






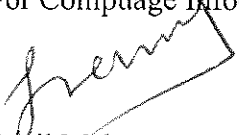

Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

FORM A

Format of covering letter of the Audit Report to be filed with the Stock Exchange

1.	Name of the Company	COMPUAGE INFOCOM LIMITED
2.	Annual financial statement for the year	31 st March, 2013
3.	Type of Audit observation	Unqualified
4.	Frequency of Observation	Not Applicable

<p>For Compuage Infocom Limited</p>  <p>Atul H. Mehta Chairman & Managing Director</p>	<p>For B. V. Dalal & Co. Chartered Accountants Firm's registration No. 114244W</p>   <p>Manori Shah Partner Membership No. 104640</p>
<p>For Compuage Infocom Limited</p>  <p>Suhil Mehta Chief Financial Officer</p>	<p>For Compuage Infocom Limited</p>  <p>G. S Ganesh Chairman-Audit Committee</p>

COMPUAGE INFOCOM LTD

601, D-Wing, Lotus Corporate Park,
Ram Mandir Lane, Jai Coach Junction,
Western Express Highway,
Goregaon (E), Mumbai - 400 063, India.

Ph.: +91-22-6711 4444

Fax: +91-22-6711 4445

info@compuageindia.com

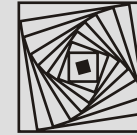
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COMPUAGE INFOCOM LTD.

601, D-Wing, Lotus Corporate Park,
Ram Mandir Lane, Near Jai Coach Junction, Western Express Highway,
Goregaon (E), Mumbai - 400 063. INDIA.
Tel : +91-22-6711 4444 Fax : +91-22-6729 7240
E-mail : info@compuageindia.com

14th Annual Report

2012-13



COMPUAGE INFOCOM LTD.

NOTICE IS HEREBY GIVEN THAT THE 14TH ANNUAL GENERAL MEETING OF THE MEMBERS OF COMPUAGE INFOCOM LIMITED WILL BE HELD ON SATURDAY, 7TH SEPTEMBER, 2013 AT 10.00 A.M AT VICTORIA MEMORIAL SCHOOL FOR BLIND TARDEO ROAD, OPP. FILM CENTRE, MUMBAI - 400 034 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2013 and the Balance Sheet as on that date and the Reports of the Directors and the Auditors thereon.
2. To declare a final Dividend on Equity shares of the Company.
3. To appoint a Director in place of Mr. Vijay Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s B.V Dalal & Co. (Registration No. 114214W), Chartered Accountant, as the Auditors and to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting of the company at such remuneration as may be determined by the Board of Directors.

Place: Mumbai
Date 19th July, 2013

By Order of the Board of Directors
For **Compuage Infocom Limited**

Registered Office :

601, D-Wing, Lotus Corporate Park,
Ram Mandir Lane, Near Jai Coach Junction,
Western Express Highway, Goregaon (E),
Mumbai - 400 063.

Shilpa Singh
Company Secretary



COMPUAGE INFOCOM LTD.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A proxy form duly completed and stamped, must reach the registered office of the company not less than 48 hours before Commencement of the Meeting.
3. Corporate members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Members who hold shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
5. Members/Proxies/Representatives are requested to bring the enclosed Attendance Slip, duly filled in, for attending the Meeting.
6. The register of members and the share transfer books of the company will remain closed from 5th September, 2013 to 7th September, 2013 (both days inclusive) for the purpose of payment of dividend, if any, approved by the Members.
7. The Dividend for the year ended 31st March, 2013 as recommended by the Board, if approved by the Members at the Annual General Meeting will be paid within the prescribed time limit to those members whose names appear in the Company's Register of Members on 7th September, 2013. In Respect of Shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per the details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
8. Members holding shares in physical form are requested to advise any change of address, bank details etc. immediately to the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited.
LINK INTIME INDIA PRIVATE LIMITED,
C-13, Pannalal Silk Mills Compound, LBS Marg,
Bhandup (West), Mumbai-400 078.
9. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.



COMPUAGE INFOCOM LTD.

10. Pursuant to the provision of section 205A and 205C of the Companies Act, 1956, the dividend which remains Unclaimed / Unpaid for a period of seven years from the date of transfer to the respective unpaid dividend accounts, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Link Intime India Private Limited.
12. To promote green initiative as per circular issued by Ministry of Corporate Affairs in 2011, members are requested to register their e-mail addresses through their Depository Participants where they are holding their demat accounts for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
13. Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking re-appointment at the forthcoming Annual General Meeting is attached hereto.

Information Required to be furnished under the listing Agreement :

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

i) Item No. 3 of the Notice:

Name	: Mr. Vijay Agarwal
Date of Birth	: 29.06.1957
Date of Appointment	: 24.06.2006
Qualification	: Chartered Accountant

Expertise :

Mr. Vijay Agarwal is a Practicing Chartered Accountant for the last 27 years specialized in Corporate Advisory, Tax and Audit field. As an Independent Director & Chartered Accountant by Profession he has been adding immense value to the Group. He is a member of the Audit Committee and Share Transfer & Investor Grievance Committee of Compuage Infocom Limited. His holding in the company is NIL Shares.



COMPUAGE INFOCOM LTD.

Details of Directorships and Committee Memberships in other Companies are detailed below:

Name of the Companies	Nature of Interest/Position held
1 Sparc Samudaya Nirman Sahayak (Section 25 Company)	Chairman
2 Themis Medicare Ltd.	Director & Member of Audit Committee
3 Sanskar Foundation (Section 25 Company)	Chairman
4 Gujarat Themis Biosyn Ltd.	Director & Member of Audit Committee
5 Triveni Sangam Estate Pvt. Ltd.	Director
6 Pramerica Trustees Pvt. Ltd.	Director
7 Long Island Nutritionals Private Limited	Additional Director
8 Tips Industries Limited	Additional Director

Place: Mumbai
Date: 19th July, 2013

By Order of the Board of Directors
For Compuage Infocom Limited

Registered Office:

601, D-Wing, Lotus Corporate Park,
Ram Mandir Lane, Near Jai Coach Junction,
Western Express Highway, Goregaon (E),
Mumbai - 400 063.

Shilpa Singh
Company Secretary

**DIRECTOR'S REPORT**

Dear Shareholders,

The Board of Directors has pleasure in presenting the Audited Financial Statements for the year ended 31st March 2013.

FINANCIAL HIGHLIGHTS:

The highlights of the Financial Results are:

(Rs. In Lakhs)

Particulars	Consolidated		Standalone	
	Current Year 2012-13	Previous Year 2011-12	Current Year 2012-13	Previous Year 2011-12
Revenue from Operation & Other Income	196140.12	159775.89	190505.05	155112.63
Profit before Interest, Taxation & Depreciation	4164.61	3654.94	4143.78	3582.76
Less: Interest	2665.15	1922.04	2651.69	1895.67
Less: Depreciation	279.72	180.65	276.94	167.44
Profit before Tax	1219.74	1552.25	1,215.15	1,519.65
Less: Provision for taxation	400.78	523.85	400.79	498.88
Profit after Tax Provision	818.96	1028.40	814.36	1,020.77
Balance brought forward	2990.77	2116.08	3039.35	2173.78
Amount available for Appropriation :	3809.73	3144.48	3853.71	3,194.55
Dividend				
Interim Dividend	-	66.55	-	66.55
Proposed Dividend	66.55	66.55	66.55	66.55
Dividend Distribution Tax	10.80	22.10	10.80	22.10
Less: Unrealised Profit	0.79	4.83	-	-
Less: Foreign currency translation Reserve	2.99	-	-	-
Less: Minority Interest	-	1.53	-	-
Balance Carried to Balance Sheet	3728.60	2982.92	3776.36	3,039.35

Business Performance:

The year gone by has been a mixed bag. The Company's registered revenue of Rs. 190505.05 Lacs as against Rs. 155112.63 Lacs in the previous year, registering a growth of 22.82%. The Company's consolidated revenue has grown to Rs. 196140.12 Lacs as against Rs. 159775.89 Lacs in the previous year, registering a growth of 22.76%.



While the revenue has grown, Profit after Tax has gone down. The Net Profit after Tax stood at Rs. 814.36 Lacs as against Rs. 1020.77 Lacs in the previous year. The Consolidated Profit after Tax stood at Rs. 818.96 Lacs as against Rs. 1028.40 Lacs in the previous year.

Dividend :

The Board of Directors has recommend a final dividend of Re. 1.00/- (One Rupee) per share for the year ended 31st March, 2013 which is (10%) on face value of Rs.10/- (Rupees Ten only) each, subject to the approval of members at the ensuing Annual General Meeting.

Future Outlook :

The Future outlook of the company is very promising. The Company operates in high growth rate IT industry. With IT penetration still below double digit, shall continue to grow, offering immense opportunities to Compugame. Further, with Compugame's entry into the telecom products distribution, it will give further boost to the company. With smart phones expected to have rapid growth over the next 5 years, Compugame is well positioned to benefit from the same. With growth in revenue, it will optimize its utilisation of its infrastructure and resources, thereby growing the company's profitability as well.

Listing Of Securities:

The Company's equity shares are listed on BSE Limited (BSE) and Madras Stock Exchange Limited (MSE).

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

SUBSIDIARY COMPANY:

1. Compugame Infocom (S) Pte. Ltd :

During the year Company continued to hold it's holding in Compugame Infocom (S) Pte. Ltd. a wholly owned subsidiary of the company which was formed to expand the company's business operation in SAARC Countries.

The Company has been granted exemption by the Ministry of Corporate Affairs from attaching to its Balance sheet, the Individual Annual Reports of its subsidiary Companies vide its General Circular No: 2/2011 and General Circular No: 3/2011 dated Feb 8, 2011 and Feb 21, 2011 respectively. As per the terms of the Circular, a statement containing the brief financial details of the Companies Subsidiaries for the year ended March 31, 2013 is included in the Annual Report. The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company/ its subsidiaries seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the said subsidiaries will also be available for inspection, as above, at the Registered Offices of the respective subsidiary Companies.



Disinvestment:

To focus on its core business of distribution, the company disinvested its complete holding in Greenvision Technologies Private Limited and Adit E-commerce Private Limited.

Information Technology:

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

Internal Audit:

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

Directors:

Your Company has Five Directors including Three Independent Directors in consonance with Corporate Governance norm specified in the Clause 49 of the Listing Agreement with the Stock Exchanges.

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

Mr. Vijay Agarwal retires by rotation from the Board in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment at the said Annual General Meeting.

Auditors:

M/s. B.V.Dalal & Co., Chartered Accountants, statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from the retiring Auditor to the effect that their appointment as statutory Auditor, if made, will be within the limit prescribed under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT

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

Fixed Deposit:

The Company has accepted the Fixed Deposits and complied the provisions of Section 58A of the Companies Act, 1956 and rule thereon.

Depository System:

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



Status of Dematerialisation of Shares:

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

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm:

- i. That in preparation of the Annual Accounts for the year ended 31st March, 2013, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. That the directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2013 and the profit of the Company for the year under review;
- iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records 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. That the annual accounts for the year ended 31st March, 2013 have been prepared on a 'going concern basis'.

Corporate Governance:

As required by Clause 49 of the Listing Agreement, a separate Report on Corporate Governance forms part of the Annual Report. A certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance forms part of this report.

Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo:

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

B. Earning in Foreign Exchange:

Mercantile Trade as on 31st March, 2013 is Rs. 6891.20 Lacs (Previous year- NIL).

The payment of foreign exchange outgoes are as under:

1. Valuation of Imports calculated on C.I.F. basis for one year period ended 31st March, 2013 is Rs.35,353 Lacs. (Rs. 31,244.10 Lacs in previous year)
2. Expenditure in Foreign currency: (Rs. in Lacs) (Current Year) (Previous Year)

Travelling	19.77	1.98
Interest	NIL	NIL

**Disclosure under Section 274 (1) (g)**

None of the Directors of the Company are disqualified from being appointed as directors as specified u/s 274(1) (g) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1956.

Particulars of Employee:

Statement of Particulars of Employees under Section 217 2(A) for the period ended 31st March, 2013.

Name (Age)	Designation, Nature of duties & Date of commencement of Employment	Qualification / Experience	Gross Remuneration Rs.	Last Employing Designation / Name of Company
*Atul H. Mehta (51)	Chairman & Managing Director, Specialized in Finance & Strategic Planning (16.06.2000)	MBA - U.S.A (25)	1,20,00,000 (w.e.f 08.09.2011)	Compuage Electronics Ltd. Chairman & Managing Director
*Bhavesh H. Mehta (38)	Whole-time Director, Specialized in Imports & Logistics (18.10.2000)	M.Com (18)	1,20,00,000 (w.e.f 18.10.2011)	Compuage Electronics Ltd. Director

Note:

- * 1. Nature of employment is contractual.
2. The above amounts does not include provision of gratuity and leave encashment.

Human Resources:

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

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

We believe in training our employees and keeping them abreast on the developments in the industry. To this effect, we have undertaken onsite and offsite training programs for our employees. The main focus area for conducting training programmes is team building and to change the attitude of the people towards work and to encourage the employees to come up with innovative ideas.

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

**Consolidated Financial Statements:**

As stipulated by clause 32 of the Listing Agreement with the Stock Exchange, the consolidated financial statement have been prepared by the company in accordance with the applicable accounting standards issued by The Institute of Chartered Accountants of India. The audited consolidated financial statement together with the Auditors' Report form part of the Annual Report.

The Consolidated Net Worth of the company and its subsidiary as on 31st March, 2013 is Rs. 59.80 Cr.

The Consolidated Net Profit of the company and its subsidiary amounted to Rs. 818.96 Lacs for the financial year ended 31st March, 2013.

Acknowledgements:

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

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

Place: Mumbai

Date: 29th May, 2013

For and on behalf of the Board of Directors
For **Compuage Infocom Limited**

Registered Office:

601, D-wing, Lotus Corporate Park,
Ram Mandir Lane, Near Jai Coach Junction,
Western Express Highway,
Goregaon (E), Mumbai - 400063

Atul H. Mehta
Chairman and Managing Director

**MANAGEMENT'S DISCUSSION AND ANALYSIS****Overview****Forward-Looking Statements**

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

Economic Overview:

Economic activity in India continued to moderate during fiscal 2013. Global economic conditions also remained weak with slowdown in growth in developed and emerging economies. India's gross domestic product (GDP) grew by 5.0% during the first nine months of fiscal 2013 compared to a growth of 6.6% in the corresponding period of fiscal 2012. The services sector grew by 6.7% during the first nine months of fiscal 2013 compared to 8.5% during the first nine months of fiscal 2012. The industrial sector grew by 3.2% and agriculture sector by 4.0% during the first nine months of fiscal 2013 compared to a growth of 4.0% and 4.3% respectively in the corresponding period of fiscal 2012. Average inflation for fiscal 2013 was 7.3% compared to 8.9% in fiscal 2012.

According to CRISIL, India's economic growth is expected to accelerate to 6.7 percent in 2013-14 from the projected rate of 5.5 percent in the current financial year on a revival in consumption. A pick-up in agriculture, predicated on a normal monsoon, lower interest rates and higher government spending will support private consumption demand. India's GDP growth in 2013-14 will be supported by the revival of the private sector consumption growth aided by higher growth in agriculture, high government spending and lower interest rates. Core inflation is expected to come down to 7 percent in the financial year beginning April 1, 2013, as against the projected inflation of 7.7 percent in 2012-13. Increased welfare expenditure by the government, lower interest rates, moderation in inflation, and high farm incomes (assuming a normal monsoon) will boost household spending and, thereby, benefit sectors such as consumer durables, hotels and restaurants and financial services. Further, Improved external demand, as a result of marginal recovery of global growth, could raise India's exports, especially in the IT and IT-enabled services sector. We, therefore, expect the services sector to remain healthy at 8 percent in the next fiscal.

**Industry outlook:**

The IT distribution industry in India has evolved rapidly over the past decade. It has undergone major transformation during this period with regard to the number of Products, Distributors, Resellers, Channel Partners and Vendor Expectations. The IT distribution industry is witnessing growth propelled by investment in the IT and ITES sector, growing need for automation and information technology across all industries, increase in communication and computing infrastructure spending and increased internet usage in India. Strong economic growth, rapid advancement in technology infrastructure, increasingly competitive Indian organizations, and enhanced government focus are key drivers for increased technology adoption in India.

IT distributors play the important role of providing supply chain services that facilitate the movement of technological products, solutions and after sales services from the vendors of the product to the end users of these products. These products include Personal Computers, Notebooks, Servers, Printers, and Personal Computer Components, Networking Products, Software Products, their licenses, Storage Products, Power Solutions or Mobile Devices. These solutions are based on integration of multiple products / technologies from multiple manufacturers and includes services in the form of installation / configuration or customization to cater to the varying needs of the customers. The after sales services comprise of installation, warranty support, post warranty support, maintenance contract, and reverse logistics activities etc.

The Indian IT and ITES industry has continued to perform its role as the most consistent growth driver for the economy. Service, software exports and BPO remain the mainstay of the sector. Over the last five years, the IT and ITES industry has grown at a remarkable pace. The growth of all the IT-ITeS firms including mid-sized firms would depend on the global economic scenario and IT spending in the major markets of North America and Europe in 2013. As per the government in the National Policy on Information Technology (NPIT) 2012 envisages increasing IT industry revenues, through exports as well as the domestic market, from \$100 billion to \$300 billion by 2020.

Future Outlook

The Future outlook of the company is very promising. The Company operates in high growth rate IT industry. With IT penetration still below double digit, shall continue to grow, offering immense opportunities to Compuage. Further, with Compuage's entry into the telecom products distribution, it will give further boost to the company. With smart phones expected to have rapid growth over the next 5 years, Compuage is well positioned to benefit from the same. With growth in revenue, it will optimize its utilisation of its infrastructure and resources, thereby growing the company's profitability as well.

Operational Performance:

The year gone by has been a mixed bag. The Company's registered revenue of Rs. 190505.05 Lacs as against Rs. 155112.63 Lacs in the previous year, registering a growth of 22.82%. The Company's consolidated revenue has grown to Rs. 196140.12 Lacs as against Rs. 159775.89 Lacs in the previous year, registering a growth of 22.76%.



While the revenue has grown, Profit after Tax has gone down. The Net Profit after Tax stood at Rs. 814.36 Lacs as against Rs. 1020.77 Lacs in the previous year. The Consolidated Profit after Tax stood at Rs. 818.96 Lacs as against Rs. 1028.40 Lacs in the previous year.

Landmark Events:

In the year gone by Compuage has continued to invest in infrastructure, reach and product portfolio all of which shall enable the company to continue its growth. New products signups include ADC Krone - Passive Networking Products, Asus - Notebooks, Cisco - Networking Products, Edifier - Speakers, Foxconn - Motherboards, HP PCs, and Toshiba - Flash Products.

SWOT Analysis

Strengths :

- The company has over 25 years of existence in Indian market and has posted sales growth of 22.01% CAGR over 3 yr
- It has well established distribution network across the country
- It has presence in all 27 states of country with integrated ERP system
- The Company has highly motivated sales team
- The Company enjoys extremely good credibility in the industry

Weakness :

- The Company has high finance cost
- Its presence is primarily limited to Indian market
- It is operating in low margin industry

Opportunities :

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

Threats :

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



RISKS AND CONCERNS

1. Interest Rate Fluctuations Risk:

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

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

Our revenue is predominantly derived from the sale of IT hardware products. The industry is highly fragmented in nature and competitive. In case of any downturn in this industry, or if the demand does not keep in pace with the supply build-up in the industry, our business operations may be adversely affected. Further, if we are unable to maintain an upgraded supply of new technological developments in our industry, it may adversely affect our sales revenue and impact our business.

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

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

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

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



5. Government Policies and Regulation.

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

Risk Management

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

Internal Controls:

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

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

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



Human Resources:

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

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

We believe in training our employees and keeping them abreast on the developments in the industry. To this effect, we have undertaken onsite and offsite training programs for our employees. The main focus area for conducting training programmes is team building and to change the attitude of the people towards work and to encourage the employees to come up with innovative ideas.

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

Disclaimer:

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



CORPORATE GOVERNANCE REPORT

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

The Corporate Governance philosophy has been scripted as under:

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

We have made conscious efforts to institutionalize Corporate Governance practices and we believe that it shall go beyond adherence to the regulatory framework. Our corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy. We will continuously endeavor to take forward the best practices to enhance stakeholders' value.

CORPORATE GOVERNANCE

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

The report on corporate governance is divided into five parts:

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



I. BOARD OF DIRECTORS

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

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

Name of Director	Executive/Non Executive
Mr. Atul Mehta	Executive
Mr. Bhavesh Mehta	Executive
Mr. G.S.Ganesh	Non Executive Independent
Mr. Vijay Agarwal	Non Executive Independent
Ms. Preeti Trivedi	Non Executive Independent

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

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

Name of Director	Designation	No. of Directorship in other Public Ltd. Companies	Other Companies Committee's	
			Membership	Chairmanship
Mr. Atul Mehta	Promoter, Chairman & Managing Director	2	Nil	Nil
Mr. Bhavesh Mehta	Promoter, Whole-time Director and Chief Operating Officer	2	Nil	Nil
Mr. G.S.Ganesh	Non-Executive Independent	Nil	Nil	Nil
Mr. Vijay Agarwal	Non-Executive Independent	3	2	2
Ms. Preeti Trivedi	Non-Executive Independent	Nil	Nil	Nil



Note:

1. The Directorship held by directors as mentioned above, do not include Alternate Directorship and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.
2. In accordance with Clause 49, Memberships/Chairmanships of only Audit Committees and Shareholders Grievance Committees of all Public Limited Companies have been considered.
3. As required by the Companies Act, 1956 & clause 49 of the listing agreement, none of the directors hold directorship in more than 15 public companies, membership of board committees (Audit Committees/Shareholders Grievance Committees) in excess of 10 and chairmanship of board committees as aforesaid in excess of 5.
4. Except Shri. Atul H. Mehta, Chairman & Managing Director and Shri. Bhavesh H. Mehta, Whole-time Director are related to each other as brothers, none of the other Director is related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 1956.

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

A. REVIEW OF THE BOARD

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

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

B. BOARD MEETINGS

The meetings of the Board of Directors are scheduled well in advance and the folder containing the agenda for the meeting with detailed review of all aspects of the Company business, including performance of the Company, employee relations, details of investment, capital expenditure etc. is circulated to all the directors before the date of Board Meeting. It also highlights important matters discussed at the Audit Committee,



Share Transfer Committee/Investor Grievance Committee of the Board. Thirteen (13) Board Meetings were held during the year on 12th April, 2012, 29th May, 2012, 8th June, 2012, 17th July, 2012, 9th August, 2012, 6th September, 2012, 18th September, 2012, 18th October, 2012, 9th November, 2012, 18th December, 2012, 15th January, 2013, 14th February, 2013 and 13th March, 2013.

Name of the Directors	Category of Director	No. of Board Meetings Held	No. of Board Meetings Attended	Attended at last A.G.M.
Mr. Atul Mehta	Promoter, Chairman & Managing Director	13	13	YES
Mr. Bhavesh Mehta	Promoter & Whole-time Director	13	13	YES
Mr. G. S. Ganesh	Independent Director	13	11	YES
Mr. Vijay Agarwal	Independent Director	13	11	NO
Ms. Preeti Trivedi	Independent Director	13	12	NO

C. DISCUSSION WITH THE INDEPENDENT DIRECTORS.

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

In addition, the Independent Directors meet periodically in an executive session that is without any of the executive directors, or management.

D. CODE OF CONDUCT

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

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

CEO / CMD CERTIFICATION:

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

A. AUDIT COMMITTEE

The Company has a qualified and independent Audit Committee, with Mr. G.S Ganesh, Independent Director as its Chairman. All the members of the committee have broad accounting and financial management expertise.



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

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

Terms of Reference of Audit Committee:

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

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

B. The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and, if required, the Replacement or removal of Statutory Auditors and fixation of audit fees.
3. Approval of payment to Statutory Auditors for services rendered by the Statutory Auditors.
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be incorporated in the Directors' Responsibility Statement forming part of the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and 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.



5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendation to the Board to take needed steps in the matter.
7. Reviewing with the management, the performance of Statutory and Internal Auditors, and adequacy of internal control systems.
8. Reviewing the adequacy of internal audit functions, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
9. Discussion with internal Auditors of any significant findings and follow-up thereon.
10. Reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. Looking into the reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends) and creditors.
13. Carrying out such other function as may be specifically referred to the Committee, by the Board of Directors and/or other Committee of Directors of the Company.
14. Reviewing the following information:
 - The management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
 - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of internal Auditors.
15. The Audit Committee's powers include the following:
 - To investigate any activity within its terms of reference.
 - To seek information from any employee.



- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary

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

During the year four Audit Committee meetings were held on 28th May, 2012, 9th August, 2012, 9th November, 2012 and 14th February, 2013.

The Composition of Audit Committee and attendance of members of the meetings are as under:

Name of Director	Category	Designation	No. of meetings	
			Held	Attended
Mr. G. S.Ganesh	Non-Executive Independent Director	Chairman	4	3
Mr. Vijay Agarwal	Non-Executive Independent Director	Member	4	3
Ms. Preeti Trivedi	Non-Executive Independent Director	Member	4	4

B. REMUNERATION COMMITTEE

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

Terms of reference of Remuneration Committee

- The Remuneration committee recommends to the Board the compensation terms including periodic revision, performance bonus, incentives, commission, other services, perquisites and benefits payable to the executive directors;
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of Executive Directors.
- Considering, approving and recommending to the Board the change in Designation and increase in salary of the Executive Directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate Directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of our company and the shareholders.
- Such other matters as the Board may from time to time request the Compensation Committee to examine and recommend / approve.



Composition

The Remuneration Committee as on date comprises of three members i.e. Mr. G.S. Ganesh, Mr. Vijay Agarwal, Ms. Preeti Trivedi. All of them are Non Executive Directors. The Chairman of the Committee is Mr. G.S Ganesh, who is a Non-Executive and Independent Director.

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

Remuneration Policy

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

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

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

Remuneration to Executive Directors:

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

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

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

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

**Shareholding of Non-Executive Directors**

Details of the equity shares held by Non-Executive Directors as on 31st March, 2013 are as under:

Name of the Director	Nos. of Equity shares
Shri. G.S Ganesh	157

C. SHARE TRANSFER COMMITTEE /INVESTOR GRIEVANCE COMMITTEE

The Share Transfer Committee/Investor Grievance Committee consists of three members. The Committee meets on a regular basis to approve transfer, transmission, splitting, consolidation and rematerialisation of shares.

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

- I. Oversee the redressal of investors' complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates etc.
 - II. Review of the amount lying in the unclaimed dividend account.
 - III. Review of the movement in the major shareholders of the Company.
 - IV. Review the performance of the Registrars and Share Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Committee also monitors the implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.
- a) The constitution of the Committee and the presence of members for the meetings held on 2nd November, 2012, 29th March, 2013 are as follows:

Name of Director	Category	Designation	No of meetings attended
Ms. Preeti Trivedi	Non-Executive Independent Director	Chairperson	1
Mr. Atul Mehta	Chairman & Managing Director	Member	2
Mr. G. S.Ganesh	Non-Executive Independent Director	Member	2

- b) Name & Designation of Compliance Officer: Ms. Shilpa Singh
Company Secretary &
Compliance Officer
Tel No: 022- 67114444
Fax No: 022- 67114445
- c) Number of Shareholder Complaints received during the year : 4
- d) Number of Complaints not solved to satisfaction : 0
- e) Number of Complaints pending : 0

**Subsidiary Companies:**

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

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

GENERAL BODY MEETINGS

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

Year	AGM/EGM	Date	Time	Venue	Special Resolutions
2012-13	13th AGM	30.08.2012	10.00 a.m	Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai - 400034	No Special Business
2011-12	EGM	16.08.2011	10.00 a.m	Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai - 400034	Allotment of 480,000 Equity Shares on preferential basis to the Non Promoters Group of the Company.
2011-12	12th AGM	29.07.2011	10.00 a.m	Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai - 400034	1) Re- appointment of Mr. Atul H. Mehta as Managing Director 2) Re- appointment of Mr. Bhavesh H. Mehta as Whole-time Director 3) Alteration in Articles of Association of the Company.
2010-11	11th AGM	14.08.2010	10.00 a.m	Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Next to Girnar Tower, Mumbai - 400034	1) Appointment of Ms. Preeti Trivedi as Director. 2) Further Issue of Securities.



No special resolution was passed through postal ballot during the year and no special resolution is proposed to be passed by the way of postal ballot at the forthcoming Annual General Meeting.

III. DISCLOSURES:

- a) There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.
- b) Lists of transactions with related parties are provided in the Balance Sheet in accordance with Accounting Standard (AS) 18.
- c) The Company has complied with the requirements of the Stock Exchange/ SEBI/ other Statutory Authorities on all matters related to capital markets wherever applicable. There are no penalties or strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authorities relating to the above.
- d) The Company has implemented the mandatory requirements of Corporate Governance as set out in the listing Agreement in respect of Compliance with the non-mandatory requirements, the Company has constituted a Remuneration Committee, the details whereof are given under the heading "Remuneration Committee".
- e) As required by Clause 49(V) of the listing Agreement, the CEO and VP-Finance have given their Certificate to the Board.
- f) Compliance Certificate as required under Clause 49 of the listing Agreement obtained from Practising Chartered Accountant, certifying the Compliance by the Company with the provisions of Corporate Governance of the listing Agreement is given as an Annexure to this Report.
- g) The Company has been regular in paying the Listing Fees of the Stock Exchanges and the said fees for the year 2012-13 have been duly paid by the company within the stipulated time.
- h) Qualifications in the Auditors Report: There are no qualifications in the Auditors Report for the year ended 31st March, 2013.

Secretarial Audit

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



IV. MEANS OF COMMUNICATION

- I. Quarterly Results: The quarterly/ half yearly/ annual financial results are regularly submitted to the Stock Exchanges in accordance with the listing Agreement and published in one English Daily and one Marathi daily news papers, normally results are published in Business Standard and Navshakti.
- II. Website: The Company's website www.compuageindia.com contains a separate dedicated section 'Investor Relations' where shareholders information is available. Annual Report is also available on the website in a user-friendly and downloadable form.
- III. Management Discussion & Analysis Report: The Management Discussion and Analysis Report, in Compliance with the requirements of Clause 49 of the listing Agreement is annexed to the Directors' Report and forms part of the Annual Report being sent to all the members of the Company.
- IV. The Consolidated Financial Statements of the Company and its subsidiaries forms part of the Annual Report.
- V. Corpfilling: Various announcements, Quarterly Results, Shareholding Pattern etc. of the Company are also posted on www.corpfilling.co.in.
- VI. SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaints and its current status.

V. GENERAL SHAREHOLDERS INFORMATION

1. Annual General Meeting Date and Time Venue	7th September, 2013 at 10.00 a.m Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Mumbai - 400 034.
2. Board Meeting for considering of Audited Accounts	29th May, 2013
3. *Posting of Annual Report	7th August, 2013
4. Book Closure Date	5th September, 2013 to 7th September, 2013
5. Dividend payment Date	on or before 20th September, 2013
6. Financial Year	1st April, 2012 to 31st March, 2013
7. Last date of Receipts of Proxy Forms:	5th September, 2013
8. Registered Office	Compuage Infocom Ltd. 601, D-Wing, Lotus Corporate Park, Ram Mandir Lane, Near Jai Coach, Western Express Highway, Goregaon (East), Mumbai - 400 063.



9. Equity Shares listed: Bombay Stock Exchange Ltd. (Scrip Code No.532456).
Madras Stock Exchange Limited - CIFIC

Stock Price Data:

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

**Monthly Share Price movement during the Financial year ended
31st March, 2013 at BSE & NSE**

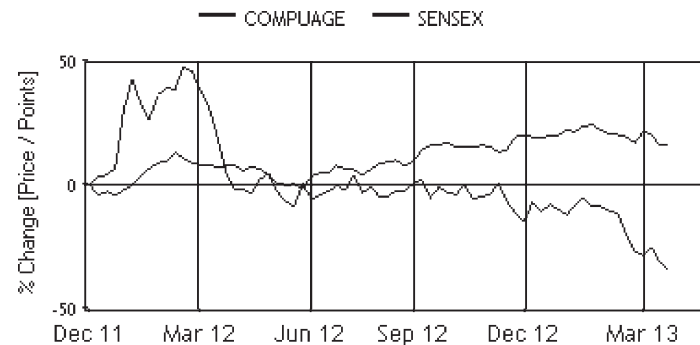
Month	BSE		*NSE	
	High	Low	High	Low
April, 2012	65.00	57.00	66.95	56.00
May, 2012	72.00	51.10	72.00	56.15
June, 2012	66.50	55.00	67.90	54.00
July, 2012	64.30	56.00	64.80	54.00
August, 2012	70.00	54.60	67.65	57.50
September, 2012	65.00	55.40	63.00	55.00
October, 2012	63.00	57.20	62.95	57.00
November, 2012	62.55	54.45	64.70	54.00
December, 2012	59.60	51.15	57.60	53.00
January, 2013	60.50	52.80	61.30	51.25
February, 2013	58.75	44.40	59.00	45.50
March, 2013	46.20	39.95	48.90	38.00

Source: BSE Website and NSE Website

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

**Stock Performance**

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

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

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

11. Payment of Depository Fees:

Annual Custody/Issuer fees for the year 2012-13 have been paid by the Company to NSDL and CDSL.

12. Registrar & Transfer Agents:

Link Intime India Private Limited
C - 13, Pannalal Silk Mills Compound,
L.B.S Marg, Bhandup (West),
Mumbai - 400 078.
E-mail: rnt.helpdesk@linkintime.co.in

13. Share Transfer System and Registrar and Transfer Agent:

The share transfers/transmissions are approved Shareholders/Investors Grievances and Share Transfer Committee. There are no share transfers pending as on 31st March, 2013.

The Company's Shares are required to be compulsorily traded in the Stock Exchange in the dematerialized form. Shares in the physical mode which are lodged for transfer are processed and returned within the stipulated time.

Subsequently to Board Approval to share transfer, the share transfer activities under physical category are carried out by the company's Registrar and share transfer Agents M/s Link Intime India Private Limited having its office at C- 13 Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (west), Mumbai - 400 078.



14. (i). Distribution of shareholding as on 31st March 2013:

No. of Equity Shares held	Shareholders		Shares	
	Nos.	%	Nos.	%
Upto-500	2,196	90.56	2,05,738	3.10
501-1,000	83	3.42	63,187	0.95
1,001-2,000	71	2.93	1,04,132	1.56
2,001-3,000	19	0.78	45,852	0.69
3,001-4,000	7	0.29	24,245	0.36
4,001-5,000	8	0.33	38,885	0.58
5,001-10,000	10	0.41	73,510	1.11
10,001 - Above	31	1.28	60,99,451	91.65
Total	2,425	100.00	66,55,000	100.00

(ii). Category of Shareholdings as on 31st March, 2013:

Category	No. of shares	% of Shareholding
Promoters & Promoters Group	45,13,953	67.83
Other Directors & relatives	157	0.00
Clearing Member	24,148	0.36
Other Bodies Corporate and Financial Institutions	4,67,884	7.03
Foreign Company	54,725	0.82
Hindu Undivided Family	6,323	0.10
Market Maker	5,217	0.08
Nationalised Banks	40	0.00
Non Resident Indians	7,22,717	10.86
Non Resident (Non Repatriable)	76	0.00
Public	8,59,760	12.92
Total	66,55,000	100.00



15. Financial Release Dates:

Quarter	Release Date (Tentative and subject to change)
1st Quarter ending 30th June	Mid of August 2013
2nd Quarter ending 30th September	Mid of November 2013
3rd Quarter ending 31st December	Mid of February 2013
4th Quarter ending 31st March	Mid of May 2014

16. Dematerialisation of shares and liquidity and Lock-in of Shares:

(a) Dematerialisation Position as on 31st March, 2013:

Total No. of fully paid up Shares	Shares in Demat Form	Percentage %	Shares in Physical Form	Percentage %
66,55,000	64,86,774	97.47	1,68,226	2.53

Trading in the Company's shares is permitted only in dematerialised form for all investors as per notifications issued by the Securities and Exchange Board of India (SEBI). The Company has established connectivity with National Securities Depository Limited and Central Depository Services (India) Limited through the Registrars, Link Intime India Private Limited whereby the investors have the option to dematerialise their shares with either of the depositories.

(b) Details of Locked-in Shares:

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

As on 31st March, 2013, Mr. Atul H. Mehta and Mr. Bhavesh H. Mehta promoters of the company, hold 17,80,484 shares and 17,80,485 Shares Respectively. The shares allotted on conversion of warrants are Lock- in upto:

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

17. Outstanding GDRs/ADRs

The Company has not so far issued any GDRs/ADRs, therefore question of outstanding GDRs / ADRs etc as at end of March 2013, does not arise.

18. Address for Investor Correspondence:

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

**(i) Registrar & Share Transfer Agent:**

LINK INTIME INDIA PRIVATE LIMITED
 C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W),
 Mumbai - 400 078. • Tel: 91-22-25946970-78; Fax: 91-22-25946969;
 E-mail: rnt.helpdesk@linkintime.co.in

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

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

19. Pursuant to the provisions of Section 205A of the Companies Act, 1956, the following dividends which remain unpaid and unclaimed for a period of seven years will be due for transfer to the Investor Education and Protection Fund (IEPF or Fund) of the Central Government:

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

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

DECLARATION**To the Shareholders of Compugate Infocom Limited****Sub: Compliance with Code of Conduct**

In accordance with Clause 49(I)(D) of the listing Agreement, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as Applicable to all the Directors and Senior Management, for the year ended March 31, 2013

For **Compugate Infocom Limited**

Mr. Atul H. Mehta

Chairman & Managing Director

Place: Mumbai

Date: 29th May 2013



To,
 The Board of Directors
 Compugate Infocom Limited
 601, D-Wing, Lotus Corporate Park,
 Ram Mandir Lane, Near Jai Coach Junction,
 Western Express Highway, Goregoan (East),
 Mumbai - 400 063.

Sub: Certification by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) On Financial Statements of the Company for the year ended 31st March 2013.

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

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the financial results/statements or figures contain therein misleading; and,
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee:
 - i. significant changes in internal control during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Mr. Atul Mehta
 Chairman and Managing Director

Mr. Sunil Mehta
 VP-Finance

Place: Mumbai
 Date: 29th May, 2013



Annexure to the Directors' Report

Auditors' Certificate on Corporate Governance.

To the Members of the COMPUAGE INFOCOM LIMITED

1. We have examined compliance of the conditions of Corporate Governance by Compuage Infocom Ltd, for the year ended on 31st March 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the Management, we certify that the company has generally complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.
4. We state that in respect of investor grievances received during the year ended 31st March, 2013, the Registrars of the Company have certified that as at 31st March 2013, there were no investor grievances remaining unattended / pending for more than 30 days.
5. We further state that such compliance is neither on assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE: MUMBAI
DATED: 29th May 2013

For and on Behalf of
B. V. DALAL AND CO.
CHARTERED ACCOUNTANTS

M.S.Shah
PARTNER
M.No.104640



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Compuage Infocom Limited

Report on the financial statements

We have audited the accompanying financial statements of Compuage Infocom Limited ("the Company"), 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 the 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 31st March 2013;
- b. in the case of the Statement of Profit and Loss, of the profit 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 legal and other regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, 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 sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) on the basis of the written representations received from the directors, as on 31st March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

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

Manori Shah
Partner
Membership No. 104640
Mumbai, May 29, 2013



ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the members of Compuage Infocom Limited ("the Company") for the year ended 31st March 2013. We report that :

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion, is reasonable, considering the size and nature of its business. As explained to us, no material discrepancies were noticed on such verification.
 - (c) As per the information and explanations given to us, during the year, the Company has not disposed off any substantial part of fixed assets that would affect the going concern status of the Company.
- (ii) (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals.
 - (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of inventory records, we are of the opinion that the company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of the inventories, having regard to the size of the operations of the Company and the same have been properly dealt with in the books of accounts.
- (iii) (a) The Company has granted unsecured loans to companies, firms or other parties covered in the register maintained under section 301 of the Act. There are 3 parties covered in the said register to which the Company has granted loans. The maximum amount involved during the year was Rs. 582.76 lakhs and the year end balance of unsecured loans to such parties was Rs. 454.55 lakhs.
 - (b) In our opinion, the rate of interest and other terms and conditions on which loans have been given to 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) We have been informed that the terms of payment of the principal amount and interest during the year have not been stipulated.
 - (d) There is no overdue amount in excess of Rs. 1 lakh. Accordingly, clause 4(iii)(d) of the Order is not applicable to the Company.



- (e) The Company has taken unsecured loans from parties covered in the register maintained under Section 301 of the Companies Act, 1956. There are 14 parties covered in the said register from which the Company has taken loans. The maximum amount involved during the year was Rs. 1,336.75 lakhs and the year-end balance of unsecured loans taken from such parties was Rs. 1,282.50 lakhs.
- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from 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.
- (g) The payment of the principal amount and interest during the year have been regular.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct any major weaknesses in internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register required to be maintained under the said Section have been duly entered.

(b) In our opinion, the transactions made in pursuance of such contracts or arrangements as reported vide clause (a), have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. The provisions of section 58AA are not applicable there being no acceptance of deposits from small depositors. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) As explained to us, the Central Government has not prescribed the maintenance of Cost Records under section 209(1)(d) of the Act and the relevant Notification G.S.R.277• dated 24th April 2001 of the Government are not applicable to the Company being a trading company.



- (ix) (a) According to the information and explanation given to us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues were in arrears, as at 31st March 2013 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and cess which have not been deposited on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. There are no debenture holders.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Therefore the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Therefore the provisions of clause 4(xv) of the Order are not applicable to the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purpose for which loans were obtained.



- (xvii) To the best of our knowledge and belief and according to the information and explanations given to us, the funds raised on short term basis during the year have not been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Therefore the provisions of clause 4(xviii) of the Order are not applicable to the Company.
- (xix) The Company has not issued any debentures during the year. Therefore the provisions of clause 4(xix) of the Order are not applicable to the Company.
- (xx) The Company has not raised any money by way of public issue during the year. Therefore the provisions of clause 4(xx) of the Order are not applicable to the Company.
- (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.

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

Manori Shah
Partner
Membership No. 104640
Mumbai, May 29, 2013

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

₹ IN LAKHS

Particulars	Note No.	31st March 2013	31st March 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	665.50	665.50
(b) Reserves and Surplus	4	5,362.87	4,625.86
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	5	973.41	1,206.30
(b) Deferred Tax Liabilities (Net)	6	197.38	116.59
(3) Current Liabilities			
(a) Short-Term Borrowings	7	20,670.03	18,921.23
(b) Trade Payables	8	17,405.73	15,213.24
(c) Other Current Liabilities	9	2,834.07	3,044.87
(d) Short term provisions	10	77.35	77.60
Total Equity & Liabilities		48,186.34	43,871.19
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	4,026.89	1,750.97
(b) Non-current investments	12	68.28	216.88
(c) Long term loans and advances	13	5.21	36.46
(d) Other non-current assets	14	26.98	73.91
(2) Current Assets			
(a) Current Investments	15	-	26.32
(b) Inventories	16	18,996.43	19,794.74
(b) Trade receivables	17	18,082.66	15,189.06
(c) Cash and Bank Balances	18	3,824.85	3,194.28
(d) Short-term loans and advances	19	3,073.42	3,516.35
(f) Other current assets	20	81.62	72.21
Total Assets		48,186.34	43,871.19

Summary Of Significant accounting policies 2

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

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

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

(CA M.S.SHAH)Partner
M.NO.:104640**G. S. Ganesh**
Director**Bhavesh H.Mehta**
Whole Time Director**Atul H.Mehta**
Chairman & Managing DirectorPLACE : **MUMBAI**
DATED: **29th May 2013**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013.**

₹ IN LAKHS

Particulars	Note No.	31st March 2013	31st March 2012
I Revenue from operations	21	1,89,641.82	1,54,444.05
II Other Income	22	863.23	668.58
III. Total Revenue (I +II)		1,90,505.05	1,55,112.63
IV Expenses:			
Purchase of Stock-in-Trade	23	1,79,681.98	1,51,719.61
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	798.31	-5635.60
Employee Benefits Expense	25	2,245.19	1,980.08
Other Expenses	26	3,635.79	3,465.78
Total Expenses (IV)		1,86,361.27	1,51,529.87
V Earnings before interest,tax,depreciation and amortisation (EBITDA) (III - IV)		4,143.78	3,582.76
Finance Costs	27	2,651.69	1,895.67
Depreciation	28	276.94	167.44
Profit Before Tax		1,215.15	1,519.65
VI Tax expense:			
(1) Current tax		320.00	475.00
(2) Deferred tax		80.79	23.88
VII Profit/(Loss) for the period from continuing operations (V-VI)		814.36	1,020.77
VIII Earning per equity share:			
(1) Basic		12.24	15.34
(2) Diluted		12.24	15.34

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

As per Report of even date.

For **B.V.DALAL & Co.**
Firm Reg. No. : 114214W
CHARTERED ACCOUNTANTSFor and on behalf of the Board of Directors
For **COMPUAGE INFOCOM LIMITED****(CA M.S.SHAH)**

Partner

M.NO.:104640

G. S. Ganesh
Director**Bhavesh H.Mehta**
Whole Time Director**Atul H.Mehta**
Chairman & Managing DirectorPLACE : **MUMBAI**DATED: **29th May 2013****Cash Flow Statement for the year ended as at 31st March 2013**

₹ IN LAKHS

	31st March 2013	31st March 2012
A. Cash Flows from operating activities		
Net Profit Before Tax & Extraordinary items	1,215.15	1,519.65
Adjustment for:		
Depreciation	276.94	167.44
Loss/(profit) on sale of Fixed Assets	(0.11)	(0.37)
Loss/(profit) on sale of Non current investment	(2.66)	-
Loss/(profit) on sale of Current investment	10.22	-
Unrealised foreign exchange gain	(3.40)	(6.28)
Interest paid	2,651.69	1,895.67
Interest received	(711.15)	(507.25)
Operating profit before Working Capital changes	3,436.68	3,068.86
Increase /(Decrease) in Trade payables	2,192.49	(1,534.04)
Increase /(Decrease) in other Current Liabilities	(210.80)	1,396.39
Increase /(Decrease) in short term provisions	(0.25)	(43.21)
Decrease/(Increase) in Inventories	798.31	(5,635.60)
Decrease/(Increase) in Trade Receivables	(2,893.60)	(1,862.69)
Decrease/(Increase) in short term Loans & Advances	442.93	(84.90)
Decrease/(Increase) in other current assets	(9.41)	102.01
Decrease/(Increase) in Long term Loans & Advances	31.25	20.05
Decrease/(Increase) in other Non current assets	46.93	1,267.88
Total	397.85	(6,374.11)
Income Tax	(320.00)	(475.00)
Net Cash Inflow/(Outflow) from operating activities....	3,514.53	(3,780.25)
B. Cash Flows from Investing Activities		
Purchase of Fixed Assets	(2,554.00)	(1,182.21)
Sale of fixed Assets	1.25	2.18
Sale/(Purchase)of current investments	16.10	-
Sale/(Purchase)of non-current investments	154.65	(76.00)
Interest received	711.15	507.25
Net Cash Inflow/(Outflow) from Investing activities.....	(1,670.85)	(748.78)
C. Cash Flows from Financing Activities		
Proceeds from Long term borrowings	(232.89)	366.03
Proceeds from Short term borrowings	1,748.80	6,717.30
Issue of shares(Including premium)	-	1,200.79
Interest paid	(2,651.69)	(1,895.67)
Dividend & Dividend tax paid	(77.35)	(155.21)
Misc. Expenditure to the extent written off	-	-
Net Cash Inflow/(Outflow) from Financing activities.....	(1,213.13)	6,233.24
Net Increase/(Decrease) in cash and cash Equivalents.....	630.57	1,704.21
Cash and cash Equivalents as at beginning of the year	3,194.28	1,490.08
Cash and cash Equivalents as at end of the year	3,824.85	3,194.29
	630.57	1,704.21

We have examined the above cash Flow statement of Compuage Infocom Ltd for the year ended March 31, 2013.

As per report of even date attached

For **B.V.DALAL & Co.**
Firm Reg. No. : 114214W
CHARTERED ACCOUNTANTSFor and on behalf of the Board of Directors
For **COMPUAGE INFOCOM LIMITED****(CA M.S.SHAH)**

Partner

M.NO.:104640

G. S. Ganesh
Director**Bhavesh H.Mehta**
Whole Time Director**Atul H.Mehta**
Chairman & Managing DirectorPLACE : **MUMBAI**DATED: **29th May 2013**



Summary of Significant accounting policies to Financial statements for the year ended 31st MARCH, 2013

Note 1: Corporate Information

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

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

Notes 2: NOTES TO ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2013

1. Significant Accounting Policies:

a. Basis of Preparation:

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

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of Estimates:

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

c. Tangible Fixed Assets:

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

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



d. Depreciation on tangible fixed assets:

Depreciation on fixed assets is calculated on a Straight Line basis using the rates prescribed under the Schedule XIV of the Companies Act 1956. The company has used the following rates to provide depreciation on its fixed assets.

Assets	Rate (SLM)
Office Premises	1.63%
Information technology Equip.	16.21%
Vehicles	9.50%
Office Equipment	4.75%
Furniture and Fixture	6.33%

e. Lease:

Where the company is Lessee

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

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

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

f. Borrowing costs:

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

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

g. Revenue Recognition:

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



Sale of Goods:

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

Income from Service:

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

Interest:

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

h. Foreign Currency Transaction:

Foreign currency transactions and balances.

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

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

i. Investments:

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

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

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



j. Inventories:

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

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

k. Retirement and other employee benefits:

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

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

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

l. Income Taxes:

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

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

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

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



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

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

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

m. Cash and cash equivalents:

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

n. Impairment:

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

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

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

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



Valuation of Imports calculated on C.I.F. basis for One Year period ended 31st March 2013 is RS.35,353 Lacs (Previous year Rs. 31,244.10 Lacs).

Expenditure in Foreign currency: (Rs.in Lacs)	(Current Year)	(Previous Year)
Traveling	Rs.19.77	Rs.1.98
Earning in Foreign currency: (Rs.in Lacs)		
Mercantile Trade	6891.20	Nil

Related Party Information:

A. Directors & their relatives:

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

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

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

- 1) Trillizo Holdings Limited
- 2) Greenvision Technologies Pvt. Ltd.
- 3) Compugate Infocom (S) PTE. Ltd.



COMPUGATE INFOCOM LTD.

Transactions with related parties: (Rs. in Lakhs)

Particulars	Current Year	Previous Year
Interest Paid to:		
Atul H.Mehta	14.81	6.52
Bhavesh H.Mehta	14.79	6.91
Chandulal P.Mehta	0.30	1.19
Greenvision Technologies P.L	14.70	4.44
Ajay H.Mehta	3.94	Nil
Falguni A. Mehta	0.26	Nil
Manish A. Mehta	0.64	Nil
Forum B. Mehta	0.99	Nil
Karishma A. Mehta	0.83	Nil
Vanita H. Mehta	1.08	Nil
Yash A. Mehta	0.63	Nil
Aditya A. Mehta	0.21	Nil
Raahil B. Mehta	0.01	Nil
Ajay H. Mehta HUF	0.18	Nil
Atul H. Mehta HUF	0.01	Nil
H. T. Mehta HUF	0.31	Nil
Interest Recd. From:		
Greenvision Technologies P.L	229.66	59.28
Remuneration Paid to:		
Atul H.Mehta	120.00	85.50
Bhavesh H.Mehta	120.00	85.50
Manisha Mehta	4.80	4.80
Incentive Paid to :		
Compuage S.Pte.Ltd	8.46	Nil
Purchases of Goods from:		
Greenvision Technologies P.L	1761.44	1561.34
Adit E-Commerce P.L	Nil	3.19
Sales of Goods to:		
Greenvision Technologies P.L	1292.67	954.90
Adit E-Commerce P.L	Nil	0.04
Compuage S.Pte.Ltd	1650.25	30.51



COMPUGATE INFOCOM LTD.

Others:

Sale of Other Items to Greenvision Technologies Pvt. Ltd.	2.97	NIL
Rent Received from Greenvision Technologies Pvt.Ltd.	2.57	6.79
Installation/Warranty Charges Received from Greenvision Technologies Pvt. Ltd.	22.01	3.85
Other Expenses Paid to GVT	1.41	NIL
Other Income Recd. from GVT	5.78	NIL
Outstanding receivables:		
Greenvision Technologies P.Ltd.	1331.41	495.97
Adit E-Commerce P.L	Nil	21.36
Compuage S.Pte.Ltd	Nil	106.85
Trillizo Holdings P.L	138.00	138.00
Outstanding payables:		
Atul H.Mehta	469.80	103.00
Bhavesh H.Mehta	481.40	103.00
Ajay H.Mehta	121.35	75.00
Falguni A.Mehta	3.45	25.00
Manisha A.Mehta	17.65	25.00
Forum B.Mehta	66.45	25.00
Vanita H.Mehta	46.95	25.00
Karishma A.Mehta	19.15	25.00
Aditya A.Mehta	5.50	25.00
Yash A.Mehta	29.75	25.00
Chandulal P.Mehta	Nil	9.50
Raahil B. Mehta	0.15	Nil
Ajay H. Mehta HUF	5.65	Nil
Atul H. Mehta HUF	0.15	Nil
H. T. Mehta HUF	15.10	Nil
Greenvision Technologies P.L	139.28	6.87
Compuage S.Pte.Ltd	167.90	Nil
Adit E-Commerce P.L	Nil	4.37



COMPUAGE INFOCOM LTD.

Segment reporting:

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

Earning Per Share.

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

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

Measurement of EBITDA:

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

Contingent Liabilities :

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

	31st March 2013	31st March 2012
Corporate Guarantee given on behalf of Subsidiary	271.43	254.40

As per our report of even dated attached

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

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

M.S.Shah

Partner
M.NO.104640
Place : Mumbai
Dated : 29th May 2013

G.S Ganesh **Bhavesh H. Mehta** **Atul H. Mehta**
Director Whole Time Director Chairman &
Managing Director

Shilpa Singh
Company Secretary



COMPUAGE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2013

Note 3 : Share Capital

(₹ In Lakhs)

Particulars	31st March 2013	31st March 2012
AUTHORIZED		
19254000 Equity shares of Rs.10 each	1,925.40	1,925.40
4665600 Preference shares of Rs.0.10 (Ten paise) each	4.67	4.67
3369344 Preference shares of Rs.10 each	336.93	336.93
	2,267.00	2,267.00
ISSUED, SUBSCRIBED & FULLY PAID UP		
6655000 Equity shares of Rs.10 each fully paid	665.50	665.50
	-	-
Total in ₹	665.50	665.50

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

	31st March 2013		31st March 2012	
	No. in Lacs	₹ In Lacs	No. in Lacs	₹ In Lacs
At the beginning of the Period	66.55	665.50	51.80	518.00
Issued during the period	-	-	14.75	147.50
Outstanding at the end of the period	66.55	665.50	66.55	665.50

Terms/Rights attached to equity shares

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

The Final Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2013, the amount of per share final dividend proposed as distribution to the equity shareholders is Rs. 1 (31st March 2012 : Rs. 1)

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

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

	31st March 2013		31st March 2012	
	No. in Shares	% of holding	No. in Shares	% of holding
Equity shares of Rs.10 each fully paid up	In Lacs		In Lacs	
ATUL HARKISHANDAS MEHTA	17.80	26.75%	17.80	26.75%
BHAVESH HARKISHANDAS MEHTA	17.80	26.75%	17.80	26.75%
AJAY HARKISHANDAS MEHTA	9.53	14.33%	9.53	14.33%

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



COMPUAGE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2013

Note 4 : Reserve & Surplus (₹ In Lakhs)

Sr. No	Particulars	31st March 2013	31st March 2012
1	Capital Reserve		
	Opening balance	134.84	Nil
	Add : Forfeiture of 8,05,000 Equity Warrants@ Rs.16.75 each.	Nil	134.84
	Closing balance	134.84	134.84
2	Capital Redemption Reserve	129.72	129.72
3	Share premium		
	Opening balance	1,219.95	Nil
	Add : Premium on issue of Equity Shares	-	1,219.95
	Closing balance	1,219.95	1,219.95
4	General Reserve	102.00	102.00
5	Surplus/(Deficit) in the statement of profit & Loss		
	Balance as per last financial statements	3,039.35	2,173.78
	Add: Profit for the year	814.36	1,020.77
	Less: Appropriations:		
	Interim Dividend		
	(31st March 2012:Rs.1)	Nil	(66.55)
	Tax on Interim dividend	Nil	(11.05)
	Proposed final equity dividend amount Rs.1 per share (31st March 2012:Rs.1)	(66.55)	(66.55)
	Tax on proposed dividend	(10.80)	(11.05)
		3,776.36	3,039.35
	Total in ₹ (1+2+3+4+5)	5,362.87	4,625.86

Note : 5 Long Term Borrowings

Sr. No	Particulars	31st March 2013	31st March 2012
	Term Loans		
	Indian rupee loan from Bank (Secured)	965.83	1,187.57
	Other Loans and Advances:		
	Finance Lease(Secured)	7.58	18.73
	Total in ₹	973.41	1,206.30

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

Finance Lease is secured by hypothecation of vehicle taken on lease.



COMPUAGE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2013

Note : 6 Deferred Tax Liabilities(Net) (₹ In Lakhs)

Sr. No	Particulars	31st March 2013	31st March 2012
1	Difference in Book & Income Tax Depreciation Under IT Act 1961	580.70	343.02
2	Total Timing Difference	580.70	343.02
	Total in ₹	197.38	116.59

Note : 7 Short term Borrowings

Sr. No	Particulars	31st March 2013	31st March 2012
1	Cash credit from bank (secured)-net of debit balances	12,869.63	13,388.43
2	Loans & Advances From Related Parties Repayable on Demand (Unsecured)	1,282.50	465.50
3	Loans & Advances From Others Repayable on Demand (Unsecured)	6,517.90	5,067.30
	Total in ₹	20,670.03	18,921.23

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

Note : 8 Trades Payable

Sr. No	Particulars	31st March 2013	31st March 2012
1	Dues to Micro,small & Medium Enterprises	-	-
2	Others(Net of Advances)	17,405.73	15,213.24
	Total in ₹	17,405.73	15,213.24

Note : 9 Other Current Liabilities

Sr. No	Particulars	31st March 2013	31st March 2012
1	Current maturities of Long Term Debt	424.15	407.81
2	Others		
	TDS payable	427.48	126.06
	Unpaid Dividend	9.54	7.91
	Other payable	1,972.90	2,503.09
	Total in ₹	2,834.07	3,044.87

Note : 10 Short term provisions

Sr. No	Particulars	31st March 2013	31st March 2012
1	Proposed Equity Dividend	66.55	66.55
2	Provision for Tax on proposed Equity Dividend	10.80	11.05
	Total in ₹	77.35	77.60



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

Particulars	Value at the beginning	Gross Block		Value at the end	Value at the beginning	Depreciation		Value at the end	Net Block	
		Addition during the year	Disposals during the year			Charged during the year	Disposal during the year		WDV as on 31.03.2013	WDV as on 31.03.2012
Office Premises	509.27	1,832.71	-	2,341.98	3.86	38.17	-	42.03	2,299.95	505.42
Information Technology Equipments	842.41	176.95	-	1,019.36	523.68	150.75	-	674.43	344.93	318.74
Vehicles	88.67	-	4.29	84.38	22.33	8.41	3.17	27.57	56.81	66.34
Office Equipment	280.34	82.21	-	362.55	36.76	15.69	-	52.45	310.10	243.58
Furniture & Fixture	687.96	462.13	-	1,150.09	71.07	63.92	-	134.99	1,015.10	616.89
Total	2,408.65	2,554.00	4.29	4,958.36	657.70	276.94	3.17	931.47	4,026.89	1,750.97
Previous Year	1235.95	1182.21	9.48	2408.66	497.93	167.44	7.67	657.70	1750.97	738.02



Notes to Financial statements for the year ended 31st March, 2013

Particulars	31st March 2013		31st March 2012	
	31st March 2013	31st March 2012	31st March 2013	31st March 2012
Note : 12 Non Current Investment (₹ In Lakhs)				
Non-Trade Investments(Unquoted)				
Investment in Equity Instrument				
46666 Equity Shares of Bombay Mercantile Co- Op. Bank Ltd of Rs 30 Each.	14.00		14.00	
Trade Investments(Unquoted)				
Investments in Subsidiaries				
(31-03-2012 : 15,20,000, Equity Shares of Greenvision Technologies Pvt.Ltd.)	0.00		152.00	
1,50,000, Ordinary Shares of Compuage Infocom Pte.Ltd-Singapore	54.28		50.88	
Total in ₹	68.28		216.88	
Note : 13 Long Term Loans and Advances				
Security Deposit				
a)Unsecured Considered Good	5.21		36.46	
Total in ₹	5.21		36.46	
Note : 14 Other Non Current Assets				
Particulars				
Non-Current Bank Balances	26.98		73.91	
Total in ₹	26.98		73.91	
Note : 15 Current Investments				
Particulars				
8000, Equity Shares of Adit Ecommerce Pvt.Ltd.	0.00		26.32	
Total in ₹	0.00		26.32	
Note : 16 Inventories				
Particulars				
Stock-in-Trade (Valued at lower of cost and Net realisable value) (As taken, valued and certified by a Director)	18,996.43		19,794.74	
Total in ₹	18,996.43		19,794.74	



COMPUAGE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2013
(₹ In Lakhs)

Particulars	31st March 2013	31st March 2012
Details of Stock-in-trade		
Computer Components	7,544.44	7,821.82
Computer Softwares	983.87	908.17
Telecom products	1,457.22	535.81
Others	9,010.89	10,528.94
Total in ₹	18,996.43	19,794.74

Note : 17 Trade Recievables

Particulars	31st March 2013	31st March 2012
Unsecured considered good unless otherwise stated Outstanding for more than six months from the date they are due for payment		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	78.92	62.99
Others		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	18,003.74	15,126.07
Total in ₹	18,082.66	15,189.06

Note : 18 Cash & Bank balances.

Particulars	31st March 2013	31st March 2012
Cash and Cash Equivalents		
Balances with banks:		
On Current Accounts	312.42	26.00
In Unpaid Dividend Account	9.54	7.91
Cash On Hand	29.49	12.00
Margin Money Deposits	126.40	734.90
Sub Total(1)	477.85	780.81
Other Bank Balances		
Deposits with Original maturity for more than 12 months	990.43	73.91
Deposits with Original maturity for more than 3 months but less than 12 months	2,383.55	2,413.47
Sub Total(2)	3,373.98	2,487.38
Amount disclosed under Non-Current Assets	-26.98	-73.91
Total [1+2]	3,824.85	3,194.28



COMPUAGE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2013

Note : 19 Short Terms Loans and Advances (₹ In Lakhs)

Particulars	31st March 2013	31st March 2012
Advances recoverable in cash & kind Loans and Advances to Subsidiaries (Unsecured considered good)		
	0.00	481.76
Loans and advances to others (Unsecured considered good)	1,208.53	2,136.97
Others		
Loans and Advance to Employees	41.14	52.61
Advance income tax (Net of provision for Taxation)	1,102.66	354.34
SAD/VAT Service Tax / Receivable	721.09	490.66
Total in ₹	3,073.42	3,516.35

Note :20 Other Current Assets

Particulars	31st March 2013	31st March 2012
Accruals		
(i) Interest accrued on deposits	81.62	72.21
Total in ₹	81.62	72.21

Note : 21 Revenue from Operations

Particulars	31st March 2013	31st March 2012
Sales of products		
Traded goods	189,508.85	154,353.36
Sale of services	105.71	90.69
Sale of Scrap	27.26	0.00
Total in ₹	1,89,641.82	1,54,444.05

Particulars	31st March 2013	31st March 2012
Details of Product Sold.		
Traded goods sold		
Computer Components	81,451.78	70,232.65
Computer Softwares	21,111.23	15,160.02
Telecom products	28,032.38	14,640.73
Others	58,913.46	54,319.97
Total in ₹	1,89,508.85	1,54,353.36
Details Of Service rendered		
(i)Product Support Services	105.71	90.69
Total in ₹	105.71	90.69



COMPUGATE INFOCOM LTD.

Notes to Financial statements for the year ended 31st March, 2013

Note : 22 Other Income (₹ In Lakhs)

Particulars	31st March 2013	31st March 2012
Interest income on Bank deposits	343.12	350.36
Others	368.03	156.89
Foreign Exchange gain(Net)	112.14	159.38
Profit on sale of Non current Investment	2.65	0.00
Profit on sale of Fixed Assets	0.11	0.00
Other Income	37.18	1.95
Total in ₹	863.23	668.58

Note : 23 Details of purchase of Traded goods/services

Particulars	31st March 2013	31st March 2012
Computer Components	75,628.99	68,368.14
Computer Softwares	20,735.61	14,751.04
Telecom products	27,935.20	14,450.35
Others	55,382.19	54,150.08
Total in ₹	1,79,681.98	1,51,719.61

Note : 24 (Increase)/decrease in Inventories

Particulars	31st March 2013	31st March 2012
Inventories at the end of the year		
Traded goods	18,996.43	19,794.74
Inventories at the beginning of the year		
Traded goods	19,794.74	14,159.14
Total in ₹	798.31	-5635.60

Note : 25 Employment Benefit Expenses

Particulars	31st March 2013	31st March 2012
Salaries & Bonus	2,127.47	1,862.67
Contribution to provident and other fund	41.97	30.98
Gratuity	2.51	9.52
Staff Welfare	73.24	76.91
Total in ₹	2,245.19	1,980.08



COMPUGATE INFOCOM LTD.

Note : 26 Other Expenses

(₹ In Lakhs)

Particulars	31st March 2013	31st March 2012
Rent and compensation	622.05	566.13
Power & Fuel	68.19	46.16
Insurance	97.15	60.59
Payment to Auditor-(Refer details below)	10.50	10.00
Rates & Taxes	314.68	0.55
Loss on Sale of Current Investment	10.22	0.53
Miscellaneous expenses	2,513.00	2,781.82
Total in ₹	3,635.79	3,465.78

Payment to Auditor

Particulars	31st March 2013	31st March 2012
Audit fees	4.00	4.00
Taxation Matters	4.00	4.00
Other services	2.50	2.00
Total in ₹	10.50	10.00

Note :27 Financial Cost

Particulars	31st March 2013	31st March 2012
Interest	2651.69	1895.67
Total in ₹	2,651.69	1,895.67

Note : 28 Depreciation & Amortised Cost

Particulars	31st March 2013	31st March 2012
Depreciation on tangible Assets	276.94	167.44
Total in ₹	276.94	167.44



Statement under section 212 of the Companies Act 1956 for the financial year ended 2013.

(₹ In Lakhs)

Particulars/ Name of the Subsidiary Company	Compuage Infocom (S) Pte. Ltd.
Closing Exchange Rate against INR	USD1\$=54.285 INR (As on 31/03/2013)
Capital	54.28
Reserves(incl.bal in p&l a/c)	-46.97
Total Assets(incl. investment)	941.72
Total Liabilities	941.72
Investments (except in case of investments in subsidiary)	0.00
Turnover (incl. other inc.)	7317.10
Profit/(loss) Before Tax	4.60
Provision For Tax	0.00
Profit/(loss) After Tax	4.60
Proposed Dividend	0.00

Note:

The Company has been granted exemption by the Ministry of Corporate Affairs from attaching to its Balance sheet, the Individual Annual Reports of its subsidiary Companies vide its. General Circular No: 2 /2011 and General Circular No: 3/2011 dated Feb 8, 2011 and Feb 21, 2011 respectively. As per the terms of the Circular, a statement containing the brief financial details of the Companies Subsidiaries for the year ended March 31, 2013 is included in the Annual Report. The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company/its subsidiaries seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the said subsidiaries will also be available for inspection, as above, at the Registered Offices of the respective subsidiary Companies.

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

G. S. Ganesh
Director

Bhavesh H.Mehta
Whole Time Director

Atul H.Mehta
Chairman & Managing Director

PLACE : **MUMBAI**DATED : **29th May 2013****INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To,
The Board of Directors of
Compuage Infocom Limited

We have audited the accompanying consolidated financial statements of Compuage Infocom Limited ("the Company") and its subsidiary, which comprise the consolidated Balance Sheet as at 31st March, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Consolidated Financial Statements

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

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view 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 consolidated 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 consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
- in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **B. V. Dalal & Co.**

Chartered Accountants

Firm's registration No.

Firm Reg. No. : 114214W

Manori Shah

Partner

Membership No. 104640

Mumbai, May 29, 2013

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

(₹ In Lakhs)

Particulars	Note No.	31st March 2013	31st March 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	665.50	665.50
(b) Reserves and Surplus	4	5,315.11	4,573.42
Minority Interest		-	40.69
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	5	973.41	1,230.94
(b) Deferred Tax Liabilities (Net)	6	197.38	120.79
(3) Current Liabilities			
(a) Short-Term Borrowings	7	21,827.69	19,853.15
(b) Trade Payables	8	17,348.57	15,588.02
(c) Other Current Liabilities	9	2,835.88	3,123.03
(d) Short term provisions	10	77.35	77.60
Total Equity & Liabilities		49,240.89	45,273.14
II. ASSETS			
(1) Non-Current Assets			
Good will			
		-	36.79
(a) Fixed Assets			
(i) Tangible Assets	11	4,030.02	1,994.24
(ii) Intangible Assets	11	-	24.09
(iii) WIP			107.54
(b) Non-current investments	12	14.00	27.13
(c) Long term loans and advances	13	5.21	59.02
(d) Other non-current assets	14	26.98	76.53
(2) Current Assets			
(a) Inventories	15	19,316.60	20,657.58
(b) Trade receivables	16	18,559.55	15,535.87
(c) Cash and Bank Balances	17	4,083.77	3,342.59
(d) Short-term loans and advances	18	3,123.14	3,325.08
(e) Other current assets	19	81.62	86.68
Total Assets		49,240.89	45,273.14

Summary Of Significant accounting policies 2

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

This is the Balance Sheet referred to in our Report of even date.

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

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

(CA M.S.SHAH)

Partner
M.NO.:104640

G. S. Ganesh
Director

Bhavesh H.Mehta
Whole Time Director

Atul H.Mehta
Chairman & Managing Director

PLACE : **MUMBAI**

DATED: **29th May 2013**



COMPUAGE INFOCOM LTD.

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

		(₹ In Lakhs)	
Particulars	Note No.	31st March 2013	31st March 2012
I Revenue from operations	20	1,95,306.40	1,59,176.76
II Other Income	21	833.72	599.13
III Total Revenue (I +II)		1,96,140.12	1,59,775.89
IV Expenses:			
Purchase of Stock-in-Trade	22	1,84,986.44	1,56,195.45
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	854.90	-5972.24
Employee Benefits Expense	24	2,372.20	2,244.49
Other Expenses	25	3,761.97	3,653.25
Total Expenses (IV)		1,91,975.51	1,56,120.95
V Earnings before interest,tax,depreciation and amortisation(EBITDA) (III - IV)		4,164.61	3,654.94
Finance Costs	26	2,665.15	1,922.04
Depreciation	27	279.72	180.65
Profit Before Tax		1,219.74	1,552.25
VI Tax expense:			
(1) Current tax		320.00	480.64
(2) Deferred tax		80.78	42.89
(3) Fringe Benefit Tax		-	0.32
VII Profit/(Loss) for the period from continuing operations (V-VI)		818.96	1028.40
VIII Earning per equity share:			
(1) Basic		12.32	15.36
(2) Diluted		12.32	15.36

The accompanying Notes are an integral part of the Financial statements.
As per Report of even date attached.

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

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

(CA M.S.SHAH)

Partner
M.NO.:104640

G. S. Ganesh Director
Bhavesh H.Mehta Whole Time Director
Atul H.Mehta Chairman & Managing Director

PLACE : **MUMBAI**
DATED: **29th May 2013**



COMPUAGE INFOCOM LTD.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED AS AT 31ST MARCH 2013

(₹ In Lakhs)

	31st March 2013	31st March 2012
A. Cash Flows from operating activities		
Net Profit Before Tax & Extraordinary items	1219.75	1552.24
Adjustment for:		
Depreciation	279.72	180.65
Loss/(profit) on sale of Fixed Assets	(0.11)	(0.37)
Loss/(profit) on sale of Non current investment	(2.66)	-
Loss/(profit) on sale of Current investment	10.22	-
Unrealised foreign exchange gain	(3.40)	-
Interest paid	2,665.15	1922.04
Interest received	(711.15)	(448.85)
Operating profit before Working Capital changes	3,457.52	3,205.71
Increase /(Decrease) in Long term provisions	0.00	9.50
Increase /(Decrease) in Trade payables	1,786.75	(1,356.58)
Increase /(Decrease) in other Current Liabilities	(220.83)	1466.70
Increase /(Decrease) in short term provisions	(0.25)	(43.21)
Decrease/(Increase) in Inventories	854.90	(6,010.38)
Decrease/(Increase) in Trade Receivables	(3,032.98)	(1,982.70)
Decrease/(Increase) in short term Loans & Advances	661.08	(218.93)
Decrease/(Increase) in other current assets	(9.41)	88.91
Decrease/(Increase) in Long term Loans & Advances	31.25	(0.79)
Decrease/(Increase) in Non current assets	46.93	1273.41
Total	117.44	(6,774.07)
Income Tax	(320.00)	(480.96)
Net Cash Inflow/(Outflow) from operating activities...	3,254.96	(4,049.32)
B. Cash Flows from Investing Activities		
Purchase of Fixed Assets	(2,554.00)	(1,337.74)
Increase in capital work in progress	-	(107.54)
Sale of fixed Assets	3.33	2.18
Interest received	711.15	448.85
Sale/(Purchase) of current investments	16.10	-
Sale/(Purchase) of non-current investments	154.65	-
Net Cash Inflow/(Outflow) from Investing activities...	(1,668.77)	(994.25)
C. Cash Flows from Financing Activities		
Proceeds from Long term borrowings	(232.89)	390.67
Proceeds from Short term borrowings	2,191.79	7,252.52
Issue of shares(Including premium)	3.40	1204.79
Interest paid	(2,665.15)	(1,922.04)
Dividend & Dividend tax paid	(90.19)	(155.20)
Net Cash Inflow/(Outflow) from Financing activities...	(793.04)	6,770.74
Net Increase/(Decrease) in cash and cash Equivalents...	793.16	1,727.17
Cash and cash Equivalents as at beginning of the year	3207.19	1615.42
Cash and cash Equivalents as at end of the year	4000.35	3342.59
	793.16	1,727.17

We have examined the above cash Flow statement of Compuage Infocom Ltd for the year ended March 31, 2013..

As per report of even date attached

For **B.V.DALAL & Co.**
Firm Reg. No. : 114214W
CHARTERED ACCOUNTANTS
(CA M.S.SHAH)

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

Partner
M.NO.:104640

G. S. Ganesh Director
Bhavesh H.Mehta Whole Time Director
Atul H.Mehta Chairman & Managing Director

PLACE : **MUMBAI**
DATED: **29th May 2013**



Summary of Significant accounting policies to Financial statements for the year ended 31st March, 2013

Note 1: Corporate Information

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

Investment in two major owned and controlled subsidiaries, Greenvision Technologies Pvt. Ltd and Adit E commerce Pvt. Ltd was liquidated on 4th March, 2013 and 12th September 2012 respectively as a result of which they are no longer subsidiaries of the company as on 31st March, 2013 and hence, have not been considered for consolidation. The loss of Greenvision Technologies Pvt. Ltd. upto the date it was a subsidiary (4th March,2013) was Rs.134.50 lacs. The profit of Adit E commerce Pvt. Ltd. up to the date it was a subsidiary (12th September,2012) was Nil. Consequently, the opening balance in Reserves & Surplus and Fixed Assets have been reduced accordingly.

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

The Group of Companies is engaged in trading in Computer parts, peripherals, Telecom and Power Products. The Group also provides products support services for Information Technology products and Installation and annual maintenance services for power products.

Notes 2: NOTES TO ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2013

1. Significant Accounting Policies:

a. Basis of Preparation:

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

b.

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

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



The financial statements of the company and its subsidiaries companies have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra group transactions resulting in unrealized profits or unrealized cash losses.

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

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

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

c. Use of Estimates:

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

d. Tangible Fixed Assets:

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

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

e. Depreciation on tangible fixed assets:

Depreciation on fixed assets is calculated on a Straight Line basis using the rates prescribed under the Schedule XIV of the Companies Act 1956. The company has used the following rates to provide depreciation on its fixed assets.

Assets	Rate (SLM)
Office Premises	1.63%
Information technology Equip.	16.21%
Vehicles	9.50%
Office Equipment	4.75%
Furniture and Fixture	6.33%



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

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

f. Lease:

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

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

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

g. Borrowing costs:

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

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

h. Revenue Recognition:

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

Sale of Goods:

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



Income from Service:

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

Interest:

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

i. Foreign currency Translation

Foreign currency transactions and balances.

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

j. Investments:

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

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

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

k. Inventories:

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

Saleable scrap is accounted for as and when sold.

l. Retirement and other employee benefits:

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

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

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

**m. Income Taxes:**

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

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

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

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

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

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

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

**n. Cash and cash equivalents:**

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

o. Impairment :

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

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

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

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

Valuation of Imports calculated on C.I.F. basis for One Year period ended 31st March 2013 is RS.35,353 Lacs (Previous year Rs. 31557.56Lacs).

Expenditure in Foreign currency: (Rs.in Lacs)	(Current Year)	(Previous Year)
Travelling	Rs.19.77	1.98
Interest	NIL	NIL
Earning in Foreign currency: (Rs.in Lacs)		
Mercantile Trade	Rs.6891.20	NIL

A. Directors & their relatives:

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

Sr. No.	Name	Relationship
1.	Atul H. Mehta	Chairman and Managing Director
2.	Aditya A. Mehta	Newpew of Atul H. Mehta
3.	Ajay H. Mehta	Brother of Atul H. Mehta
4.	Ajay H. Mehta HUF	HUF of Brother of Atul H. Mehta
5.	Atul H. Mehta HUF	HUF of Chairman and Managing Director
6.	Bhavesh H. Mehta	Whole time Director
7.	Falguni A. Mehta	Wife of Atul A. Mehta
8.	Forum B. Mehta	Wife of Bhavesh H. Mehta



COMPUAGE INFOCOM LTD.

9.	H. T. Mehta HUF	HUF of father of Atul H. Mehta
10.	Karishma A. Mehta	Daughter of Atul H. Mehta
11.	Manisha A. Mehta	Sister-in-law of Atul H. Mehta
12.	Raahil B. Mehta	Son of Bhavesh H. Mehta
13.	Vanita H. Mehta	Mother of Atul H. Mehta
14.	Yash A. Mehta	Son of Atul H. Mehta

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

- 1) Trillizo Holdings Limited
- 2) Greenvision Technologies Pvt. Ltd.
- 3) Compuage Infocom (S) PTE. Ltd.

Transactions with related parties: (Rs. in Lacs)

Particulars	Current Year	Previous Year
Interest Paid to:		
Atul H.Mehta	14.81	6.52
Bhavesh H.Mehta	14.79	6.91
Chandulal P.Mehta	0.30	1.19
Greenvision Technologies P.L	14.70	4.44
Ajay H.Mehta	3.94	Nil
Falguni A. Mehta	0.26	Nil
Manish A. Mehta	0.64	Nil
Forum B. Mehta	0.99	Nil
Karishma A. Mehta	0.83	Nil
Vanita H. Mehta	1.08	Nil
Yash A. Mehta	0.63	Nil
Aditya A. Mehta	0.21	Nil
Raahil B. Mehta	0.01	Nil
Ajay H. Mehta HUF	0.18	Nil
Atul H. Mehta HUF	0.01	Nil
H. T. Mehta HUF	0.31	Nil
Interest Recd. From:		
Greenvision Technologies P.L	229.66	59.28
Remuneration Paid to:		
Atul H.Mehta	120.00	85.50
Bhavesh H.Mehta	120.00	85.50
Manisha Mehta	4.80	4.80
Incentive Paid to :		
Compuage S.Pte.Ltd	8.46	Nil



COMPUAGE INFOCOM LTD.

Purchases of Goods from:		
Greenvision Technologies P.L	1,761.44	1,561.34
Adit E-Commerce P.L	Nil	3.19
Sales of Goods to:		
Greenvision Technologies P.L	1,292.67	954.90
Adit E-Commerce P.L	Nil	0.04
Compuage S.Pte.Ltd	1,650.25	30.51
Others:		
Sale of Other Items to	2.97	NIL
Greenvision Technologies Pvt. Ltd.		
Rent Received from	2.57	6.79
Greenvision Technologies Pvt.Ltd.		
Installation/Warranty Charges Received from	22.01	3.85
Greenvision Technologies Pvt.Ltd.		
Other Expenses Paid to GVT	1.41	NIL
Other Income Recd. from GVT	5.78	NIL
Outstanding receivables:		
Greenvision Technologies P.Ltd.	1,331.41	495.97
Adit E-Commerce P.L	Nil	21.36
Compuage S.Pte.Ltd	Nil	106.85
Trillizo Holdings P.L	138.00	138.00
Outstanding payables:		
Atul H.Mehta	469.80	103.00
Bhavesh H.Mehta	481.40	103.00
Ajay H.Mehta	121.35	75.00
Falguni A.Mehta	3.45	25.00
Manisha A.Mehta	17.65	25.00
Forum B.Mehta	66.45	25.00
Vanita H.Mehta	46.95	25.00
Karishma A.Mehta	19.15	25.00
Aditya A.Mehta	5.50	25.00
Yash A.Mehta	29.75	25.00
Chandulal P.Mehta	Nil	9.50
Raahil B. Mehta	0.15	Nil
Ajay H. Mehta HUF	5.65	Nil
Atul H. Mehta HUF	0.15	Nil
H. T. Mehta HUF	15.10	Nil
Greenvision Technologies P.L	139.28	6.87
Compuage S.Pte.Ltd	167.90	Nil
Adit E-Commerce P.L	Nil	4.37

**Segment reporting:**

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

Earning Per Share.

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

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

Measurement of EBITDA:

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

As per our report of even dated attached

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

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

M.S.Shah
Partner
M.NO.104640
Place: - Mumbai
Dated: - 29th May 2013

G.S Ganesh **Bhavesh H. Mehta**
Director Whole Time Director **Atul H. Mehta**
Chairman &
Managing Director

Shilpa Singh
Company Secretary

**Consolidated Notes to Financial statements for the year ended 31st March, 2013****Note 3 : Share Capital****(₹ In Lakhs)**

Particulars	31st March 2013	31st March 2012
AUTHORIZED		
19254000 Equity shares of Rs.10 each	1,925.40	1,925.40
4665600 Preference shares of Rs.0.10 (Ten paise) each	4.67	4.67
3369344 Preference shares of Rs.10 each	336.93	336.93
	2,267.00	2,267.00
ISSUED, SUBSCRIBED & FULLY PAID UP		
6655000 Equity shares of Rs.10 each fully paid	665.50	665.50
		-
Total in ₹	665.50	665.50

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

	31st March 2013		31st March 2012	
	No. in Lacs	₹ In Lacs	No. in Lacs	₹ In Lacs
At the beginning of the Period	66.55	665.50	51.80	518.00
Issued during the period			14.75	147.50
Outstanding at the end of the period	66.55	665.50	66.55	665.50

Terms/Rights attached to equity shares

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

The Final Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2013, the amount of per share final dividend proposed as distribution to the equity shareholders is Rs. 1 (31st March 2012 : Rs. 1)

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



COMPUGATE INFOCOM LTD.

Consolidated Notes to Financial statements for the year ended 31st March, 2013

Note 4 : Reserve & Surplus (₹ In Lakhs)

Sr. No	Particulars	31st March 2013	31st March 2012
Capital Reserve			
	Opening balance	134.84	-
	Add : Forfeiture of 8,05,000 Equity Warrants@ Rs.16.75 each	-	134.84
	Closing balance	134.84	134.84
Capital Redemption Reserve			
		129.72	129.72
Share premium			
	Opening balance	1,219.95	-
	Add : Premium on issue of Euity Shares	-	1,223.95
	Closing balance	1,219.95	1,223.95
General Reserve			
		102.00	102.00
Foreign currency translation Reserve			
	Balance as per last financial statements	-	-
	Add: Profit for the year	-2.99	-
Surplus/(Deficit) in the statement of profit & Loss			
	Balance as per last financial statements	2,990.77	2,116.08
	Add: Profit for the year	818.96	1,028.40
	Less: Appropriations:	-	-
	Interim Dividend (31st March 2012:Rs.1)	-	-66.55
	Tax on Interim dividend	-	-11.05
	Proposed final equity dividend amount per share Rs.1(31st March 2012:Rs.1)	-66.55	-66.55
	Tax on proposed dividend	-10.80	-11.05
	Less:Minority interest	-	-1.53
	Less: Unrealised profit	-0.79	-4.83
		3,728.60	2,982.91
	Total in ₹ (1+2+3+4+5)	5,315.11	4,573.42

Note : 5 Long Term Borrowings

Sr. No	Particulars	31st March 2013	31st March 2012
Term Loans			
	Indian rupee loan from Bank (Secured)	965.83	1,212.21
Other Loans and Advances:			
	Finance Lease(Secured)	7.58	18.73
		-	-
	Total in ₹	973.41	1,230.94

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

Finance Lease is secured by hypothecation of vehicle taken on lease.



COMPUGATE INFOCOM LTD.

Consolidated Notes to Financial statements for the year ended 31st March, 2013

Note : 6 Deferred Tax Liabilities(Net) (₹ In Lakhs)

Sr. No	Particulars	31st March 2013	31st March 2012
Difference in Book & Income Tax Depreciation			
	Under IT Act 1961	580.70	356.62
	Loss Carried forward under IT Act,1961	-	-
	Total Timing Difference	580.70	356.62
	Total in ₹	197.38	120.79

Note : 7 Short Term Borrowings

Sr. No	Particulars	31st March 2013	31st March 2012
Cash credit from bank (secured)-net of debit balances			
	Loans & Advances From Related Parties Repayable on Demand (Unsecured)	12,869.63	14,320.35
	Loans & Advances From Others Repayable on Demand (Unsecured)	1,282.50	465.50
		7,675.56	5,067.30
	Total in ₹	21,827.69	19,853.15

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

Note : 8 Trades Payable

Sr. No	Particulars	31st March 2013	31st March 2012
Dues to Micro,small & Medium Enterprises			
	Others(Net of Advances)	17,348.57	15,588.02
	Total in ₹	17,348.57	15,588.02

Note : 9 Other Current Liabilities

Sr. No	Particulars	31st March 2013	31st March 2012
Current maturities of Long Term Debt			
	Interest Accrued and due on Borrowings	424.15	410.55
		-	14.50
Others			
	TDS payable	427.48	132.72
	Unpaid Dividend	9.54	7.91
	Other payable	1,974.71	2,557.35
	Total in ₹	2,835.88	3,123.03

Note : 10 Short Term Provisions

Sr. No	Particulars	31st March 2013	31st March 2012
Proposed Equity Dividend			
	Provision for Tax on proposed Equity Dividend	66.55	66.55
		10.80	11.05
	Total in ₹	77.35	77.60



Consolidated Notes to Financial statements for the year ended 31st March, 2013

Note : 11 Tangible/Intangible Assets

(₹ In Lakhs)

Particulars	Gross Block		Foreign Currency Fluctuation	Value at the end	Value at the beginning	Charged during the year	Depreciation Disposal/ Adjustment during the year	Foreign Currency Fluctuation	Value at the end	Net Block	
	Addition during the year	Disposals during the year								WDV as on 31.03.2013	WDV as on 31.03.2012
I Tangible Assets											
Land	-	-	-	-	-	-	-	-	42.03	0.00	206.50
Office Premises	509.27	1,832.71	-	2341.98	3.86	38.17	-	-	676.50	2299.95	505.42
Information Technology Equipments	844.28	171.24	0.12	1021.64	525.54	150.84	3.17	0.12	27.57	345.14	327.39
Motor Vehicles	88.67	4.29	-	84.38	22.33	8.41	3.17	-	54.81	56.81	66.34
Office Equipment	283.19	82.27	0.19	365.65	38.36	16.34	-	0.11	143.82	310.84	250.00
Furniture & Fixture	698.28	462.13	0.69	1161.10	77.44	65.96	-	0.42	944.73	1017.28	638.58
Total (Current Year)	2423.69	2554.35	1.00	4974.75	667.53	279.72	3.17	0.65	944.73	4030.02	1994.24
II Intangible Assets											
Goodwill	-	-	-	-	-	-	-	-	-	-	21.60
Intellectual Property Rights	-	-	-	-	-	-	-	-	-	-	2.02
Web Site	-	-	-	-	-	-	-	-	-	-	0.47
Total (Current Year)	2423.69	2554.35	1.00	4974.75	667.53	279.72	3.17	0.65	944.73	4030.02	24.09
Grand Total	2423.69	2554.35	1.00	4974.75	667.53	279.72	3.17	0.65	944.73	4030.02	2018.33
Total (Previous Year)	1378.44	1310.81	25.51	2705.28	515.41	180.65	9.03		687.03	2018.33	839.13



Consolidated Notes to Financial statements for the year ended 31st March, 2013

Note : 12 Non Current Investment

(₹ In Lakhs)

Particulars	31st March 2013	31st March 2012
Non-Trade Investments(Unquoted)		
Investment in Equity Instrument		
90416 Equity Shares of Bombay Mercantile Co- Op. Bank Ltd of Rs 30 Each.	14.00	27.13
Total in ₹	14.00	27.13

Note : 13 Long Term Loans and Advances

Particulars	31st March 2013	31st March 2012
Security Deposit		
a)Unsecured Considered Good	5.21	59.02
Total in ₹	5.21	59.02

Note : 14 Other Non Current Assets

Particulars	31st March 2013	31st March 2012
Non-Current Bank Balances	26.98	76.53
Total in ₹	26.98	76.53

Note : 15 Inventories

Particulars	31st March 2013	31st March 2012
Stock-in-Trade (Valued at lower of cost and Net realisable value)	19,317.39	20,662.41
(As taken, valued and certified by a Director)		
Less: Unrealised profit on unsold stock	-0.79	-4.83
Total in ₹	19,316.60	20,657.58

Particulars	31st March 2013	31st March 2012
Details of Stock-in-trade		
Computer Components	7,611.75	8,157.55
Computer Softwares	983.87	908.17
Telecom products	1,457.22	535.81
Others	9,264.55	11,060.88
Total in ₹	19,317.39	20,662.41



COMPUAGE INFOCOM LTD.

Consolidated Notes to Financial statements for the year ended 31st March, 2013

Note : 16 Trade Recievables (₹ In Lakhs)

Particulars	31st March 2013	31st March 2012
Unsecured considered good unless otherwise stated		
Outstanding for more than six months from the date they are due for payment		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	78.92	87.39
Others		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	18,480.63	15,448.48
c) Doubtfull	-	-
Less: Provision for doubtfull debt	-	-
Total in ₹	18559.55	15535.87

Note : 17 Cash & Bank balances.

Particulars	31st March 2013	31st March 2012
Cash and Cash Equivalents		
Balances with banks:		
On Current Accounts	493.52	64.01
Cash On Hand	33.44	12.85
Margin Money Deposits	209.81	851.44
Sub Total(1)	736.77	928.30
Other Bank Balances		
Deposits with Original maturity for more than 12 months	990.43	76.53
Deposits with Original maturity for more than 3 months but less than 12 months	2383.55	2414.29
Sub Total(2)	3373.98	2490.82
Amount disclosed under Non-Current Assets	-26.98	-76.53
Total [1+2]	4083.77	3342.59

Note : 18 Short Terms Loans and Advances

Particulars	31st March 2013	31st March 2012
Advances recoverable in cash & kind		
Loans and advances to others (Unsecured considered good)	1,211.05	2,405.41
Others		
Loans and Advance to Employees	41.14	53.57
Advance income tax (Net of provision for Taxation)	1,102.66	363.11
SAD/VAT Receivable/Cenvat available	765.72	502.98
Security Deposit	2.57	-
Total in ₹	3,123.14	3,325.08



COMPUAGE INFOCOM LTD.

Note : 19 Other Current Assets (₹ In Lakhs)

Particulars	31st March 2013	31st March 2012
Unamortised expenses		
(i) Micellaneous exps. (To the extent not written off)	-	13.29
(ii) Preliminary exps (To the extent not written off)	-	1.18
Accruals		
(i) Interest accrued on deposits	81.62	72.21
Total in ₹	81.62	86.68

Note : 20 Revenue from Operations

Particulars	31st March 2013	31st March 2012
Sales of products		
Traded goods	1,95,173.43	1,59,029.81
Sale of services	105.71	146.95
Sale of Scrap	27.26	-
Total in ₹	1,95,306.40	1,59,176.76

Particulars 31st March 2013 31st March 2012

Particulars	31st March 2013	31st March 2012
Details of Product Sold.		
Computer Components	87,033.09	70,232.65
Computer Softwares	21,112.98	15,160.02
Telecom products	28,032.38	14,640.73
Others	58,994.98	58,996.42
Total in ₹	1,95,173.43	1,59,029.81
Details Of Service rendered		
(i) Product Support Services	105.71	90.69
(ii) Installation	-	32.59
(iii) AMC	-	4.39
(iv) Others	-	19.28
Total in ₹	105.71	146.95

Note : 21 Other Income

Particulars	31st March 2013	31st March 2012
Interest income on		
Bank deposits	343.64	352.34
Others	368.03	96.51
Other Income	33.23	2.73
Foreign Exchange gain(Net)	88.82	147.55
Total in ₹	833.72	599.13

Note : 22 Details of purchase of Traded goods/services

Particulars	31st March 2013	31st March 2012
Computer Components		
Computer Softwares	80,668.08	69,258.17
Telecom products	20,737.36	14,758.52
Others	27,935.20	14,450.35
Others	55,645.80	57,728.40
Total in ₹	184986.44	156195.44



COMPUAGE INFOCOM LTD.

Note : 23 (Increase)/decrease in Inventories (₹ In Lakhs)

Particulars	31st March 2013	31st March 2012
Inventories at the end of the year		
Traded goods	19,317.39	20,662.41
Inventories at the beginning of the year		
Traded goods	20,172.29	14,690.17
Total in ₹	854.90	-5,972.24

Note : 24 Employment Benefit Expenses

Particulars	31st March 2013	31st March 2012
Salaries & Bonus	2,244.73	2,115.83
Contribution to provident and other fund	51.62	40.44
Gratuity	2.51	9.52
Staff Welfare	73.34	78.70
Total in ₹	2,372.20	2,244.49

Note : 25 Other Expenses

Particulars	31st March 2013	31st March 2012
Rent and compensation	639.24	591.75
Power & Fuel	69.51	48.99
Insurance	98.67	63.39
Payment to Auditors-(Refer details below)	12.25	12.82
Rates & Taxes	314.68	3.19
Loss on Sale of Assets	10.22	0.53
Miscellaneous expenses	2,617.40	2,932.58
Total in ₹	3,761.97	3,653.25

Payment to Auditor

Particulars	31st March 2013	31st March 2012
Audit fees	4.00	6.82
Taxation Matters	4.00	4.00
Other services	4.25	2.00
Total in ₹	12.25	12.82

Note :26 Financial Cost

Particulars	31st March 2013	31st March 2012
Interest	2665.15	1922.04
Total in ₹	2665.15	1922.04

Note : 27 Depreciation & Amortised Cost

Particulars	31st March 2013	31st March 2012
Depreciation on tangible Assets	279.72	180.65
Total in ₹	279.72	180.65

COMPUAGE INFOCOM LIMITED

601, D-Wing, Lotus Corporate Park, Ram Mandir Lane, Near Jai Coach Junction, Western Express Highway, Goregaon (E), Mumbai - 400063. INDIA.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Full Name of the Member attending (in block letters) _____

Full Name of the First joint holder _____

(To be filled-in if first named joint holder does not attend the meeting)

Name of the proxy _____

(To be filled-in if the proxy form has been duly deposited with the Company)

I hereby record my presence at the Fourteenth Annual General Meeting of the Company held on Saturday, 7th September, 2013 at 10.00 a.m at Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Mumbai- 400 034.

Regd. Folio No. _____

OR

Member's/ Proxy Signature

DP ID/ CLIENT ID : _____

No. of Shares held : _____ (to be signed at the time of handing over of this slip)

COMPUAGE INFOCOM LIMITED

601, D-Wing, Lotus Corporate Park, Ram Mandir Lane, Near Jai Coach Junction, Western Express Highway, Goregaon (E), Mumbai - 400063. INDIA.

PROXY FORM

I/We _____

of _____ in the district of _____

_____ being a Member (s) of the above named Company, hereby appoint Mr./Ms. _____

of _____ in the district of _____

or failing him/ her Mr./Ms _____

of _____ in the district of _____

as my/ our Proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Saturday, 7th September, 2013 at 10.00 a.m at Victoria Memorial School For Blind Tardeo Road, Opp. Film Centre, Mumbai-400 034. and at any adjournment thereof.

Signed this _____ day of _____, 2013.

Regd. Folio No. : _____

OR

Affix
Re. 1.00
Revenue
Stamp

DP ID/ CLIENT ID: _____

No. of Shares held _____

Signature

Note: The Proxy form duly completed must be deposited at the Registered Office of the Company not less than 48hrs. before the time of holding of the meeting.



COMPUAGE INFOCOM LTD.

Fourteenth Annual Report 2012-13

Board of Directors

Atul H. Mehta
Bhavesh H. Mehta
G.S. Ganesh
Vijay Agarwal
Preeti Trivedi

Company Secretary

Shilpa Singh

Registered Office

601, D Wing, Lotus Corporate Park, Ram Mandir Lane,
Jai Coach Junction, Western Express Highway, Goregaon (E),
Mumbai-400 063.

Registrar & Share Transfer Agents

LINKINTIME INDIA PRIVATE LIMITED
C-13, Pannalal Silk Mills Compound,
L.B.S.Marg, Bhandup (West), Mumbai- 400 078.

Auditors

M/s. B.V. Dalal & Co.
Chartered Accountants

Branches

Ahmedabad, Aurangabad, Bangalore, Baroda, Bhubneshwar, Bhopal,
Chandigarh, Chennai, Coimbtore, Cochin, Calicut, Dehradun, Delhi,
Ghaziabad, Goa, Guwahati, Guragaon, Hyderabad, Hubli, Indore, Jaipur,
Jammu, Jabalpur, Kolkatta, Kottayam, Lucknow, Ludhiana, Mumbai,
Mangalore, Madurai, Nagpur, Nasik, Patna, Pondicherry, Pachukula, Pune,
Raipur, Rajkot, Ranchi, Siliguri, Surat, Trivendrum, Vizag, Vijayawada,
Varansi.

Bankers

1. Bombay Mercantile Co-op. Bank Ltd.
2. HDFC Bank Ltd.
3. Indian Overseas Bank
4. Standard Chartered Bank
5. ICICI Bank Limited
6. Indian Bank
7. Kotak Mahindra Bank
8. Central Bank of India
9. ING Vysya Bank

