years with interest rate 16.00%
 Loan from Kotak Prime Limited Amounting to Rs. 3.25 Lacs repayable within 2-3 years with interest rate %
 Loan from Religare Investment Limited Amounting to Rs. 18.80 Lacs payable within 2-3 years with interest rate 16.00%
 Loan from Bajaj Auto Limited Amounting to Rs. 3.96 Lacs repayable within 2-3 years with interest rate 16.00%

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**NOTE-4**

Short Term Borrowings	As at 31st March, 2013	As at 31st March, 2012
<u>Secured</u>		
(a) Loans repayable on demand		
i) Overdraft from Banks*	13,15,99,887	12,60,69,252
<u>Unsecured</u>		
i) Loan from NSIC Limited	4,79,72,932	4,85,20,095
ii) Loans and advances from related parties	3,29,82,101	1,43,89,839
iii) Loan from others	50,00,000	-
Total	21,75,54,920	18,89,79,186

*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 31st March, 2013	As at 31st March, 2012
(a) Current maturities of long-term Borrowing		
i) From Dena Bank	3,47,740	3,47,740
ii) Others	1,08,69,336	1,24,73,677
(b) Advance from Customers	93,62,227	59,94,424
(c) Statutory Liabilities	21,31,677	35,34,257
(d) Other Payables	69,22,951	60,36,080
(e) Other Liabilities	6,11,631	6,31,627
Total	3,02,45,562	2,90,17,805

Emgee Cables and Communications Ltd.

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR

NOTE-6

Short Term Provisions	As at 31st March, 2013	As at 31st March, 2012
(a) Provision for employee benefits Gratuity (Funded)	12,85,306	-
Provision for Income Tax	11,60,622	32,60,317
Total	24,45,928	32,60,317

NOTE-7

Fixed Assets	Gross Block			Accumulated Depreciation				Net Block		
	Balance As at 1.4.2012	Addition	Disposals	Balance As at 31.03.13	Balance As at 1.4.2012	Dep. charges for the Year	Accumu- lated Dep. on disposal Transferred	Balance As at 31.03.13	Balance As at 31.3.2013	Balance As at 31.3.2012
A) Tangible Assets										
Land Freehold	925245	-		925245	-	-		-	925245	925245
Factory Buildings	11775749	-		11775749	4658995	392235		5051230	6724519	7116754
Office Buildings	2416350	-	-	2416350	594870	114463		709333	1707017	1821480
Leasehold Property-Land	1022000	-	-	1022000	258075	10323		268398	753602	763925
Electric Installation	1666605	-		1666605	965835	78947		1044782	621823	700770
Plant & Equipment	58779568	1788420	-	60567988	28849893	2829724		31679617	28888371	29929675
Furniture and Fixtures	2256238	-		2256238	738422	142430		880852	1375386	1517816
Office Equipment	1660871	76290	-	1737161	684101	86857		770958	966203	976770
Transport Equipment	6899542	2354658	315284	8938916	4006889	821875	289451	4539313	4399603	2892653
Computer	2597642	13600		2611242	2418926	13150		2432076	179166	178716
Laboratory Equipment	5944468			5944468	3176533	281591		3458124	2486344	2767935
Borewell & Spinkler	56762			56762	38645	2689		41334	15428	18117
Total A	96001040	4232968	315284	99918724	46391184	4774284	289451	50876017	49042707	49609856
Total B	93817917	2183123	-	96001040	41798842	4592342		46391184	49609856	52019075

Note : 1. Total Depreciation for the year is Rs. 47,74,284/- 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. 45,92,590/- is charged to Profit & Loss Account.

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR

NOTE-8

Other Non-current Assets	As at 31 st March, 2013	As at 31 st March, 2012
Prepaid Expenses	50,305	55,621
Toshali Resorts-Time Shares	76,100	76,100
Total	1,26,405	1,31,721

NOTE-9

Trade Receivables (Unsecured but considered good by Management)	As at 31 st March, 2013	As at 31 st March, 2012
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	22,56,28,110	14,55,57,264
Unsecured, considered doubtful	-	-
Less : Provision for doubtful debts	-	-
	22,56,28,110	14,55,57,264
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	2,82,65,262	3,72,70,774
Unsecured, considered doubtful	2,78,657	2,78,657
Less : Provision for doubtful debts	-	-
	2,85,42,919	3,75,49,731
Total	25,41,72,029	18,31,06,695

Emgee Cables and Communications Ltd.

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR

NOTE-10

Cash and Cash Equivalents	As at		As at	
	31st March, 2013		31st March, 2012	
A. Balances with banks		20393170		16947169
Current Deposit a/c	1394362		36359	
Bank deposits with more than 12 months maturity	18998808		16910810	
B. Cash in hand		1508484		2236264
Cash in Hand	1508484		2236264	
Total		21901654		19183433

NOTE-11

Short-term Loans and Advances	As at	
	31st March, 2013	
	31st March, 2012	
A. Loans and Advances to related parties		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful		
Less : Provision for doubtful loans and advances	-	-
Total (A)	-	-
B. Others (specify nature)		
Secured, considered good		
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received	2,44,000	3,60,154
Balances with Excise, Customs, Port Trust etc.	71,13,082	24,48,777
Security Deposits	47,72,211	46,40,491
Prepaid Expenses	2,72,406	2,51,847
Advances for Capital Goods	3,56,609	4,25,893
Advance for Expenses	1,91,314	91,559
Advances to Suppliers	6,76,911	24,47,938
Advance tax & TDS	32,68,198	56,84,265
Other Accounts Receivable	1,50,66,159	5,40,58,605
Less : Provision for doubtful loans and advances		
Total (B)	3,19,60,890	7,04,09,529
Total (A+B)	3,19,60,890	7,04,09,529

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**NOTE-12**

Other Current Assets	As at 31st March, 2013	As at 31st March, 2012
Int accrued on bank deposits	-	-
Other Current Assets	18,49,243	16,21,085
Total	18,49,243	16,21,085

NOTE-13

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Sale of products		
Sale of Goods	1,54,59,22,364	1,52,20,63,820
Export Sales	9,55,490	
Less : Excise duty	4,96,60,660	3,66,85,848
	1,49,72,17,194	1485377972
Other Operating Revenues		
Conversion Received	48,744	16,942
Total	1,49,72,65,938	1,48,53,94,914

NOTE-14

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Interest Income	33,97,340	45,78,888
Rent Income	12,000	12,000
Profit on sale of Fixed Assets	4,167	-
Other non-operating income	5,618	3,25,61,755
Foreign Exchange Difference	8,640	
Total	34,27,765	3,71,52,643

Emgee Cables and Communications Ltd.

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR

NOTE-15

Cost of Materials Consumed	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Opening Stock	95,42,526	89,00,580
Add : Purchases	43,83,21,801	36,67,55,821
Less : Closing Stock	90,73,956	95,42,526
Total	43,87,90,371	36,61,13,875

NOTE-16

Changes in Inventories of Finished Goods and Work-in-progress	For the year ended 31st March, 2013	For the year ended 31st March, 2012
A. Closing Stock		
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
Total Closing Stock	17,62,70,983	13,84,72,256
B. Opening Stock		
Stock in Process	7,92,30,376	6,69,82,325
Finished Products	5,61,54,002	5,32,72,205
Scrap	30,87,878	21,98,458
Total Opening Stock	13,84,72,256	12,24,52,988
Change (B-A)	(3,77,98,727)	(1,60,19,268)

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR**NOTE-17**

Employee Benefits Expense	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Salaries, Wages, Bonus etc.	59,60,265	65,08,116
Contributions to PF & Other Funds		
–Provident fund and ESI	649,368	5,66,184
–Gratuity	12,85,306	-
Staff welfare expenses	81,017	1,46,740
Director's Salary	600,000	6,00,000
Total	85,75,956	78,21,040

NOTE-18

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Interest on Secured & Unsecured Loans	4,68,32,110	4,13,17,685
Bank Charges	94,39,108	86,01,938
Total	5,62,71,218	4,99,19,623

Emgee Cables and Communications Ltd.

EMGEE CABLES & COMMUNICATIONS LIMITED, JAIPUR

NOTE-19

Other Expenses	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Conversion Charges	1,10,58,004	1,15,49,211
Power & Fuel	40,82,621	34,12,300
Consumable Stores	11,68,479	16,37,857
Cartage & Coolie	6,38,700	12,75,888
Service Tax (Transportation)	–	6,050
<u>Repairs and Maintenance :</u>		
(i) Plant & Machinery	12,87,552	12,23,575
(ii) Factory Bulding	15,783	43,673
Printing & Stationery	2,88,067	3,87,525
Travelling & Conveyance	1,00,176	3,74,261
Director's Travelling	73,318	1,37,820
Telecommunication & Postage	4,08,287	4,03,749
Rent, Rates & Taxes	4,31,136	4,41,259
Legal & Professional Expenses	2,68,855	3,72,451
Electricity & Water	2,89,673	2,18,988
General Repairs & Maintenance	3,87,265	3,97,321
Insurance Expenses	2,33,722	2,65,051
Membership & Subscription	55,342	49,175
Books & Periodicals	–	477
Auditor's Remuneration	28,090	27,575
Advertisement, Publicity & Sales Promotion	1,18,827	1,15,840
License Fees & Expenses	1,57,113	1,52,557
Packing & Forwarding	12,39,938	17,29,219
Discount, Commission & Service charges	10,43,323	24,90,131
Misc. Expenses	1,92,195	3,48,812
Filing Fees	3,965	1,980
Claims	–	5,243
Donation	26,266	2,000
Technical Consultancy	12,49,420	11,90,671
Balance Written off (Net)	657	4,888
Expenses on Export	3,069	–
Total	2,48,49,843	2,82,65,547

16. Additional Information Pursuant to part II of Schedule VI to the Companies Act, 1956.

a) Particulars of capacity :	Registered Capacity		Installed Capacity		
	<u>2012-2013</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2011-2012</u>	
<u>Class of goods</u>			133.65 Lac	133.65 Lacs	
Wires & Cables	N. A.	N.A.	Mtrs	Mtrs	
			<u>2012-2013</u>	<u>2011-2012</u>	
	<u>Unit</u>	<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	
				<u>Value</u>	
b) <u>Opening Stock:</u>					
Wires & Cables	Mtrs/Yds	525352	55620662	1402509	52720749
Others		4706	533340	4719	551456
c) <u>Production :</u>					
Wires & Cables	Mtrs/Yds	28356137	-	39033915	-
d) <u>Purchases :</u>					
Wires & Cable	Mtrs/Yds	422595	-	473543	-
Others		-	-	-	-
e) <u>Sales :</u>					
Wires & Cables	Mtrs/Yds	28754800	-	40384615	-
	Kg.				
Others				13	-
f) <u>Closing Stocks :</u>					
Wires & Cables	Mtrs/Yds	549284	65092268	525352	55620662
Others		4706	533340	4706	533340

17. RAW-MATERIALS CONSUMED :

	<u>Qty (MT)</u>	<u>Value (Rs.)</u>	<u>Qty (MT)</u>	<u>Value (Rs.)</u>
Copper	872.697	442511631	959.684	454395198
PVC	500.394	46423067	344.925	28277708
Others	9.159	1423764	109.445	10543027

Emgee Cables and Communications Ltd.

18. 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>
A) RAW-MATERIALS :				
i) Imported	0.00	-	1.02	3749814
ii) Indigenous	100.00	1318752642	98.98	362293774
B) STORES, SPARES AND CONSUMABLES :				
i) Imported	-	-	-	-
ii) Indigenous	100.00	24,56,031	100.00	30,14,908
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

19. EXPENDITURE IN FOREIGN CURRENCY	<u>2012-13</u>	<u>2011-12</u>
Directors Travelling Expenses	Nil	Nil

20. EARNING IN FOREIGN EXCHANGE :

FOB value of Goods Exported	9,55,490	Nil
21. Remittance of Foreign Currency on account of Dividends remitted to Non-Residential Shareholders :	Nil	Nil

22. Earning per Shares :-

	<u>2012-13</u>	<u>2011-12</u>
a) Profit (Loss) After Tax- Rs.	524160	7917265
b) Weighted average No. of Equity Shares	4405500	4405500
c) Nominal Value of Shares - Rs. 10/-		
d) Basic earning per Equity Shares- Rs.	0.12	1.80

23. 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.

24. 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
			2,38,05,000	Loan Recd. from Director
			82,59,281	Repayment of Loan
2.	H.M.S. Investments Pvt. Ltd.	Director	1,03,13,52,152	Purchase

SIGNATURE TO THE SCHEDULE 1 TO 16

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. 71806

Date :30.05.2013

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 13
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 Deployment of funds (Amount in Rs. Thousand)

Total Liabilities	Total Assets
571136	571136

Sources of Funds

Paid up Capital	Reserve & Surplus
44055	97135
Secured Loans	Unsecured Loans
134287	100414
Deferred Tax	
6369	

Application of Funds

Net Fixed Assets	Investments
49043	—
Net current Assets	Misc. Expenditure
298839	—
Accumulated Losses/Profit	
—	

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

Turnover	Total Expenditure
1497266	1497328
Profit/Loss before Tax	Profit After Tax
2142	524
Earning per Share (in Rs.)	Dividend %
0.12	—

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

In terms of our report of even date

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

(SAJJAN K. RAWAT)
Partner

M. No. 71806
Date :30.05.2013
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, 2013

(Pursuant to clause 32 of the listing agreement)

CASH FLOW FROM OPERATING ACTIVITIES	<u>2012-13</u>	<u>2011-12</u>
1. Profit before Tax and Extra Ordinary items	21,42,126	99,67,445
ADJUST FOR		
2. Depreciation	45,92,590	44,10,648
3. Interest expenses	4,68,32,110	4,13,17,685
4. Interest received	(34,27,765)	(45,90,888)
5. Loss on Sales of Assets	--	--
6. Operating Profit before working capital changes	5,01,39,061	5,11,04,890
ADJUSTMENT FOR		
7. Trade & other Receivables	(1,86,78,888)	(5,59,23,683)
8. Inventories	(3,72,09,256)	(1,70,76,588)
9. Trade payables	2,17,01,039	4,63,78,110
10. Cash generated by Operating Profit Activities	1,59,51,956	2,44,82,729
11. Interest paid	4,68,32,110	4,13,17,685
12. NET CASH PROVIDED BY OPERATING ACTIVITIES (3,08,80,154)	(3,08,80,154)	(1,68,34,956)
CASH FLOWS FROM INVESTMENT ACTIVITIES		
13. Purchase of fixed Assets & Capital Expenditure	(42,32,968)	(21,83,123)
14. Proceeds from Assets (Net)	--	--
15. (Purchase)/Sale of Investments (Net)	--	45,75,000
16. Interest received	34,27,765	45,90,888
17. NET CASH USED IN INVESTMENT ACTIVITIES	-8,05,203	69,82,765
CASH FLOWS FROM FINANCING ACTIVITIES		
18. Proceeds from Issue of Share Capital (Reissue)		
19. Term Loan	(3,47,740)	(25,64,940)
20. Borrowings (payment) of Short Term Loans (Car loan)		
21. Unsecured Loans	3,56,28,431	1,36,87,990
22. NET CASH PROVIDED BY FINANCING ACTIVITIES	3,52,80,691	1,11,23,050

23. NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	35,95,334	12,70,859
Cash & Cash equivalents, at the beginning of the year		
24. Cash & Current Account Balance	1,91,83,430	2,01,78,700
25. Cash Credit Account	(12,83,35,381)	(12,83,35,381)
	<u>(10,91,51,951)</u>	<u>(10,81,56,681)</u>
26. Cash & Cash equivalents, at the end of the year		
27. Cash & Current Account Balance	2,05,12,635	1,91,83,430
28. Cash Credit Account	(12,60,69,252)	(12,60,69,252)
29.	<u>(10,55,56,617)</u>	<u>(10,68,85,822)</u>

For & 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, 2013 and found the same in agreement therewith.

JAIPUR
DATED : 30.05.2013

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

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.

I hereby record my presence at the 26th Annual General Meeting of the company held on Monday, the 30th day of Sept., 2013 at 11:00 A.M. at registered office : F, 75-76, Udyog Vihar, Jetpura, Jaipur.

DP ID*		Master Folio No.	
Client ID*		No. of Share held	

NAME AND ADDRESS OF THE SHAREHOLDER :

Signature of the shareholder or proxy

*Applicable for investors holding shares in electronic form.

PROXY FORM

DP ID*		Master Folio No.	
Client ID*		No. of Share held	

I/We of

being member/memberss of EMGEE CABLES & COMMUNICATIONS LIMITED appoint

Mr./Ms..... or failing him Mr./

Ms. as my/our Proxy to vote for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on Monday, the 30th September, 2013 at 11:00 A.M. at Regd. Office : F-75-76, Udyog Vihar, Jaitpura (Jaipur) or at any adjournment there of.

Signed this day of 2013

**Affix Re. 1/-
Revenue
Stamp**

NOTE : The Proxy must be returned so as to reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the company.