



Mobile Telecommunications Ltd.

Empowering Technology Infrastructure



M-Commerce



E-Commerce



International BPO



PCB Manufacturing



Financial Vertical

19th Annual Report

2012-2013



CONTENTS

Notice.....	04
Directors' Report.....	06
Corporate Governance Report.....	10
Management's Discussion and Analysis.....	18
Auditors' Report.....	23
Balance Sheet.....	29
Statement of Profit and Loss.....	30
Cash Flow Statement.....	32
Notes to Financial Statements.....	33
Notes on Accounts.....	44
Balance Sheet Abstract & Company's General Business Profile.....	45



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, Lensel 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,
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Date: August 14, 2013

For and Behalf of the Board

Anil B. Vedmehta
Chairman & Managing Director



Directors' Report

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

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