



# Mobile Telecommunications Ltd.

Empowering Technology Infrastructure



**M-Commerce**



**E-Commerce**



**International BPO**



**PCB Manufacturing**



**Financial Vertical**

## 19th Annual Report

*2012-2013*



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## ABOUT US

Mobile Telecommunications Ltd. (MTL) is an ISO 9001:2008, ISO 13485:2003 certified company managed by the experienced talented engineers and professionals having latest state of art machines & trained skilled manpower. It is spread over 1Lac Sq. Ft. land with 35,000 sq.ft. fully air conditioned dust free environment having ESD control mean. Company has achieved top rating as EMS provider for various organizations viz. Wieler International, Schnelezer India, Accord Electronics, Siemens, Herodox, BSNL, Key Stone Appliances, Sensing Technology, Cromptan Greves, Digisound Germany.

MTL has established SMT line operation at Nashik works with certain standards in terms of quality and processes to attain breakthrough in EMS business and offer complete solution of PCB assembly.

MTL has facility for SMT & through Hole PCB assembly with (Axial-Radial) component performing machine, manual insertion line, wave soldering, temperature controlled soldering irons, visual inspection system, Lensei Video Inspection System. MTL is major supplier of PCBA to Herodox Power system and Wieler International who is exporting their end products to European market. MTL has dedicated lines for Siemens India approved by RDSO. MTL also has a separate line for development, design, manufacturing and distribution of acoustical products like security alarms, buzzer.:

Mobile Telecommunications Ltd. is serving in the following domains:

### EMS:

- Circuit boards
- Speakers
- Video Surveillance equipment

### Telecom:

- Wireless Communicating Equipment
- Mobile Phones

### Knowledge:

- Smart Cards
- Payblox (Payment solutions)
- BPO



## BOARD OF DIRECTORS

Anil B. Vedmehta (Chairman & Managing Director)

Ajay Kapoor (Director)

Suhas Jadhav (Director)

Pulkit Mehta (Director)

COMPANY SECRETARY Mahendra N. Soni

BANKERS Oriental Bank of Commerce

AUDITORS N. S. Bhatt & Associates Chartered Accountants

REGISTERED OFFICE 46, Empire Tower, Near Associated Petrol Pump,  
C. G. Road, Ahmedabad - 380 009.  
GUJARAT.

CORPORATE OFFICE 3rd Floor, B Wing, Interface Bldg. No. 16,  
Off Link Road, Malad (West), Mumbai - 400 064.  
MAHARASHTRA.

FACTORY E-78, MIDC, Ambad, Nashik, MAHARASHTRA.

REGISTRAR & TRANSFER AGENT Bigshare Services Pvt. Ltd.  
E-2, Ansa Ind. Estate, Saki Vihar Road, Sakinaka,  
Andheri (E), Mumbai - 400 072.



## **NOTICE**

NOTICE is hereby given that the EIGHTEENTH ANNUAL GENERAL MEETING of the Members of MOBILE TELECOMMUNICATIONS LIMITED will be held on, Monday, September 30, 2013 at 10.00 a.m. at the Registered Office of the Company at 46, Empire Tower, Near Associated Petrol Pump, C. G. Road, Ahmedabad, Gujarat – 380 009 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at March 31, 2013 and the Profit & Loss Account for the year ended on that date and reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in Place of Mr. Suhas Jadhav, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in Place of Mr. Pulkit Mehta, who retires by rotation and being eligible offers himself for re-appointment.
5. To Re-appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, and to fix their remuneration and for the purpose, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** M/s N S Bhatt & Associates, Chartered Accountants having Firm Registration No. 130891W be and are hereby re-appointed as the Statutory Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and is hereby authorized to fix their remuneration for the said period and reimbursement of actual out of pocket expenses as may be incurred in the performance of their duties.”

**Registered Office:**  
46, Empire Tower,  
Near Associated Petrol Pump,  
C G. Road, Ahmedabad, Gujarat  
**Date: August 14, 2013**

**For and Behalf of the Board**  
  
**Anil B. Vedmehta**  
**Chairman & Managing Director**



**NOTE:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ANNEXED TO THE ANNUAL REPORT.
2. The Register of Members and Share Transfer Books of the Company will remain closed from September 26, 2013 to September 30, 2013 (inclusive both days).
3. Members are requested to intimate to the Company, quoting Registered Folio number, change in their address, if any, with the Pin code number.
4. In all correspondence with the Company or its Share Transfer Agents, members are requested to quote their account / folio number and in case the shares are held in the dematerialized form, they must quote their client ID number and their DP ID number.
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least seven days before the date of the meeting so that the information required by the members may be made available at the meeting.
6. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.
7. Appointment of Directors:  
At the ensuing Annual General Meeting Mr. Suhas Jadhav and Mr. Pulkit Mehta, Directors, retires by rotation. Mr. Suhas Jadhav and Mr. Pulkit Mehta have offered themselves for re-appointment. The information or details pertaining to the Director, to be provided in terms of clause 49 of the Listing Agreement are furnished in the statement on Corporate Governance published elsewhere in this Report.

**Registered Office:**

46, Empire Tower,  
Near Associated Petrol Pump,  
C G. Road, Ahmedabad, Gujarat

**Date: August 14, 2013**

**For and Behalf of the Board**

**Anil B. Vedmehta**  
**Chairman & Managing Director**



## Directors' Report

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The Members,

To Your Directors are pleased to presenting the Eighteenth Annual Report and Audited Accounts for the year ended March 31, 2013.

### Financial Results

(Rs in lacs)

	<b>31<sup>st</sup> March, 2013</b>	<b>31<sup>st</sup> March, 2012</b>
Total Income	9970.96	16917.20
Total expenditure	9734.99	16654.14
<b>Operating profit (PBDT)</b>	<b>235.97</b>	<b>263.06</b>
Depreciation	70.71	64.07
Finance Cost	62.70	68.39
<b>Profit Before Exceptional Items</b>	<b>102.56</b>	<b>130.60</b>
Exceptional Item	-	10.00
<b>Profit before Taxation/Prior period Adjustment</b>	<b>102.56</b>	<b>120.60</b>
Provision for Tax		
Current Tax	29.33	27.36
Deferred Tax	2.30	9.65
<b>Profit after Taxation</b>	<b>70.93</b>	<b>83.60</b>

### Results of Operations

During the year under review total revenue was 9970.96 Lacs as compared to Rs.16917.20 Lacs in the previous year. This was due to shortage of Working Capital and wrong attachment of Company's accounts by IT authorities. Company is caught in between the bank and IT authorities one upmanship. Due to interpretation of IT order the bank have withdrawn enhancement of limit granted to the Company. This has resulted in surrendering orders worth 75 Crores.

The Company is expecting an early positive outcome of Income Tax appeals. Company has initiated dialogue with Bankers for project Finance at competitive rates.

### Dividend

The Board of Directors is pleased to recommend a dividend @ 5 % on equity shares of Re. 1 each.



## Management Discussion & Analysis Report

In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion & Analysis Report is appended to this Report.

### Corporate Governance

Your Company has been fully compliant with the SEBI Guidelines on Corporate Governance, which have been incorporated in Clause 49 of the Listing Agreement with the Stock Exchanges. A detailed report on the subject forms part of this Report.

The Statutory Auditors of the Company have examined the Company's compliance, and have certified the same, as required under SEBI Guidelines. Such certificate is reproduced as part of this Report.

A Management Discussion and Analysis Report covering a wide range of issues relating to performance, outlook etc., is given as part of this report.

### Fixed Deposits

Your company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the balance sheet date.

### Directors

Mr. Suhas Jadhav and Mr. Pulkit Mehta retires by rotation at the forthcoming Annual General Meeting. Mr. Jadhav and Mr.Mehta have offered themselves for re-appointment. The necessary resolutions are being placed before the members for their approval.

### Auditors

M/s N S Bhatt & Associates, Chartered Accountants, Statutory auditors of the Company, retires at the conclusion of the forthcoming Annual General Meeting of the company and being eligible, offers themselves for re-appointment.

### Directors Comments on or observation of the Auditors:

**1. The Company Does not have Fixed Assets Records**

There is work in progress in respect of Factory Building at Nasik it is expected to be complete by December 2013. The Company is in process of updating the same.

**2. Internal Audit System:**

The Company is in process of introducing Internal Audit System in line with the requirements.

**3. Delay / non-payment of undisputed statutory dues**

The company's Cash Credit limit/Bank accounts are wrongly attached by the Income Tax department in respect of some disputed dues, matters relating to which is pending with ITAT, although attachment of Cash Credit Limit is not permissible in law. Thus on application bank





has sought legal opinion on the same and we are hopeful that the wrongful attachment shall be removed from the Account. Once the attachment is removed The Board shall pay the dues in due course.

### **Secretarial Audit**

As directed by Securities and Exchange Board of India (SEBI), Secretarial Audit is being carried out at the specified periodicity by a Practicing Company Secretary. The results of Secretarial Audit were satisfactory.

### **Directors' Responsibility Statement**

*Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956:*

#### Responsibility in relation to financial statements

The financial statements have been prepared in conformity, in all material respects, with the generally accepted accounting principles in India and the accounting standards prescribed by ICAI in a consistent manner and supported by reasonable and prudent judgments and estimates. The Directors believe that the financial statements reflect true and fair view of the financial position as on 31.03.2013 and of the results of operations for the year ended 31.03.2013

The financial statements have been audited by M/s N S Bhatt & Associates In accordance with generally accepted auditing standards which include an assessment of the systems of internal controls and tests of transactions to the extent considered necessary by them to support their opinion.

#### Going Concern

In the opinion of the Directors, the Company will be in a position to carry on its existing Mobile & Communication business and accordingly it is considered appropriate to prepare the financial statements on the basis of going concern.

#### Maintenance of accounting records & Internal Controls

The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956.

Directors have overall responsibility for the Company's internal control system, which is designed to provide a reasonable assurance for safeguarding of assets, reliability of financial records and for preventing and detecting fraud and other irregularities.

The system of internal control is monitored by internal audit function, which comprises of the examination and evaluation of the adequacy and effectiveness of the system of internal control and quality of performance in carrying out assigned responsibilities. Internal Audit Department



interacts with all levels of management and the Statutory Auditors, and reports significant issues to the audit committee of the Board.

Audit Committee supervises financial reporting process through review of accounting and reporting practices, financial and accounting controls and financial statements. Audit Committee also periodically interacts with internal and statutory auditors to ensure quality and veracity of Company's accounts. Internal Auditors, Audit Committee and Statutory Auditors have full and free access to all the information and records as considered necessary to carry out their responsibilities. All the issues raised by them have been suitably acted upon and followed up.

### **Particulars of Employees:**

None of the employees/director(s) are drawing remuneration in excess of Rs. 60 Lacs per annum or Rs. 5 Lacs per month and therefore the particulars of employees as required by section 217(2A) of Companies Act, 1956 and Companies (Particulars of Employees) Rules are not required to be attached.

### **Statutory Disclosure**

Information pursuant to Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is as under:

**A. Conservation of Energy:** The operations of the Company are not energy intensive. However, energy conservation measures are being taken for regular preventive maintenance of all equipments. This enhances productivity and efficiency of the equipment resulting in power saving.

**B. Technology Absorption:** As the Company has not acquired any technology, the question of absorption of technology does not apply to the Company.

**C. Foreign Exchange Earning and Outgo:** Total foreign exchange earnings and outgo during the year:

FOB Value of Exports: Rs.29, 247, 716

**CIF Value of Imports: Rs. Nil**

Expenditure in foreign currency: Rs. Nil



## Appreciation

The Directors wish to express their appreciation of the continued co-operation of the Bankers, Customers, Dealers and Suppliers and also the valuable assistance and advice received from major shareholders, the employees for their contribution, support and continued co-operation through the year.

**For and on behalf of the Board**

**Place: Ahmedabad  
Date: August 14, 2013**

**Anil Vedmehta  
Chairman & Managing Director**



## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Mobile Telecommunications Limited (MTL) is a professionally managed company, which strongly believes in Corporate Culture, which is possible only by executing the Corporate Governance in true and efficient manner. MTL is maintaining good relations with all stakeholders.

MTL has a good personnel policy for its employees. Apart from good remuneration, salaries and other facilities, the Company provides pleasant work atmosphere to its employees. The role of each and every employee is well defined in the hierarchy.

For investors' grievances, the Company has established one investor grievances cell which efficiently resolves the problems and queries of the investors of the Company.

Hence, it can be observed that the company has been functioning in a most transparent and fair manner with all its stakeholders i.e. investors, customers, employees, government and MTL has a unique distinction of servicing to its stakeholders.

### BOARD OF DIRECTORS

During the year under review 5 Board Meeting were held on 15.05.2012, 14.08.2012, 01.09.2012, 07.11.2012 and 14.02.2013. The composition of the Board, attendance at Board Meetings held during the financial year under review and at the last Annual General Meeting, number of Directorships and memberships/chairmanships in public companies (including the Company) are given below:-

Name of the Director	Category	FY 2012- 13 Attendance at		No. of Other Directorships	Committee positions	
		Board Meetings/ Attended	Last AGM		Member	Chairman
Mr. Anil B Vedmehta	Chairman and Managing Director	5/5	yes	3	-	-
Mr. Ajay Kapoor	Non-Executive, Independent	5/5	yes	1	1	4
*Mr. Ramakrishnan Gurusamy	Non-Executive, Independent	2/2	No	1	-	-
Mr. Suhas Jadhav	Non-Executive Independent	5/5	yes	1	-	-
Mr. Pulkit Mehta	Non- Executive Promoter	5/5	Yes	2	-	-

\*Ceased w.e.f. August 17, 2012

As may be seen from the above details, the Board of the Company comprises of 50% Non-Executive Independent Directors of the total number of Directors. The Company has an



Executive Chairman cum Managing Director who also looks after the day-to-day operations of the company.

In addition to the matters which statutorily required Board's approval, as required by Corporate Laws and other statutory laws, the following matters are regularly placed before the Board:-

- Minutes of Audit Committee Meetings, Remuneration committee Meetings and other committee meetings.
- Recruitment and Remuneration of senior executives below the Board level.
- Disclosure of material regarding related party transactions, if any, with potential for conflict of interest.
- Quarterly details of finance and risk management strategies.
- Compliance with Regulatory and Statutory requirements including listing requirement and shareholders services.
- Details of show cause, demand, prosecution and penalty notices which are materially important.

### **Information on Directors Re-appointment / Appointment**

A brief detail of Director being re-appointed / appointed at the ensuing Annual General Meeting, the nature of their expertise in specific functional areas are furnished hereunder:

Mr. Suhas Jadhav and Mr. Pulkit Mehta retire by rotation at the forthcoming Annual General Meeting. Mr. Suhas Jadhav and Mr. Pulkit Mehta have offered themselves for reappointment.

Mr. Suhas Jadhav has rich experience in the field of management and general administration. Mr. Pulkit Mehta is a commerce graduate and is a qualified Chartered Accountant and is a very young and dynamic talent.

### **AUDIT COMMITTEE**

The Audit Committee of Directors constituted by the Board of Directors of the Company comprises of Independent Directors. The broad terms of reference of the Audit Committee include review of the Company's financial reporting process, the financial statements and financial/risk management policies, review of the adequacy of the internal control systems and functioning of the Internal Audit team, discussions with the management and the external auditors, the audit plan for the financial year and any Changes in accounting policies and practices.



During the year under review, 5 Audit Committee Meetings were held on 15.05.2012, 14.08.2012, 01.09.2012, 07.11.2012 and 14.02.2013. The composition of the Audit Committee and attendance at its meetings is given hereunder:-

Composition of the Audit Committee	Mr. Ajay Kapoor	Mr. Suhas Jadhav	Mr. Pulkit Mehta
No. Meeting Attended	5	5	5

The Chairman of the Audit Committee was also present at the last Annual General Meeting of the Company.

## MANAGERIAL REMUNERATION

### a. Remuneration committee

The Remuneration Committee of the Company reviews the remuneration of Managing / whole-time directors, retirement benefits to be paid to them. It comprises of 3 Non Executive Independent Directors Mr. Ajay Kapoor, Mr. Pulkit Mehta, Chairman of the Committee and Mr. Suhas Jadhav. During the year under review, 1 Remuneration Committee Meetings were required to be held. The composition of the Remuneration Committee and attendance at its meetings is given hereunder:-

Composition of the Remuneration Committee	Pulkit Mehta	Ajay Kapoor	Suhas Jadhav
No. of Meetings Attended	1	1	1

### Chairman & Managing Director:

Name	Salary	Perquisites & Allowances	Commission	Incentive Remuneration	Stock Options
Anil B Vedmehta	30,00,000	Nil	Nil	Nil	Nil

## INVESTORS' GRIEVANCE COMMITTEE

The Investors' Grievance Committee of the Board comprises of Mr. Suhas Jadhav, Chairman of the Committee, Mr. Pulkit Mehta and Mr. Ajay Kapoor with Mr. Deepak Dharmi, being the Compliance Officer and can be contacted at the Corporate Office of the Company at:

3<sup>rd</sup> floor, Interface Building-16  
Link Road, Behind D-Mart  
Phone: 4001 8086  
Fax : 4001 8086  
Malad (W), Mumbai – 400 064  
Email: deepak@mobileteleindia.com



The Committee consists of two independent directors and one non-executive director. The Committee is chaired by a non-executive independent director. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers/transmissions, issue of share certificates, non-receipt of annual reports, and other allied complaints.

The Committee met 1 time during the year 2012-2013. Attendance at the Committee meetings were as under:-

Composition of the Committee	Suhas Jadhav (Chairman)	Pulkit Mehta	Ajay Kapoor
No. of Meeting Attended	1	1	1

No members' complaints/queries were received during the period under review and no complaints/ queries were pending as on March 31, 2013.

### COMMITTEE OF DIRECTORS

In addition to the above Committees, the Board has constituted the following Committees:-

Finance Committee of Directors comprises of Mr.Pulkit Mehta, Chairman of the Committee, Mr. Suhas Jadhav and Mr. Ajay Kapoor to look into matters pertaining to finance and banking transactions, granting power of attorneys, property matters and other day-to-day operations of the Company. During the year under review, 1 Finance Committee Meeting was held and attendance at the Committee meetings was as under:-

Composition of the Committee	Pulkit Mehta	Suhas Jadhav	Ajay Kapoor
No. Meeting Attended	1	1	1

Committee of Board to review capital expenditure, budgets, long term business strategies and organizational structure of the company. The Committee comprises of Mr. Suhas Jadhav, Chairman, Mr.Pulkit Mehta and Mr. Ajay Kapoor. During the year under review, 1 Meeting of the Committee of Board were held. Attendance at the Committee meetings was as under:-

Composition of the Committee	Suhas Jadhav	Pulkit Mehta	Ajay Kapoor
No. of Meeting Attended	1	1	1



## ➤ GENERAL BODY MEETINGS

### Location and time of Last Three Annual General Meetings:

Year	Type	Date of AGM	Venue	Time
2011-2012	AGM	September 29, 2012	Registered Office	10.00 am
2010-2011	AGM	September 30, 2011	Registered Office	11.00 am
2009-2010	AGM	September 30, 2010	Registered Office	11.00 am

## ➤ OTHER DISCLOSURES

- During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoter, directors, management and subsidiaries that had a potential conflict with the interest of the Company at large.
- The Company has complied with various rules and regulations prescribed by Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last three years.

## MEANS OF COMMUNICATIONS

Quarterly and half yearly results	Published in English & Regional News Paper
Any website, where displayed	<a href="http://www.mobileteleindia.com">www.mobileteleindia.com</a>
Whether it also displays official news releases; and the presentations made to institutional investors or to the analysts	Yes.

## GENERAL INFORMATION FOR MEMBERS

### Annual General Meeting:

Date and Time : September 30, 2013 at 10.00 a.m.

Venue: 46, Empire Tower, Near Associated Petrol Pump, ,  
C. G. Road, Ahmedabad, Gujarat

**Dividend Payment Date:** The Board has recommended a dividend @5% on Equity Shares for the financial year 2012 -2013.

**Date of Book Closure:** 26<sup>th</sup> September, 2013 to 30<sup>th</sup> September, 2013 (inclusive both days)

**Financial Calendar:** Financial reporting for the quarter ending September 30, 2013 Mid Nov. 2013  
Financial reporting for the quarter ending December 31, 2013 - Mid Feb. 2014  
Financial reporting for the quarter Ending March 31, 2014 - End May 2014  
Financial reporting for the quarter ending June 30, 2014 - Mid Aug. 2014





➤ **Listing:**

The Stock Exchanges on which the Company's securities are listed and the Company's Stock Code is given below:

- |  |  |
|--|--|
| 1 Bombay Stock Exchange Limited<br>Phiroze Jeejeebhoy Towers<br>Dalal Street,<br>Mumbai – 400 00<br>Scrip Code: 532127 | 2. Ahmedabad Stock Exchange Limited<br>Kamdheni Complex<br>Opp. Sahajanand College, Panjarapole<br>Ahmedabad – 380 015 |
|--|--|

➤ **Market Information:**

Market Price data – monthly high/low and trading volumes during the last financial year on the BSE /depicting liquidity of the Company's Ordinary Shares on the said exchange is given hereunder:-

Stock Exchange	Bombay Stock Exchange Limited			
	High (Rs.)	Low (Rs.)	No. of Shares Traded	Turnover Rs.
April 2012	5.50	4.05	27,75,808	1,34,71,531
May 2012	4.41	3.71	24,98,192	1,02,81,920
June 2012	5.05	3.11	18,11,119	75,47,212
July 2012	4.48	3.48	5,25,733	22,00,843
August 2012	5.00	3.20	9,83,423	41,29,020
September 2012	4.58	3.68	91,752	3,77,053
October 2012	3.81	2.88	16,19,871	49,43,074
November 2012	3.36	2.87	1,87,564	5,84,518
December 2012	3.30	2.57	2,30,735	6,62,165
January 2013	3.60	2.48	3,89,684	12,51,307
February 2013	3.52	2.81	1,32,807	4,49,484
March 2013	3.21	2.23	1,02,86,892	2,65,18,919

➤ **Registrar and Transfer Agents:**

Members are requested to correspond with the Company's Registrar & Transfer Agents – Big Shares Services Private Limited quoting their folio no. At the following addresses:

(i) M/s Big Shares Services Private Limited  
E2, Ansa Industrial Estate.  
Saki Vihar Road,  
Saki Naka  
Andheri (East)  
Mumbai – 400 072

Tel: 022 - 28470652  
Fax: 022-28473474



➤ **Share Transfer system:**

Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respect. All requests for dematerialization of shares are processed and the confirmation is usually given to the depositories within 15 days. Senior Executives of the Company are empowered to approve transfer of shares. Grievance received from Members and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 30 days.

➤ **Shareholding Pattern as on March 31, 2013:**

Category	As on March 31, 2013	
	No. of Shares	%
Companies, Mutual Funds & Trusts	35492397	29.83
Directors and relatives	64362345	54.09
NRIs & Foreign Companies	547091	0.46
Government & Public Financial Institutions	Nil	NA
Clearing Members	37161	0.03
Others	18561006	15.60

➤ **Dematerialization of shares:**

Electronic holding by members comprises of 97.88% of the paid up Ordinary Share Capital of the Company held through the National Securities Depository Limited (81.27%) and Central Depository Securities (India) Limited (16.61%) as on March 31, 2013.

➤ **Plant Locations:**

Plant Location	Range of Products Produced
E – 78, MIDC, Nashik, Maharashtra.	1) Push Button Telephone Instrument 2) Multi Function Telephone Instrument 3) Set-Top Boxes

- **Address for Correspondence:** 301-302, B, Wing Interface Building-16,  
Link Road, Behind D-Mart, Malad (W),  
Mumbai – 400 064.



## MANAGING DIRECTORS CERTIFICATION

To  
The Board of Directors  
Mobile Telecommunications Limited  
Mumbai

I, Anil Vedmehta, Chairman & Managing Director of Mobile Telecommunications Limited to the best of my knowledge and belief, certify that:

- a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my 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) I am responsible for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the company and the auditors, the Audit Committee, and I have not come across any deficiencies in the design or operation of internal controls during the financial year;
- d) There were no instances of any fraud involving management or employees having a significant role in the Company's internal systems;
- e) There were no significant changes in internal control and/or of accounting policies during the year;
- f) I have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct);
- g) I further declare that all board members and senior managerial personnel have affirmed compliances with the code of conduct for the current year.

**FOR MOBILE TELECOMMUNICATIONS LIMITED**

**Date: August 14, 2013**  
**Place: Ahmedabad**

**ANIL VEDMEHTA**  
**CHAIRMAN & MANAGING DIRECTOR**



## MANAGEMENT DISCUSSION AND ANALYSIS

### **BUSINESS PROCESS OUTSOURCING:**

Mobile Telecommunication's IT Infrastructure Service center is an independent 35000 sq. ft. facility at India's one of the premiere IT Park Mind space, Mumbai, fully equipped contact centre capable of offering world class software development and BPO services and A gigabit network exceeding 550+ workstations. The facility has dedicated lines for Internet connectivity, VPN, and IPLC for international data transfer, and will also be equipped with all the facilities viz. conference rooms, canteen, resting areas, state-of-the-art infrastructure, a data vault, UPS backup, generator, an independent transformer, etc. The centre is guarded around the clock and kept under constant bio-metric video surveillance.

The Company is coming up with another facility with 25000 sq. ft. at Nasik which will occupy another 350 workstation developed as per international parameters and standards which can be operational for 3 shifts a day. The Facility will be operational by end of 2013.

The Companies Infrastructure & Location is Capable to support any IT & BPO Services:

- Data Entry & Data Processing Services
- Recruitment & Job Posting Support
- Loans & Mortgage Processing
- Real Estate Appraisal Data Entry
- Web Based Market Research
- Customer Support Services
- Email Support
- Online Chat-based Support
- Help Desk & Technical Support
- Online Profile Approval, Web Content Approval, Website Bug Reports
- Claims Administration
- Procurement & Purchase Support
- Accounting & Financial Back Office

The company has identified niche area in the USA market and has developed product and services for both B2B & B2C. The company has deployed its most efficient team on the projects is optimistic about its business to grow rapidly in the USA. The company further plans to step in UK, Canada, New Zealand and Australia in coming years with the similar products and services which has been a success in the USA.

### **EMS:**

**Manufacturing (Capacity Expansion):** EMS sector has seen rapid growth in last few years. In order to remain updated and lead in this competitive market the company has increased its capacity to 225% and installed state of the art SMT line. However the cost of raw material went too high to meet the cost parity and compete with global players. Thus the company decided to reconsider its strategy for developing business in EMS and identify profitable projects only. The



Company is running the operations at minimal levels to reduce outflows. Although it has not at all affected adversely in the Top Line and Bottom Line of the company. However recently we have queries for large domestic projects. We have done the assessment and tested the viability. Once negotiations are over and terms are freeze. The production will commence in full swing.

Few major sectors in which Mobile Telecommunications Ltd. has successfully created space in the market are listed as under:

#### **LED/LCD (Cosima): Manufacturing of LED/LCD**

Mobile Telecommunications Ltd. has entered the vast market of LED/LCD manufacturing, Branding & Marketing in the name of Cosima world.

- **A short brief about LED Market:**

The market momentum for LED lighting applications slowed somewhat in 2009 as the overall lighting market declined by 15-20%, but it is resumed vengeance in 2010 and 2011. Although LED lighting still accounts for less than 2 % of the overall lighting market, and still mainly addresses niche applications, growth continues to be robust, is estimated at around 20% for 2012.

Many mainstream lighting projects are beginning to be addressed by LED lighting. Some of these include major retrofits at retail chains, hotels and shopping malls, and Government/municipal lighting. Energy efficiency is often the major driver, but other attributes of LED lighting such as long life, low maintenance costs and improved quality of light are often important factors.

- **A short brief about LCD Market:**

The strength in India's LCD manufacturing can be attributed to the brisk expansion of LCD-TV production capacity as well as to the growing demand from both the domestic and export markets. In particular, MTL has invested a huge amount in production lines, becoming more competitive with the global brands in the overall LCD arena.

#### **Speaker (Sian-Hyundai):**

MTL has come up with another brand name called as Sian-Hyundai for penetrating in the much awaited vast speaker market. To provide closer services to customers and to develop the emerging market, Mobile Telecommunications Ltd. announced to establish a joint venture module with Hyundai being one of the leader in Speaker manufacturer industry, in China, with Sian for speaker assembly and sales business. The joint venture will be a boost for MTL to advance into the emerging market with its strategic partner. It also demonstrates the new business model of supplying the international brand customer from the JV. The brand name and quality of the product along with the marketing network of the company will put the company in a win-win situation. MTL is also establishing its first to offer customer in-time services and support center.

#### **Video Surveillance (Ugocam):**

Mobile Telecommunications Ltd. has come up with video surveillance service in the brand name of Ugocam. Ugocam is the next generation of Web based video surveillance, i.e. Managed Video as a Service (MVaaS) solution. The service offers an inclusive intelligent hosting technology tool



that enables our customers to manage, view, record and broadcasting videos for surveillance, monitoring and visual information needs via any browser and mobile phone.

Company has identified a niche area in to solar energy field. Company intends to get into the following activities under this domain:

- EPC project
- Manufacturing and Trading of Solar energy equipment

The World Bank has allocated a financial aid of \$2.00 billion (Rs.11000 crores). A lot of tenders for procurement of these systems are being floated by various state governments and energy development authorities.

The company intends to be an aggressive player in to this area and tap the potentials in this market by bringing in a sophisticated and well qualified team of professionals.

To start with the company is getting into trading act. In solar energy equipment as mentioned above. This strategy will compensate the reduction in the buss, of networking equipment where the company is not willing to take exposure with the existing telecom operators as the industry is facing tight liquidity and lower margins.

### **Transmission and Distribution Losses:**

The core problem with the power sector, as was identified in the mid- 90s, has been poor state of sub-transmission and distribution system of SEBs and other electricity utilities. The initiatives taken by the Central government and State governments to attract investments focused primarily on generation with limited success. Distribution segment of power industry remained neglected for decades.

The plan outlay for the power sector has been heavily biased towards generation. While a balanced proportion is 1:1 (1 for generation, 1 for transmission & distribution), this was 3:1 in 1993 and has improved to 1.3: 1 in the ninth plan period (1997- 02). This shift has been due to the realization of the anomaly, and also due to the fact that the State is not investing much in generation now. In most parts of the country, distribution infrastructure suffers from inadequate transformation capacities, lack of redundancies, high technical losses, poor consumer services, absence of IT to address the issues of reliability and consumer concerns.

The Company has further identified implementation of **SCADA (Supervisory Control and Data Acquisition)** projects to various state governments, and private energy producers. SCADA system monitors and acquires data of transmission and distribution losses and controls and supervises the Transmission and Distribution system.

In order to qualify for bidding such projects company is in talks with various transmission and distribution companies all over the globe for a strategic tie-up for development and implement of SCADA.

### **Telecom:**

#### **Wireless Communicating Equipments:**

Currently the telecom wireless equipment sector in India is on its peak as never before. With Telecom companies launching new services for better customer satisfaction and trying to acquire customer preference in the fight against other competitors, the wireless equipment market is at its peak.



With 3G & 2G services launched the customer's demand is increasing every day which in turn demands the bandwidth requirement with the operators and thus drives the equipment market.

Mobile Telecommunications Ltd. has acquired vast space in the quality Telecom Wireless arena with its collaboration with OEM's from United States, Germany and United Kingdom.

Being one of the leaders in distribution of wireless equipments for the Telecom industry Mobile Telecommunications Ltd. is now planning to setup its own brand to cater the vast requirement of the industry.

Mobile Tele caters to a huge clientele in the wireless industry bifurcated in 2 divisions:

1. Telecom companies
2. System Integrators

Mobile Telecommunications Ltd. forecast's a huge future prospect in this industry.

### **Knowledge:**

#### **SMART CARDS:**

INDIA has one of the largest public transportation markets in the world. This makes it an ideal ground for ITMS business (Intelligent Transit Management System)

MTL has setup grounds for acquiring space in this vast market with our end to end solution of smart cards. MTL would tap four major smart card business sector to start with. Details as under:

#### **1. Buses:**

The card is placed near the HHV or bus validator which verifies and deducts the travel amount from the card for e-wallet users Validator machines at entry and exit of the bus and HHV with the conductor act as check points for validity of season passes.

#### **2. Railways & Metro's:**

The travelers will place the card at the RCP's when they enter and leave the stations. It will deduct the travel charge from the preloaded card.

Validator machines at the stations as well as HHV with the ticket checking staff will be the 2 check points for the regular and irregular travelers.

#### **3. Petro Cards:**

After filling the fuel the user gives the card which will be tapped at the validator machine on the fuel station which will deduct the charge from the preloaded card Validated by the validator machines at the fuel stations.

#### **4. Electricity bill Payment:**

The user can tap the card at the validator machine at the terminal and the charge is deducted from the preloaded card.



The validators installed at the BEST SDP and terminals would validate the payment.

**Financial Solutions:**

The current market situation and economic scenario across the nation has brought in front the need of certain solutions. The Company's management has identified areas where it can deploy its development team to create solution in the field of Finance and Banking which is a known domain of the Management.

The Company conducted research and it observed that many people are unaware banking and financial system and are paying high cost for debts. They have not taken benefits and schemes moved by the Government and banks and financial instructions. The company has decided to develop and market certain products which will make the individuals and corporate aware of how they can structure their finances and debts well and reduce their cost of debts, correct their credit record and keep a track with new financial policies. Further company has also developed certain products to assist banks and financial institutions and other bodies to assess, value, market and dispose/liquidate assets belonging to NPAs for recovery of Debts.

Both the products are a part of company's policy to diversify in to new markets and segments. The Management is confident about the huge potential in the products and expects its nationwide acceptability. By the launch of these products the company will also fulfill its Corporate Social Responsibility by conducting seminars and workshops for making people aware about the dynamic financial sector.

Company has successfully done the business of collections and debt structuring in the US market and based on the expense in the US market its launching CIBILDOCTOR.com and SWITCHBANKER.com in the domestic market.

To summarize the above discussion, focus will be on mobilization of cheap funds to scale up the operations in the areas discussed above. Company is planning to raise funds in debts as well as equity once the financial market stabilizes.





## AUDITORS' REPORT

To,  
The Members of  
M/s. **Mobile Telecommunications Limited**

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

We have audited the accompanying financial statements of Mobile Telecommunications Limited ("the Company"), which comprise the Balance Sheet as at March 31, 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.

### **Auditors' Responsibility**

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

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

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



## Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of the 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 Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **N.S.Bhatt and Associates**  
Chartered Accountants  
Firm Registration No: 130891W

CA Brijesh Dutt Chaturvedi  
(Partner)  
Membership No.: 135871

Place: Mumbai  
Date: 5 June, 2013



**Annexure to the Auditor Report (Referred to in paragraph (1) of our report of even date)**

- I** In respect of its fixed assets:
- a)** The Company does not have the fixed assets records including quantitative details and situation of fixed assets. However the management has informed us that the company is in process to update the same.
  - b)** A major portion of the fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification of the fixed assets by the management is reasonable having regards to size of the company and the nature of its assets. As reported by the management no material discrepancies were noticed on such verifications.
  - c)** In our opinion and according to the information and explanation given to us, a substantial part of the fixed assets has not been disposed off by the company during the year and the going concern status of the company is not affected.
- II** In respect of its inventories:
- a)** As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b)** In our opinion and according to the information and explanation given to us procedure of physical verification of inventories followed by the management, reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c)** In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- III** In respect of unsecured loans granted by the company to the companies covered in the register under section 301 of the companies act, 1956 and according to the information and explanation given to us:-
- a)** During the year, the Company has not given any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub clauses (a) to (d) of clause 4(iii) of CARO are not applicable to the company.
  - b)** The Company has taken unsecured loans, from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. The amount of Rs.409.94 lacs(386.23 lacs) taken from two parties as on 31<sup>st</sup> March,2013, the Maximum amount outstanding during the year is Rs413.08 Lacs, carrying no interest and other terms and conditions of such loans are prima face not prejudicial to the interest of the Company. As regards the repayment of above loan no terms of repayment have been stipulated.
- IV** In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and



nature of its business with regards to the purchase of inventory and fixed assets and for the work done and services. During The course of our audit, we have not

observed any continuing failure to correct major weaknesses in the internal control system of the Company.

V In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956

a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.

b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices of the relevant time.

VI The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.

VII *The Company has no formal internal audit system commensurate with its size and nature of business.*

VIII As informed to us the Central Government has not prescribed the maintenance of cost records by the Company under section 209 (1) (d) of the Companies Act, 1956, therefore the provision of clause 4 (viii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

IX a) ***As per the information and explanations given by the management, the company is not regular in depositing with the appropriate authorities in respect of, undisputed statutory dues including Income Tax, Service Tax, Dividend Distribution Tax, Sales Tax, Wealth tax, Provident Fund, Investor Education and Protection Fund, custom duty and other statutory dues applicable to it. According to the information and explanations given to us, there are undisputed amounts payable in respect of such statutory dues, are as follows Income Tax of Rs. 1,75,066/- (Net of Tax Deducted at Source), Service Tax 38,45,603/- (Net of Cenvat Credit), Fringe Benefit Tax of Rs. 7,59,69/-, Dividend Distribution Tax of Rs.33,82,933/-, TDS of Rs.9,43,060/-, Provident Fund 8,04,075/- and Professional tax of Rs.1,27,650/- which has remained outstanding for more than six months as at 31<sup>st</sup> March 2012. The details of unpaid Dividend Distribution tax are as follows:***

S.No.	Financial Year	Amount
1.	2009-10	10, 11,203
2.	2010-11	12, 13,443
3.	2011-12	11, 58,287
	Total	33, 82,933



- b) According to the Information and explanation given to us, there are no dues of Sales tax, Custom duty, Wealth tax, Excise duty and cess which have not been deposited on account of any dispute except as following Income Tax demands:

(Rs.in Lacs)

Assessment Year	Appeal Pending Authority	Amount	Amount already paid/adjusted
2008-09	ITAT	62.70	26.12
2009-10	CIT Appeals	86.13	46.89
2010-11	CIT Appeals	313.05	-

- X** The Company does not have any accumulated losses as at the end of the financial year and the company has not incurred cash losses during the current and the immediately preceding financial year.
- XI** In our opinion and according to information and explanation given to us, the company has not defaulted in the repayment of dues to financial institutions or banks at the balance sheet date.
- XII** According to the information and explanation 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** The Company is not a chit fund, nidhi or mutual benefit fund / society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditor Report) Order 2003. 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. Accordingly, the clause 4 (xiv) of the Companies (Auditor Report) Order 2003. are not applicable to the Company.
- XV** According to the information and explanation given to us, the company has not given any guarantee for loan taken by others from Banks and Financial Institutions.
- XVI** The Company has not obtained any term loans. Therefore, the provisions of clause 4 (xvi) of the Companies (Auditors Report) Order 2003 are not applicable to the Company.
- XVII** According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long term funds have been used to finance short term assets except, permanent working capital.
- XIII** According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year and the question of whether the price at which the shares have been issued in prejudicial to the interest of the company does not arise.
- XIX** The company has not raised any money by issue of debentures and hence the question of securities have been created in respect of the debenture issue does not arise.



**XX** The Company has not raised money by any public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.

**XXI** To the best of our knowledge and beliefs and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.

**For N.S.Bhatt and Associates**  
Chartered Accountants  
Firm Registration No: 130891W

CA Brijesh Dutt Chaturvedi  
(Partner)  
Membership No.: 135871

Place: Mumbai  
Date: 5 June, 2013



Mobile Telecommunications Limited  
Balance Sheet as at 31 March 2013

		31 March 2013	31 March 2012
		Rupees	Rupees
<b>Equity and Liabilities</b>			
<b>Shareholders' Funds</b>			
<b>(a) Share Capital</b>			
Share Capital	2.01	119,000,000	119,000,000
Reserves and Surplus	2.02	72,318,761	72,141,299
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	2.03	1,466,447	5,243,010
Deferred Tax Liabilities (Net)	2.04	9,315,172	9,085,072
<b>Current liabilities</b>			
Short-Term Borrowings	2.05	78,662,766	75,221,002
Trade Payables	2.06	938,218,773	703,456,625
Other Current Liabilities	2.06	71,602,264	38,207,853
Short-Term Provisions	2.07	20,171,807	23,039,341
<b>Total</b>		<b>1,310,755,990</b>	<b>1,045,394,202</b>

**Assets**

**Non-Current Assets**

**Fixed Assets**

Tangible Asset	2.08	80,349,034	85,559,384
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**Current Assets**

Inventories	2.09	188,902,219	165,393,657
Trade Receivables	2.10	967,479,529	743,581,901
Cash and Cash Equivalents	2.11	10,404,768	4,762,561
Short-Term Loans and Advances	2.12	46,813,116	30,627,081
Other Current Assets	2.13	16,807,324	15,469,618

<b>Total</b>		<b>1,310,755,990</b>	<b>1,045,394,202</b>
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Summary of significant accounting policies  
As per our report on even date

1 - -

**For N.S. BHATT AND ASSOCIATES**

**Chartered Accountants**

Firm Registration No 130891W

**Brijesh Dutt Chaturvedi**  
Partner

**For and on behalf of the Board of  
Directors**

**Anil B Vedmehta**      **Suhas Jadhav**



Membership No 135871

Chairman &  
Managing Director Director

Mobile Telecommunications Limited  
Statement of Profit and Loss for the year ended 31 March 2013

	Notes	31 March 2013 Rupees	31 March 2012 Rupees
<b>Continuing Operations</b>			
<b>I. Income</b>			
Revenue from Operations	3.01	988,419,739	1,691,522,738
Other Income	3.02	8,676,036	197,573
<b>Total Revenue</b>		<b>997,095,775</b>	<b>1,691,720,311</b>
<b>II. Expenses</b>			
Production and Other Direct Expenses	3.03	89,218	1,313,789
Purchases of Traded Goods	3.04	934,478,422	1,651,894,888
(Increase)/Decrease in Inventories of Finished Goods	3.04	(23,508,562)	(25,324,555)
Employee Benefits Expense	3.05	28,466,875	14,542,661
Other Expenses	3.06	33,973,001	22,987,034
<b>Total</b>		<b>973,498,954</b>	<b>1,665,413,817</b>
<b>Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) (I)</b>			
<b>- (II)</b>		23,596,821	26,306,494
Depreciation and Amortization Expense	2.08	7,071,230	6,406,835
Finance Costs	3.07	6,270,105	6,839,408
Profit/(Loss) Before Exceptional Items		10,255,486	13,060,251
Exceptional Item		-	1,000,000
<b>Profit/(Loss) before Tax</b>		<b>10,255,486</b>	<b>12,060,251</b>
<b>Tax Expense</b>			
Current Tax		2,932,651	2,735,793
Deferred Tax		230,100	964,853
<b>Total Tax Expense</b>		<b>3,162,751</b>	<b>3,700,646</b>
<b>Profit/ (Loss) for the year before Minority Interest and Share in Loss of Associates</b>		<b>7,092,735</b>	<b>8,359,605</b>
Minority Shareholders Interest- Loss/(Profit)		-	-
Share in Loss of Associates		-	-
<b>Profit/ (Loss) for the year from Continuing Operations (A)</b>		<b>7,092,735</b>	<b>8,359,605</b>
<b>Profit/(loss) for the year (A+B)</b>		<b>7,092,735</b>	<b>8,359,605</b>





Earnings per equity share [nominal value of share Re.1/- (31 March 2012 : Re.1/-)]	0.06	0.07
<b>Basic</b>		
Computed on the basis of profit from continuing operations	0.06	0.07
Computed on the basis of total profit for the year	0.06	0.07
<b>Diluted</b>	0.06	0.07
<b>Summary of significant accounting policies</b>	1	

**For N.S. BHATT AND ASSOCIATES**

**Chartered Accountants**

**Firm Registration No 130891W**

**Brijesh Dutt Chaturvedi**

Partner

Membership No 135871

**For and on behalf of the Board of Directors**

**Anil B Vedmehta**  
Chairman &  
Managing Director

**Suhas Jadhav**  
Director



**Mobile Telecommunications Limited**  
**Cash Flow statement for the year ended 31st March 2013**  
Information pursuant to the Listing agreement

	31.3.2013 ( Rupees )	31.3.2012 ( Rupees )
<b>A Cash Flow from Operating Activities :</b>		
<b>Profit before taxation</b>	10,255,486	12,060,251
Adjustments for :		
Add : Depreciation and amortisation	7,071,230	6,406,835
	17,326,716	18,467,086
Less : Excess Provision for earlier year		
Scrap Sales	-	19,580
: Misc. Income	8,621,016	-
: Interest from Bank including TDS	2,690	142,251
<b>Operating Profit before Working Capital changes</b>	8,703,010	18,305,255
Working Capital Changes :		
Changes in Inventories	(23,508,562)	(25,324,555)
Changes in Trade Receivables	(223,897,628)	153,142,439
Changes in Loans & Advances	(17,523,741)	208,560
Changes in Current Liabilities	255,441,104	(161,066,106)
Net Changes in Working Capital	(9,488,827)	(33,039,662)
<b>Cash generated by Operating Activities</b>	<b>(785,817)</b>	<b>(14,734,407)</b>
<b>Net Cash generated by Operating Activities ( A )</b>	<b>(785,817)</b>	<b>(14,734,407)</b>
<b>B Cash Flow from Investing Activities :</b>		
Changes in Fixed Assets	(1,860,880)	(1,293,447)
Scrap Sales	-	19,582
Misc. Income	8,621,014	-
Interest from Bank including TDS	2,690	142,251
<b>Net Cash used in Investing Activities ( B )</b>	<b>6,762,824</b>	<b>(1,131,614)</b>
<b>C Cash Flow from Financing Activities :</b>		
Changes in Secured Loans	(990,869)	(7,540,915)
Changes in Unsecured Loans	656,070	14,503,616
<b>Net Cash generated by Financing Activities ( C )</b>	<b>(334,799)</b>	<b>6,962,701</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>5,642,208</b>	<b>(8,903,320)</b>
Cash & Cash Equivalents as at 1.4.2012	4,762,561	13,665,881
Cash & Cash Equivalents as at 31.03.2013	10,404,768	4,762,561
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>5,642,208</b>	<b>(8,903,320)</b>
As per our report of even date		

for N.S. BHATT AND ASSOCIATES  
Chartered Accountants  
Firm Registration No 130891W

Brijesh Dutt Chaturvedi  
Partner  
Membership No. 135871

For and on behalf of the Board of  
Directors

ANIL B. VEDMEHTA  
Chairman &  
Managing Director

SUHAS JADHAV  
Director



Place : Mumbai  
Date : 30th May, 2013

Mobile Telecommunications Limited  
Notes to financial statements for the year ended 31 March 2013

2.01 Share capital

	31 March 2013 Rupees	31 March 2012 Rupees
a. <b>Authorized shares capital</b>		
i. 300,000,000 (31 March 2012 : 300,000,000) equity shares of Re. 1/- each	300,000,000	300,000,000
b. <b>Issued, subscribed and paid-up capital</b>		
i. 119,000,000 (31 March 2012 : 119,000,000) equity shares of Re. 1/- each	119,000,000	119,000,000
<b>Total issued, subscribed and fully paid-up shares capital</b>	<b>119,000,000</b>	<b>119,000,000</b>

**DISCLOSURES**

a **Reconciliation of the shares outstanding**

i. Equity shares

	31 March 2013 Numbers	31 March 2012 Numbers
i. At the beginning of the period	119,000,000	119,000,000
ii. Issued during the period-Bonus issue	-	-
iii. Issued during the period-ESOP	-	-
iv. Redeemed during the period	-	-
v. Forfeited During the period	-	-
<b>Outstanding at the end of the period</b>	<b>119,000,000</b>	<b>119,000,000</b>

b. **Description of the rights, preferences and restrictions attached to each class of shares**

**Equity Shares**

- i The company has only one class of equity shares having a par value of Re.1/- per share. Each holder of equity shares is entitled to one vote per share held.
- ii In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by the share holders.
- iii During the year March 31, 2013, the amount of dividend per share recognised as distributions to equity shareholders is Rs.5,950,000/- (March 31, 2012: Rs.7,140,000/-)

c. **Details of shares held within the Group** N.A.

- d. Includes 275,00000 Equity Shares of Re. 1/- each issued for consideration other than cash

e. **Details of shareholders holding more than 5% shares in the company**

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Anil Babulal Vedmehta	62,857,345	52.82	60,996,824	51.26
Rosevalley Software Solutions Pvt Ltd	7,541,080	6.34	7,526,080	6.32
Fair Wealth Securities Ltd	9,487,435	7.97	7,479,201	6.29





2.06 Trade payable and Other current liabilities

	31 March 2013	31 March 2012
	Rupees	Rupees
<b>i. Trade payables ( Due within 1 year)</b>		
Sundry creditors		
(a) Due to Micro and Small Enterprises*	-	-
(b) Due to Others	938,218,773	703,456,625
	<u>938,218,773</u>	<u>703,456,625</u>
(f) Unpaid dividends	248,401	204,287
F.Y. 2010-11 - Rs. 204,287/-		
F.Y. 2011-12 - Rs. 44,114/-		
I. Statutory dues payable		
- VAT	74,598	-
- Service Tax payable	3,770,309	3,904,888
- TDS payable	1,467,037	1,916,328
II. Salary Payable	1,760,886	256,581
III. Trade Advance Received	54,145,000	18,693,000
IV. Bank OD	496,419	6,117,131
V. Advanced Income	-	4,804,121
V. Interest free deposits from customers	9,639,614	7,115,638
	<u>71,602,264</u>	<u>38,207,853</u>
<b>Total</b>	<u>1,009,821,037</u>	<u>741,664,478</u>

\* As per Information and explanation given by the management no vendor is reported to be fall under MSME



Mobile Telecommunications Limited  
Notes to financial statements for the year ended 31 March 2013

2.07 Provisions - Short Term

	31 March 2013	31 March 2012
	Rupees	Rupees
<b>a. Provision for employee benefits</b>		
Provision for Providend Fund	739,714	739,714
Provision for Labour Welfare Fund	523	523
Provision for ESIC	63,838	63,838
Provision for Professional Tax	257,716	246,306
	<u>1,061,791</u>	<u>1,050,381</u>
<b>b. Other provisions</b>		
Proposed equity dividend	5,950,000	7,140,000
Provision for tax on proposed equity dividend	4,348,203	3,382,933
Provision for tax	8,811,813	11,466,027
	<u>19,110,016</u>	<u>21,988,960</u>
	<u>20,171,807</u>	<u>23,039,341</u>

Mobile Telecommunications Limited											
Notes to financial statements for the year ended 31 March 2013											
2.08 TANGIBLE FIXED ASSETS											(Rupees)
Assets	RATE OF DEPR.	G R O S S B L O C K				D E P R E C I A T I O N				N E T B L O C K	
		As at 31.3.2012	Additions during Year	Deduction During the year	As at 31.3.2013	As at 31.3.2012	For the Year	Deductions	As at 31.3.2013	As at 31.3.2013	As at 31.3.2012
Land	-	5,556,230	-	-	5,556,230	-	-	-	-	5,556,230	5,556,230
Factory Building	3.34%	54,481,358	358,170	-	54,839,528	10,361,683	1,827,412	-	12,189,096	42,650,432	44,119,675
Plant & Machinaries	4.75%	26,093,623	-	-	26,093,623	8,066,836	1,239,447	-	9,306,283	16,787,340	18,026,787
Networking Systems	16.21%	1,370,725	980,490	-	2,351,215	1,370,725	479,247	-	1,849,972	501,243	-
Computer Equipment	16.21%	14,722,965	-	-	14,722,965	8,628,553	2,386,593	-	11,015,146	3,707,819	6,094,411
Furniture and Fittings	6.33%	3,016,782	-	-	3,016,782	1,584,590	190,962	-	1,775,552	1,241,230	1,432,192
Electrical Installation	4.75%	5,990,254	-	-	5,990,254	1,921,822	284,537	-	2,206,359	3,783,895	4,068,432
Air Conditioners	4.75%	2,808,887	522,220	-	3,331,107	992,024	147,857	-	1,139,881	2,191,226	1,816,863
Office Equipment	4.75%	37,540	-	-	37,540	14,610	1,783	-	16,394	21,146	22,930
Motor Car*	9.50%	5,404,123	-	-	5,404,123	982,259	513,392	-	1,495,650	3,908,473	4,421,864
<b>Total</b>		<b>119,482,486</b>	<b>1,860,880</b>	<b>-</b>	<b>121,343,366</b>	<b>33,923,102</b>	<b>7,071,230</b>	<b>-</b>	<b>40,994,332</b>	<b>80,349,034</b>	<b>85,559,384</b>
Previous Year		118,189,040	1,293,447	-	119,482,486	27,516,267	6,406,835	-	33,923,102	85,559,384	90,672,773

\* The CMD of the Company is entitled for the car and the same is in his personal name



Mobile Telecommunications Limited  
Notes to financial statements for the year ended 31 March 2013

2.09 Inventories (valued at lower of cost and net realizable value on FIFO Basis)		
	31 March 2013	31 March 2012
	Rupees	Rupees
Stock-in-trade	188,902,219	165,393,657
<b>Total</b>	<b>188,902,219</b>	<b>165,393,657</b>
2.10 Trade receivables and other assets		
Trade receivables		
	31 March 2013	31 March 2012
	Rupees	Rupees
a. Trade receivables outstanding for a period less than six months		
Unsecured, considered good	751,446,018	553,376,137
Unsecured, considered doubtful		
Less: Provision for doubtful debts	-	-
	751,446,018	553,376,137
b. Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	216,033,511	190,205,764
Unsecured, considered doubtful		
Less: Provision for doubtful debts	-	-
Provision for doubtful receivables	216,033,511	190,205,764
<b>Total</b>	<b>967,479,529</b>	<b>743,581,901</b>
2.11 Cash and bank balances		
	31 March 2013	31 March 2012
	Rupees	Rupees
<b>Cash and cash equivalents</b>		
<b>Balances with banks:</b>		
On current accounts	6,004,734	2,628,051
On Current Account - Dividend A/c	248,401	204,287
Cash on hand	4,151,633	1,930,223
	<b>10,404,768</b>	<b>4,762,561</b>
2.12 Loans and advances		
	31 March 2013	31 March 2012
	Rupees	Rupees
<b>A. Security Deposits</b>		
Unsecured, considered good	9,868,842	9,743,842
	9,868,842	9,743,842
<b>A. Advances recoverable in cash or kind</b>		
Unsecured, considered good	36,944,274	20,883,239
	36,944,274	20,883,239
	<b>46,813,116</b>	<b>30,627,081</b>
2.13 Other current assets		
	31 March 2013	31 March 2012
	Rupees	Rupees
Advance Income-tax /TDS	16,515,368	14,575,858
Prepaid Expenses	70,056	129,540



Others	221,900	764,220
<b>Total</b>	<b>16,807,324</b>	<b>15,469,618</b>

### Mobile Telecommunications Limited

#### Notes to financial statements for the year ended 31 March 2013

#### 3.01 Revenue from operations

	31 March 2013	31 March 2012
	Rupees	Rupees
Income from sale of products	-	2,309,564
Income from sale of Trading Goods	937,903,302	1,649,621,846
Income from Sales of Services	50,186,333	38,961,877
Others	330,104	629,451
	<b>988,419,739</b>	<b>1,691,522,738</b>

#### 3.02 Other income

	31 March 2013	31 March 2012
	Rupees	Rupees
<b>Interest income on</b>		
Bank deposits	2,690	142,251
Excess provision written back	8,621,016	-
Scrap sales	-	19,580
Commission income	-	16,249
Miscellaneous income	52,330	19,493
	<b>8,676,036</b>	<b>197,573</b>

#### 3.03 Production and other Direct Expenses

	31 March 2013	31 March 2012
	Rupees	Rupees
Factory Expenses	61,920	286,850
Water Charges	18,492	22,822
Inwards Clearing and Forwarding Expenses	-	771,717
Electricity Charges	8,806	232,400
	<b>89,218</b>	<b>1,313,789</b>

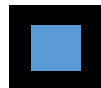
#### 3.04 i. (Increase)/decrease in Inventories

	31 March 2013	31 March 2012	(Increase)/decrease
	Rupees	Rupees	
<b>Inventories at the end of the year</b>			<b>31 March 2013</b>
Traded goods	188,902,219	165,393,657	(23,508,562)
Raw Material	-	-	-
	<b>188,902,219</b>	<b>165,393,657</b>	<b>(23,508,562)</b>
<b>Inventories at the beginning of the year</b>			<b>31 March 2013</b>
Traded goods	165,393,657	139,789,477	(25,604,180)
Raw Material	-	279,625	279,625
	<b>165,393,657</b>	<b>140,069,102</b>	<b>(25,324,555)</b>

#### ii. Details of Purchase of Traded Goods

	31 March 2013	31 March 2012
	Rupess	Rupess





A. Purchase Traded Goods  
B. Purchase Raw Material

934,478,422	1,651,558,607
-	336,281
<b>934,478,422</b>	<b>1,651,894,888</b>

**3.05 Employee benefit expense**

Salaries, wages and bonus  
Staff welfare expenses

<b>31 March 2013</b>	<b>31 March 2012</b>
<b>Rupess</b>	<b>Rupess</b>
28,339,125	14,459,379
127,750	83,282
<b>28,466,875</b>	<b>14,542,661</b>

**3.06 Other expenses**

Audit fee  
Rent, Rates and Taxes  
Communication Expenses  
Repairs & Maintenance - Machineries  
Repairs & Maintenance - others  
Advertisement Selling and Distribution Expenses  
Travelling, Conveyance Expenses  
Transportation Expenses  
Legal & Professional Fees  
Vehicle Expenses  
Printing & Stationery Expenses  
Electricity Expenses  
Insurance Charges  
Office Expenses  
Currency Fluctuation  
Miscellaneous Expenditure written off

<b>31 March 2013</b>	<b>31 March 2012</b>
<b>Rupess</b>	<b>Rupess</b>
75,000	75,000
20,171,880	17,281,309
3,667,297	795,415
286,775	392,695
2,003,394	5,071
-	161,503
1,703,110	1,456,352
100,618	-
584,487	2,000,188
195,228	176,009
271,928	93,532
3,697,760	-
-	89,908
871,718	349,102
232,856	-
110,950	110,950
<b>33,973,001</b>	<b>22,987,034</b>

**Payment to Auditor**

**As Auditor:**

Audit fee  
Tax Audit fee

<b>31 March 2013</b>	<b>31 March 2012</b>
<b>Rupess</b>	<b>Rupess</b>
60,000	60,000
15,000	15,000
<b>75,000</b>	<b>75,000</b>



**Mobile Telecommunications Limited**  
**Notes to financial statements for the year ended 31 March 2013**

**2.08 Depreciation and Amortization Expenses**

	<b>31 March 2013</b>	<b>31 March 2012</b>
	<b>Rupess</b>	<b>Rupess</b>
Depreciation of tangible assets	7,071,230	6,406,835
Less: recoupmnt from revaluation reserve	-	-
	<b>7,071,230</b>	<b>6,406,835</b>

**3.07 Finance Costs**

	<b>31 March 2013</b>	<b>31 March 2012</b>
	<b>Rupess</b>	<b>Rupess</b>
<b>Interest Expenses</b>		
Term Loan	398,194	1,277,555
Cash Credit	5,638,023	5,450,589
Bank Charges	233,888	111,264
	<b>6,270,105</b>	<b>6,839,408</b>

**Mobile Telecommunications Limited**  
**Notes to financial statements for the year ended 31 March 2013**

**4.01 Leases**

**Operating lease: company as lessee**

Future minimum rentals payable under cancellable operating leases are as follows:

	<b>31 March 2013</b>	<b>31 March 2012</b>
	<b>Rupees</b>	<b>Rupees</b>
Within one year	23,430,000	23,430,000
After one year but not more than five years*	-	46,860,000.00
More than five years	-	-
	<b>23,430,000</b>	<b>70,290,000</b>

\* The Company has terminated old Contract, New Lease Agreement falling due for renewal on 1st April, 2014



4.02 **Contingent liabilities**

	31 March 2013	31 March 2012
	Rupees	Rupees
<b>Income Tax Demand</b>		
For Assessment Year 2008-09*	5,372,912	5,372,912
For Assessment Year 2009-10**	8,612,950	8,612,950
For Assessment Year 2010-11	31,304,520	-
Income tax demand **	-	-
	<b>45,290,382</b>	<b>13,985,862</b>

\*Appeal is pending in ITAT, The authorities have demand Rs. 5372912/- out of which Rs. 2401660/- have already being paid by the Company on 23rd August, 2012

\*\* Appels Pending in CIT

4.03 **Value of imports**

	31 March 2013	31 March 2012
	Rupees	Rupees
Components and spare parts	-	164,479
	-	164,479

4.04 **Earnings in foreign currency (accrual basis)**

	31 March 2013	31 March 2012
	Rupees	Rupees
Exports Sales- Products	-	2,142,398
Exports Sales- Services	29,247,716	2,008,885
	<b>29,247,716</b>	<b>4,151,283</b>

**Mobile Telecommunications Limited**  
**Notes to financial statements for the year ended 31 March 2013**

4.05 **Related party disclosures**

**Names of related parties and related party relationship**

**Related parties with whom transactions have taken place during the year**

A.

I **Key management personnel**  
**Relative of key management personnel**

II **Enterprises owned or significantly**

**influenced by key management**

**Anil B Vedmehta ,**  
**CMD**

**Quantum e Services Private**  
**Limited**



**B. Related party transactions**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

<b>Loans Taken and repayment - thereof</b>	<b>Year ended</b>	<b>Amount owned by related parties at Beginning</b>	<b>Loans taken</b>	<b>Repayment</b>	<b>Interest accrues</b>	<b>(In Rupees) Amount owned by related parties at year end</b>
<b>Enterprises owned or significantly influenced by key management personnel or their relatives</b>						
Quantum e Services Private Limited	31 March 2013	32,638,150	3,777,285	11,700,000	-	24,715,435
	31 March 2012	25,594,350	14,201,800	7,158,000		32,638,150
<b>key managerial personnel</b>						
Anil B Vedmehta	31 March 2013	7,699,513	23,666,695	15,087,910	-	16,278,298
	31 March 2012	239,697	21,438,471	13,978,655		7,699,513
Media Matrix Worldwide Limited*	31 March 2013		-	-		-
	31 March 2012		- 18,470,000	6,317,000		12,153,000

**Loans given and repayment  
- thereof**

\* The above named related party has been ceased to be related party with effect from 26<sup>th</sup> January, 2012 on account of the change in control and management of the Company:

**- Remuneration to key managerial personnel**

	<b>31 March 2013</b>	<b>31 March 2012</b>
<b>Mr. Anil B. Vedmehta - CMD</b>		
Director's Remuneration	3,000,000	3,000,000
<b>Total</b>	<u>3,000,000</u>	<u>3,000,000</u>



**Mobile Telecommunications Limited**  
**Notes to financial statements for the year ended 31 March 2013**

**Earnings per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

	<b>31 March 2013</b>	<b>31 March 2012</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>Total operations for the year</b>		
Profit/(loss) after tax	7,092,735	8,359,605
Less : Dividends on convertible preference share & tax thereon	-	-
<b>Net profit/(loss) for calculation of basic EPS</b>	<b>7,092,735</b>	<b>8,359,605</b>
Net profit as above	7,092,735	8,359,605
Add : dividend on convertible preference share & tax thereon	-	-
Add : interest on bonds convertible into equity shares (net of tax)	-	-
<b>Net profit/(loss) for diluted EPS</b>	<b>7,092,735</b>	<b>8,359,605</b>
<b>Continuing operations</b>		
Profit/(loss) after tax	7,092,735	8,359,605
Less : Dividends on convertible preference share & tax thereon	-	-
<b>Net profit for calculation of basic EPS</b>	<b>7,092,735</b>	<b>8,359,605</b>
Net profit as above	7,092,735	8,359,605
Add : dividend on convertible preference share & tax thereon	-	-
Add : interest on bonds convertible into equity shares (net of tax)	-	-
<b>Net profit/(loss) for calculation of diluted EPS</b>	<b>7,092,735</b>	<b>8,359,605</b>
Weighted average number of equity shares in calculating basic EPS	119,000,000	119,000,000
<b>Effect of dilution:</b>	-	-
Stock options granted under ESOP	-	-
<b>Weighted average number of equity shares in calculating diluted EPS</b>	<b>119,000,000</b>	<b>119,000,000</b>



## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basic of preparation of financial statements

The financial statements are prepared under historical cost convention, on the accrual basis of accounting and in accordance with the generally accepted accounting principles, accounting standards issued by the institute of Chartered Accountants of India and provision of Companies Act, 1956.

#### 2. Revenue recognition

- a) Revenue from Sale of goods and services are recognized as per sale contracts terms.
- b) Other Income is accounted on accrual basis except where the receipt of income is uncertain.

#### 3. Fixed Assets

Fixed Assets are stated at the cost of acquisition including taxes, duties, freight and other incidental expenses related to acquisition and installation.

#### 4. Depreciation

Depreciation on Fixed Assets is provided on the straight-line basis at the rates and manner prescribed under schedule XIV of the Companies Act, 1956.

#### 5. Inventories

- a) Raw Materials, Stores and spares, and other inventories are valued at cost or net receivable value whichever is low on FIFO basis.
- b) Hardware, peripheral and software sets are valued at cost on FIFO basis.

#### 6. Miscellaneous Expenditure

The preliminary and pre-operative expenses and project development expenses are written off over a period of 10 years.

#### 7. Foreign Currency transactions

Transaction in foreign currency is recorded at the rates prevailing on the date of transactions. The year end balances in foreign currency are translated at rates as the end of the year. The gain/loss on such translation is charged to the profit and loss account.

#### 8. Retirement Benefits

The gratuity payable is accounted as and when applicable on the actuarial basis.

#### 9. Provisions, Contingent Liabilities:

A provision is recognized when the Company has present obligation as a result of past events and it is probable that an out flow of resources will be required to settle such obligation, in respect of which a reliable estimate can be made.

Contingent liabilities not provided for in the accounts are disclosed in the accounts by way of notes specify the nature and quantum of such liabilities.

#### 10. Income Tax

Provision for taxation includes current tax and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

Deferred tax assets and liabilities are recognized for further tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in



one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax is reviewed at each balance sheet date.

#### 4.06 OTHER NOTES ON ACCOUNTS

1. In the opinion of the Board, current assets, loans and advances have a value on realization at least equal to the account at which they are stated in the books of accounts and provision for all known liabilities have been made, except as mentioned otherwise.
2. The Company is engaged in the business of Telecom System development and electronic hardware and software trading and other product and there is no separate reportable segment as per Accounting Standard (AS) 17 on segment reporting.
3. In accordance with the Accounting Standard (AS) 28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company assesses potential generating of economic benefits from its business assets and is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business. There is no indication to the contrary and accordingly the management is of the view that no provision is called for in the accounts for the year.
4. The balances of debtors, creditors, loans & advances are subject to confirmation.
5. The previous year's figures are regrouped, rearranged or recast, wherever required, to make them comparable.

As per our report of even date  
For N.S. Bhatt & Associates  
Chartered Accountants  
Firm Registration No: 130891W

For Mobile Telecommunications Limited

Director

Director

**Brijesh Dutt Chaturvedi**

**Partner**

Membership No: 135871



## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Information pursuant to Part IV of schedule VI to the Companies Act, 1956

I.	Registration Details				
	Registration number	24812	State code		04
	Balance Sheet date	31.03.2013			
II.	Capital raised during the year (Amount in Rupees Thousand)				
	Public issue	Nil	Rights issue		Nil
	Bonus issue	Nil	Private placement		Nil
III.	Position of Mobilization and Development of funds: (Amount in Rupees Thousand)				
	Total Liabilities	1,31,07,55,990	Total Assets		1,31,07,55,990
	Sources of Funds				
	Paid up Capital	119,000	Reserves & Surplus		72,318
	Secured Loans	39,135	Unsecured Loans		40,993
			Deferred Tax Liabilities		9,315
	Application of Funds				
	Net Fixed Assets	80,349	Investments		-
	Net Current Assets	12,30,40	Misc. Expenditure		Nil
IV.	Performance of Company				
	Turnover	9,97,095	Total Expenditure		9,86,840
	Profit/Loss (Before Tax)	10,255	Profit/Loss (After Tax)		7,092
	Earning per Share In Rs.	0.06	Dividend Rate (%)		5%
V.	Generic Names of One Principal Product/Services of the Company (As per Monetary terms)				
	Item Code No.		Product Description		
	8531		Acoustic Sirens		
	8534		Printed Circuit Boards		
	8471		Networking Equipments		
	8536		MCCB		
	8539		CFL		





**Mobile Telecommunications Limited**

Registered Office: 46, Empire Tower, Near Associated Petrol Pump, C.G.Road, Ahmedabad, Gujarat

**Attendance slip**

(Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall)

I, hereby, record my presence at the 18<sup>th</sup> Annual General Meeting of the company to be held on , Monday the September 30, 2013, at 46, Empire Tower, Near Associated Petrol Pump, C G. Road, Ahmedabad, Gujarat at 10.00 a.m.

Folio No/DP ID: \_\_\_\_\_

No. of shares held \_\_\_\_\_

Full name of the member / Proxy: \_\_\_\_\_

\_\_\_\_\_  
Signature

----- Please cut here and bring the above attendance slip at the meeting -----

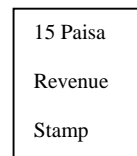
**Mobile Telecommunications Limited**

Registered Office: 46, Empire Tower, Near Associated Petrol Pump, C.G.Road, Ahmedabad, Gujarat

**Proxy Form**

I / We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/members of the above named company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our Proxy to vote for me/us on my/our behalf at the 18<sup>th</sup> Annual General Meeting of the company to be held on Monday , the September 30, 2013 at 46, Empire Tower, Near Associated Petrol Pump, C G. Road, Ahmedabad, Gujarat at 10.00 a.m.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013



Signature \_\_\_\_\_

Note: This form duly completed and signed should be deposited at the Registered Office of the company not later than 48 hours before the time of the meeting.



## Mobile Telecommunications Ltd.

Empowering Technology Infrastructure

Corporate Office :

3rd Floor, Interface Bldg. No.16,  
Off. Link Road, Malad (West), Mumbai 400 064.

Factory :

E-78, MIDC, Ambad, Nashik, Maharashtra.

Email ID: [info@mobileteleindia.com](mailto:info@mobileteleindia.com)

[www.mobileteleindia.com](http://www.mobileteleindia.com)