18th Annual Report

2010 2011

OPTIEMUS INFRACOM LIMITED

CORPORATE INFORMATION

THE BOARD

ASHOK GUPTA, Chairman & Managing Director

PARUL RAI, Executive Director

LALIET GUPTA, Non-Executive Director

RENU GUPTA, Non-Executive Director

MANOJ JAIN, Non-Executive Director

VIKAS CHANDRA, Company Secretary

AUDITORS

RMA & Associates
Chartered Accountants
48, Ist Floor, Hasan Pur,
I.P. Extention, Delhi - 110092

BANKERS

Indusind Bank Limited
State Bank of India
Axis Bank Limited
ICICI Bank Limited

REGISTERED OFFICE

317, Competent House, F-14
Connaught Place, New Delhi-110 001
Ph. No.: 011-41529023, Fax: 011-41529030

CORPORATE OFFICE

K-20, Lajpat Nagar Part-II,
New Delhi- 110 019

TRANSFER AGENT

BEETAL Financial & Computer Services (P) LTD.
Beetal House, 3rd Floor, 99 Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi - 110062
Phone: +91-11-2996 1281(Six Lines),
Fax: +91-11-29961284
Email: beetal@beetalfinancial.com

COMMITTEES OF BOARD

Audit Committee
Investors/Shareholders Grievances Committee
Share Transfer Committee

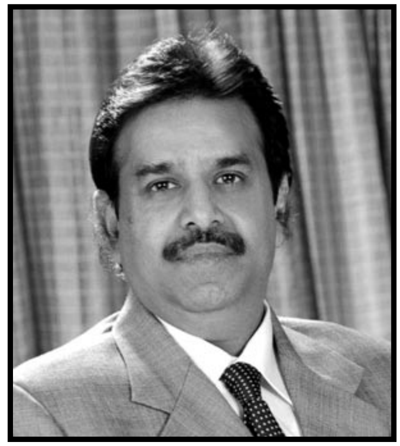
CONTENTS

IMPORTANT MESSAGE TO THE MEMBERS

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiatives in the Corporate Governance" by allowing paperless compliance and has issued a circular stating that by stating that the service of documents including notice/ annual report can be sent through electronic mode. To support this green initiative of the Government in full measure, the members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of Demat holdings through their concerned DP, members who hold shares in Physical form are requested to furnished their E-mail ID at info@akankshacellular.com OR info@optiemus.com mentioning Full name, Registered Address & Folio No. (s), so as to enable the Company to initiate in paperless compliance.

CHAIRMAN'S MESSAGE

Dear Fellow Shareholders,



I am pleased to report to all stakeholders that our foregoing year was great - a year in which we earned record revenue, profit and also handsome earning per share. These superb achievements are the result of the collective hard work and commitment of employees of the Company.

Your company has delivered excellent results by way of revenue of Rs. 1212 Crores with a growth of 39%, PAT of Rs. 15.58 Crores with a growth of 91% and EPS of Rs. 2.08 with a growth of 82% during the FY 2010-11.

Our dynamic performance this year and the strong financial position is the result of our sound strategy. Our strategy is based on focusing in certain marketing segments, developing strong competencies in our chosen area and also providing comfortable & inspiring environment to our employees and carefully managing the risk so as to accelerate growth.

Your Company is expanding its business from distribution to manufacturing and construction. The core competency of the Company is to manage the supply chain between manufacture and its trading partners on supply as well as demand side.

The strength of the company is rich and vast experience of promoters. They have more than 15 years experience in the field of Distribution across the leading brands. The Company has strong distribution network of 24 offices-cum-warehouses in all over the Country.

Taking all these together, it gives us tremendous competitive advantage in our market place, and also gives us the ability to focus on our long term goals.

With a looking forward statement, I am sharing that the Indian mobile subscriber base is expected to boom to 893 million by 2012. This is 150 million increase of what was projected earlier, as per the report by Cellular Operators Association of India (COAI). The COAI's earlier estimates had shown that mobile user base will reach 743 million by 2012. The major reason stated for the increase is the huge adoption of the mobile services in the rural areas, reported The Business Line. India is now the second largest mobile market in the world after China, which has over 650 million subscribers, with India having 400 million mobile users. According to COAI's projection, there will be 1.24 billion mobile users in 2015-which means one phone for every Indian.

On my conclusion, I am extremely thankful to all our bankers and stakeholders who have enabled Optiemus Infracom Limited to be successful and also grateful to all our supporters in our journey.

Sincerely

Ashok Gupta
Chairman & Managing Director

DIRECTORS' REPORT

Dear Members

Your Directors have great pleasure in presenting the 18th Annual Report on the business and operation of Optiemus Infracom Limited (Formerly Akanksha Cellular Limited) together with audited statements of accounts for the financial year ended 31st March 2011.

FINANCIAL RESULTS

The Board of Directors is pleased to state that during the year ended on 31st March 2011, your Company has posted an inspiring growth and its performances are noteworthy. The financial performance of the Company for the year ended March 31, 2011 is summarized below:

Particulars	**Year ended on 31.03.2011 (₹ in '000')**	Year ended on 31.03.2010 (₹ in '000')
Turnover	**12,126,995**	8,717,869
EBT	**234,197**	125,553
Less : Provision for Tax : Current	**82,951**	34,802
: Deferred	**(4,620)**	9,351
PAT	**155,866**	81,400
EPS	**2.08**	1.14

The Telecom Industry is one of the fastest growing industries in India. With a growth rate of 45%, Indian telecom industry has the highest growth rate in the world.

According to Global consultancy group Deloitte, Rural India is expected to fuel the growth in mobile phone services in the next four years, as cell phones become a vital tool.

Deloitte said that low penetration levels of mobile phones would provide more business opportunities for service providers.

The paper focuses on how mobile phones can be used to deliver content and services that can help foster inclusive growth in India by digitally empowering citizens across all cross the sections of society, both urban and rural — This paper refers to these services as Utility mobile value added service (MVAS).

"The next wave of growth in subscriptions will come from semi—urban and rural areas. Today, the penetration of mobile phones in urban areas is already 100 per cent while in rural areas it is only 23 per cent," it said.

DIVIDEND

The Board is of the view that the Company should utilize its funds towards the operations to accelerate the growth rate. Accordingly the Board does not recommend any dividend payment for the year 2010-11.

PUBLIC DEPOSITS

Your Company has neither invited nor accepted any deposits from public within the meaning of Section 58A and 58 AA of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 during the year under review.

CONVERSION OF CONVERTIBLE WARRANTS INTO EQUITY SHARES

The Board of Directors of the Company at their meeting held on 18th December, 2010 converted 18,320,050 Convertible Warrants into same number of Equity Shares of the Company to the person belonging to the non promoter group on preferential basis. The converted shares are included in the paid up share capital of the Company.

CHANGE IN NAME OF THE COMPANY

During the year, your Company has changed its name from Akanksha Cellular Limited to Optiemus Infracom Limited pursuant to the Special Resolution passed in 17th Annual General Meeting of the Company accordingly the Registrar of Companies NCT of Delhi & Haryana have pleased to grant fresh Certificate of Incorporation subsequent to change of name of the Company dated 30th June, 2011. The new name of the Company reflects the wide diversity of business that it transacts and undertakes including mobile devices and infrastructure of communication.

ALTERATION IN MAIN OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

Since merger of an Infrastructure activities Company (M/s. A. Design and Details (Interiors & Infrastructure) Private Limited) with the Company is ongoing basis accordingly it is required to incorporate the business/ activities of infrastructure in the Main Object Clause of the Memorandum of Association. Accordingly during the year, your Company has altered its Main object of the Memorandum of Association in consequence of the declaration of result of Postal Ballot dated 23rd June, 2011 to carry on the business as follows in addition with the existing Main Objects of the Company:-

“To carry on business of construction in the fields of roads, shipping, civil aviation, inland waterways, pipelines and airports, wharves, bridge, power, industrial, mechanical electrical projects of all varieties and descriptions”.

INTEGRATION OF MERGER

Your Company has issued 63,743,841 fresh Equity shares on 22nd March, 2011 to the shareholders of Transferor Companies as a result the paid up share capital of the Company has been increased from 22,070,350 to 85,814,191 Equity Shares. The Company is in process to obtain the trading approval from Bombay Stock Exchange Limited for the abovementioned fresh equity shares issued to the shareholders of transferor Companies.

COMPOUNDING OF DEFAULT FOR NOT HOLDING OF 17TH ANNUAL GENERAL MEETING WITHIN TIME PRESCRIBED UNDER SECTION 166 READ WITH 210 OF THE COMPANIES ACT, 1956 FROM HON’BLE COMPANY LAW BOARD

Your Company has filed the petition of merger of Telemart Communication (India) Private Limited, Mach Communications Private Limited, Mo-Life Communication (India) Private Limited, Mo-Life Retails Private Limited, Radical Softnet Private Limited, Pacific Support Private Limited, A. Design & Details (Interiors & Infrastructure) Private Limited with the Company further the date of hearing for the scheme of merger was fixed on 24.11.2010 by the Hon’ble Delhi High Court, which was outside the time limit for holding Annual General Meeting of the Company for the financial year 2009-10 pursuant to section 166 read with 210 of the Companies Act, 1956, hence your Company could not hold the 17th Annual General Meeting within the time period prescribed under the Companies Act, 1956 and made the default. The Company duly called the 17th Annual General Meeting on 23rd Day of April, 2011 for the financial year ended on March, 2010 and hence made the default good.

Further the Company has filed the petition through Registrar Companies NCT of Delhi & Haryana with Hon'ble Company Law Board for compounding of the default for not holding 17th Annual General Meeting within the prescribed time.

DIRECTORS

During the year under review, following changes took place in the office of Directors of the Company:

Mrs. Parul Rai has been appointed as Director (BR) and Mr. Laliet Gupta has been appointed as Additional Director of the Company.

In accordance with Article 107 of the Articles of Association, Mrs. Renu Gupta retires by rotation and, being eligible, has offered herself for re-appointment.

Information about the directors proposed to be appointed/re-appointed such as their experience, term & conditions, etc. as required under clause 49 is being given in the notice to the shareholders, which is forming part of this annual report.

Mr. Hardip Singh had resigned from the office of the directorship of the Company during the financial year under review.

The Board of Directors places on record its sincere appreciation for the guidance and assistance provided by them during their tenure as Director of the Company.

AUDITORS AND THEIR REPORT

M/s RMA & Associates, retiring auditor has presented willingness to be re-appointment as Statutory Auditor of the Company for the financial year 2011-2012. The Company has received certificate from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956. The approval of the shareholders is sought for this resolution.

The observation made in the Auditors Report are self-explanatory and therefore, do not call for any further comments under Section 217 (3) of the Companies Act, 1956.

CORPORATE GOVERNANCE

A separate section on Corporate Governance together with a certificate from the Company's auditors confirming the compliance of conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with the Stock Exchanges is annexed hereto.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under Clause 49 of the Listing Agreement with the Stock Exchanges is given in Annexure-A and forms an integral part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars regarding energy conservation and technology absorption as prescribed under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of

Board of Directors) Rules 1988, are not applicable to the company.

Details of Foreign Exchange used and earned as follows:- (₹ in ‘000’)

Foreign Exchange Earning: ₹ 190859.00

Foreign Exchange outgo: ₹ 145637.00

DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors confirm that:

i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;

iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv) they have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

As required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended time to time, no employee of the company was covered by these provisions during the year ended 31.03.2011. However, transferor companies were paying remuneration to their employees and directors till the effectiveness of Scheme of Amalgamation, therefore such figures have been consolidated in the financials of the Company.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the co-operation extended to the company by commercial banks, business associates, shareholders, customers and executives.

On behalf of the Board of Directors

For **Optiemus Infracom Limited**
(Formerly Akanksha Cellular Limited)

Place : New Delhi
Date : September 01, 2011

(Ashok Gupta)
Chairman

ANNEXURE – A

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

i) Business Segment- Telecommunication Products

The Telecom Industry is one of the fastest growing industries in India. India has nearly 200 million telephone lines making it the third largest network in the World. With a growth rate of 45%, Indian Telecom Industry has the highest growth rate in the world. India, like many other countries of the world, have adopted a gradual approach to telecom sector reform through selective privatization and managed competition in different segments of the telecom market. With the advent of 3G services in India, the telecom market is all set to witness a new wave of mobile applications ushering the growth of data services including internet browsing, entertainment services, m-commerce, e-governance, etc. This is expected to provide the trigger for the next phase of growth of the telecom

ii) Business Segment – Infrastructure

Construction is the second largest economic activity in India after agriculture, and has been growing rapidly. The production of industrial machinery has also been on rise – and the increasing flow of goods has spurred increases in rail, road and port traffic, necessitating further infrastructure improvements.

As per the Eleventh Five Year Plan, more than US$500 billion worth of investment is planned to flow into India's infrastructure by 2012. Construction projects account for a substantial portion of the proposed investments, making the Construction sector one of the biggest beneficiaries of the infrastructure boom in India. The regulatory environment is relaxing to encourage further foreign direct investment (FDI). Private sector participation is integral to these plans.

2. OPPORTUNITIES

i) Telecommunication Products

As a result of Government policy, progress has been achieved in the manufacturing of telecom equipment in the country. There is a significant telecom equipment-manufacturing base in the country and there has been steady growth of the manufacturing sector during the past few years. Rising demand for a wide range of telecom equipment, particularly in the area of mobile telecommunication, has provided excellent opportunities to domestic and foreign investors in the manufacturing sector. The last two years witnessed many renowned telecom companies setting up their manufacturing base in India. Ericsson set up GSM Radio Base Station Manufacturing facility in Jaipur. Elcoteq set up handset manufacturing facilities in Bangalore. Nokia and Nokia Siemens Networks have set up their manufacturing plant in Chennai. LG Electronics set up plant of manufacturing GSM mobile phones near Pune. Ericsson launched their R&D Centre in Chennai. Flextronics set up an SEZ in Chennai. Other major companies like Foxconn, Aspcom, Solectron etc have decided to set up their manufacturing bases in India. The Government has already set up Telecom Equipment and Services Export Promotion Council and Telecom Testing and Security Certification Centre (TETC). A large number of companies like Alcatel, Cisco have also shown interest in setting up their R&D centers in India. With above initiatives India is expected to be a manufacturing hub for the telecom equipment. India offers an unprecedented opportunity for telecom service operators, infrastructure vendors, manufacturers and associated services companies.

ii) Infrastructure

What segments present the best opportunities for construction companies? The Planning Commission of India has planned extensive expansion in the roads and highways, ports, civil aviation and airports, and power infrastructure segments – all of which provide substantial opportunities for construction companies.

India's roads are already congested, and getting more so. Annual growth is projected at over 12% for passenger traffic and over 15% for cargo traffic. The Indian Government estimates around US$90 billion plus investment is required over FY12 to improve the country's road infrastructure.

The Indian Government has also recognized existing infrastructure gaps and capacity constraints in the rail system, and as a consequence, it plans large scale investment over the five years.

The opportunities do not stop there. More than 10 states are also actively planning the development of their highways

3. THREATS

i) Telecommunication Products

It is not only on the defence front that India faces a threat from China, but the world's most populous country is also posing a serious threat to India's mobile handsets manufacturing sector.

ii) Infrastructure

Long term market instability and uncertainty may damage the opportunities and prevent the expansion of training and development facilities. Current economic situation may have an adverse impact on construction industry.

Political and security conditions in the region and Late legislative enforcement measures are always threats to any industry in India. Infrastructure safety is a challenging task in construction industry.

4. OUTLOOK

The merger of Telemart Communication (India) Private Limited, Mach Communications Private Limited, Mo-Life Communication (India) Private Limited, Mo-Life Retails Private Limited, Radical Softnet Private Limited, Pacific Inet Support Private Limited, A. Design & Details (Interiors & Infrastructure) Private Limited with the Company has been completed and the Assets and liabilities of all transferor companies have been transferred to the company as per the approval granted by the Hon'ble High Court of Delhi. The merger has potential to enhance the value for shareholders of the Company.

5. RISKS AND CONCERNS

The Risk Management framework of the Company ensures, amongst others, compliance with the requirements of Clause 49 of the Listing Agreement. The framework establishes risk management