

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Jindal Intellicom Limited**

**Report on the Standalone Financial Statements**

### **Opinion**

We have audited the accompanying standalone financial statements of Jindal Intellicom Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statement including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019, and its profit/loss, changes in equity and its cash flows for the year ended on that date.

### **Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### **Management's Responsibility for the Standalone Financial Statements**

The Board of Directors of the Company is responsible for matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies;



making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-'A' statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (a) In our opinion, proper books of account as required by law have been kept by the Company so far



as it appears from our examination of those books;

- (b) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- (c) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (d) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (e) With respect to adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

For **R. Nayyar & Associates**

Chartered Accountants

FRN : 029003N



**Ritika Nayyar**

Proprietor

Membership Number: 507336



Place: New Delhi

Date: 17<sup>th</sup> April, 2019

## ANNEXURE - A

(Referred to in paragraph 1 of our report of even date)

**RE: JINDAL INTELICOM LIMITED**

**Comments on matters specified in paragraph 3 and 4 of the Companies (Auditors' Report) Order, 2016.**

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1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of the fixed assets.  
  
(b) According to the information given to us, the fixed assets have been physically verified by the management at reasonable intervals and no discrepancy was found on such verification.  
  
(c) The company does not have any immovable property.
2. The Company did not have any inventory during the year.
3. According to the information given to us, the Company has granted unsecured loans to a company covered in the register maintained u/s 189 of the Companies Act, 2013,
  - (a) In our opinion, the rate of interest and other terms and conditions on which the said loan has been granted were not, prima facie, prejudicial to the interest of the Company.
  - (b) The said loan is payable on demand, which was not made during the year. The interest due on said loan was paid as stipulated.
  - (c) There are no overdue amounts in respect of the said loan.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, with respect to the loans and investments made.
5. The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules framed thereunder.
6. The Company is not required to maintain cost records under section 148 of the Companies Act, 2013.

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7. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service-tax, Goods and Services tax, Custom duty, Excise Duty, Value Added Tax, Cess and other statutory dues, as applicable, have been generally deposited regularly with the appropriate authorities during the year under review though there was a slight delay in few cases. There were no arrears of any dues which are outstanding for a period of more than six months from the date they became payable.
- (b) According to the records of the Company and information and explanation given to us, there were no dues of Income Tax/ Sales Tax/ Wealth Tax / Service Tax / Goods and Services tax / Customs Duty/ Excise Duty/ Value Added Tax / Cess which have not been deposited on account of any dispute.
8. 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 any financial institution or issued any debentures.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and terms loans during the year. Accordingly paragraph 3(ix) of the said Order is not applicable.
10. 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 by the Company or on the Company by its officers or its employees which was noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V of the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the said order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.

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14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or with persons connected with them. Accordingly, paragraph 3(xv) of the said Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For R. Nayyar & Associates**  
**Chartered Accountants**  
FRN 029003N



**Ritika Nayyar**  
Proprietor  
Membership No. 507336



Place: New Delhi  
Dated: 17<sup>th</sup> April, 2019

## **ANNEXURE - B**

(Referred to in paragraph 2(f) of our report of even date)

### **RE: JINDAL INTELICOM LIMITED**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

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We have audited the internal financial controls over financial reporting of Jindal Intellicom Limited ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of the internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For R. Nayyar & Associates**  
**Chartered Accountants**  
FRN 029003N



**Ritika Nayyar**  
Proprietor  
Membership No. 507336



Place: New Delhi  
Dated: 17<sup>th</sup> April, 2019

# Jindal Intellicom Limited

## Balance Sheet as at 31<sup>st</sup> March, 2019

	Particulars	Note No	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, plant and equipment	5.0	2,31,183.73	1,66,325.89
	(b) Capital work-in-progress		2,490.74	361.85
	(c) Intangible assets	6.0	6,254.14	3,777.35
	(d) Financial assets			
	(i) Investments	7.0	86,077.45	1,72,221.45
	(ii) Loans	8.0	-	17.11
	(iii) Other financial assets	9.0	580.81	16,117.95
	(e) Deferred tax assets (Net)	10.0	3,515.64	-
	(f) Other non-current assets	11.0	3,218.74	1,503.17
(2)	<b>Current assets</b>			
	(a) Inventory	12.0	5,137.11	-
	(b) Financial assets			
	(i) Investments	13.0	-	5,004.78
	(ii) Trade receivables	14.0	1,60,495.89	41,336.87
	(iii) Cash and cash equivalents	15.0	2,583.56	18,002.46
	(iv) Bank balances other than (iii) above	16.0	1,297.73	-
	(v) Loans	17.0	21,465.88	5,073.96
	(vi) Other financial assets	18.0	76,760.10	10,593.72
	(c) Current tax assets (Net)	19.0	1,090.99	4,396.08
	(d) Other current assets	20.0	8,666.38	7,102.66
	<b>Total Assets</b>		<b>6,10,818.89</b>	<b>4,51,835.30</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Share capital	21.0	1,09,100.00	1,09,100.00
	(b) Other equity	22.0	3,03,204.52	2,59,183.39
	<b>Liabilities</b>			
(1)	<b>Non-current liabilities</b>			
	(a) Provisions	23.0	14,279.54	12,540.08
	(b) Deferred tax liabilities (Net)	10.0	-	4,270.67
(2)	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	24.0	8,488.59	-
	(ii) Trade payables	25.0	41,541.21	8,856.61
	(iii) Other financial liabilities	26.0	99,276.79	30,065.95
	(b) Other current liabilities	27.0	10,306.72	9,197.17
	(c) Provisions	28.0	24,621.52	18,621.43
	<b>Total Equity and Liabilities</b>		<b>6,10,818.89</b>	<b>4,51,835.30</b>

The accompanying notes form an integral part of these financial statements.



# Jindal Intellicom Limited

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As per our report of even date attached

For and on behalf of the Board of Directors

For **R. Nayyar & Associates**

Chartered Accountants

FRN 029003N



**Ritika Nayyar**

Proprietor

M. No. 507336



Place: New Delhi

Dated: 17<sup>th</sup> April, 2019



**Sanjiv Garg**

Whole-time Director  
& CEO

DIN : 00428757



**Sunil Kumar Jain**

Director

DIN : 01308863



**Ritu Sharma**

Company Secretary

M. No: A27654



**Ajay Bhatia**

CFO

# Jindal Intellicom Limited

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019

	Particulars	Note No	Year Ended 31ST MARCH, 2019	Year Ended 31ST MARCH, 2018
I	<b>INCOME</b>			
	Revenue from operations	29.0	852,962,289	314,220,855
	Other income	30.0	27,875,022	31,306,511
	<b>Total Income</b>		<b>880,837,311</b>	<b>345,527,366</b>
II	<b>EXPENSES</b>			
	Purchases of stock-in-trade		5,137,110	-
	Changes in inventories of stock-in- trade		(5,137,110)	-
	Employee benefit expense	31.0	621,580,570	243,543,174
	Finance costs	32.0	354,568	137,979
	Depreciation and amortization expense	33.0	25,803,757	17,908,416
	Other expenses	34.0	159,539,583	80,079,497
	<b>Total Expenses</b>		<b>807,278,478</b>	<b>341,669,066</b>
III	<b>Profit/(loss) before exceptional items and tax (I - II)</b>		<b>73,558,832</b>	<b>3,858,300</b>
IV	Exceptional items		-	-
V	<b>Profit/(loss) before tax (III - IV)</b>		<b>73,558,832</b>	<b>3,858,299.81</b>
VI	<b>Tax expense:</b>		<b>8.62%</b>	<b>1.23%</b>
	Current tax		19,220,998	3,370,212
	Deferred tax		(3,944,437)	(3,209,760)
	Tax in relation to earlier years		834,427	28,518
	<b>Total Tax Expense</b>		<b>16,110,988</b>	<b>188,970</b>
VII	<b>Profit/(Loss) for the year (V - VI)</b>		<b>57,447,844</b>	<b>3,669,330</b>
VIII	<b>OTHER COMPREHENSIVE INCOME</b>			
	A. Items that will not be reclassified to profit or loss:			
	(i) Re-measurement gains (losses) on defined benefit plans		25,641	1,604,914
	Income tax effect on above		(7,134)	(441,596)
	(ii) Equity instruments through Other Comprehensive Income		9,155	11,095
	Income tax effect on above		(2,037)	(9,568)
	B. Items that will be reclassified to profit or loss:			
	(i) Mutual fund investments through Other Comprehensive Income		(17,303,373)	7,283,686
	Income tax effect on above		3,851,039	(1,670,190)
	<b>Other Comprehensive Income</b>		<b>(13,426,709)</b>	<b>6,778,341</b>
IX	<b>Total Comprehensive Income for the year (VII + VIII) (Comprising Profit (Loss) and Other Comprehensive Income for the year)</b>		<b>44,021,135</b>	<b>10,447,671</b>
X	<b>Earnings per equity share</b>			
	Basic		5.27	0.34
	Diluted		5.27	0.34

The accompanying notes form an integral part of these financial statements.



# Jindal Intellicom Limited

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As per our report of even date attached

For and on behalf of the Board of Directors

For **R. Nayyar & Associates**

Chartered Accountants

FRN 029003N



**Ritika Nayyar**

Proprietor

M. No. 507336



Place: New Delhi

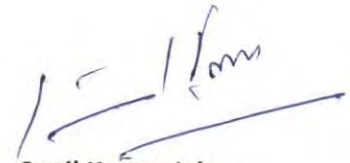
Dated: 17<sup>th</sup> April, 2019



**Sanjiv Garg**

Whole-time Director  
& CEO

DIN : 00428757



**Sunil Kumar Jain**

Director

DIN : 01308863



**Ritu Sharma**

Company Secretary

M. No: A27654



**Ajay Bhatia**

CFO

# Jindal Intellicom Limited

## Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2019

### A – Equity Share Capital

Balance as at 1st April 2017 (Rs. in '000)	Changes in equity share capital during the year ended 31st March, 2018 (Rs. in '000)	Balance as at 31st March, 2018 (Rs. in '000)	Changes in equity share capital during the year ended 31st March, 2019 (Rs. in '000)	Balance as at 31st March, 2019 (Rs. in '000)
1,09,100.00	-	1,09,100.00	-	1,09,100.00

### B – Other Equity

	Reserves and Surplus		Items of Other Comprehensive Income			Total (Rs. in '000)
	Securities Premium Reserve (Rs. in '000)	Retained Earnings (Rs. in '000)	Debt instruments through Other Comprehensive Income (Rs. in '000)	Equity Instruments through Other Comprehensive Income (Rs. in '000)	Re-measurements of the Net Defined Benefit Plans (Rs. in '000)	
Balance as at 1st April, 2017	4,450.00	2,27,500.30	17,898.87	211.10	(1,324.55)	2,48,735.72
Total Comprehensive Income for the year ended 31st March, 2018	-	3,669.33	5,613.50	1.53	1,163.31	10,447.67
<b>Balance as at 31st March, 2018</b>	<b>4,450.00</b>	<b>2,31,169.63</b>	<b>23,512.37</b>	<b>212.63</b>	<b>(161.24)</b>	<b>2,59,183.39</b>
Total Comprehensive Income for the year ended 31st March, 2019	-	57,447.84	(13,452.33)	7.11	18.51	44,021.13
<b>Balance as at 31st March, 2019</b>	<b>4,450.00</b>	<b>2,88,617.47</b>	<b>10,060.04</b>	<b>219.74</b>	<b>(142.73)</b>	<b>3,03,204.52</b>

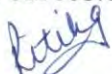
The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For **R. Nayyar & Associates**

Chartered Accountants

FRN 029003N



**Ritika Nayyar**

Proprietor

M. No. 507336



Place: New Delhi

Dated: 17<sup>th</sup> April, 2019

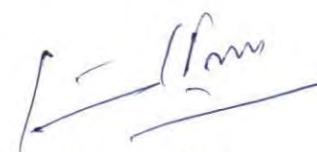
For and on behalf of the Board of Directors



**Sanjiv Garg**

Whole-time Director  
& CEO

DIN : 00428757



**Sunil Kumar Jain**

Director

DIN : 01308863



**Ritu Sharma**

Company Secretary

M. No: A27654



**Ajay Bhatia**

CFO

# Jindal Intellicom Limited

## Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2019

Particulars	For the year ended 31st March, 2019 (Rs. in '000)	For the year ended 31st March, 2018 (Rs. in '000)
<b>A. CASH INFLOW / (OUTFLOW) FROM THE OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>	<b>73,558.83</b>	<b>3,858.30</b>
Add/(Less):		
Adjustments for:		
Depreciation and amortization expense	25,803.76	17,908.42
Interest expense	256.16	33.27
Loss/(profit) on sale of property, plant and equipment	(726.13)	1,765.25
Provision for impairment of trade receivables	7,043.22	-
Provision for employee benefits	7,765.19	6,846.05
Loss/(gain) on fair valuation of current investments	4.78	(4.78)
Miscellaneous balances written off	395.18	996.11
Miscellaneous balances written back	(70.89)	-
Loss/(gain) on sale of investments	(25,084.13)	(5,136.99)
Effect of unrealised foreign exchange loss/(gain)	773.76	6,321.54
Effect of unrealised loss/(gain) on derivative contracts	(95.65)	-
Interest income	(668.51)	(2,232.77)
	<b>15,396.74</b>	<b>26,496.10</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>88,955.57</b>	<b>30,354.40</b>
Adjustments for:		
(Increase)/decrease in trade receivables	(1,26,221.26)	9,321.06
(Increase)/decrease in loans and advances and other assets	(73,107.35)	(7,907.04)
Increase/(decrease) in payables and provisions	84,036.45	6,841.34
	<b>(1,15,292.16)</b>	<b>8,255.36</b>
	<b>(26,336.59)</b>	<b>38,609.79</b>
Income tax paid	<b>(16,724.33)</b>	<b>(6,803.51)</b>
<b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES (A)</b>	<b>(43,060.92)</b>	<b>31,806.28</b>
<b>B. CASH INFLOW/(OUTFLOW)FROM INVESTMENT ACTIVITIES</b>		
Payment to acquire financial assets:		
Purchase of debt mutual fund and fixed maturity plan securities	(18,533.55)	(10,000.00)
Purchase of liquid mutual fund units	(3,31,000.00)	(1,88,987.50)
Proceeds from redemption of financial assets:		
Redemption of debt mutual fund units	1,09,729.61	16,487.50
Redemption of liquid mutual fund units	3,38,738.87	2,03,260.16
Expenditure on property, plant and equipment, intangible assets and capital work-in-progress (net of sales proceeds)	(77,695.54)	(41,132.91)
Loan to subsidiary (net of repayments)	(17,179.10)	(1,300.00)
Loans to employees (net of repayments)	61.69	(70.07)
Interest received	2,743.65	987.22
(Increase)/decrease in bank fixed deposits	12,543.96	392.93
<b>NET CASH INFLOW/(OUTFLOW)FROM INVESTING ACTIVITIES (B)</b>	<b>19,409.59</b>	<b>(20,362.67)</b>
<b>C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		
Short-term borrowings (net)	8,488.59	-
Interest paid	(256.16)	(31.62)
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES (C)</b>	<b>8,232.43</b>	<b>(31.62)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS [A + B + C]</b>	<b>(15,418.90)</b>	<b>11,411.99</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>18,002.46</b>	<b>6,590.47</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>2,583.56</b>	<b>18,002.46</b>



# Jindal Intellicom Limited

NOTES:

1. Figures in brackets indicate cash out flows.
2. The above Cash Flow Statement has been prepared under the indirect method set out in Ind AS-7 'Cash Flow Statements'.
3. Purchase of property, plant and equipment includes movements of capital work-in-progress between the beginning and end of the Year.
4. Advances given to subsidiary company have been reported on net basis.

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached

For **R. Nayyar & Associates**

Chartered Accountants

FRN 029003N



**Ritika Nayyar**

Proprietor

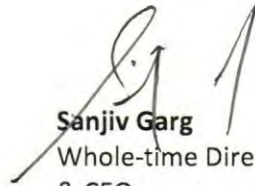
M. No. 507336



Place: New Delhi

Dated: 17<sup>th</sup> April, 2019

For and on behalf of the Board of Directors



**Sanjiv Garg**

Whole-time Director  
& CEO

DIN : 00428757



**Ritu Sharma**

Company Secretary

M. No: A27654



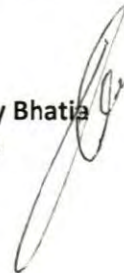
**Sunil Kumar Jain**

Director

DIN : 01308863

**Ajay Bhatia**

CFO



# Jindal Intellicom Limited

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## Notes to the financial statements

### 1- Corporate and general information

Jindal Intellicom Limited ("the Company") is a public limited company domiciled and incorporated in India under the provisions of the Companies Act, 1956, having its registered office at 28, Shivaji Marg, New Delhi – 110 015 (India). The parent of the Company is JITF Shipyards Limited and ultimate parent is Jindal Saw Limited.

The Company is engaged mainly in providing 'Business Process Outsourcing Services' and 'Information Technology Services' in overseas and domestic market. Export of Business Process Outsourcing Services form major part of its business activities. The Company has also ventured into the business of providing equipment for fuel saving in industrial plants by using innovative technologies.

### 2- Basis of preparation

The standalone financial statements comply in all material aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 ( the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented. The financial statement has been prepared considering all IND AS as notified by MCA till reporting date i.e. March 31, 2019

The standalone financial statements provide comparative information in respect to the previous year.

The significant accounting policies used in preparing the financial statements are set out in Note 3.0 of the notes to the financial statements.

### 3.0- Significant Accounting Policies

#### 3.1- Basis of measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- financial assets and liabilities except certain investments and borrowings carried at amortised cost,
- defined benefit plans – plan assets, if any, measured at fair value,
- derivative financial instruments,

The financial statements are presented in Indian Rupees ('INR' or 'Rupees' or 'Rs. '), which is the Company's functional and presentation currency and all amounts are rounded to the nearest thousands (Rs. '000) and two decimals thereof, except as stated otherwise.



# Jindal Intellicom Limited

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## 3.2- Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note 4.0 on significant accounting estimates, assumptions and judgements).

## 3.3- Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has appointed the CEO which assesses the financial performance and position of the Company, and make strategic decisions. The CEO has been identified as being the chief decision maker. Refer Note 36 for segment information provided.

## 3.4- Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Assets are depreciated to the residual values on a straight line basis over the estimated useful lives based on technical estimates. The residual values and useful lives of the assets are reviewed at each financial year end considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residual value and useful life. Estimated useful lives of the assets are as follows:

Category of Assets	Years
- Buildings	15 - 60
- Furniture and fixtures	5 - 20
- Vehicles	10
- Office equipment	3 - 15
- Computer and other equipment	3 - 25

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

## 3.5- Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives, generally not exceeding six (6) years on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible assets is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance



expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expenses as incurred. Software product development costs are expenses as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable of preparing the asset for its intended use.

### **3.6- Impairment of Non-current Assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### **3.7- Cash and cash equivalents**

Cash and cash equivalents include cash in hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of bank overdrafts which are considered an integral part of the cash management of the Company. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### **3.8- Inventories**

Inventories are valued at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase and other costs incurred in bringing the inventories to their respective present location and condition. As stock-in-trade comprises of high technology machinery of different specifications, cost is computed on specific cost basis.

### **3.9- Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.



A lease is classified at the inception date as a finance lease or an operating lease.

## a) Finance lease

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

As a lessor - Assets given by lessor under finance lease are recorded as receivable at the lower of the fair value of the leased property and the present value of the minimum lease payments. Lease receipts are apportioned between the reduction of lease receivable and finance income so as to achieve a constant rate of interest on the remaining balance of the receivable for each period. The corresponding rent receivables, net of finance charges, are included in current and non-current other financial asset. The interest element of lease is accounted in the Statement of Profit and Loss over the lease period.

As a lessee - Assets taken on leases are capitalised at the commencement of the lease at the inception date at lower of fair value of the leased property or present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit or Loss. A leased asset is depreciated over the useful life of the asset.

## b) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Initial direct costs incurred by the lessor in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Payments/receipts (excluding costs for services such as insurance and maintenance) under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. .

### 3.10- Employee Benefits

- a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered. The liabilities are presented as current employee benefit obligations in the Balance Sheet.
- b) Leave encashment being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the period in which they arise.
- c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.



- d) Company's contributions payable to the National Pension Scheme, which is a defined contribution plan, is recognized as expense in the Statement of Profit and Loss.
- e) The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### 3.11- Foreign currency reinstatement and translation

#### (a) Functional and presentation currency

Financial statements have been presented in Indian Rupees ('Rupees' or 'Rs.'), which is the functional and presentation currency of the Company.

#### (b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are recognised in profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. Exchange gain and loss on debtors, creditors and other than financing and investing activities on a net basis are presented in the Statement of Profit and Loss, as other expenses / other income. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/ (losses).

Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity



instruments held at fair value through profit and loss are recognised in profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in Other Comprehensive Income.

### 3.12- Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### a) Financial Assets

Financial Assets are classified at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

The company reclassifies debt investments when and only when its business model for managing these assets changes.

For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

#### Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Investment in Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in finance income using the effective interest rate method.



- Fair value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss (FVPL): Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through Other Comprehensive Income, is classified as at financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are at each reporting date fair valued with all the changes recognized in the Statement of Profit and Loss.

## **Trade receivables**

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income



## **Investment in equity instruments**

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in equity securities are held for trading purposes. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive Income. Where the Company's management has elected to present fair value gains and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to profit and loss. Dividends from such investments are recognised in profit and loss as other income when the company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

## **De-recognition of financial asset**

A financial asset is derecognized only when

- the Company has transferred the rights to receive cash flows from the financial asset, or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## **b) Financial liabilities**

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

### **i) Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.



## ii) Financial liabilities measured at amortised cost

### **Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, if any, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

The fair value of the liability portion of an optionally convertible bonds, if any, is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### **Trade and other payables**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.



## **De-recognition of financial liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

## **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## **3.13- Derivative financial instruments and hedging activities**

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

## **3.14- Investment in subsidiary**

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investment in subsidiary is carried at cost. The cost comprises price paid to acquire investment and directly attributable costs.

## **3.15- Equity share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new equity shares are shown in equity as a deduction, net of tax, from the proceeds.

## **3.16- Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.



Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

### 3.17- Taxation

The Income tax expenses or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate, the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, minimum alternative tax (MAT) and previous year tax adjustments.

Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or Other Comprehensive Income, in such cases the tax is also recognised directly in equity or in Other Comprehensive Income. Any subsequent change in direct tax on items initially recognised in equity or Other Comprehensive Income is also recognised in equity or Other Comprehensive Income, such change could be for change in tax rate.

The current Income tax charge or credit is calculated on the basis of the tax law enacted after considering allowances, exemptions and unused tax losses under the provisions of the applicable Income Tax Laws. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred Income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred Income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related Deferred Income Tax asset is realised or the Deferred Income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period. MAT credit is adjusted against the current tax liability on utilisation of MAT credit.



## 3.18- Revenue recognition and other income

The Group has adopted the new standard Ind AS 115, "Revenue from contracts with customers", using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of April 1, 2018 and that comparatives will not be restated.

The Group recognises revenue as per the required five step process for revenue recognition which depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Five step process

1. Identify contracts with customers
2. Identify the separate performance obligation
3. Determine the transaction price of the contract
4. Allocate the transaction price to each of the separate performance obligations, and
5. Recognise the revenue as each performance obligation is satisfied.

### Sale of goods

Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts/rebates/taxes, as applicable and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods.

### Sale of services

The Company has following streams of revenue:

- a) Business Process Outsourcing Services which comprise of call center, back office and other support services. The revenue from these sale of services which are continuous in nature is recognized on periodic basis.
- b) Information Technology Services which comprise of software development and support services, IT maintenance and other development services. The revenue from sale of these services is recognized on periodic basis in case of continuous supply of services and in case of others, on the basis of completion of services.

### Other Income

- a) Interest  
Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- b) Lease rentals  
Lease rentals on sub-letting are accounted for on accrual basis in accordance with the respective lease agreements.



## 3.19- Government Grant/Assistance

Government grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset.

## 3.20- Dividend distribution

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

## 3.21- Earnings per share

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument (if issued), from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholders and weighted average number of equity and potential equity shares (if any) outstanding during the year including share options, optionally convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

## 3.22- Provisions and contingencies

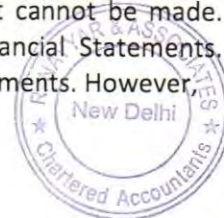
### a) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### b) Contingencies:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are neither recognised nor disclosed in the financial statements. However,



when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### 3.23- Investment in associates/joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investment in associates and joint ventures are accounted at cost.

### 3.24- Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realised within twelve months after the reporting period, or
- d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.



## 3.25- Recent accounting pronouncements

### Standards issued but not yet effective

The new Standards, amendments to Standards that are issued but not yet effective until the date of authorisation for issuance of the said financial statements are discussed below. The Company has not early adopted these amendments and intends to adopt when they become effective

### Ind AS 116 Leases

#### Nature of Change

Ind AS 116 was notified by Ministry of Corporate Affairs on March 30, 2019 and it is applicable for annual reporting periods beginning on or after April 1, 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased term) and a financial liability to pay rentals for virtually all leases contracts. An optional exemption exists for short-term and low-value assets.

The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.

Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities.

The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under Ind AS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Impact

The Company is in the process of assessing the detailed potential impact of Ind AS 116, Leases on its financial statements and related disclosures. The Company has lease arrangements presently classified under operating and finance leases. Operating leases are for hiring of equipment's, Vehicles and properties.

The Company will be able to reasonably estimate the impact of Ind AS 116 on the financial statement after completion of above stated assessment.

#### Date of adoption

The Company intends to adopt the standard using the modified retrospective transition approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of April 1, 2019 and that comparatives will not be restated.



## 4.0- Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statements:

### (a) Property, plant and equipment

External adviser or internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable, the estimates and assumptions made to determine depreciation are critical to the Company's financial position and performance.

### (b) Intangible assets

Internal technical or user team assess the remaining useful lives of intangible assets. Management believes that assigned useful lives are reasonable.

### (c) Income tax

Management judgment is required for the calculation of provision for Income tax and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

### (d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

### (e) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

### (f) Insurance claims

Insurance claims are recognised when the Company have reasonable certainty of recovery. Subsequently any change in recoverability is provided for.



## 5.0- Property, plant and equipment

Gross Block							(Rs. In '000)
Particulars	Building	Furniture and Fixtures	Vehicles	Office Equipments	Computer	Capital Work in Progress	Total
As at 1st April, 2017	1,17,750.01	8,191.25	12,109.16	22,602.61	24,685.43	347.48	1,85,685.94
Additions	-	1,777.41	6,269.76	743.64	11,833.43	22,832.34	43,456.58
Disposal/adjustment	2,565.89	802.33	2,216.80	495.12	-	-	6,080.14
Transfer	11,797.24	3,493.94	-	6,289.63	1,319.92	(22,900.73)	-
<b>As at 31st March, 2018</b>	<b>1,26,981.36</b>	<b>12,660.27</b>	<b>16,162.12</b>	<b>29,140.76</b>	<b>37,838.78</b>	<b>279.09</b>	<b>2,23,062.38</b>
Additions	-	16,531.22	-	12,208.28	40,573.68	22,339.56	91,652.74
Disposal/adjustment	-	33.85	386.24	265.50	1,040.75	-	1,726.34
Transfer	1,339.59	6,658.30	-	7,142.24	4,987.78	(20,127.91)	-
<b>As at 31st March, 2019</b>	<b>1,28,320.95</b>	<b>35,815.94</b>	<b>15,775.88</b>	<b>48,225.78</b>	<b>82,359.49</b>	<b>2,490.74</b>	<b>3,12,988.78</b>

Accumulated Depreciation							(Rs. In '000)
Particulars	Building	Furniture and Fixtures	Vehicles	Office Equipments	Computer	Capital Work in Progress	Total
As at 1st April, 2017	20,056.06	1,496.69	3,693.13	6,693.87	11,254.63	-	43,194.38
Charge for the period	7,180.39	1,104.77	1,477.55	2,675.43	4,344.25	-	16,782.39
Disposal/adjustment	1,157.10	643.26	1,360.90	358.11	-	-	3,519.37
Transfer	-	-	-	-	-	-	-
<b>As at 31st March, 2018</b>	<b>26,079.35</b>	<b>1,958.20</b>	<b>3,809.78</b>	<b>9,011.19</b>	<b>15,598.88</b>	<b>-</b>	<b>56,457.40</b>
Charge for the period	7,424.65	3,265.68	1,617.87	4,813.76	7,234.91	-	24,356.87
Disposal/adjustment	-	32.13	366.93	251.28	849.62	-	1,499.96
Transfer	-	-	-	-	-	-	-
<b>As at 31st March, 2019</b>	<b>33,504.00</b>	<b>5,191.75</b>	<b>5,060.72</b>	<b>13,573.67</b>	<b>21,984.17</b>	<b>-</b>	<b>79,314.31</b>

Net carrying amount							(Rs. In '000)
Particulars	Building	Furniture and Fixtures	Vehicles	Office Equipments	Computer	Capital Work in Progress	Total
As at 31st March, 2018	1,00,902.01	10,702.07	12,352.34	20,129.57	22,239.90	279.09	1,66,604.98
As at 31st March, 2019	94,816.95	30,624.19	10,715.16	34,652.11	60,375.32	2,490.74	2,33,674.47

The Company has taken borrowing limits from bank which carry charge over the above assets (refer Note 24.0 for details towards security).

## 6.0- Intangible Assets

Cost			(Rs. In '000)
Particulars	Computer Software	Capital Work in Progress	Total
As at 1st April, 2017	8,371.63	-	8,371.63
Additions	656.69	251.51	908.20
Disposal/adjustment	-	-	-
Transfer	168.74	(168.74)	-
<b>As at 31st March, 2018</b>	<b>9,197.06</b>	<b>82.77</b>	<b>9,279.83</b>
Additions	3,773.42	67.50	3,840.92
Disposal	-	-	-
Transfer	150.27	(150.27)	-
<b>As at 31st March, 2019</b>	<b>13,120.75</b>	<b>-</b>	<b>13,120.75</b>



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Accumulated amortization		(Rs. In '000)	
Particulars	Computer Software	Capital Work in Progress	Computer Software
As at 1st April, 2017	4,293.69	-	4,293.69
Charge for the period	1,126.03	-	1,126.03
Disposal	-	-	-
Transfer	-	-	-
<b>As at 31st March, 2018</b>	<b>5,419.72</b>	<b>-</b>	<b>5,419.72</b>
Charge for the period	1,446.89	-	1,446.89
Disposal	-	-	-
Transfer	-	-	-
<b>As at 31st March, 2019</b>	<b>6,866.61</b>	<b>-</b>	<b>6,866.61</b>

Net carrying amount		(Rs. In '000)	
Particulars	Computer Software	Capital Work in Progress	Software
As at 31st March, 2018	3,777.34	82.77	3,860.11
As at 31st March, 2019	6,254.14	-	6,254.14

## 7.0- Non-current Investments

PARTICULARS	Designation	Units (Nos.)	As at 31st March, 2019				As at 31st March, 2018			
			Face Value (Rs.)	Amount		Face Value (Rs.)	Amount			
				Cost	Carrying Value		Cost	Carrying Value		
<b>A. Non-Current Investment - NON TRADE</b>										
<b>Investment in equity shares - Unquoted</b>										
<b>In Subsidiary (At cost)</b>										
iCom Analytics Limited	Cost	1,50,000	10	1,500.00	1,500.00	1,50,000	10	1,500.00	1,500.00	
<b>In Joint Venture (At cost)</b>										
Jindal MMG, LLC	Cost	500	USD 1	34.57	34.57	-	-	-	-	
<b>Others (At fair value)</b>										
Jindal System Private Limited	FVOCI	500	100	150.00	3,487.31	500	100	150.00	3,478.15	
				<b>1,684.57</b>	<b>5,021.88</b>			<b>1,650.00</b>	<b>4,978.15</b>	
<b>B. Investment in mutual funds - Unquoted (At fair value)</b>										
a) Birla Sun Life Medium Term Plan	FVOCI				-	8,32,145	10	15,000.00	18,288.63	
b) Franklin India Corporate Bond Opportunities Fund (G)	FVOCI	5,57,396	10	7,615.65	10,913.26	10,97,864	10	15,000.00	19,808.86	
c) HDFC Corp Debit Opportunities Fund (G)	FVOCI				-	13,72,487	10	15,000.00	19,778.64	
d) Reliance Corporate Bond Fund (G)	FVOCI				-	27,38,181	10	30,000.00	38,370.41	
e) Reliance Regular Savings Fund-Debt	FVOCI	7,52,434	10	15,000.00	19,396.40	7,52,434	10	15,000.00	18,214.70	
f) DSP BlackRock Fund FMP Ser 192-36M Reg-G	FVOCI				-	10,00,000	10	10,000.00	12,178.30	
g) Indiabulls FMP Series V - (Plan 1) - 1175D Reg (G)	FVOCI	7,00,000	10	7,000.00	8,965.67	7,00,000	10	7,000.00	8,324.12	
h) Reliance Fixed Horizon Fund XXXII-Series-2 Growth	FVOCI	10,00,000	10	10,000.00	11,885.00	10,00,000	10	10,000.00	11,064.00	
i) DSP Black Rock Credit Risk Fund (G)	FVOCI				-	3,75,477	10	10,000.00	10,742.84	
j) Kotak Income Opportunity Fund Reg (G)	FVOCI	2,73,739	10	5,000.00	5,568.67	2,73,739	10	5,000.00	5,235.33	
k) L&T Income Opportunities Fund (G)	FVOCI	2,63,091	10	5,000.00	5,548.49	2,63,091	10	5,000.00	5,237.47	
l) ICICI Prudential Medium Term Bond Fund- Growth	FVOCI	6,60,061	28	18,500.00	18,778.08	-	-	-	-	
				<b>68,115.65</b>	<b>81,055.57</b>			<b>1,37,000.00</b>	<b>1,67,243.30</b>	
<b>Total</b>				<b>69,800.22</b>	<b>86,077.45</b>			<b>1,38,650.00</b>	<b>1,72,221.45</b>	

## 8.0- Non-current Loans

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
<b>Unsecured, considered good</b>		
- Loan to employee		17.11
<b>Total</b>		<b>17.11</b>



# Jindal Intellicom Limited

Loan given to employee is for the purpose of meeting his personal needs.

## 9.0- Other Non-current Financial Assets

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
<b>Security deposits</b> <i>(Unsecured, considered good)</i>	580.81	490.16
<b>Fixed deposits with banks with more than 12 months maturity</b> <i>(Unsecured, considered good)</i>		
- Margin deposits**	-	1,160.00
- Other deposits	-	12,681.69
<b>Interest accrued on above bank deposits</b>	-	1,786.10
<b>Total</b>	<b>580.81</b>	<b>16,117.95</b>

\*\* Pledged with bank for issuance of bank guarantee

## 10.0- Deferred Tax Assets – Net

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
<b>A. Deferred tax assets</b>		
(i) Disallowance under Income Tax Act, 1961	15,297.07	9,896.89
<b>Total Deferred tax assets</b>	<b>15,297.07</b>	<b>9,896.89</b>
<b>B. Deferred tax liabilities</b>		
<b>On account of</b>		
(i) Difference between book and tax base related to property, plant and equipment	8,132.16	6,436.07
(ii) Others	3,649.27	7,731.49
<b>Total Deferred tax assets</b>	<b>11,781.43</b>	<b>14,167.56</b>
<b>Total Deferred tax assets/(liabilities) (net)</b>	<b>3,515.64</b>	<b>(4,270.67)</b>

## 11.0- Other Non-current Assets

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Capital advances (unsecured, considered good)	2,539.30	328.08
Prepaid expenses	679.44	1,175.09
<b>Total</b>	<b>3,218.74</b>	<b>1,503.17</b>



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## 12.0- Inventory

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Stock-in-trade	5,137.11	-
<b>Total</b>	<b>5,137.11</b>	<b>-</b>

## 13.0- Current Investments

	Designation	As at 31st March, 2019			As at 31st March, 2018		
		Units	Cost	Carrying Value	Units	Cost	Carrying Value
<b>SHORT TERM INVESTMENTS</b>							
Investments in Mutual Funds - Unquoted (At fair value)							
IDBI Liquid Fund - Direct Plan - Growth	FVTPL	-	-	-	2,690	5,000.00	5,004.78
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>2,690</b>	<b>5,000.00</b>	<b>5,004.78</b>

## 14.0- Current Trade Receivables

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
<b>Related party (Unsecured)</b>		
Considered good	571.70	9,795.79
<b>Others (Unsecured)</b>		
Considered good	1,59,924.19	31,541.08
Considered doubtful	7,043.22	-
Less: Provision for impairment	(7,043.22)	-
<b>Total</b>	<b>1,60,495.89</b>	<b>41,336.87</b>

The ageing analysis of these trade receivables is as follows:

### As at 31<sup>st</sup> March, 2019

Particulars	(Rs. in '000)				
	Not due	Less than 6 months	6 to 12 months	More than 12 months	Total
<b>Gross trade receivables</b>					
Unsecured:					
- Considered good	85,553.04	74,942.85	-	-	1,60,495.89
- Considered doubtful	689.19	-	1,150.20	5,203.83	7,043.22
<b>Total</b>	<b>86,242.23</b>	<b>74,942.85</b>	<b>1,150.20</b>	<b>5,203.83</b>	<b>1,67,539.11</b>
Less: Provision for impairment	689.19	-	1,150.20	5,203.83	7,043.22
<b>Net trade receivables</b>	<b>85,553.04</b>	<b>74,942.85</b>	<b>-</b>	<b>-</b>	<b>1,60,495.89</b>



# Jindal Intellicom Limited

As at 31<sup>st</sup> March, 2018

(Rs. in '000)

Particulars	Not due	Less than 6 months	6 to 12 months	More than 12 months	Total
<b>Gross trade receivables</b>					
Unsecured, considered good	19,761.55	18,514.32	2,928.45	132.55	41,336.87
Less: Provision for impairment	-	-	-	-	-
<b>Net trade receivables</b>	<b>19,761.55</b>	<b>18,514.32</b>	<b>2,928.45</b>	<b>132.55</b>	<b>41,336.87</b>

Movements of the provision for impairment of trade receivables are as follows:

Particulars	2018-19 (Rs. in '000)	2017-18 (Rs. in '000)
Opening provision	-	889.01
Addition to provision during the year	7,043.22	-
Reversal of provision during the year	-	(889.01)
<b>Closing provision</b>	<b>7,043.22</b>	<b>-</b>

## 15.0- Cash and Cash Equivalents

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Cheques in hand	-	72.29
Cash in hand	172.51	114.74
Balances with banks in current accounts		
- On current accounts	2,411.05	12,836.25
- On cash credit accounts	-	4,979.18
<b>Total</b>	<b>2,583.56</b>	<b>18,002.46</b>

Cash is at free disposal of the Company.

The carrying amounts of the Cash and Cash Equivalents are denominated in the Indian Rupees.

## 16.0- Other Bank Balances

Particular	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Fixed deposits (with remaining maturity of less than 12 months and other than those considered in cash and cash equivalents)		
- Margin deposits**	1,120.00	-
- Other deposits	177.73	-
<b>Total</b>	<b>1,297.73</b>	<b>-</b>

\*\* Pledged with bank for issuance of bank guarantee



# Jindal Intellicom Limited

Deposits of the Company have an average effective interest rate of 8.54% per annum (8.21% for 2017-18). Fixed deposits other than margin deposits are at free disposal of the Company.

The carrying amounts of the Other Bank Balances are denominated in the Indian Rupees.

## 17.0- Loans

Particulars	As at 31st March, 2019 (Rs. in'000)	As at 31st March, 2018 (Rs. in'000)
<b>Unsecured, considered good</b>		
Loan to related parties	21,436.50	5,000.00
Loan to employee	29.38	73.96
<b>Total</b>	<b>21,465.88</b>	<b>5,073.96</b>

Purpose for which the loans given are proposed to be utilized by the recipients:

- a) Loan to subsidiary and joint venture – for meeting working capital requirements
- b) Loans to employees – for meeting their personal needs

## 18.0- Other Financial Assets

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Receivable from related parties:		
- Interest receivable	-	534.15
- Other receivables	-	3,913.79
Receivable from other parties	-	356.74
Interest accrued but not due on bank fixed deposits	245.10	-
Derivative financial assets	1,263.44	1,222.44
Unbilled revenue	75,251.56	4,566.60
<b>Total</b>	<b>76,760.10</b>	<b>10,593.72</b>

## 19.0- Current Tax Assets (Net)

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Income tax paid in advance	24,527.51	26,116.03
Less : Provision for taxation	23,436.52	21,719.95
<b>Total</b>	<b>1,090.99</b>	<b>4,396.08</b>



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## 20.0- Other Current Assets

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
<b>Unsecured, considered good</b>		
Advances to vendors	3,303.54	900.14
Advances to employees	115.20	266.91
Balances with State and Central government authorities	1,249.53	1,278.56
Advances recoverable in cash or in kind	3,998.11	4,657.05
<b>Total</b>	<b>8,666.38</b>	<b>7,102.66</b>

## 21.0- Share Capital

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
<b>Authorized</b>		
(i) 12,000,000 (12,000,000) Equity Shares of Rs. 10/- each	1,20,000.00	1,20,000.00
	<b>1,20,000.00</b>	<b>1,20,000.00</b>
<b>Issued</b>		
(i) 10,910,000 (10,910,000) Equity Shares of Rs. 10/- each	1,09,100.00	1,09,100.00
	<b>1,09,100.00</b>	<b>1,09,100.00</b>
<b>Subscribed and Fully Paid-Up</b>		
(i) 10,910,000 (10,910,000) Equity Shares of Rs. 10/- each	1,09,100.00	1,09,100.00
	<b>1,09,100.00</b>	<b>1,09,100.00</b>

### a) Reconciliation of number of shares

Equity Shares	As at 31st March, 2019	As at 31st March, 2018
Shares outstanding as at the beginning of the year	1,09,10,000	1,09,10,000
Add: Fresh issue of shares	-	-
Shares outstanding as at the end of the year	1,09,10,000	1,09,10,000

### b) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No of Shares	% of holding	No of Shares	% of holding
JITF Shipyards Limited	1,07,76,770	98.78%	1,07,76,770	98.78%
	<b>1,07,76,770</b>	<b>98.78%</b>	<b>1,07,76,770</b>	<b>98.78%</b>



# Jindal Intellicom Limited

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date

Nil                      Nil

**d) Terms / Rights attached to Equity Shares**

The Company has only one class of equity shares having at par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share and dividend in proportion to the number of equity shares held.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**22.0- Other Equity**

**a) Retained Earnings**

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Balance as per last financial statements	2,31,169.63	2,27,500.30
Add: Profit after tax transferred from Statement of Profit and Loss	57,447.84	3,669.33
<b>Closing Balance</b>	<b>2,88,617.47</b>	<b>2,31,169.63</b>

Retained earnings represent the undistributed profits of the Company.

**b) Other Comprehensive Income (OCI) Reserve**

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Balance as per last financial statements	23,563.76	16,785.42
Add: Addition during the year	(13,426.71)	6,778.34
<b>Closing Balance</b>	<b>10,137.05</b>	<b>23,563.76</b>

OCI Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into a) Items that will not be reclassified to profit or loss b) Items that will be reclassified to profit or loss.



## c) Securities Premium

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Balance as per last financial statements	4,450.00	4,450.00
Add: Addition during the year	-	-
Less: Deduction/ transfer during the year	-	-
<b>Closing Balance</b>	<b>4,450.00</b>	<b>4,450.00</b>

Security premium represents the amount received in excess of par value of equity shares. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

<b>Total - Other Equity</b>	<b>3,03,204.52</b>	<b>2,59,183.39</b>
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## 23.0- Provisions

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
<b>Provision for employee benefits</b>	-	
- Gratuity	8,850.36	9,135.97
- Leave encashment	5,429.18	3,404.11
<b>Total</b>	<b>14,279.54</b>	<b>12,540.08</b>

## 24.0- Borrowings

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
<b>Secured - from bank</b>		
- Working capital loans	8,488.59	-
	<b>8,488.59</b>	-

The Company has obtained borrowing limits from bank which are secured by way of hypothecation of book debts, exclusive charge on fixed assets of the Company and negative lien on the building constructed by the Company on land owned by ultimate holding company, Jindal Saw Limited. The borrowing limits were availed by the Company during the year on time to time basis.



# Jindal Intellicom Limited

## 25.0- Trade Payables

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Trade Payables (including acceptances)		
- Micro, small and medium enterprises	5,772.96	1,612.44
- Others	35,768.25	7,244.17
<b>Total</b>	<b>41,541.21</b>	<b>8,856.61</b>

## 26.0- Other Financial Liabilities

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Capital creditors	21,685.00	2,628.17
Retention Money	175.02	386.82
Derivative liabilities	238.61	293.26
Dues to employees	65,297.27	22,754.42
Provision for expenses	11,880.89	4,003.28
<b>Total</b>	<b>99,276.79</b>	<b>30,065.95</b>

## 27.0- Other Current Liabilities

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Advance from customer	33.30	31.38
Other payables		
- Statutory dues	10,273.42	9,165.79
<b>Total</b>	<b>10,306.72</b>	<b>9,197.17</b>

## 28.0- Provisions

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Provision for employee benefits		
- Gratuity	15,527.26	12,859.57
- Leave encashment	9,094.26	5,761.86
<b>Total</b>	<b>24,621.52</b>	<b>18,621.43</b>



# Jindal Intellicom Limited

## 29.0- Revenue from Operations

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
Sale of services		
- Business process outsourcing services	8,38,517.39	2,89,170.03
- Information technology services	14,444.90	25,050.83
<b>Total</b>	<b>8,52,962.29</b>	<b>3,14,220.86</b>

## 30.0- Other Income

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
Interest income	668.51	2,232.77
Net gain on sale of investments	25,084.13	5,136.99
Rent received from sub-letting	358.80	10,908.48
Other non-operating income	838.33	1,478.07
Provision for doubtful trade receivables written back	-	889.01
Realised gain on derivative contracts	128.23	1,584.51
Profit on sale of property, plant and equipment	726.13	
Miscellaneous balances written back	70.89	
Net gain on foreign currency transactions and translation	-	9,071.90
Unrealised gain or (loss) on fair valuation of investments through profit and loss	-	4.78
<b>Total</b>	<b>27,875.02</b>	<b>31,306.51</b>

## 31.0- Employee Benefit Expenses

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
Salaries	5,98,732.71	2,28,150.94
Contribution to Provident Fund and other funds	15,553.42	10,639.33
Staff welfare expenses	7,294.44	4,752.90
<b>Total</b>	<b>6,21,580.57</b>	<b>2,43,543.17</b>



# Jindal Intellicom Limited

## 32.0- Finance Costs

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
Interest on bank borrowings	256.16	33.27
Bank and finance charges	26.58	41.85
Interest on Income-tax	71.83	62.86
<b>Total</b>	<b>354.57</b>	<b>137.98</b>

## 33.0- Depreciation and Amortization Expenses

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
<b>Depreciation</b>		
Building	7,424.65	7,180.39
Furniture and fixtures	3,265.68	1,104.77
Vehicles	1,617.87	1,477.55
Office equipments	4,813.76	2,675.43
Computer	7,234.91	4,344.25
<b>Amortization expenses</b>		
Computer software	1,446.89	1,126.03
<b>Total</b>	<b>25,803.76</b>	<b>17,908.42</b>



# Jindal Intellicom Limited

## 34.0- Other Expenses

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
Rent	21,369.66	8,168.43
Power and fuel expenses	16,179.48	11,937.34
Insurance	5,331.74	3,429.69
Housekeeping expenses	11,313.00	4,476.03
Security expenses	12,069.21	3,925.04
Repairs and maintenance expenses	9,886.90	6,967.78
Travelling and conveyance expenses	15,641.59	6,417.47
Vehicle running and maintenance expenses	3,373.83	3,127.00
Telecommunication link expenses	11,479.38	13,615.45
Recruitment expenses	12,508.77	1,789.17
Auditors' remuneration	405.36	339.83
Provision for doubtful debts and advances	7,043.22	-
Mark to market loss on derivative	688.77	6,305.87
Foreign exchange fluctuation loss	4,237.60	-
Loss on sale/discard of fixed assets	-	1,765.25
Miscellaneous expenses	28,011.07	7,815.15
<b>Total</b>	<b>1,59,539.58</b>	<b>80,079.50</b>

## 35.0- Financial Risk Management

### Financial risk factors

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company also enters into derivative transactions. The Company's activities expose it to a variety of financial risks:

#### i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

#### ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.



### iii) Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes.

Risk management is carried out by the treasury department under policies approved by the board of directors. The treasury team identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### **Market Risk**

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations.

#### **(a) Foreign exchange risk and sensitivity**

The Company transacts business primarily in Indian Rupee and US Dollar. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management. Foreign exchange hedging contracts are carried at fair value.

The following table demonstrates the sensitivity in the USD and other currencies to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and Other Comprehensive Income due to changes in the fair value of monetary assets and liabilities is given below:



# Jindal Intellicom Limited

Particulars	Change in currency exchange rate	Effect on Profit Before Tax (Rs. In '000)	Effect on Equity (OCI) (Rs. In '000)
<b>For the year ended 31st March, 2019</b>			
USD	+ 5%	1,642.11	-
	- 5%	(1,642.11)	-
GBP	+ 5%	(0.03)	-
	- 5%	(0.03)	-
<b>For the year ended 31st March, 2018</b>			
USD	+ 5%	175.04	-
	- 5%	(175.04)	-
GBP	+ 5%	(0.02)	-
	- 5%	0.02	-

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Summary of exchange difference accounted in Statement of Profit and Loss:

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
<b>Currency fluctuations</b>		
Net foreign exchange (gain) / losses shown as operating expenses	4,237.60	-
Net foreign exchange (gain) / losses shown as other income	-	(9,071.90)
<b>Derivatives</b>		
Currency forwards (gain) / losses shown as operating expense	688.77	6,305.87
Currency forwards (gain) / losses shown as other income	-	(1,584.51)
<b>Total</b>	<b>4,926.37</b>	<b>(4,350.54)</b>

## (b) Interest rate risk and sensitivity

The exposure of the Company to the risk of changes in market interest rates relates primarily to the debit interest obligations. Further the Company engages in financing activities at market link rates and any changes in the interest rates environment may impact future rates of borrowing.

The balance outstanding of the fund based borrowing limits at the year-end was Rs. 8,488.59 (previous year – Nil).

## Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and mutual funds.



## Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has taken credit insurance cover to mitigate the credit risks to an extent.

The ageing of trade receivables is as below:

### As at 31<sup>st</sup> March, 2019

(Rs. in '000)					
Particulars	Not due	Less than 6 months	6 to 12 months	More than 12 months	Total
<b>Gross trade receivables</b>					
Unsecured:					-
- Considered good	85,553.04	74,942.85	-	-	1,60,495.89
- Considered doubtful	689.19	-	1,150.20	5,203.83	7,043.22
<b>Total</b>	86,242.23	74,942.85	1,150.20	5,203.83	1,67,539.11
Less: Provision for impairment	689.19	-	1,150.20	5,203.83	7,043.22
<b>Net trade receivables</b>	<b>85,553.04</b>	<b>74,942.85</b>	<b>-</b>	<b>-</b>	<b>1,60,495.89</b>

### As at 31<sup>st</sup> March, 2018

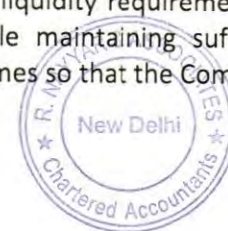
(Rs. in '000)					
Particulars	Not due	Less than 6 months	6 to 12 months	More than 12 months	Total
<b>Gross trade receivables</b>					
Unsecured, considered good	19,761.55	18,514.32	2,928.45	132.55	41,336.87
Less: Provision for impairment	-	-	-	-	-
<b>Net trade receivables</b>	<b>19,761.55</b>	<b>18,514.32</b>	<b>2,928.45</b>	<b>132.55</b>	<b>41,336.87</b>

### Financial instruments and cash deposits:

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

### Liquidity risk

The objective of the Company is to at all times maintain optimum levels of liquidity at all times to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its need for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company



does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below provides undiscounted cash flows towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date.

As at 31st March, 2019

(Rs. In '000)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	More than 12 months	Total
Borrowings	8,488.59	-	8,488.59			8,488.59
Financial derivatives	238.61	-	238.61	-	-	238.61
Other financial liabilities	99,038.18	86,982.27	12,055.91	-	-	99,038.18
Trade and other payables	41,541.21	26,165.70	15,375.51	-	-	41,541.21
<b>Total</b>	<b>1,49,306.59</b>	<b>1,13,147.97</b>	<b>36,158.62</b>	<b>-</b>	<b>-</b>	<b>1,49,306.59</b>

As at 31st March, 2018

(Rs. In '000)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	More than 12 months	Total
Financial derivatives	293.26	-	293.26	-	-	293.26
Other financial liabilities	29,772.69	28,861.63	911.06	-	-	29,772.69
Trade and other payables	8,856.61	4,758.00	4,098.61	-	-	8,856.61
<b>Total</b>	<b>38,922.56</b>	<b>33,619.63</b>	<b>5,302.93</b>	<b>-</b>	<b>-</b>	<b>38,922.56</b>

The Company is required to maintain ratios (including current ratio, total outside liabilities to total net worth) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders, except where exemption is provided by lender.

To offset the liquidity risk, the Company has the following undrawn borrowing facilities (unused lines of credit) \*:

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Secured - Cash credit facility	16,511.41	25,000.00

\*Excluding non-fund based facilities.

### Interest rate and currency of borrowings

Particulars	Total Borrowings (Rs. in '000)	Floating rate borrowings	Fixed rate borrowings	Weighted average interest rate
INR	8,488.59	8,488.59	-	11.12%
<b>Total as at 31st March, 2019</b>	<b>8,488.59</b>	<b>8,488.59</b>	<b>-</b>	
INR	-	-	-	10.39%
<b>Total as at 31st March, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	



# Jindal Intellicom Limited

Interest rate sensitivity	Increase / Decrease in basis points	Effect on Profit Before Tax (Rs. In '000)	Effect on Equity (OCI) (Rs. In '000)
<b>For the year ended 31st March, 2019</b>			
INR borrowings	+50	(11.26)	-
	-50	11.26	-
<b>For the year ended 31st March, 2018</b>			
INR borrowings	+50	-	-
	-50	-	-

## Competition and price risk:

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality services and by continuously upgrading its expertise and range of services to meet the needs of its customers.

The Company faces risk pertaining to change of policies of foreign countries where services are being rendered by the Company which can have impact on the financials of the Company. However, the Company do not foresee any significant change in the said policies in short to medium-term.

## Capital risk management

The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure in light of changes in economic conditions or its business requirements, the Company may adjust any dividend payments, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2017.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Loans and Borrowings	8,488.59	-
Less : Cash & cash equivalents	2,583.56	18,002.46
Net debt	5,905.03	-
Shareholders' equity	4,12,304.52	3,68,283.39
Capital and net debt	4,18,209.55	3,68,283.39
<b>Gearing Ratio</b>	<b>1.41%</b>	<b>0.00%</b>



# Jindal Intellicom Limited

## 36.0- Fair Value of Financial Assets and Liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Carrying amount (Rs. in '000)	Fair Value (Rs. in '000)	Carrying amount (Rs. in '000)	Fair Value (Rs. in '000)
<b>Financial Assets</b>				
<b>Assets carried at fair value through OCI</b>				
<b>Non-current</b>				
<b>Investment</b>				
- In equity shares**	3,487.32	3,487.32	3,478.15	3,478.15
- In mutual funds and others	81,055.57	81,055.57	1,67,243.30	1,67,243.30
<b>Assets carried at fair value through Profit and Loss</b>				
<b>Current</b>				
<b>Derivatives - not designated as hedging instruments</b>				
- Forward contracts	1,263.44	1,263.44	1,222.44	1,222.44
<b>Investment</b>				
- In mutual funds and others	-	-	5,004.78	5,004.78
<b>Assets carried at amortised cost -</b>				
<b>Non-current</b>				
Fixed deposits with banks	-	-	13,841.69	15,951.22
Loans	-	-	17.11	17.11
Other financial assets	580.81	580.81	2,276.26	2,276.26
<b>Current</b>				
Fixed deposits with banks	1,297.73	1,477.42	-	-
Cash and bank balances	2,583.56	2,583.56	18,002.46	18,002.46
Loans and advances (interest bearing)	21,465.88	21,465.88	5,073.96	5,073.96
Trade and other receivables	1,60,495.89	1,60,495.89	41,336.87	41,336.87
Other financial assets	75,496.66	75,496.66	9,371.28	9,371.28
<b>Total</b>	<b>3,47,726.86</b>	<b>3,47,906.55</b>	<b>2,66,868.30</b>	<b>2,68,977.83</b>

\*\* Other than in subsidiary and joint venture which are valued at cost

Particulars	Carrying amount (Rs. in '000)	Fair Value (Rs. in '000)	Carrying amount (Rs. in '000)	Fair Value (Rs. in '000)
<b>Financial Liabilities designated at fair value through profit and loss</b>				
<b>Derivatives - not designated as hedging instruments</b>				
- Forward contracts	238.61	238.61	-	-
<b>Liabilities carried at amortised cost</b>				
Borrowings- floating rate	8,488.59	8,488.59	-	-
Trade and other payables	41,541.21	41,541.21	8,856.61	8,856.61
Other financial liabilities	99,276.79	99,276.79	30,065.95	30,065.95
<b>Total</b>	<b>1,49,545.20</b>	<b>1,49,545.20</b>	<b>38,922.56</b>	<b>38,922.56</b>



## Fair values techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- 1- Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2- Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. As of 31<sup>st</sup> March, 2019, the carrying amounts of such receivables, net of allowances, are not materially different from their calculated fair values.
- 3- The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters. The valuation models used by the Company reflect the contractual terms of the derivatives, including the period to maturity, and market-based parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

## Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Company's assets and liabilities, grouped into Level 1 to Level 3 as described below:

- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments like mutual funds for which NAV is published by mutual fund operators at the balance sheet date.
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



Derivative assets and liabilities included in Level 2 primarily represent foreign currency forwards. Fair value of unquoted mutual funds is based on net asset value (NAV) published by respective fund houses at the reporting date.

The fair value of unquoted investment, where the Company does not have control or significant influence, is valued on the basis of latest available net worth of the company.

The following table provides the fair value measurement hierarchy of assets and liabilities of the Company, grouped into Level 1 to Level 3 as described below:

## Assets / Liabilities measured at fair value (Accounted)

As at 31<sup>st</sup> March, 2019

	(Rs. In '000)		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Derivatives - not designated as hedging instruments			
- Forward contracts	-	1,263.44	-
<b>Investment</b>			
- In mutual funds	81,055.57	-	-
- In equity shares	-	3,487.31	-
<b>Financial liabilities</b>			
Derivatives - not designated as hedging instruments			
- Forward contracts	-	238.61	-

As at 31<sup>st</sup> March, 2018

	(Rs. In '000)		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Derivatives - not designated as hedging instruments			
- Forward contracts	-	1,222.44	-
<b>Investment</b>			
- In mutual funds	1,72,248.08	-	-
- In equity shares	-	3,478.15	-
<b>Financial liabilities</b>			
Derivatives - not designated as hedging instruments			
- Forward contracts	-	293.26	-

## Assets / Liabilities for which fair value is disclosed

As at 31<sup>st</sup> March, 2019

	(Rs. In '000)		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Fixed deposits with banks		1,477.42	



As at 31<sup>st</sup> March, 2018

(Rs. In '000)

	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Fixed deposits with banks		15,951.22	

During the year ended 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

The fair value of financial instruments traded in active markets are based on quoted prices / published NAV (unadjusted) at the balance sheet date and included in level 1.

Following table describes the valuation techniques used and key inputs to valuation within level 2 and 3, and quantitative information about significant unobservable inputs for fair value measurements within Level 3 of the fair value hierarchy as of 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018, respectively:

a) Assets / Liabilities measured at fair value

Particulars	Fair value hierarchy	Valuation technique	Inputs used	Quantitative information about significant unobservable inputs
<b>Financial assets</b>				
Investment in mutual funds	Level 1	Published NAVs	Published NAVs	-
Investment in equity shares (unquoted ) (other than in subsidiary company and joint venture)	Level 2	Net worth	Published financial statements	-
Derivatives - not designated as hedging instruments - Forward contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, Interest rates to discount future cash flow	-
<b>Financial liabilities</b>				
Derivatives - not designated as hedging instruments - Forward contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, Interest rates to discount future cash flow	-

b) Assets / Liabilities for which fair value is disclosed

Particulars	Fair value hierarchy	Valuation technique	Inputs used
<b>Financial assets</b>			
Fixed deposits with banks	Level 2	Market rate	Prevailing interest rates for the remaining contractual period of the deposits



# Jindal Intellicom Limited

## 37.0- Segment information

### Information about Operating Segments

Based on the management approach as defined in Ind AS 108, the board of directors evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along operating segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Operating segments of the Company are 'Business Process Outsourcing Services' and 'Software services'.

Geographic segmentation is based on business sources from that geographic region.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. The management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly, these expenses are separately disclosed as 'unallocated' and adjusted against the total income of the Company.

Assets and liabilities used in the Company's business are not identified to any of the reportable segments, as these are used interchangeably between segments. The management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not feasible.

Geographical information on revenue and operating segments revenue information are collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

### Operating segments

		(Rs. in '000)			
		Business Process Outsourcing Services	Software Services	Unallocable	Total
<b>(A)</b>	<b>Segment Revenue</b>				
	External revenue	8,38,517.39	14,444.90	27,875.02	8,80,837.31
	- Previous year	2,89,170.03	25,050.83	31,306.51	3,45,527.37
<b>(B)</b>	<b>Segment Results</b>				
	Profit/(Loss) before tax	3,16,965.72	3.20	(2,43,410.09)	73,558.83
	- Previous year	1,35,945.77	9,664.08	(1,41,751.55)	3,858.30
	Tax Expense				16,110.99
	- Previous year				188.97
	Net Profit after tax				57,447.84
	- Previous year				3,669.33



# Jindal Intellicom Limited

The Company has external clients, revenue from whom amounts to 10% or more of the total revenue of the Company as per following details:

- 1- Revenue from 'Business Process Outsourcing Services' include revenue of Rs. 6,01,988.91 (previous year – Rs.1,38,890.91) from single client with whom the value of total transactions respectively exceeds 10% of the total revenue of the Company.
- 2- Revenue from 'Software Services' includes revenue of Rs. 12,515.86 (previous year – Rs. 16,485.34) from a single client.

## Geographical Segments

The Company's operations are located in India. The following table provides an analysis of the Company's sales by geography in which the customer is located, irrespective of the origin of the services.

		(Rs. in '000)			
		Within india	Outside India	Unallocable	Total
<b>(A)</b>	<b>Segment Revenue</b>				
	External revenue	7,21,039.64	1,31,922.65	27,875.02	8,80,837.31
	- Previous year	1,48,907.78	1,65,313.08	31,306.51	3,45,527.37
<b>(B)</b>	<b>Segment Results</b>				
	Profit/(Loss) before tax	2,61,324.97	55,643.95	(2,43,410.09)	73,558.83
	- Previous year	64,815.41	80,794.44	(1,41,751.55)	3,858.30
	Tax Expense				16,110.99
	- Previous year				188.97
	Net Profit after tax				57,447.84
	- Previous year				3,669.33

## 38.0- Derivative financial instruments and hedging activities

The Company uses foreign currency forward contracts to manage some of its transactions exposure. The details of derivative financial instruments are as follows:

### Forward Contracts

The Company has foreign currency sale forward contracts to offset the risk of currency fluctuations. These contracts are for settlement of operational receivable. As of 31<sup>st</sup> March, 2019 outstanding contracts are for sale of USD 0.63 million (USD 1.75 million as at 31<sup>st</sup> March, 2018).



# Jindal Intellicom Limited

## 39.0- Income-tax expenses

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
<b>Current tax</b>	19,221.00	3,370.21
	<b>19,221.00</b>	<b>3,370.21</b>
<b>Deferred tax</b>		
- Relating to origination & reversal of temporary differences	(3,944.44)	(3,179.58)
- Relating to change in tax rates	-	(30.18)
<b>Tax expense attributable to current year's profit</b>	<b>(3,944.44)</b>	<b>(3,209.76)</b>
Adjustments in respect of income tax of previous year		
- Current income tax	834.43	28.52
- Deferred tax	-	-
	<b>834.43</b>	<b>28.52</b>
<b>Total tax expense</b>	<b>16,110.99</b>	<b>188.97</b>

A reconciliation of the theoretical income tax expense / (benefit) applicable to the profit / (loss) before Income tax at the statutory tax rate in India to the Income tax expense / (benefit) at the Company's effective tax rate is as follows:

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
Net Income/(Loss) before taxes	73,558.83	3,858.30
Enacted tax rates	27.8200%	27.5525%
<b>Computed tax expense/(benefit)</b>	<b>20,464.07</b>	<b>1,063.06</b>
<b>Increase/(reduction) in taxes on account of:</b>		
Temporary differences reversing during the future tax period	3,944.44	3,209.76
Previous year tax adjustment	(8.55)	4.75
Effect of change in Income tax rate	-	(30.18)
Deferred tax recognized in respect of previous years	-	-
Tax on which no credit is allowed	27.53	17.47
Difference in tax rate on Long-term capital gain	(3,385.01)	(587.10)
Deduction available under Income-tax Act, 1961	(987.05)	(279.03)
<b>Current Income tax expense/(benefit) reported</b>	<b>20,055.43</b>	<b>3,398.73</b>



# Jindal Intellicom Limited

## 40.0- Deferred Income-tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

Particulars	Year ended March 31, 2019 (Rs. in '000)	Year ended March 31, 2018 (Rs. in '000)
On account of book base and tax base of property, plant and equipment	1,696.10	290.65
On account of post employment benefits	(2,160.27)	(1,813.34)
On account of (Disallowance) / Allowance (net) under Income Tax	(3,480.27)	(1,687.07)
<b>Closing Net Deferred tax Assets/(Liabilities)</b>	<b>(3,944.44)</b>	<b>(3,209.76)</b>

### Component of tax accounted in OCI and equity

Particulars	Year ended March 31, 2019 (Rs. in '000)	Year ended March 31, 2018 (Rs. in '000)
On defined benefit plans	7.13	441.59
On equity instruments through Other Comprehensive Income	2.04	9.57
On debt mutual fund investments through Other Comprehensive Income	(3,851.04)	1,670.19
<b>Closing Net Deferred tax Assets/(Liabilities)</b>	<b>(3,841.87)</b>	<b>2,121.35</b>

## 41.0- Employees' benefit and retirement benefit obligations

### Expense recognised for defined contribution plan

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
Company's contribution to Provident Fund	5,725.21	5,684.98
Company's contribution to ESI	8,001.55	3,394.69
Company's contribution to Labour Welfare Fund	171.30	2.94
Company's contribution to National Pension Scheme	1,655.36	1,556.72
<b>Total</b>	<b>15,553.42</b>	<b>10,639.33</b>

The following table sets forth the changes in the projected benefit obligation and amounts recognised in the Balance Sheet as at 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2017, being the respective measurement dates:



# Jindal Intellicom Limited

Particulars	Gratuity (Unfunded) (Rs. in '000)	Leave Encashment (Unfunded) (Rs. in '000)
<b>Present value of obligation - 1st April, 2017</b>	<b>17,175.61</b>	<b>9,309.79</b>
Current service cost	1,914.56	2,035.88
Past service cost	4,368.50	-
Interest cost	1,159.35	628.41
Benefits paid	(1,017.56)	(556.01)
Remeasurements - actuarial loss/ (gain)	(1,604.91)	(2,252.10)
<b>Present value of obligation - 31st March, 2018</b>	<b>21,995.55</b>	<b>9,165.97</b>
<b>Present value of obligation - 1st April, 2018</b>	<b>21,995.55</b>	<b>9,165.97</b>
Current service cost	2,100.08	6,076.41
Past service cost	-	-
Interest cost	1,484.70	618.70
Benefits paid	(1,177.07)	(403.82)
Remeasurements - actuarial loss/ (gain)	(25.64)	(933.82)
<b>Present value of obligation - 31st March, 2019</b>	<b>24,377.62</b>	<b>14,523.44</b>

The components of the gratuity & leave encashment cost are as follows:

## Recognised in the Statement of Profit and Loss

Particulars	Gratuity (Rs. in '000)	Leave Encashment (Rs. in '000)
Current service cost	1,914.56	2,035.88
Interest cost	1,159.35	-
Expected return on plan assets	-	-
Remeasurements - actuarial loss/(gain)	-	(556.01)
Past service cost	4,368.50	-
<b>For the year ended 31st March, 2018</b>	<b>7,442.41</b>	<b>1,479.87</b>
Current service cost	2,100.08	6,076.41
Interest cost	1,484.70	618.70
Expected return on plan assets	-	-
Remeasurements - actuarial loss/(gain)	-	-
Past service cost	-	-
<b>For the year ended 31st March, 2019</b>	<b>3,584.78</b>	<b>6,695.11</b>



## Recognised in Other Comprehensive Income

Particulars	Gratuity (Rs. in '000)	Leave Encashment (Rs. in '000)
Remeasurements - actuarial loss/(gain)	(1,604.91)	-
<b>For the year ended 31st March, 2018</b>	<b>(1,604.91)</b>	<b>-</b>
Remeasurements - actuarial loss/(gain)	(25.64)	-
<b>For the year ended 31st March, 2019</b>	<b>(25.64)</b>	<b>-</b>

The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	Year ended 31st March, 2019	Year ended 31st March, 2018
Attrition rate	58.00%	54.00%
Discount rate	6.75%	6.75%
Expected rate of increase in compensation levels	8.00%	8.00%
Expected rate of return on plan assets	-	-
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected average remaining working lives of employees (years)	32.30	30.60

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

### Sensitivity Analysis:

For the year ended 31<sup>st</sup> March, 2019

Particulars	change in Assumption	Effect on Gratuity obligation (Rs. in '000)	Effect on Leave Encashment obligation (Rs. in '000)
Discount rate	+1%	24,055.26	14,322.06
	-1%	24,711.05	14,731.93
Salary growth rate	+1%	24,624.87	14,727.32
	-1%	24,148.38	14,322.06
Withdrawal rate	+1%	24,315.72	14,519.48
	-1%	24,442.75	14,528.16



# Jindal Intellicom Limited

For the year ended 31<sup>st</sup> March, 2018

Particulars	change in Assumption	Effect on Gratuity obligation (Rs. in '000)	Effect on Leave Encashment obligation (Rs. in '000)
Discount rate	+1%	21,678.88	9,041.80
	-1%	22,323.84	9,294.51
Salary growth rate	+1%	22,316.94	9,291.85
	-1%	21,678.91	9,041.81
Withdrawal rate	+1%	21,957.80	9,163.10
	-1%	22,034.76	9,168.94

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

History of experience adjustments is as follows:

Particulars	Gratuity (Rs. in '000)	Leave Encashment (Rs. in '000)
<b>For the year ended 31st March, 2018</b>		
Plan liabilities - loss/(gain)	(3,259.53)	(2,161.45)
Plan assets - (loss)/gain	-	-
<b>For the year ended 31st March, 2019</b>		
Plan liabilities - loss/(gain)	(88.95)	(923.88)
Plan assets - (loss)/gain	-	-

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	(Rs. in '000)
	<b>Gratuity</b>
1st April, 2019 to 31st March, 2020	15,527.25
1st April, 2020 to 31st March, 2021	13,320.28
1st April, 2021 to 31st March, 2022	13,698.95
1st April, 2021 to 31st March, 2023	15,092.15
1st April, 2021 to 31st March, 2024	20,081.28

Statement of Employee benefit provision

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Gratuity	24,377.62	21,995.54
Leave encashment	14,523.44	9,165.97
<b>Total</b>	<b>38,901.06</b>	<b>31,161.51</b>



## Current and non-current provision for Gratuity and Leave Encashment

For the year ended 31<sup>st</sup> March, 2019

Particulars	(Rs. in '000)	
	Gratuity	Leave Encashment
Current provision	15,527.26	9,094.26
Non-current provision	8,850.36	5,429.18

For the year ended 31<sup>st</sup> March, 2018

Particulars	(Rs. in '000)	
	Gratuity	Leave Encashment
Current provision	12,859.57	5,761.86
Non-current provision	9,135.97	3,404.11

## Employee benefit expenses

Particulars	Year ended	Year ended
	31st March, 2019	31st March, 2018
	(Rs. in '000)	(Rs. in '000)
Salaries	5,98,732.71	2,28,150.94
Contribution to Provident Fund and other funds	15,553.42	10,639.33
Staff welfare expenses	7,294.44	4,752.90
<b>Total</b>	<b>6,21,580.57</b>	<b>2,43,543.17</b>

## OCI presentation of defined benefit plan

- Gratuity is in the nature of defined benefit plan. Re-measurement gains/(losses) on defined benefit plans are shown under OCI as items that will not be reclassified to profit or loss and also the Income tax effect on the same.
- Leave encashment cost is in the nature of short term employee benefits.

## Presentation in the Statement of Profit and Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liabilities / (assets) is charged to Statement of Profit and Loss.

Ind AS 19 do not require segregation of provision in current and non-current, however net defined liabilities / (assets) is shown as current and non-current provision in the Balance Sheet as per Ind AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.



# Jindal Intellicom Limited

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

## 42.0- Other disclosures

### a) Auditors remuneration

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
<b>Statutory Auditors</b>		
a) Audit fees	275.00	250.00
b) Taxation matters	100.00	60.30
c) Certification / others	18.00	20.52
d) Out of pocket expenses	12.36	9.01
<b>Total</b>	<b>405.36</b>	<b>339.83</b>

### b) Details of loans given, investment made and guarantees given, covered under section 186(4) of the Companies Act 2013:

- Loans given are disclosed at Note 8 and 15
- Investment made are disclosed at Note 7 and 11.

## 43.0- Contingent liabilities and commitments

### a) Contingent liabilities

#### i) Claims against the Company not acknowledged as debt:

Although it is not possible to predict the outcome of the pending proceedings with accuracy, the Company believes, based on legal opinions received, that it has meritorious defenses to the claims. The management believe the pending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations, cash flows or financial condition of the Company:

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Income tax	-	1,404.78
<b>Total</b>	<b>-</b>	<b>1,404.78</b>



ii) **Guarantees:**

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Guarantees excluding financial guarantees	10,850.00	10,850.00
Liabilities in respect of duty saved for availing various export based incentives schemes	1,412.08	1,356.33
<b>Total</b>	<b>12,262.08</b>	<b>12,206.33</b>

b) **Capital commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for:

Particulars	As at 31st March, 2019 (Rs. in '000)	As at 31st March, 2018 (Rs. in '000)
Property, plant and equipment	3,788.42	510.95
<b>Total</b>	<b>3,788.42</b>	<b>510.95</b>

Capital commitments are net of advances.

44.0- **Related party transactions**

In accordance with the requirements of Ind AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party name and relationship

1- **Key Management personnel**

S No	Name	Designation
1	Prithvi Raj Jindal	Director
2	Sminu Jindal	Director
3	Indresh Batra	Director
4	Sunil Kumar Jain	Director
5	Sandip Sharma	Independent director
6	Rohan Bindal	Independent director
7	Sanjiv Garg	Whole time director and CEO
8	Ajay Bhatia	Chief Financial Officer
9	Ritu Sharma	Company Secretary



# Jindal Intellicom Limited

## 2- Entities where control exists

### a) Parent, subsidiary and fellow subsidiaries

S No	Particulars	Relationship
1	Jindal Saw Limited	Ultimate parent company
2	JITF Shipyards Limited	Parent company
3	iCom Analytics Limited	Subsidiary company
4	Jindal Intellicom LLC	Subsidiary company
5	Jindal ITF Limited	Fellow subsidiary
6	IUP Jindal Metals & Alloys Limited	Fellow subsidiary
7	S. V. Trading Limited	Fellow subsidiary
8	Quality Iron and Steel Limited	Fellow subsidiary
9	Ralael Holdings Limited	Fellow subsidiary
10	Jindal Tubular (India) Limited	Fellow subsidiary
11	Jindal Saw Holdings FZE	Fellow subsidiary
12	Green Ray Holdings	Fellow subsidiary
13	Jindal Quality Tubular Limited	Fellow subsidiary
14	Sulog Transshipment Services Limited	Fellow subsidiary
15	Jindal Saw USA LLC	Subsidiary of fellow subsidiary
16	World Transload & Logistics LLC	Subsidiary of fellow subsidiary
17	5101 Boone LLP	Subsidiary of fellow subsidiary
18	Drill Pipe International LLC	Subsidiary of fellow subsidiary
19	Tube Technologies Inc.	Subsidiary of fellow subsidiary
20	Helical Anchors Inc.	Subsidiary of fellow subsidiary
21	Boone Real Property Holding LLC	Subsidiary of fellow subsidiary
22	Jindal Saw Italia S.P.A. (Up to 12th February, 2019)	Subsidiary of fellow subsidiary
23	Jindal Saw Middle East FZC	Subsidiary of fellow subsidiary
24	Jindal Saw Gulf LLC	Subsidiary of fellow subsidiary
25	Jindal International FZE	Subsidiary of fellow subsidiary
26	Derwant Sand SARL	Subsidiary of fellow subsidiary

### b) Associates/Joint Venture

S No	Particulars	Relationship
1	Jindal Fittings Limited	Associate of Ultimate parent company
2	Jindal MMG LLC	Joint Venutre

### c) Entities where key management personnel and their relatives exercise significant influence

S No	Name of entities
1	JITF Water Infrastructure Limited
2	Jindal Steel & Power Limited
3	Jindal Systems Private Limited
4	Jindal Power Limited



# Jindal Intellicom Limited

## d) Relative of key management personnel where transactions have taken place

1	Leena Garg	Wife of Mr. Sanjiv Garg, Whole time director and CEO
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## e) Associate and Joint Venture

S No	Name of the entity	Principal place of operation / Country of Incorporation	Principal activities	% Shareholding / Voting Power	
				As at 31st March, 2019	As at 31st March, 2018
1	Jindal Fittings Limited	India	Ductile iron fittings manufacturing	36%	36%
2	Jindal MMG LLC	USA	Healthcare backoffice services	50%	50%

## f) Key management personnel remuneration

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
Short-Term employee benefits	20,494.19	16,898.04
Post-Employment benefits - Defined contribution plan	2,560.64	1,960.40
<b>Total</b>	<b>23,054.83</b>	<b>18,858.44</b>



# Jindal Intellicom Limited

## g) Related parties transactions

(Rs. In '000)

Particulars	Ultimate Parent / Parent		Subsidiary		Other Related Parties		Relatives of KMP and Enterprises over which KMP and their relatives have significant influence	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	<b>B) Other details of related party transactions</b>							
<b>i) Transactions</b>								
1- Rent Paid								
- Jindal Saw Limited	10,505.28	5,621.16	-	-	-	-	-	-
- IUP Jindal Metal & Alloys Limited	-	-	-	-	11.80	69.00	-	-
2- Rent Received								
- Jindal Saw Limited	-	10,000.80	-	-	-	-	-	-
- iCom Analytics Limited	-	-	338.40	64.80	-	-	-	-
- Jindal Steel & Power Limited	-	-	-	-	-	-	-	598.08
3- Sale of Services								
- Jindal Saw Limited	1,165.00	3,000.00	-	-	-	-	-	-
- iCom Analytics Limited	-	-	2,890.93	9,070.17	-	-	-	-
4- Sale of Goods								
- Jindal Saw Limited	-	-	-	-	-	-	-	-
5- Loan given during the year (net of repayment)								
- iCom Analytics Limited	-	-	(5,000.00)	1,300.00	-	-	-	-
- Jindal MMG LLC	-	-	-	-	22,179.10	-	-	-
6- Interest received								
- iCom Analytics Limited	-	-	361.32	593.49	-	-	-	-
7- Purchase of services								
- Jindal Power Ltd	-	-	-	-	-	-	6611.88	-
- Jindal Steel & Power Ltd	-	-	-	-	-	-	746.56	-
- Jindal Systems Private Limited	-	-	-	-	-	-	90.20	-
8- Purchase of goods								
- Jindal System Private Limited	-	-	-	-	-	-	-	217.50
9- Expenses incurred/recovered by the Company								
- Jindal Saw Limited	-	144.28	-	-	-	-	-	-
- Jindal ITF Ltd	-	-	-	-	-	72.19	-	-
- Jindal Tubular (India) Limited	-	-	-	-	-	7.42	-	-
- JITF Water Infrastructure Limited	-	-	-	-	-	-	-	264.79
- Jindal Systems Private Limited	-	-	-	-	-	-	-	14.95
10- Expenses incurred by others and reimbursed by the Company								
- Jindal Saw Limited	15,644.27	11,341.35	-	-	-	-	-	-
- IUP Jindal Metal & Alloys Limited	-	-	-	-	5.33	76.36	-	-
11- Investment in Equity Share								
- Jindal MMG LLC	-	-	-	-	33.55	-	-	-
12- Remuneration paid								
- Leena Garg	-	-	-	-	-	-	600.00	600.00



# Jindal Intellicom Limited

## h) Related parties' outstanding balances

(Rs. In '000)

Particulars	Ultimate Parent / Parent		Subsidiary		Other Related Parties		Relatives of KMP and Enterprises over which KMP and their relatives have significant influence	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
	1- Investment outstanding			1,500.00	1,500.00	34.58		-
- Jindal MMG LLC			-		-		-	
- iCom Analytics Limited								
2- Loan Given			-		-		-	
- iCom Analytics Limited			-	5,000.00	-		-	
- Jindal MMG LLC			-	-	21,436.50		-	
3- Interest recoverable			-	534.14	-		-	
4- Other receivables			-		-		-	
- Jindal Saw Limited		3,465.97	-		-		-	
- Jindal ITF Limited			-		-		-	
- Jindal Tubular (India) Limited			-		-	76.66	-	
- JITF Water Infrastructure Limited			-		-	3.38	-	
- Jindal Steel & Power Limited			-		-		-	291.32
- Jindal Systems Private Limited			-		-		-	58.81
- iCom Analytics Limited			-		-		-	17.64
4- Trade receivables			-		-		-	
- iCom Analytics Limited			571.70	9,795.79	-		-	
- Jindal Saw Limited			-		-		-	
4- Trade payable			-		-		-	
- IUP Jindal Metal & Alloys Limited			-		-	9.46	-	
5- Other payables			-		-		-	
- Jindal Power Limited			-		-		5,442.73	
- Jindal Steel & Power Limited			-		-		866.02	
- Jindal Saw Limited	9,940.14		-		-		-	
- Leena Garg			-		-		37.02	42.84

## 45.0- Lease disclosure

### a- Operating lease – as lessee:

The Company has taken office premises, equipment and vehicles on cancellable operating leases. Lease rentals charged during the year in the Statement of Profit and Loss amounted to Rs.213,69,690 (Previous year Rs.81,68,430).

### b- Operating lease – as lessor:

The Company has sublet a part of its office premises taken on lease by it. Lease rent received from subletting of premises amounted to Rs. 3,58,808 (Previous year Rs. 109,08,480).



## 46.0- Government Grant

The Company is registered with Software Technology Parks of India, Noida (STPI) and is 100% Export Oriented Unit. Therefore the Company is eligible to import the duty free goods for the purpose of providing its export services under the STPI Scheme. Software Technology Parks of India, is an autonomous society set up by the Ministry of Electronics and Information Technology, Government of India in 1991, with the objective of encouraging, promoting and boosting the Software Exports from India.

Entitlements under the scheme consists of the following:

- a) Custom Duty exemption on import of eligible equipment
- b) Refund of Central Sales Tax paid at the time of buying eligible equipment

In terms of the IND AS 20 "Accounting for Government Grants", Government grants related to assets, including non-monetary grants at fair value, shall be presented in the balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. The Company has adopted the later approach and accordingly deducted the grant in arriving at the carrying amount of the asset.

During the financial year the Company has received Rs. 3,78,513 as custom duty exemption.

## 47.0- Details related to micro, small and medium enterprises (MSME):

### Details related to micro, small and medium enterprises (MSME):

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
a) Amount remaining unpaid to any MSME supplier at the end of accounting year:		
- Principal amount	5,772.96	1,612.44
- Interest due thereon	-	-
b) (i) Interest paid in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 during the year	-	-
(ii) Total amount of payments made to the MSME suppliers beyond the appointed day during the year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 at the end of accounting year	-	-
d) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
e) The amount of further interest remaining due and payable relating to any earlier year	-	-



# Jindal Intellicom Limited

## 48.0- Earnings per share (EPS)

Particulars	Year ended 31st March, 2019 (Rs. in '000)	Year ended 31st March, 2018 (Rs. in '000)
Net profit after tax from continuing operations (numerator for Basic EPS)	57,447.84	3,669.33
Weighted average number of equity shares (denominator for Basic / Diluted EPS)	1,09,10,000	1,09,10,000
Earnings per equity share from continuing operations		
- Basic (In Rs.)	5.27	0.34
- Diluted (In Rs.)	5.27	0.34

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity, which the Company did not have during the period under report.

## 49.0- Impairment review

Assets are tested for impairment whenever there are any internal or external indicators of impairment.

Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the entity at which the assets are monitored for internal management purposes, within an operating segment.

The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of the assets.

The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations:

- Operating margins (Earnings before interest and taxes)
- Discount rate
- Growth rates
- Capital expenditure

Operating margins: Operating margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from



# Jindal Intellicom Limited

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the existing and new customers, though these benefits are partially offset by decline in tariffs in a hyper competitive scenario. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; at the same time, factors like higher churn, increased cost of operations may impact the margins negatively.

**Discount rate:** Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs.

**Growth rates:** The growth rates used are in line with the long term average growth rates of the respective industry and country in which the entity operates and are consistent with the forecasts included in the industry reports.

**Capital expenditure:** The cash flow forecasts of capital expenditure are based on past experience coupled with additional capital expenditure required.

**50.0-** In the absence of confirmatory letters as to balances from some parties, the figures shown under 'Trade Payables', 'Other Financial Liabilities', 'Other Current Liabilities', 'Other Non-current Assets', 'Trade Receivables' and 'Other Current Assets' are such as are reflected in the books of the Company.

**51.0-** Previous year figures are given in brackets and have been regrouped/rearranged, where found necessary, to make them comparable with the current year figures.

As per our report of even date attached

For and on behalf of the Board of Directors

For **R. Nayyar & Associates**

Chartered Accountants

FRN 029003N



**Ritika Nayyar**

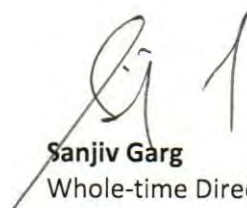
Proprietor

M. No. 507336



Place: New Delhi

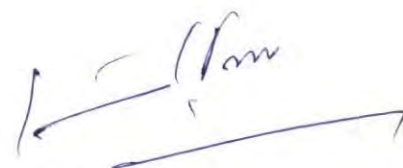
Dated: 17<sup>th</sup> April, 2019



**Sanjiv Garg**

Whole-time Director  
& CEO

DIN : 00428757



**Sunil Kumar Jain**

Director

DIN : 01308863



**Ritu Sharma**

Company Secretary

M. No: A27654



**Ajay Bhatia**

CFO