

Annual Report

2011-12

JINDAL INTELICOM LIMITED

28, Shivaji Marg, New Delhi – 110 015

JINDAL INTELICOM LIMITED

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 24th Annual Report of the Company together with the audited statement of accounts of the Company for the financial year ended on 31st March, 2012.

FINANCIAL RESULTS

	Year ended 31st March, 2012	(₹ in Lacs) Year ended 31st March, 2011
Total Income	<u>3,113.76</u>	<u>3,926.36</u>
Profit before Interest and Depreciation	232.89	569.16
Less:		
- Interest	2.23	2.56
- Depreciation	166.42	166.27
Profit before tax	<u>64.24</u>	<u>400.33</u>
Provision for Income Tax & Wealth-Tax	(23.84)	(99.86)
	<u>40.39</u>	<u>300.46</u>
Add : MAT credit entitlement	2.65	85.80
Net Profit After tax	43.04	386.27
Add: Balance brought forward from previous year	1,232.07	845.80
Balance carried over to Balance Sheet	<u>1,275.10</u>	<u>1,232.07</u>

REVIEW OF OPERATIONS

During the financial year ended 31st March, 2012 there is a decline in revenue by 21% and as a result the profitability has also gone down by 59%. Your company provides IT and ITES services in the international and domestic market. In the international market, where the Company only caters to the USA market, adverse business climate has been witnessed for outsourcing work over the last year. It has impacted the Company adversely and impacted its profitability to an extent. The Company started its domestic operations 18 months back which have now started showing good results and business is now picking up well in this territory. Your company foresees a large potential in domestic market and is now pursuing opportunities more aggressively.

Your company has now started exploring more business opportunities by increasing its portfolio of services specially in the software sector in different markets.

JINDAL INTELICOM LIMITED

BOARD OF DIRECTORS

In pursuant to the provisions of section 256 of the Companies Act, 1956 Ms. Sminu Jindal shall be retired at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

DIVIDEND:

Keeping in view the future expansion plan of the company's operations and the requirement of funds for the same, the Directors do not recommend any dividend for this financial year.

AUDITORS:

M/s S. Nayyar & Company, Chartered Accountants, Auditors of the Company retires at the end of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

SUBSIDIARY

The prescribed particulars relating to subsidiaries are being provided in this Annual Report. However, pursuant to circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs the Balance Sheet and Statement of Profit & Loss of the subsidiary is not attached herewith. However, members, if they desire, may write to the Company Secretary at 28, Shivaji Marg, New Delhi - 110015 to obtain the copy of the Annual Reports of the subsidiary company.

PERSONNEL:

Particulars of employees and disclosure of information as required u/s 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 are given hereinafter:

S. No.	Name	Designation/ Nature of duties	Remuneration	Qualifications	Date of Joining	Age (yrs)	Experi-ence	Last Employ-ment	Relation-ship with any Director
1	Mr. Sanjiv Garg	Chief Executive Officer	7,486,709	M. Sc Engineering B. Tech.	1 st March, 2000	53	31 Yrs	CM Power & Gas Pvt. Ltd.	No

Note: All appointments are contractual in accordance with terms and conditions as per Company rules.

JINDAL INTELICOM LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (a) that in the preparation of the annual accounts the applicable accounting standards had been followed; along with proper explanation relating to material departures;
- (b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 of the Company for the period under review;
- (c) that the Directors had 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;
- (d) that the Directors had prepared the annual accounts on a going concern basis.

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

Conservation of Energy

The Company, being a call center functions in the BPO industry, and is not covered under Companies (Disclosures of particulars in the report of the Board of Directors) Rules 1988. It consumes power only for call centre equipment and for office requirements therefore furnishing information pertaining Conservation of Energy & Technology Absorption is not applicable to our company

Technology Absorption

Information pertaining to Technology Absorption as per Companies (Disclosures of particulars in the report of the Board of Directors) Rules 1988 is Nil.

Foreign Exchange Earnings & Outgo

- (a) **Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans;**

The Company is an international call center for rendering voice and data services to overseas customers and holds certificate from Software Technology Parks of India recognizing the project as a 100% export oriented unit.

JINDAL INTELICOM LIMITED

The Company is making continuous efforts in development of its customer base in USA, UK, Canada and other countries.

(b) Foreign Exchange Earned & Used

	<u>2011-12</u>	<u>2010-11</u>
(i) Total foreign exchange earned (including ₹ 4,533,003 (₹ 5,950,560) as foreign currency exchange gain and ₹ 347,232 (₹ Nil) as miscellaneous Income)	₹ 266,699,436	₹ 381,020,096
(ii) Total foreign exchange used (Including ₹ 4,029,608 (₹ 39,969,774) for import of equipments)	₹ 20,485,186	₹ 81,923,266

ACKNOWLEDGEMENT

Your directors would like to express their appreciation for the continued assistance and co-operation by its bankers and all the Government authorities. We also wish to place on record the deep sense of appreciation for the services rendered by the employees of the Company.

**For and on behalf of the Board of
Jindal Intellicom Limited**



Sunil Kumar Jain
Director



Ratan Kumar Sinha
Director

Place : New Delhi

Date : 29th May, 2012

S.NAYYAR & COMPANY
CHARTERED ACCOUNTANTS

F.F. 2 & 3, Composit House,
170-171, GAUTAM NAGAR,
GULMOHAR PARK ROAD,
NEW DELHI – 110 049

AUDITORS' REPORT

TO
THE MEMBERS OF
JINDAL INTELICOM LIMITED

We have audited the attached Balance Sheet of Jindal Intellicom Limited as at 31st March, 2012 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order to the extent they are applicable to the Company.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state 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 the examination of such books.



- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report comply with the standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
- (e) On the basis of the written representations received from the Directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, Profit and Loss Account and Cash Flow Statement read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

PLACE: New Delhi
DATED: 29th May, 2012

FOR S.NAYYAR & COMPANY
CHARTERED ACCOUNTANTS
FRN 002439N



Sanjeev Nayyar

SANJEEV NAYYAR
PROPRIETOR
Membership No. 81124

ANNEXURE

(Referred to in Paragraph 1 of our report of even date for the year ended 31st March, 2012)

RE: JINDAL INTELICOM LIMITED

(COMMENTS ON MATTERS SPECIFIED IN PARAGRAPHS 4 AND 5 OF THE COMPANIES
(AUDITOR'S REPORT) ORDER, 2003 TO THE EXTENT APPLICABLE

1. a) The Company has maintained proper records to show full particulars including quantitative details and situation of the fixed assets.

b) The fixed assets of the Company have been physically verified by the management at reasonable intervals during the year and no discrepancy between the book records and physical inventory has been noticed on such verification.

c) Fixed assets of the Company disposed off during the year did not form a substantial part of the fixed assets and have not affected the going concern.

2. The Company did not have any inventory during the year.

3. (a) The Company has not granted any loan to any company, firm or other party covered in the register maintained under section 301 of the Companies Act, 1956.

(b) The Company has not taken any loan from any company, firm or other party covered in the register maintained under section 301 of the Companies Act, 1956.

4. 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 for purchase of fixed assets and sale of goods / services. On the basis of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.

5. (a) In our opinion and according to the information and explanation given to us, particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

(b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.



6. The Company has not accepted any deposits from public within the meaning of Section 58 A of the Companies Act, 1956 and the rules framed thereunder.
7. In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with its size and nature of its business.
8. The Company is not required to maintain cost records under section 209 (1) (d) of the Companies Act, 1956.
9. (a) According to the records of the Company, undisputed statutory dues including Income tax, Wealth tax, Custom duty, Cess and other statutory dues have been generally deposited regularly with the appropriate authorities during the year.

(b) According to the information and explanations given to us no undisputed statutory dues payable on account of Income tax, Wealth tax, Custom duty, Cess or any other statutory dues were in arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.
10. The Company did not have any accumulated losses at the end of the financial year under review.
11. According to the information and explanations given to us, the Company did not default in repayment of dues to banks. The Company has not taken any loans from financial institution or issued any debentures.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company does not fall within the category of Chit fund / Nidhi / Mutual Benefit fund / society and hence the related reporting requirements are not applicable.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. In respect of investments made in shares of other companies, proper records have been made of the transaction and the same have been held by the Company in its own name except 600 Equity Shares of Rs. 10/- each of the subsidiary company Intellicom Insurance Advisors Limited held in the names of nominees of the Company .
15. According to the information and explanations given to us, the Company has not given any guarantees against loans taken by others from banks and other financial institutions.
16. According to the information and explanations given to us, the term loans were applied by the Company for the purpose for which the same were obtained.



17. According to the information and explanations given to us and on the basis of an overall examination of the balance sheet of the Company, funds raised on short term basis were not used for long term investments.
18. The Company did not make any preferential allotment of shares to parties covered in the Register maintained under section 301 of the Companies Act, 1956 during the year under review.
19. The Company did not issue any debentures during the year under review.
20. The Company did not raise any money by public issues during the year.
21. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed and reported during the year under review.

PLACE: New Delhi
DATED: 29th May, 2012



FOR S.NAYYAR & COMPANY
CHARTERED ACCOUNTANTS
FRN 002439N

Sanjeev Nayyar

SANJEEV NAYYAR
PROPRIETOR
Membership No. 81124

JINDAL INTELICOM LIMITED

BALANCE SHEET AT AT 31st MARCH, 2012

Particulars	Note No	As at	As at
		31st March, 2012 (₹)	31st March, 2011 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	3	109,100,000	109,100,000
(b) Reserves and surplus	4	122,917,379	127,656,784
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	86,404	404,015
(b) Deferred tax liabilities (Net)	6	14,105,720	13,190,345
(c) Other long term liabilities	7	214,892	342,892
(d) Long term provisions	8	16,444,417	16,941,847
(3) Current Liabilities			
(a) Trade payables	9	18,634,924	29,583,863
(b) Other current liabilities	10	27,308,805	36,369,697
(c) Short-term provisions	11	12,115,511	3,203,771
		320,928,052	336,793,214
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		198,977,048	196,691,356
(ii) Intangible assets		7,413,126	10,588,079
(iii) Capital work-in-progress		-	5,811,937
(b) Non-current investments	13	1,650,000	1,650,000
(c) Long term loans and advances	14	18,215,820	23,360,141
(d) Other non-current assets	15	331,408	418,245
(2) Current assets			
(a) Trade receivables	16	33,641,587	48,739,730
(b) Cash and bank balances	17	34,875,523	21,679,626
(c) Short-term loans and advances	18	23,748,886	26,681,641
(d) Other current assets	19	2,074,654	1,172,459
		320,928,052	336,793,214
Significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S. NAYYAR & COMPANY

Chartered Accountants

FRN 002439N

Sanjeev Nayyar

Proprietor

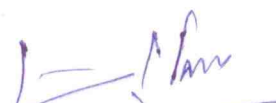
Membership No. 81124

Place : New Delhi

Date : 29th May, 2012



For and on behalf of the Board


Sunil Kumar Jain

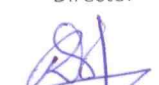
Director


Ratan Kumar Sinha

Director


Sanjiv Garg

Chief Executive Officer


Ritu Sharma

Company Secretary

JINDAL INTELICOM LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2012

Particulars	Note No	Year Ended 31st March, 2012 (₹)	Year Ended 31st March, 2011 (₹)
I. Revenue from operations	20	303,374,033	384,670,837
II. Other income	21	8,002,067	7,965,021
III. Total Revenue (I +II)		<u>311,376,100</u>	<u>392,635,858</u>
IV. Expenses:			
Employee benefit expense	22	217,433,292	246,468,593
Finance costs	23	321,472	256,466
Depreciation and amortization expense	12	16,642,026	16,627,072
Other expenses	24	70,555,483	89,250,794
Total Expenses		<u>304,952,274</u>	<u>352,602,925</u>
V. Profit before tax	(III - IV)	6,423,826	40,032,933
VI. Tax expense:			
(1) Current tax		1,469,028	9,567,971
(2) Deferred tax		915,375	418,527
	(V-VI)	<u>4,039,423</u>	<u>30,046,435</u>
MAT credit entitlement		265,207	8,580,252
VII. Profit(Loss) for the period		<u>4,304,630</u>	<u>38,626,687</u>
VIII. Earning per equity share:			
(1) Basic		0.39	3.54
(2) Diluted		0.39	3.54

Significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S. NAYYAR & COMPANY

Chartered Accountants

FRN 002439N

Sanjeev Nayyar

Proprietor

Membership No. 81124

Place : New Delhi

Date : 29th May, 2012



For and on behalf of the Board


Sunil Kumar Jain
Director


Ratan Kumar Sinha
Director


Sanjiv Garg
Chief Executive Officer


Ritu Sharma
Company Secretary

JINDAL INTELICOM LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

Particulars	For the year ended 31st March, 2012 (₹)	For the year ended 31st March, 2011 (₹)
A. Cash Inflow (Outflow) from the operating activities		
Net Profit before tax and ordinary activity	6,423,826	40,034,101
Adjustment for:		
- Depreciation	16,642,026	16,627,072
- Effect of unrealised foreign exchange fluctuation	(1,716,132)	(847,605)
- Interest income	(622,158)	(1,127,980)
- Interest expenses	223,240	255,298
- Provision no longer required, written back	899,125	(65,093)
- Loss / (Profit) on sale of fixed assets	87,419	298,290
- Miscellaneous balances written off (net)	(151,151)	(73,272)
- Provision for gratuity and leave encashment	3,818,410	7,554,829
- Provision for doubtful debts and advances	1,499,734	7,935,297
- Provision for wealth-tax	31,722	37,280
Operating Profit before working capital changes	27,136,062	70,628,217
Adjustment for:		
- Increase/(Decrease) in other long term liabilities	(128,000)	(518,089)
- Increase/(Decrease) in trade payables	(11,355,800)	(1,450,712)
- Increase/(Decrease) in other current liabilities	(634,944)	646,447
- (Increase)/Decrease long term loans & advances	209,528	(51,872)
- (Increase)/Decrease other non current assets	75,666	337,888
- (Increase)/Decrease in trade receivable	15,726,797	1,118,467
- (Increase)/Decrease short term loans & advances	8,060,616	(4,812,927)
- (Increase)/Decrease in other current assets	(869,109)	(1,045,938)
- (Increase)/Decrease in other bank balances	324,640	9,114,513
- Payment of leave encashment & gratuity	(4,442,577)	(3,518,387)
Cash Generated from operations	34,102,879	70,447,607
- Tax Refund / (Paid)	(2,259,826)	(22,439,752)
Net Cash Inflow (Outflow) from operating activities	31,843,053	48,007,855
B. Cash Inflow (Outflow) from Investment Activities		
- Purchase of fixed assets	(16,063,166)	(50,140,227)
- Sale of fixed assets	1,223,099	1,612,959
- Interest received	600,243	1,074,330
- Investment made	-	(1,500,000)
Net Cash Inflow (Outflow) from Investment Activities	(14,239,824)	(48,952,937)
C. Cash Inflow (Outflow) from Financing Activities		
- Interest paid	(237,059)	(331,427)
- Increase / (Decrease) in long term borrowings	(3,845,632)	(7,090,003)
Net Cash Inflow (Outflow) from Financing Activities	(4,082,691)	(7,421,430)
Net Changes in Cash & Cash Equivalents	13,520,537	(8,366,512)
Opening Balance of Cash & Cash Equivalents	10,794,139	19,160,651
Closing Balance of Cash & Cash Equivalents	24,314,676	10,794,139



JINDAL INTELLICOM LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**

Particulars	As at	As at
	31st March 2012 (₹)	31st March 2011 (₹)
Components of Cash and Cash Equivalents		
Cash in hand	2,965,145	2,439,157
Cheque/drafts in hand	1,727,925	41,071
Balances with scheduled banks in:		
- Cash Credit Accounts	14,048,732	2,759,843
- Current Accounts	5,572,874	5,554,068
	24,314,676	10,794,139

Notes :

1. The figures in brackets represent outflows.
2. The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S. NAYYAR & COMPANY

Chartered Accountants

FRN 002439N


Sanjeev Nayyar

Proprietor

Membership No. 81124

Place : New Delhi

Dated : 29th May, 2012



For and on behalf of the Board


Sunil Kumar Jain

Director


Sanjiv Garg

Chief Executive Officer


Ratan Kumar Sinha

Director


Ritu Sharma

Company Secretary

JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

1. Corporate Information

Jindal Intellicom Limited is a public limited company incorporated in India under the provisions of the Companies Act, 1956. It is subsidiary of Jindal ITF Limited, a company incorporated in India which in turn is a subsidiary of Jindal Saw Limited a company registered in India under Companies Act 1956. Jindal Saw Limited is listed with various stock exchanges including National Stock Exchange and Bombay Stock Exchange.

Jindal Intellicom Limited is engaged in providing services of a Call Center in overseas and domestic market, export of call center services forming major part of its business activities.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (IGAAP). The Company has prepared these financial statements to comply in all material respects with the applicable accounting standards and the provisions of the Companies Act, 1956. Accounting policies have been consistently applied, except where a newly issued Accounting Standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on accrual basis and under the historical cost convention.

2.1 Significant accounting policies

a. Presentation and disclosures of financial statements

During the year ended 31st March, 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosure made in the financial statements.

Previous year figures are given in brackets and have been reclassified in accordance with the requirements applicable in the current year.

b. Use of estimates

The preparation of financial statements requires estimates/assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimate are recognized in the period in which the results are known / materialized.



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

c. Revenue recognition

Revenue is recognized to the extent that it is possible that the economic benefits will flow to the Company and the revenue can be reliably measured. The revenue from sale of services is recognized on monthly basis in case of continuous supply of services and in case of others, on the basis of completion of service.

The Company collects Service-tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

d. Fixed Assets:

a) Valuation of fixed assets:

Fixed assets are stated at cost less accumulated depreciation charged thereon till date. Cost comprises of purchase price and attributable expenses.

b) Expenditure during construction period:

All expenditure of a new project incurred during the construction period, direct or incidental, including interest on borrowings specifically made for the project, are included in capital work-in-progress and the same are capitalized under respective fixed assets on completion of project.

e. Depreciation

Depreciation on fixed assets is provided for on Straight Line Method at the rates and in the manner prescribed in the Schedule XIV of the Companies Act, 1956.

f. Impairment of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g. Investments

Investments being long- term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

h. Foreign Exchange Transactions

- i. Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the date of transaction.
- ii. Monetary items denominated in foreign currency remaining unsettled at the year end are reported using the year end rates. Non-monetary items which are carried



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

- iii. Any income or expense on account of exchange difference between the date of transaction or as reported in previous financial statements, and on settlement during the year or on translation at the year end is recognized in the Statement of Profit and Loss.
- iv. Forward Exchange Contracts not intended for trading or speculation purposes to hedge items recognized on the balance sheet :

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange difference on such contracts are recognized in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

i. Derivatives:

The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts reduces the risk or cost to the Company and the Company does not use this for trading or speculation purposes.

The Company has adopted AS-30, 'Financial Instruments: Recognition and Measurement', to the extent that the adoption did not conflict with the existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements.

Forward contracts are fair valued at each reporting date. The Company records the gain or loss on effective hedges, if any, in the Hedging Reserve Account until the transactions are complete. On completion, the gain or loss is transferred to the Statement of Profit and Loss of that period. To designate a forward contract as an effective hedge, the Management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. In the absence of a designation as effective hedge, a gain or loss is recognized in the Statement of Profit and Loss. Currently hedges undertaken by the Company are all highly effective in nature. The change in fair value that relates to the effective part of the forward contract is recognized directly in Hedging Reserve Account.

j. Lease Accounting

In respect of operating leases, lease rentals are accounted for on accrual basis in accordance with the respective lease agreements.



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

k. Employees' Benefits

i. Short-term:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits which are charged off at the undiscounted amount in the year in which the related service is rendered.

ii. Long-term & post employment:

1. Provident Fund:

Company's contributions payable to the recognized provident fund, which is a defined contribution plan, is recognized as expense in the Statement of Profit and Loss.

2. Gratuity:

The Company's gratuity is a defined benefit plan. The Company's net obligation in respect of the gratuity is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior period; that benefit is discounted to determine its present value and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefits plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognized each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

3. Leave Encashment:

Leave encashment which constitutes other long term employee benefit is provided for based on an actuarial valuation at the balance sheet date carried out by an independent actuary. Actuarial gains and losses are recognized in the Statement of Profit and Loss.



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

I. Taxes on Income

- i. Provision for current tax is made after taking into consideration tax allowances and exemptions admissible under the provisions of the Income Tax Act, 1961.
- ii. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax in the subsequent years and the resultant asset can be measured reliably.
- iii. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

m. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

3. Share Capital

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Authorized		
(i) 12,000,000 (12,000,000) equity shares of ₹ 10/- each	120,000,000	120,000,000
	<u>120,000,000</u>	<u>120,000,000</u>
Issued, Subscribed & Paid-Up		
(i) 10,910,000 (10,910,000) equity shares of ₹ 10/- each fully paid-up	109,100,000	109,100,000
	<u>109,100,000</u>	<u>109,100,000</u>

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

Equity Shares	Nos. as at 31st March, 2012	Nos. as at 31st March, 2011
Shares outstanding as at the beginning of the year	10,910,000	10,910,000
Add: Fresh issue of shares	-	-
Add: Issue of bonus shares	-	-
Shares outstanding as at the end of the year	<u>10,910,000</u>	<u>10,910,000</u>



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Jindal ITF Limited 10,776,770 (10,776,770) equity shares of ₹ 10/- each fully paid-up	107,767,700	107,767,700

Details of shareholders holding more than 5% shares in the Company:

Name of shareholder and no. of shares held	% of holding as at 31st March, 2012	% of holding as at 31st March, 2011
Jindal ITF Limited 10,776,770 (10,776,770) equity shares of ₹ 10/- each fully paid-up	98.79	98.79

4. Reserves & Surplus

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
a) Securities Premium Reserve		
Balance as per last financial statements	4,450,000	4,450,000
Additions during the year	-	-
Deductions/ transfers during the year	-	-
Closing Balance	4,450,000	4,450,000
b) Hedging Reserve		
Additions during the year	(9,044,035)	-
Deductions/ transfers during the year	-	-
Closing balance	(9,044,035)	-
c) Surplus in Profit and Loss Account		
Balance as per last financial statements	123,206,784	84,580,097
Profit/(Loss) after tax transferred from Statement of Profit and Loss	4,304,630	38,626,687
Balance in Profit and Loss Account carried forward	127,511,414	123,206,784
Total (a+b+c)	122,917,379	127,656,784

5. Long-term Borrowings

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Secured Long term borrowings		
Term loans from banks	86,404	223,679
Term loans from others	-	180,336
	86,404	404,015



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

5.1 Term loans from banks include:		
(i) Term Loan from Axis Bank Limited secured by hypothecation of vehicle financed	86,404	223,679
5.2 Terms Loans from others include:		
(i) Term Loan from Kotak Mahindra Prime Limited secured by hypothecation of vehicle financed	-	180,336
5.3 Maturity Profile of Term Loans:		
Term Loans from banks:		
Payable in 1-2 years	86,404	137,275
Payable in 2-3 years	-	86,404
Term Loans from others:		
Payable in 1-2 years	-	180,336

6. Deferred Tax Liability (Net)

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Deferred Tax Liability (Net)	14,105,720	13,190,345
	<u>14,105,720</u>	<u>13,190,345</u>

7. Other Long-term Liabilities

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Security Deposits	214,892	342,892
	<u>214,892</u>	<u>342,892</u>

8. Long-term Provisions

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Provision for employee benefits:		
- Provision for gratuity	8,880,138	9,041,191
- Provision for leave encashment	7,564,279	7,900,656
	<u>16,444,417</u>	<u>16,941,847</u>

9. Trade Payables

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Trade Payables:		
- Due to related parties	9,216,341	13,102,775
- Due to others	9,418,583	16,481,088
	<u>18,634,924</u>	<u>29,583,863</u>



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

10. Other Current Liabilities:

Particulars	As at	As at
	31st March, 2012 (₹)	31st March, 2011 (₹)
a) Current maturities of long term debts	317,611	3,845,632
b) Interest accrued but not due on borrowings	2,972	6,734
c) Interest accrued and due on borrowings	5,862,237	6,643,580
d) Advance from customer	80,000	-
e) Other payables:		
- Statutory dues	2,603,328	1,800,805
- Dues to employees	17,969,009	17,743,771
- Security deposits	203,000	1,246,707
- Creditors for capital assets	270,648	5,082,468
	27,308,805	36,369,697

11. Short-term Provisions

Particulars	As at	As at
	31st March, 2012 (₹)	31st March, 2011 (₹)
a) Provisions for employee benefits:		
- Provision for gratuity	2,055,418	1,996,683
- Provision for leave encashment	984,336	1,169,808
	3,039,754	3,166,491
b) Other provisions:		
- Provision for wealth-tax	31,722	37,280
- Provision for mark to market loss on derivative contracts	9,044,035	-
	9,075,757	37,280
Total (a+b)	12,115,511	3,203,771

12. Fixed Assets

Tangible fixed assets

Assets	Gross Block				Depreciation				Net Block	
	As on	As on	Sale /	As on	Up to	For	Total up to	As on	As on	
	01.04.2011	31.03.2012	Transfer	31.03.2012	1.4.2011	the period	31.03.2012	31.03.2012	31.03.2011	
Lease-hold improvements (Building)	93,974,690	3,457,524	-	97,432,214	8,199,011	1,570,446	-	9,769,457	87,662,757	85,775,679
Machinery & Plant	107,644,297	8,041,706	30,200	115,655,803	32,074,730	5,411,803	5,668	37,480,865	78,174,938	75,569,567
Office Equipment	2,749,109	98,962	-	2,848,071	512,127	141,859	-	653,986	2,194,085	2,236,982
Computers	67,139,363	3,502,572	70,500	70,571,435	51,766,458	4,129,249	29,744	55,865,963	14,705,472	15,372,905
Vehicles	10,264,882	1,392,397	2,369,280	9,287,999	2,657,754	1,242,710	1,188,698	2,711,766	6,576,233	7,607,128
Furniture & Fixtures	14,617,447	541,407	127,241	15,031,613	4,488,352	942,291	62,593	5,368,050	9,663,563	10,129,095
TOTAL	296,389,788	17,034,568	2,597,221	310,827,135	99,698,432	13,438,358	1,286,703	111,850,087	198,977,048	196,691,356
Previous Year	253,524,553	45,796,660	2,931,425	296,389,788	87,941,082	12,777,526	1,020,176	99,698,432	196,691,356	



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

Intangible fixed assets

Assets	Gross Block				Depreciation				Net Block	
	As on 01.04.2011	Additions	Sale / Transfer	As on 31.03.2012	Up to 1.4.2011	For the period	Adjustments	Total up to 31.03.2012	As on 31.03.2012	As on 31.03.2011
	Software	40,590,203	28,715	-	40,618,918	30,002,124	3,203,668	-	33,205,792	7,413,126
Total	40,590,203	28,715	-	40,618,918	30,002,124	3,203,668	-	33,205,792	7,413,126	10,588,079
Previous Year	36,844,390	3,745,813	-	40,590,203	26,152,578	3,849,546	-	30,002,124	10,588,079	

13. Non-Current Investments

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Non-trade investments		
Investments In equity shares (unquoted, at cost):		
- in subsidiary company		
1,50,000 (1,50,000) fully paid-up equity shares of ₹ 10/- each of Intellicom Insurance Advisors Limited (including 600 (600) equity shares of ₹ 10/- each invested through nominees)	1,500,000	1,500,000
- in other company		
500 (500) fully paid-up equity shares of ₹ 100/- each of Jindal System Private Limited	150,000	150,000
	1,650,000	1,650,000
Aggregate amount of unquoted investments	1,650,000	1,650,000

14. Long Term Loans and Advances

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
(Unsecured, considered good)		
a) Security deposits	581,167	732,167
b) Loans and advances to related parties:		
- Advance rent paid to ultimate holding company, Jindal Saw Ltd	1,400,000	1,400,000
c) Other loans and advances:		
- Prepaid expenses	297,214	355,742
- MAT credit entitlement	15,937,439	20,872,232
	18,215,820	23,360,141

15. Other Non-current Assets

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Bank deposits with original maturity of more than twelve months	299,816	375,482
Interest accrued on bank fixed deposits	31,592	42,763
	331,408	418,245



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

16. Trade Receivables

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment:		
Considered good	1,114,884	-
Doubtful	11,080,117	9,983,320
	<u>12,195,001</u>	<u>9,983,320</u>
Less: Provision for bad and doubtful debts	11,080,117	9,983,320
(a)	<u>1,114,884</u>	<u>-</u>
Others:		
Considered good	32,526,703	48,739,730
Doubtful	-	502,755
	<u>32,526,703</u>	<u>49,242,485</u>
Less: Provision for bad and doubtful debts	-	502,755
(b)	<u>33,641,587</u>	<u>48,739,730</u>
Total (a+b)	<u>33,641,587</u>	<u>48,739,730</u>

17. Cash and Bank Balances

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
a) Cash and cash equivalents		
Balances with banks:		
- On current accounts	5,572,874	5,554,068
- On cash credit account	14,048,732	2,759,843
Cheques/drafts in hand	1,727,925	41,071
Cash-in-hand	2,965,145	2,439,157
(a)	<u>24,314,676</u>	<u>10,794,139</u>
b) Other bank balances		
- Deposits with original maturity of more than three months but less than 12 months:		
- Margin deposits	5,432,847	-
- Other deposits	-	10,300,117
- Deposits with original maturity of more than twelve months	5,128,000	585,370
(b)	<u>10,560,847</u>	<u>10,885,487</u>
Total (a+b)	<u>34,875,523</u>	<u>21,679,626</u>



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

18. Short Term Loans and Advances

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
a) Advances recoverable in cash or kind:		
Unsecured considered good	3,670,711	2,209,458
Unsecured considered doubtful	905,692	-
	4,576,403	2,209,458
Less: Provision for doubtful advances	905,692	-
(a)	3,670,711	2,209,458
b) Other loans & advances (unsecured, considered good):		
- MAT credit entitlement	5,200,000	-
- Advance income -tax (Net of provision for taxation)	1,163,463	409,945
- CENVAT credit refundable/adjustable	8,775,244	19,018,722
- CST refundable	1,592,941	1,638,720
- Prepaid expenses	2,770,113	2,242,853
- Loans to employees	576,414	1,061,943
- Balances with statutory/government authorities	-	100,000
(b)	20,078,175	24,472,183
Total (a+b)	23,748,886	26,681,641

19. Other Current Assets

Particulars	As at 31st March, 2012 (₹)	As at 31st March, 2011 (₹)
Due from related party		
- Jindal Water Infrastructure Ltd (Reimbursement of expenses)	71,479	-
Due from others		
- Unbilled revenue	836,706	-
- Interest accrued on fixed deposits	159,021	125,935
- Others	1,007,448	1,046,524
	2,074,654	1,172,459

20. Revenue from Operations

Particulars	2011-12 (₹)	2010-11 (₹)
Sale of services	303,374,033	384,670,837
	303,374,033	384,670,837



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

21. Other Income

Particulars	2011-12 (₹)	2010-11 (₹)
a) Interest Income	645,423	1,133,539
b) Net gain or loss on foreign currency transaction and translation	4,533,003	5,950,560
c) Provision no longer required, written back	899,125	65,093
d) Other non operating income	1,924,516	815,829
	<u>8,002,067</u>	<u>7,965,021</u>

22. Employee Benefit Expense

Particulars	2011-12 (₹)	2010-11 (₹)
a) Salaries and wages	207,060,976	235,380,080
b) Contribution to provident fund and other funds	2,824,457	2,159,446
c) Staff welfare expenses	7,547,859	8,929,067
	<u>217,433,292</u>	<u>246,468,593</u>

23. Finance Costs

Particulars	2011-12 (₹)	2010-11 (₹)
a) Interest expense	223,240	255,298
b) Interest on short payment of advance tax	-	1,168
c) Other borrowing costs	98,232	-
	<u>321,472</u>	<u>256,466</u>

24. Other Expenses

Particulars	2011-12 (₹)	2010-11 (₹)
Power & fuel	10,625,467	11,760,682
Rent	4,232,520	4,119,955
Repairs to buildings	1,502,855	772,672
Repairs to plant & machinery	4,717,365	4,464,730
Security expenses	3,106,361	2,636,383
Insurance	2,209,887	1,632,114
Rates & taxes	43,252	46,780
Telecommunication link expenses	18,475,202	26,135,458
Travelling expenses	3,231,568	4,165,680
Auditors' remuneration	250,710	228,130
Marketing expenses	4,152,151	-
Provision for doubtful debts and advances	1,499,734	7,935,297
Loss on sales of fixed assets (net)	87,419	298,290
Miscellaneous expenses	16,420,992	25,054,623
	<u>70,555,483</u>	<u>89,250,794</u>



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

Auditors' remuneration includes:

- As auditor	140,000	127,000
- For taxation matters	5,000	15,000
- For other services	102,500	82,500
- For reimbursement of expenses	3,210	3,630
	<u>250,710</u>	<u>228,130</u>

25. Contingent Liabilities not provided for:

Claim against the Company not acknowledged as debt – Nil (₹ 6,253,145/-)

26. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances): Nil (₹ 584,581).

27. In the absence of confirmatory letters as to balances from some parties, the figures shown under 'Trade Payables', 'Other Current Liabilities', 'Trade Receivables', 'Other Current Assets' and 'Short-term Loans and Advances' are such as are reflected in the books of the Company.

28. The Company has been sanctioned the following credit limits by IDBI Bank Limited:

- Cash Credit limit	250 Lakhs
- Letter of Credit/Bank Guarantee limit	150 Lakhs
- Treasury limit-LER for forward covers	250 Lakhs

The above limits have been secured by hypothecation of book debts and first charge on the fixed assets including lease-hold rights in office premises. In addition a margin deposit of ₹ 54.33 Lakhs has been given for treasury limit-LER for forward covers.



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

29. Derivatives transactions:

The Company uses foreign exchange contracts to hedge its exposure to movements of foreign exchange rates on highly probable forecast transactions. The information on derivative contracts entered into for hedging purposes outstanding at the year end is as follows:

Particulars	(Amount in ₹)	
	As at 31st March, 2012	As at 31st March, 2011
a) Forward exchange contracts for receivables and highly probable forecasted transactions (all maturing within twelve months)	154,745,161	
b) Amount recognised in Hedging Reserve Account during the year	(9,044,035)	
<i>(As AS-30 has been adopted by the Company for the first time in the current year, there are no corresponding figures for the previous year for items appearing under (a) and (b) above)</i>		
c) Forward exchange currency exposures not covered by derivative instruments:		
- Payables on account of foreign currency expenditure	933,028	1,470,758

30. Trade Payables (due to micro, small and medium scale enterprises):

The Company has so far not received any information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and as such as per information available with the Company:

(i) Amounts due and *outstanding* to parties registered under Micro, Small and Medium Enterprises Development Act, 2006 – Nil (Nil).

(ii) Interest paid / payable in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 – Nil (Nil)

(iii) Interest accrued and unpaid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 – Nil (Nil)



JINDAL INTELLICOM LIMITEDNotes to financial statements for the year ended 31st March, 2012**31. Deferred Tax Assets / Liabilities:***(Amount in ₹)*

S No	Particulars	As at 31st March 2012	As at 31st March 2011
(a)	Deferred tax liabilities on account of:		
	- Depreciation and amortization	24,342,531	23,191,380
	Total (a)	24,342,531	23,191,380
(b)	Deferred tax assets on account of:		
	- Gratuity	3,548,041	3,649,752
	- Leave encashment	2,773,598	2,942,912
	- Provision for doubtful debts	3,594,944	3,402,207
	- Provision for doubtful advances	293,852	-
	- Unpaid bonus	26,376	6,164
	Total (b)	10,236,811	10,001,035
	Deferred tax liabilities (Net) (a) - (b)	14,105,720	13,190,345
(c)	In accordance with 'Accounting Standard 22-Accounting for Taxes on Income', the Company has recognised in its Profit and Loss Account a sum of ₹ 915,375 (₹ 418,527) as net deferred tax liability for the year.		

32. CIF value of imports:*(Amount in ₹)*

Particulars	2011-12	2010-11
Capital goods (including software)	4,029,608	39,969,774

33. Earnings in foreign currency:*(Amount in ₹)*

Particulars	2011-12	2010-11
Income from call center services	261,819,201	375,069,536
Foreign currency exchange gain	4,533,003	5,950,560
Miscellaneous Income (Interest on delayed payment from trade receivable)	347,232	-
	266,699,436	381,020,096

34. Expenditure in foreign currency*(Amount in ₹)*

S No	Particulars	2011-12	2010-11
1	Legal, professional & consultancy expenses	113,173	941,126
2	Interest & finance expenses	1,066	124,900
3	Others	16,341,338	40,887,465
		16,455,578	41,953,492

35. Prior period expenses debited to the Statement of Profit and Loss - Nil (₹ 90,559/-)

JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

36. Leases:

a- Cancellable operating leases:

The Company has taken on lease office premises and vehicles on cancellable operating leases. Lease rentals charged during the year in the Statement of Profit and Loss amounted to ₹ 4,605,320/- (₹ 4,631,320/-)

b- Cancellable operating sub-lease:

The Company has sublet a part of its office premises taken on lease by it. Lease rentals recognized during the year as income in the Statement of Profit and Loss amounted to ₹ 960,000/- (₹ 750,430/-).

37. Segment Reporting : Segment Report for the year ended 31st March, 2012

(1) Primary Segment Disclosure-Geographical Segment (customer-wise)

		(Amount in ₹)			
		Within india	Outside India	Unallocable	Total
(A)	Segment Revenue				
	External	41,554,832 (9,601,301)	261,819,201 (375,069,536)	8,002,067 (7,965,021)	311,376,100 (392,635,858)
(B)	Segment Results				
	Profit/(Loss) before tax	11,846,066 (270,327)	99,973,189 (155,617,681)	(105,395,429) (115,855,075)	6,423,826 (40,032,933)
(C)	Other Information				
	Provision for current taxes				1,469,028 (9,567,971)
	Provision for deferred taxes				915,375 (418,527)
	MAT credit entitlement				265,207 (8,580,252)
	Net Profit after tax				4,304,630 (38,626,687)
	Segment Assets	71,762,991 (70,771,150)	13,199,715 (57,254,930)	235,965,346 (208,729,854)	320,928,052 (336,755,934)
	Segment Liabilities	30,197,104 (13,726,388)	3,674,034 (2,320,649)	55,039,535 (83,952,113)	88,910,673 (99,999,150)



JINDAL INTELLICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

- (2) Secondary Segment- In accordance with 'Accounting Standard 17-Segment Reporting', the Company has only one reportable business segment 'Call Centre Services'.

38. Related Party Disclosure (As defined by the 'Accounting Standard 18 - Related Party Disclosures'):

A- List of Related Parties & Relationship (As identified by the Management):

S No	Particulars	Relationship
	Enterprises / individuals where control exists	
1	Jindal Saw Limited	Ultimate Holding Company
2	Jindal ITF Limited	Holding Company
3	Intellicom Insurance Advisors Ltd.	Subsidiary Company
4	IUP Jindal Metal & Alloys Ltd.	Fellow Subsidiary
5	JITF Water Infrastructure Limited	Fellow Subsidiary
6	JITF Waterways Limited	Fellow Subsidiary
7	JITF Urban Infrastructure Limited	Fellow Subsidiary
8	Jindal Rail Infrastructure Limited	Fellow Subsidiary
9	JITF Shipyards Limited	Fellow Subsidiary
10	JITF Infralogistics Limited	Fellow Subsidiary
11	JITF Urban Infrastructure Services Limited	Fellow Subsidiary
12	S.V. Trading Co. Ltd.	Fellow Subsidiary
13	Jindal Saw Holdings FZE	Fellow Subsidiary
14	JITF Coal Logistics Limited	Fellow Subsidiary
15	Jindal Fittings Limited	Fellow Subsidiary
16	Quality Iron and Steel Limited	Fellow Subsidiary
17	Ralael Holdings Limited	Fellow Subsidiary
18	Green Ray Holdings	Fellow Subsidiary
19	Hexa Securities & Finance Co. Ltd. *	Fellow Subsidiary
20	Jindal Saw Middle East, FZC	Subsidiary of Fellow Subsidiary
21	Jindal Saw Gulf LLC	Subsidiary of Fellow Subsidiary
22	Jindal Saw Italia	Subsidiary of Fellow Subsidiary
23	Jindal Saw USA, LLC	Subsidiary of Fellow Subsidiary
24	Derwant Sand SARL	Subsidiary of Fellow Subsidiary
25	JITF Shipping & Logistics (Singapore) PTE Limited	Subsidiary of Fellow Subsidiary
26	Jindal ESIPL CETP (Sitarganj) Limited	Subsidiary of Fellow Subsidiary
27	Timarpur-Okhla Waste Management Company Pvt. Ltd.	Subsidiary of Fellow Subsidiary
28	Jindal Water Infra (Naya Raipur) Limited	Subsidiary of Fellow Subsidiary
29	Jindal ITF Kobelco Eco Limited	Subsidiary of Fellow Subsidiary
30	Jindal Manila Water Development Co. Ltd	Subsidiary of Fellow Subsidiary
31	JITF Global Water Holding PTE Limited	Subsidiary of Fellow Subsidiary
32	JITF Water Infra (Rajkot) Limited	Subsidiary of Fellow Subsidiary
33	JITF Urban Waste Management (Ferozepur) Limited	Subsidiary of Fellow Subsidiary
34	JITF Urban Waste Management (Jalandhar) Limited	Subsidiary of Fellow Subsidiary
35	JITF Urban Waster Management (Bathinda) Limited	Subsidiary of Fellow Subsidiary

*The company ceased to be fellow subsidiary w.e.f 1st January, 2012.



JINDAL INTELLICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

Key Management Personnel		
1	Ratan Kumar Sinha	Director
2	Sanjiv Garg	Chief Executive Officer (CEO)
Relatives of Key Management Personnel		
1	Leena Garg	Wife of CEO
2	Gayatri Garg	Daughter of CEO

B- Statement of related party transactions:

Parties where control exists	2011-12	2010-11
a) Transactions during the period		
Rent	4,292,520	4,309,617
Power	11,125,867	12,142,786
Sale of services	9,600,000	7,200,000
Reimbursement received	2,085,198	1,279,062
Reimbursement paid	291,746	1,596,473
Investment during the year	-	1,500,000
b) Outstanding Balances as at close of the period		
Trade payables	9,216,341	13,102,775
Investment	1,500,000	1,500,000
Interest accrued & due on borrowings	-	6,633,523
Other current assets (reimbursement of expenses)	71,479	-

Key Management Personnel	2011-12	2010-11
a) Transactions during the period		
Salaries	7,403,850	5,285,660
b) Outstanding Balances as at close of the period		
Dues to employees	836,034	491,877

Relative of Key Management Personnel	2011-12	2010-11
a) Transactions during the period		
Salaries	1,556,195	1,194,805
b) Outstanding Balances as at close of the period		
Dues to employees	103,152	85,052



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2012

39. Earnings per share (EPS) computed in accordance with Accounting Standard 20 (Earning per share):

Particulars	(Amount in ₹)	
	2011-12	2010-11
Net Profit after tax (<i>numerator for Basic EPS</i>)	4,304,630	38,626,687
Weighted average number of equity shares (<i>denominator for Basic / Diluted EPS</i>)	10,910,000	10,910,000
Earning per share - Basic / Diluted	0.39	3.54
Nominal value per share	10.00	10.00

40. Directors Remuneration:

Particulars	(Amount in ₹)	
	2011-12	2010-11
Salary	2,485,251	3,951,664
Bonus	294,584	174,996
Performance Incentive	-	1,159,000
	2,779,835	5,285,660

41. Disclosure pursuant to Accounting Standard 15 (revised 2005) on "Employee Benefits":

Defined contribution plans

The Company's contribution to Employee Provident Fund Scheme and Employee State Insurance Scheme are defined contribution plans. A sum of ₹ 2,821,010 (₹ 2,155,714) has been recognized as an expense in relation to these schemes and shown under Personnel Expenses in the Statement of Profit and Loss.

Defined benefit plans

Gratuity	(Amount in ₹)	
	2011-12	2010-11
a. Changes in Defined Benefit Obligation		
Liability at the beginning of the year	11,249,044	8,974,729
Current service cost	2,051,146	1,884,266
Interest cost	889,167	675,918
Benefits paid	(1,963,091)	(985,687)
Actuarial losses/(gains)	(1,290,710)	699,818
Liability at the end of the year	10,935,556	11,249,044



JINDAL INTELICOM LIMITED


Notes to financial statements for the year ended 31st March, 2012

b. Changes in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gains/(losses)	-	-
Fair value of plan assets at the end of the year	-	-

d. Expenses recognised in the Profit & Loss Account		
Current service cost	2,051,146	1,884,266
Interest cost on benefit obligation	889,167	675,918
Expected return on plan assets	-	-
Net actuarial losses/(gains) recognised in the year	(1,290,710)	699,818
Expenses recognized in Profit & Loss Account	1,649,603	3,260,002

e. Actuarial Assumptions:		
Mortality Table	LIC 1994-1996 Ultimate	LIC 1994-1996 Ultimate
Imputed rate of interest (per annum)	8.75%	8.50%
Rate of escalation in salary (per annum)	6% to 10%	6% to 10%
Average working life	31.09 Years	31.74 Years
Retirement age	58 Years	58 Years

As per our report of even date
For S. NAYYAR & COMPANY
Chartered Accountants
 FRN 002439N


Sanjeev Nayyar
 Proprietor
 Membership No. 81124

Place : New Delhi
 Dated : 29th May, 2012

For and on behalf of the Board

 Sunil Kumar Jain Director	 Ratan Kumar Sinha Director
 Sanjiv Garg Chief Executive Officer	 Ritu Sharma Company Secretary