



## COMPUAGE INFOCOM LTD.

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

### ORDINARY BUSINESS:

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

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

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

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

Mumbai  
14th August, 2015

**Atul Mehta**  
Chairman & Managing Director



## COMPUAGE INFOCOM LTD.

### NOTES:

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

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

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

### LINK INTIME INDIA PRIVATE LIMITED

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



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

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

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



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



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

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



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

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

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

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

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

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

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

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

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

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

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



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



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### Annexure to Notice

#### Information required to be furnished under the Listing Agreement:

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

#### Item No. 3 of the Notice:

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

#### Directorship

Inga Capital Private Limited

Technology Distribution Association of India

#### Chairperson of Board Committees

None

#### Member of Board Committees

None

#### Shareholding in the Company

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

#### Expertise:

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

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

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

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

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

Mumbai  
14th August, 2015

Atul Mehta  
Chairman & Managing Director



## COMPUAGE INFOCOM LTD.

### BOARD'S REPORT

To The Members,

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

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

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

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

#### FINANCIAL HIGHLIGHTS:

The highlights of the Financial Results are

(₹. In Lakhs)

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



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

#### FINANCIAL PERFORMANCE:

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

#### DIVIDEND:

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

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

#### FUTURE OUTLOOK:

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

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

#### LISTING OF SECURITIES:

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



**SHARE CAPITAL:**

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

**SUBSIDIARY OPERATIONS**

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

**INFORMATION TECHNOLOGY:**

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

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

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

**CORPORATE SOCIAL RESPONSIBILITY**

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

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

**DIRECTORS:**

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

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

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

**BOARD EVALUATION**

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

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

**MEETINGS**

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

**DECLARATION BY INDEPENDENT DIRECTORS**

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

**DISCLOSURE UNDER SECTION 164 (2)**

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

**AUDITORS' REPORT :**

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

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

**INTERNAL AUDIT:**

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

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

**DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS**

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

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

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

**SECRETARIAL AUDIT AND THE APPOINTMENT OF THE SECRETARIAL AUDITORS**

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

**INSURANCE & RISK MANAGEMENT**

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

**DEPOSITS:**

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

The details of the same are as under:

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

**DEPOSITORY SYSTEM:**

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

**STATUS OF DEMATERIALISATION OF SHARES:**

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

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

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



## EXTRACT OF THE ANNUAL RETURN:

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

## CONSOLIDATED FINANCIAL STATEMENTS:

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

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

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

## MANAGEMENT DISCUSSION AND ANALYSIS

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

## CORPORATE GOVERNANCE:

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

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

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

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



## B. Earning And Outgo in Foreign Exchange:

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

The payment of foreign exchange outgoes are as under:

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

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

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

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

Note:

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





## LOANS AND INVESTMENTS:

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

## TRANSFER TO RESERVES:

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

## SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS:

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

## ACKNOWLEDGEMENT

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

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

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

By order of the Board of Directors  
**For Compugame Infocom Limited**

Mumbai  
15th May, 2015

**Atul Mehta**  
Chairman & Managing Director



## ANNEXURE 'A' TO BOARD'S REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

CSR Policy is stated herein below:

Weblink: [http://www.compugameindia.com/share\\_pdf/CSR\\_POLICY.pdf](http://www.compugameindia.com/share_pdf/CSR_POLICY.pdf)

Composition of the CSR Committee.

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

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

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

Details of CSR activities/projects undertaken during the year :

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



## COMPUAGE INFOCOM LTD.

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

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

\* Details of the implementing agencies:

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

For **Compuage Infocom Limited**

**Atul Mehta**  
 Managing Director

**Ganesh S. Ganesh**  
 Chairman- CSR Committee



## COMPUAGE INFOCOM LTD.

### ANNEXURE 'B' TO BOARD'S REPORT

Form No. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,  
 The Members,  
 Compuage Infocom Limited

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

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

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

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