

JINDAL INTELLICOM LIMITED
Regd. Office: 28, Shivaji Marg, New Delhi-110 015

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the members of JINDAL INTELLICOM LIMITED will be held on Tuesday, September 3, 2013 at 11:30 a.m. at the registered office of the Company at 28, Shivaji Marg, New Delhi – 110 015 to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date, together with the reports of the Auditors and Directors thereon.
2. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
3. To appoint a Director in place of Shri Prithvii Raj Jindal, who retires by rotation and being eligible, offers himself for re-appointment.

Regd. Office:
28, Shivaji Marg,
New Delhi – 110 015

Place: New Delhi
Dated: 2nd August, 2013

By order of the Board
For JINDAL INTELLICOM LIMITED


DIRECTOR
(SUNIL KUMAR JAIN)

NOTE:

1. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member. Proxies, in order to be valid and effective, must be received by the Company at the registered office not later than forty eight hours of the commencement of the above meeting.
2. Members are requested to notify immediately any change in their registered address to the Company.

Regd. Office:
28, Shivaji Marg,
New Delhi – 110 015

Place: New Delhi
Dated: 2nd August, 2013

By order of the Board
For JINDAL INTELLICOM LIMITED


DIRECTOR
(SUNIL KUMAR JAIN)

JINDAL INTELICOM LIMITED

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 25th Annual Report of the Company together with the audited statement of accounts of the Company for the financial year ended on 31st March, 2013.

FINANCIAL RESULTS

	Year ended 31st March, 2013	(Rs. in Lacs) Year ended 31st March, 2012
Total Income	<u>2,777.95</u>	<u>3,112.37</u>
Profit before Interest and Depreciation	259.23	232.89
Less:		
- Interest	3.83	2.23
- Depreciation	162.28	166.42
Profit before tax	<u>93.12</u>	<u>64.24</u>
Provision for Income Tax & Wealth-Tax	<u>(31.18)</u>	<u>(23.84)</u>
	61.94	40.40
Add : MAT credit entitlement	-	2.65
Net Profit After tax	<u>61.94</u>	<u>43.05</u>

REVIEW OF OPERATIONS

During the financial year ended 31st March, 2013 there is a decline in revenue by 11%. However, due to operational efficiency your company has managed to increase Operating Profit (EBIDTA) by 12%. Your company provides IT and ITES services in the international and domestic market. In the international market, due to depressed market conditions and changes in regulatory policies the company saw decline in revenue in debt collection business stream. On the other hand your company has started focusing on niche businesses like customer support, software development, etc. In domestic market, your company is now better positioned and expecting impressive growth potential.

BOARD OF DIRECTORS

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

JINDAL INTELICOM LIMITED

DIVIDEND

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

AUDITORS

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

SUBSIDIARY

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

PERSONNEL

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

S. No	Name	Designation/ Nature of duties	Remuneration	Qualification	Date of Joining	Age (yrs)	Experience	Last Employment	Relationship with any Director
1	Mr. Sanjiv Garg	Chief Executive Officer	9,622,905	M. Sc Engineering B. Tech.	1 st March, 2000	54	32 Yrs	CM Power & Gas Pvt. Ltd.	No.

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) that in the preparation of the annual accounts the applicable accounting standards had been followed; along with proper explanation relating to material departures;
- (b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period under review;

JINDAL INTELICOM LIMITED

(c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the Directors had prepared the annual accounts on a going concern basis.

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

Conservation of Energy

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

Technology Absorption

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

Foreign Exchange Earnings & Outgo

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

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

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

(b) Foreign Exchange Earned & Used

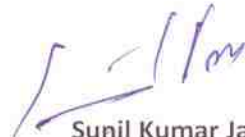
	<u>2012-13</u>	<u>2011-12</u>
(i) Total foreign exchange earned (Including Rs. 14,797,178 loss (Rs. 4,533,003 gain) as foreign currency exchange loss/gain and Rs. NIL (347,232) as miscellaneous Income)	198,018,853	266,699,436
(ii) Total foreign exchange used (Including Rs. NIL (Rs. 4,029,608) for import of equipments)	12,657,414	20,485,186

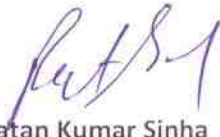
JINDAL INTELICOM LIMITED

ACKNOWLEDGEMENT

Your directors would like to express their grateful appreciation to concerned Departments of Central / State Governments, Bankers, Customers and Vendors for their continued assistance and co-operation. The directors also wish to place on record their deep sense of appreciation for the committed services of the employees at all levels.

For and on behalf of the Board of
Jindal Intellicom Limited


Sunil Kumar Jain
Director


Ratan Kumar Sinha
Director

Place : New Delhi

Date : 21st May, 2013

INDEPENDENT AUDITOR'S REPORT

To the Members of Jindal Intellicom Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Jindal Intellicom Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date;
and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

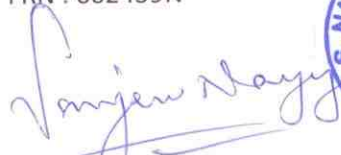
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For S. Nayar & Company
Chartered Accountants
FRN : 002439N



Sanjeev Nayar
Proprietor
Membership Number: 81124

Place: New Delhi
Date: 21st May, 2013

ANNEXURE

(Referred to in Paragraph 1 of our report of even date for the year ended 31st March, 2013)

RE: JINDAL INTELICOM LIMITED

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

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

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

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

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

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

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

4. In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for purchase of fixed assets and sale of goods / services. On the basis of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.

5. In our opinion and according to the information and explanation given to us, the Company did not enter into any contract or arrangement referred to in section 301 of the Companies Act, 1956.



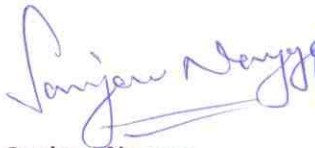
6. The Company has not accepted any deposits from public within the meaning of Section 58 A of the Companies Act, 1956 and the rules framed thereunder.
7. In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with its size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

(b) According to the information and explanations given to us no undisputed statutory dues payable on account of Income tax, Wealth tax, Custom duty, Cess or any other statutory dues were in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
10. The Company did not have any accumulated losses at the end of the financial year under review and did not incur cash loss in the year under review and in the immediately preceding financial year.
11. According to the information and explanations given to us, the Company did not default in repayment of dues to banks. The Company has not taken any loans from financial institution or issued any debentures.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company does not fall within the category of Chit fund / Nidhi / Mutual Benefit fund / society and hence the related reporting requirements are not applicable.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. In respect of investments made in shares of other companies, proper records have been made of the transaction and the same have been held by the Company in its own name except 600 Equity Shares of Rs. 10/- each of the subsidiary company Intellicom Insurance Advisors Limited held in the names of nominees of the Company .
15. According to the information and explanations given to us, the Company has not given any guarantees against loans taken by others from banks and other financial institutions.
16. According to the information and explanations given to us, the term loans were applied by the Company for the purpose for which the same were obtained.



17. According to the information and explanations given to us and on the basis of an overall examination of the balance sheet of the Company, funds raised on short term basis were not used for long term investments.
18. The Company did not make any preferential allotment of shares to parties covered in the Register maintained under section 301 of the Companies Act, 1956 during the year under review.
19. The Company did not issue any debentures during the year under review.
20. The Company did not raise any money by public issues during the year.
21. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have not come across any instance of fraud on or by the Company, noticed and reported during the year under review.

For S.NAYYAR & COMPANY
Chartered Accountants
FRN 002439N



Sanjeev Nayyar
Proprietor
Membership No. 81124

Place: New Delhi
Date: 21st May, 2013

JINDAL INTELICOM LIMITED**BALANCE SHEET AT AT 31st MARCH, 2013**

Particulars	Note No	As at	As at
		31st March, 2013 (₹)	31st March, 2012 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	3	109,100,000	109,100,000
(b) Reserves and surplus	4	140,929,075	122,917,379
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	-	86,404
(b) Deferred tax liabilities (Net)	6	17,224,100	14,105,720
(c) Other long term liabilities	7	-	214,892
(d) Long term provisions	8	6,477,834	8,880,138
(3) Current Liabilities			
(a) Trade payables	9	12,112,167	18,634,924
(b) Other current liabilities	10	24,340,312	27,308,805
(c) Short-term provisions	11	9,978,985	19,679,790
		320,162,473	320,928,052
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		188,068,588	198,977,048
(ii) Intangible assets		4,481,667	7,413,126
(b) Non-current investments	13	1,650,000	1,650,000
(c) Long term loans and advances	14	18,731,768	17,760,820
(d) Other non-current assets	15	188,475	331,408
(2) Current assets			
(a) Trade receivables	16	69,731,634	33,641,587
(b) Cash and bank balances	17	17,997,204	34,875,523
(c) Short-term loans and advances	18	14,909,248	24,203,886
(d) Other current assets	19	4,403,889	2,074,654
		320,162,473	320,928,052
Significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S. NAYYAR & COMPANY

Chartered Accountants

FRN 002439N

Sanjeev Nayyar

Proprietor

Membership No. 81124

Place : New Delhi

Date : 21st May, 2013



For and on behalf of the Board

Sunil Kumar Jain

Director

Sanjiv Garg

Chief Executive Officer

Ratan Kumar Sinha

Director

Ritu Sharma

Company Secretary

JINDAL INTELICOM LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ended 31st MARCH, 2013**

Particulars	Note No	Year ended 31st March, 2013 (₹)	Year ended 31st March, 2012 (₹)
I. Revenue from operations	20	259,998,444	303,374,033
II. Other income	21	17,796,794	7,863,007
III. Total Revenue (I +II)		<u>277,795,238</u>	<u>311,237,040</u>
IV. Expenses:			
Employee benefit expense	22	167,465,381	215,095,282
Finance costs	23	423,816	321,472
Depreciation and amortization expense	12	16,227,516	16,642,026
Other expenses	24	84,365,923	72,754,433
Total Expenses		<u>268,482,636</u>	<u>304,813,214</u>
V. Profit before tax	(III - IV)	9,312,602	6,423,826
VI. Tax expense:			
Current tax		-	1,469,028
Deferred tax		3,118,380	915,375
	(V-VI)	<u>6,194,222</u>	<u>4,039,423</u>
MAT credit entitlement		-	265,207
VII. Profit(Loss) for the period		<u>6,194,222</u>	<u>4,304,630</u>
VIII. Earning per equity share:			
Basic		0.57	0.39
Diluted		0.57	0.39

Significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S. NAYYAR & COMPANY

Chartered Accountants

FRN 002439N



Sanjeev Nayyar

Proprietor

Membership No. 81124



Place : New Delhi

Date : 21st May, 2013

For and on behalf of the Board



Sunil Kumar Jain

Director



Ratan Kumar Sinha

Director



Sanjiv Garg

Chief Executive Officer



Ritu Sharma

Company Secretary

JINDAL INTELICOM LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	For the year ended 31st March, 2013 (₹)	For the year ended 31st March, 2012 (₹)
A. Cash inflow (outflow) from operating activities		
Net Profit before tax and ordinary activity	9,312,602	6,423,826
Adjustment for:		
- Depreciation	16,227,516	16,642,026
- Effect of unrealised foreign exchange fluctuation	32,683	(1,716,132)
- Interest income	(1,536,452)	(622,158)
- Interest expenses	140,269	223,240
- Interest on Income tax of earlier years	242,588	-
- Provision no longer required, written back	(11,985,809)	899,125
- Excess provision made in earlier years written back	(959,999)	-
- Loss / (Profit) on sale of fixed assets	17,030	87,419
- Miscellaneous balances written off (net)	11,825,172	(151,151)
- Provision for gratuity and leave encashment	1,348,685	3,818,410
- Provision for doubtful debts and advances	-	1,499,734
- Provision for Wealth tax	35,245	31,722
Operating profit before working capital changes	24,699,530	27,136,062
Adjustment for:		
- Increase/(Decrease) in other long term liabilities	(214,892)	(128,000)
- Increase/(Decrease) in trade payables	(6,287,012)	(11,355,800)
- Increase/(Decrease) in other current liabilities	(2,815,413)	(634,944)
- (Increase)/Decrease long term loans & advances	174,858	209,528
- (Increase)/Decrease other non current assets	111,341	75,666
- (Increase)/Decrease in trade receivable	(36,166,492)	15,726,797
- (Increase)/Decrease short term loans & advances	11,241,138	8,060,616
- (Increase)/Decrease in other current assets	647,630	(869,109)
- (Increase)/Decrease in other bank balances	1,668,353	324,640
- Payment of leave encashment and gratuity	(3,451,283)	(4,442,577)
Cash generated from operations	(10,392,242)	34,102,879
- Tax refund / (paid)	(1,997,962)	(2,259,826)
Net cash inflow (outflow) from operating activities	(12,390,204)	31,843,053
B. Cash inflow (outflow) from investment activities		
- Purchase of fixed assets	(2,326,529)	(16,063,166)
- Sale of fixed assets	2,506	1,223,099
- Interest received	1,364,618	600,243
- Unsecured loan	(1,400,000)	-
Net cash inflow (outflow) from investment activities	(2,359,405)	(14,239,824)



JINDAL INTELLICOM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	For the year ended	For the year ended
	31st March, 2013 (₹)	31st March, 2012 (₹)
C. Cash Inflow (Outflow) from financing activities		
- Interest paid	(142,746)	(237,059)
- Increase / (Decrease) in long term borrowings	(317,611)	(3,845,632)
Net cash inflow (outflow) from financing activities	(460,357)	(4,082,691)
Net Changes in cash & cash equivalents	(15,209,966)	13,520,537
Opening balance of cash & cash equivalents	24,314,676	10,794,139
Closing balance of cash & cash equivalents	9,104,710	24,314,676

Particulars	As at	As at
	31st March 2012 (₹)	31st March 2011 (₹)
Components of cash and cash equivalents		
Cash in hand	495,142	2,965,145
Cheque/drafts in hand	919,634	1,727,925
Balances with scheduled banks in:		
- Cash credit account	673,380	14,048,732
- Current accounts	7,016,554	5,572,874
	9,104,710	24,314,676

Notes :

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

As per our report of even date attached

For S. NAYYAR & COMPANY

Chartered Accountants

FRN 002439N

Sanjeev Nayyar

Sanjeev Nayyar

Proprietor

Membership No. 81124



For and on behalf of the Board

Sunil Kumar Jain

Sunil Kumar Jain

Director

Ratan Kumar Sinha

Ratan Kumar Sinha

Director

Sanjiv Garg

Sanjiv Garg

Chief Executive Officer

Ritu Sharma

Ritu Sharma

Company Secretary

Place : New Delhi

Dated : 21st May, 2013

JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31ST March, 2013

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

1. Corporate Information

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

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

2. Basis of preparation

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

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

2.1 Significant accounting policies

a. Use of estimates

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

b. Revenue recognition

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

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



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

c. Fixed Assets:

a) Valuation of fixed assets:

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

b) Expenditure during construction period:

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

d. Depreciation

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

e. Impairment of Assets

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

f. Investments

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

g. Foreign Exchange Transactions

- i. Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the date of transaction.
- ii. Monetary items denominated in foreign currency remaining unsettled at the year end are reported using the year end rates. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.
- iii. Any income or expense on account of exchange difference between the date of transaction or as reported in previous financial statements, and on settlement during the year or on translation at the year end is recognized in the Statement of Profit and Loss.
- iv. Forward Exchange Contracts not intended for trading or speculation purposes to hedge items recognized on the balance sheet :



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

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

h. Derivatives:

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

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

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

i. Lease Accounting

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

j. Employees' Benefits

i. Short-term:

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



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

ii. Long-term & post employment:

1. Provident Fund:

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

2. Gratuity:

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

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

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

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

3. Leave Encashment:

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

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

k. Taxes on Income

- i. Provision for current tax is made after taking into consideration tax allowances and exemptions admissible under the provisions of the Income Tax Act, 1961.



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

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

I. Provisions, Contingent Liabilities and Contingent Assets

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

3. Share Capital

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Authorized		
(i) 12,000,000 (12,000,000) equity shares of ₹ 10/- each	120,000,000	120,000,000
	<u>120,000,000</u>	<u>120,000,000</u>
Issued, Subscribed & Paid-Up		
(i) 10,910,000 (10,910,000) equity shares of ₹ 10/- each fully paid-up	109,100,000	109,100,000
	<u>109,100,000</u>	<u>109,100,000</u>

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

Equity Shares	Nos. as at 31st March, 2013	Nos. as at 31st March, 2012
Shares outstanding as at the beginning of the year	10,910,000	10,910,000
Add: Fresh issue of shares	-	-
Add: Issue of bonus shares	-	-
Shares outstanding as at the end of the year	<u>10,910,000</u>	<u>10,910,000</u>

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

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Jindal ITF Limited		
10,776,770 (10,776,770) equity shares of ₹ 10/- each fully paid-up	107,767,700	107,767,700



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

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

Name of shareholder and no. of shares held	% of holding as at 31st March, 2013	% of holding as at 31st March, 2012
Jindal ITF Limited 10,776,770 (10,776,770) equity shares of ₹ 10/- each fully paid-up	98.78	98.78

4. Reserves & Surplus

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
a) Securities Premium Reserve		
Balance as per last financial statements	4,450,000	4,450,000
Additions during the year	-	-
Deductions/ transfers during the year	-	-
Closing Balance	4,450,000	4,450,000
b) Hedging Reserve		
Balance as per last financial statements	(9,044,035)	-
Additions during the year	2,773,439	(9,044,035)
Deductions/ transfers during the year	9,044,035	-
Closing balance	2,773,439	(9,044,035)
c) Surplus in Profit and Loss Account		
Balance as per last financial statements	127,511,414	123,206,784
Profit/(Loss) after tax transferred from Statement of Profit and Loss	6,194,222	4,304,630
Balance in Profit and Loss Account carried forward	133,705,636	127,511,414
Total (a+b+c)	140,929,075	122,917,379

5. Long-term Borrowings

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Secured Long term borrowings		
Term loans from banks	-	86,404
	-	86,404

5.1 Term loans from banks include:

(i) Term Loan from Axis Bank Limited secured by hypothecation of vehicle financed

- 86,404

5.2 Maturity Profile of Term Loans:

Term Loans from banks:

Payable in 1-2 years

- 86,404



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

6. Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
a) Deferred tax liabilities on account of:		
- Depreciation and amortisation	23,959,260	24,342,531
(a)	<u>23,959,260</u>	<u>24,342,531</u>
b) Deferred tax assets on account of:		
- Gratuity	3,516,969	3,548,041
- Leave encashment	1,811,011	2,773,598
- Provision for doubtful debts	-	3,594,944
- Provision for doubtful advances	-	293,852
- Unpaid bonus	19,282	26,376
- Unabsorbed depreciaton	1,387,898	-
(b)	<u>6,735,160</u>	<u>10,236,811</u>
Deferred tax liabilities (Net)	(a)-(b)	
	<u><u>17,224,100</u></u>	<u><u>14,105,720</u></u>
Net deferred tax liabilities/(assets) recognised in the Statement of Profit and Loss in accordance with 'Accounting Standard 22-Accounting for Taxes on Income'	3,118,380	915,375

7. Other Long-term Liabilities

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Security deposits	-	214,892
	<u>-</u>	<u>214,892</u>

8. Long-term Provisions

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Provision for employee benefits:		
- Provision for gratuity	6,477,834	8,880,138
	<u>6,477,834</u>	<u>8,880,138</u>



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

9. Trade Payables

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Trade Payables:		
- Due to related parties	2,203,466	9,216,341
- Due to others	9,908,701	9,418,583
	<u>12,112,167</u>	<u>18,634,924</u>

10. Other Current Liabilities:

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
a) Current maturities of long term debts	86,404	317,611
b) Interest accrued but not due on borrowings	495	2,972
c) Interest accrued and due on borrowings	5,862,237	5,862,237
d) Advance from customer	-	80,000
e) Other payables:		
- Statutory dues	2,445,112	2,603,328
- Dues to employees	15,176,920	17,969,009
- Security deposits	417,892	203,000
- Creditors for capital assets	351,252	270,648
	<u>24,340,312</u>	<u>27,308,805</u>

11. Short-term Provisions

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
a) Provisions for employee benefits:		
- Provision for gratuity	4,361,953	2,055,418
- Provision for leave encashment	5,581,787	8,548,615
(a)	<u>9,943,740</u>	<u>10,604,033</u>
b) Other provisions:		
- Provision for wealth-tax	35,245	31,722
- Provision for mark to market loss on derivative contracts	-	9,044,035
(b)	<u>35,245</u>	<u>9,075,757</u>
Total (a)+(b)	<u>9,978,985</u>	<u>19,679,790</u>



JINDAL INTELLICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

12. Fixed Assets

Tangible fixed assets

Assets	Gross Block				Depreciation				Net Block	
	As on	Additions	Sale / Transfer	As on	Up to	For	Adjustments	Total up to	As on	As on
	01.04.2012			31.03.2013					1.4.2012	the period
Lease-hold improvements (Building)	97,432,214	-	-	97,432,214	9,769,457	1,587,677	-	11,357,134	86,075,080	87,662,757
Machinery & plant	115,655,803	669,902	28,550	116,297,155	37,480,865	5,568,271	9,014	43,040,122	73,257,033	78,174,938
Office equipment	2,848,071	21,640	-	2,869,711	653,986	140,656	-	794,642	2,075,069	2,194,085
Computers	70,571,435	633,742	-	71,205,177	55,865,963	4,048,061	-	59,914,024	11,291,153	14,705,472
Vehicles	9,287,999	994,387	-	10,282,386	2,711,766	959,745	-	3,671,511	6,610,875	6,576,233
Furniture & fixtures	15,031,613	45,000	-	15,076,613	5,368,050	949,185	-	6,317,235	8,759,378	9,663,563
TOTAL	310,827,135	2,364,671	28,550	313,163,256	111,850,087	13,253,595	9,014	125,094,668	188,068,588	198,977,048
Previous Year	296,389,788	17,034,568	2,597,221	310,827,135	99,698,432	13,438,358	1,286,703	111,850,087	198,977,048	

Intangible fixed assets

Assets	Gross Block				Depreciation				Net Block	
	As on	Additions	Sale / Transfer	As on	Up to	For	Adjustments	Total up to	As on	As on
	01.04.2012			31.03.2013					1.4.2012	the period
Software	40,618,918	42,462	-	40,661,380	33,205,792	2,973,921	-	36,179,713	4,481,667	7,413,126
Total	40,618,918	42,462	-	40,661,380	33,205,792	2,973,921	-	36,179,713	4,481,667	7,413,126
Previous Year	40,590,203	28,715	-	40,618,918	30,002,124	3,203,668	-	33,205,792	7,413,126	

13. Non-Current Investments

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Non-trade investments		
Investments In equity shares (unquoted, at cost):		
- in subsidiary company		
1,50,000 (1,50,000) fully paid-up equity shares of ₹ 10/- each of Intellicom Insurance Advisors Limited (including 600 (600) equity shares of ₹ 10/- each invested through nominees)	1,500,000	1,500,000
- in other company		
500 (500) fully paid-up equity shares of ₹ 100/- each of Jindal Systems Private Limited	150,000	150,000
	1,650,000	1,650,000
Aggregate amount of unquoted investments	1,650,000	1,650,000



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

14. Long Term Loans and Advances

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
(Unsecured, considered good)		
a) Security deposits	581,167	581,167
b) Loans and advances to related parties:		
- Advance rent paid to ultimate holding company, Jindal Saw Limited	525,000	945,000
c) Other loans and advances:		
- Prepaid expenses	542,356	297,214
- MAT credit entitlement	17,083,245	15,937,439
	<u>18,731,768</u>	<u>17,760,820</u>

Advance rent paid to ultimate holding company, Jindal
Saw Limited is adjustable in:

- 12 to 24 months	420,000	420,000
- 24 to 36 months	105,000	420,000
- more than 36 months	-	105,000

15. Other Non-current Assets

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Bank deposits with original maturity of more than twelve months	188,475	299,816
Interest accrued on bank deposits	-	31,592
	<u>188,475</u>	<u>331,408</u>

16. Trade Receivables

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment:		
Considered good	5,383,183	1,114,884
Doubtful	-	11,080,117
	<u>5,383,183</u>	<u>12,195,001</u>
Less: Provision for bad and doubtful debts	-	11,080,117
	<u>5,383,183</u>	<u>1,114,884</u>
Others:		
Considered good	64,348,451	32,526,703
	<u>64,348,451</u>	<u>32,526,703</u>
Total (a)+(b)	<u>69,731,634</u>	<u>33,641,587</u>



JINDAL INTELLICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

17. Cash and Bank Balances

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
a) Cash and cash equivalents		
Balances with banks:		
- On current accounts	7,016,554	5,572,874
- On cash credit account	673,380	14,048,732
Cheques/drafts in hand	919,634	1,727,925
Cash-in-hand	495,142	2,965,145
(a)	9,104,710	24,314,676
b) Other bank balances		
- Deposits with original maturity of more than three months but not exceeding 12 months:		
- Margin deposits	-	5,432,847
- Deposits with original maturity of more than twelve months:		
- Margin deposits	152,120	-
- Other deposits	8,740,374	5,128,000
(b)	8,892,494	10,560,847
Total (a)+(b)	17,997,204	34,875,523

18. Short Term Loans and Advances

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
a) Advances recoverable in cash or kind:		
i. Due from related party		
(Unsecured, considered good)		
- Advance rent paid to ultimate holding company, Jindal Saw Limited	420,000	455,000
- Unsecured loan given to 100% subsidiary company, Intellicom Insurance Advisors Limited	1,400,000	-
	<u>1,820,000</u>	<u>455,000</u>
ii. Due from other parties		
Unsecured considered good	201,758	3,670,711
Unsecured considered doubtful	-	905,692
	<u>201,758</u>	<u>4,576,403</u>
Less: Provision for doubtful advances	-	905,692
(a) (i+ii)	2,021,758	4,125,711



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

b) Other loans & advances (unsecured, considered good):

- MAT credit entitlement	4,100,000	5,200,000
- Advance Income tax (Net of Provision for taxation)	2,830,650	1,163,463
- CENVAT credit refundable/adjustable	272,311	8,775,244
- Central Sales Tax refundable	1,601,968	1,592,941
- Prepaid expenses	2,709,124	2,770,113
- Loans to employees	268,437	576,414
- Earnest money deposits	1,105,000	-
(b)	12,887,490	20,078,175
Total (a)+(b)	14,909,248	24,203,886

19. Other Current Assets

Particulars	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Due from related party		
- JITF Water Infrastructure Ltd (Reimbursement of expenses)	10,400	71,479
- Interest accrued on loan to 100% subsidiary company, Intellicom Insurance Advisors Limited	115,567	-
- Rent and power charges receivable from 100% subsidiary company,)Intellicom Insurance Advisors Limited	57,439	-
Others		
- Unbilled revenue	536,455	836,706
- Interest accrued on bank deposits	246,880	159,021
- Derivative Assets	2,773,439	-
- Others	663,709	1,007,448
	4,403,889	2,074,654

20. Revenue from Operations

Particulars	2012-13 (₹)	2011-12 (₹)
a) Sale of services	259,461,989	303,374,033
b) Unbilled revenue	536,455	-
	259,998,444	303,374,033

21. Other Income

Particulars	2012-13 (₹)	2011-12 (₹)
a) Interest Income	1,555,610	645,423
b) Net gain on foreign currency transaction and translation	-	4,533,003
c) Provision no longer required, written back	12,945,808	899,125
d) Income from sub-letting	2,964,869	820,940
e) Other non operating income	330,507	964,516
	17,796,794	7,863,007



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

22. Employee Benefit Expense

Particulars	2012-13 (₹)	2011-12 (₹)
a) Salaries and wages	159,873,942	204,722,966
b) Contribution to Provident Fund and other funds	2,911,734	2,824,457
c) Staff welfare expenses	4,679,705	7,547,859
	<u>167,465,381</u>	<u>215,095,282</u>

23. Finance Costs

Particulars	2012-13 (₹)	2011-12 (₹)
a) Interest expense	140,269	223,240
b) Interest on Income-tax of earlier year	242,588	-
c) Other borrowing costs	40,959	98,232
	<u>423,816</u>	<u>321,472</u>

24. Other Expenses

Particulars	2012-13 (₹)	2011-12 (₹)
Power & fuel	7,952,444	10,625,467
Rent	3,782,881	4,093,460
Repairs to building	1,441,934	1,502,855
Repairs to plant & machinery	5,200,431	4,717,365
Security expenses	2,526,463	3,106,361
Insurance	1,447,604	2,209,887
Rates & taxes	35,745	43,252
Telecommunication link expenses	15,123,053	18,475,202
Travelling expenses	2,271,332	3,231,568
Auditors' remuneration	239,924	250,710
Marketing expenses	-	4,152,151
Provision for doubtful debts and advances	-	1,499,734
Miscellaneous balances written-off	12,032,349	414,371
Loss on sale of fixed assets (net)	17,030	87,419
Net loss on foreign currency transaction and translation	14,641,091	-
Miscellaneous expenses	17,653,642	18,344,631
	<u>84,365,923</u>	<u>72,754,433</u>

Auditors' remuneration includes:

- As auditor	154,000	140,000
- For taxation matters	-	5,000
- For other services (Certification)	80,500	102,500
- For reimbursement of expenses	5,424	3,210
	<u>239,924</u>	<u>250,710</u>



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

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

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

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

The above limits have been secured by hypothecation of book debts and exclusive charge on the fixed assets of the Company and negative lien on the building constructed by Jindal Intellicom Ltd at 28, Shivaji Marg, New Delhi.

27. Derivative transactions:

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

Particulars	(Amount in ₹)	
	As at 31st March, 2013	As at 31st March, 2012
a) Forward exchange contracts for receivables and highly probable forecasted transactions (all maturing within twelve months)	205,478,500	154,745,161
b) Amount recognised in Hedging Reserve Account during the year	2,773,439	(9,044,035)
c) Forward exchange currency exposures not covered by derivative instruments:		
- Payables on account of foreign currency expenditure	2,216,804	933,028

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

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

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



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

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

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

29. CIF value of imports:

(Amount in ₹)

Particulars	2012-13	2011-12
Capital goods (including software)	-	4,029,608

30. Earnings in foreign currency:

(Amount in ₹)

Particulars	2012-13	2011-12
Income from call center services	212,816,031	261,819,201
Foreign currency exchange gain/(Loss)	(14,797,178)	4,533,003
Miscellaneous Income (Interest on delayed payment from trade receivable)	-	347,232
	198,018,853	266,699,436

31. Expenditure in foreign currency

(Amount in ₹)

S No	Particulars	2012-13	2011-12
1	Legal, professional & consultancy expenses	28,163	113,173
2	Interest & finance expenses	-	1,066
3	Others	12,629,251	16,341,338
		12,657,414	16,455,578

32. Leases:

a- Cancellable operating leases:

The Company has taken on lease office premises and vehicles on cancellable operating leases. Lease rentals charged during the year in the Statement of Profit and Loss amounted to ₹ 4,534,881/- (₹ 4,506,260/-)

b- Cancellable operating sub-lease:

The Company has sublet a part of its office premises taken on lease by it. Income from subletting as shown under 'Other Income' in the Statement of Profit and Loss has been arrived at as under:

	<u>2012-13</u> (₹)	<u>2011-12</u> (₹)
Lease rent received from subletting of property	3,414,510	960,000
Less: Proportionate lease rent paid for sublet property	<u>449,641</u>	<u>139,060</u>
Net income from subletting	<u>2,964,869</u>	<u>820,940</u>



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

33. Segment Reporting : Segment Report for the year ended 31st March, 2013

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

		(Amount in ₹)			
		Within india	Outside India	Unallocable	Total
(A)	Segment Revenue				
	External	47,182,413 (41,554,832)	225,761,839 (261,819,201)	4,850,986 (8,002,067)	277,795,238 (311,376,100)
(B)	Segment Results				
	Profit/(Loss) before tax	19,154,406 (11,846,066)	66,039,952 (99,973,189)	(75,881,756) (105,395,429)	9,312,602 (6,423,826)
(C)	Other Information				
	Provision for current taxes				- (1,469,028)
	Provision for deferred taxes				3,118,380 (915,375)
	MAT credit entitlement				- (265,207)
	Net Profit after tax				6,194,222 (4,304,630)
	Segment Assets	27,519,085 (71,762,991)	56,379,965 (13,199,715)	236,263,422 (235,965,346)	320,162,473 (320,928,052)
	Segment Liabilities	10,688,638 (3,674,034)	17,426,990 (30,197,104)	42,017,770 (55,039,535)	70,133,398 (88,910,673)

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



JINDAL INTELLICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

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

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

S No	Particulars	Relationship
	Enterprises / individuals where control exists	
1	Jindal Saw Limited	Ultimate holding company
2	Jindal ITF Limited	Holding company
3	Intellicom Insurance Advisors Limited	Subsidiary company
4	IUP Jindal Metal & Alloys Limited	Fellow subsidiary
5	JITF Water Infrastructure Limited	Fellow subsidiary
6	JITF Waterways Limited	Fellow subsidiary
7	JITF Urban Infrastructure Limited	Fellow subsidiary
8	Jindal Rail Infrastructure Limited	Fellow subsidiary
9	JITF Shipyards Limited	Fellow subsidiary
10	JITF Infralogistics Limited	Fellow subsidiary
11	JITF Urban Infrastructure Services Limited	Fellow subsidiary
12	S.V. Trading Co. Limited	Fellow subsidiary
13	Jindal Saw Holdings FZE	Fellow subsidiary
14	JITF Coal Logistics Limited	Fellow subsidiary
15	Jindal Fittings Limited	Fellow subsidiary
16	Quality Iron and Steel Limited	Fellow subsidiary
17	Ralael Holdings Limited	Fellow subsidiary
18	Green Ray Holdings Limited	Fellow subsidiary
19	Universal Tube Accessories Private Limited	Fellow subsidiary
20	Jindal Saw Espana SL	Fellow subsidiary
21	Jindal Saw Middle East, FZC	Subsidiary of fellow subsidiary
22	Jindal Saw Gulf LLC	Subsidiary of fellow subsidiary
23	Jindal Saw Italia S.P.A	Subsidiary of fellow subsidiary
24	Jindal Saw USA, LLC	Subsidiary of fellow subsidiary
25	Derwant Sand SARL	Subsidiary of fellow subsidiary
26	JITF Shipping & Logistics (Singapore) PTE Limited	Subsidiary of fellow subsidiary
27	Jindal ES IPL CETP (Sitarganj) Limited	Subsidiary of fellow subsidiary
28	Timarpur-Okhla Waste Management Company Private Limited	Subsidiary of fellow subsidiary
29	Jindal Water Infra (Naya Raipur) Limited	Subsidiary of fellow subsidiary
30	JITF Industrial Infrastructure Development Co. Limited	Subsidiary of fellow subsidiary
31	JITF Urban Waste Management (Ferozepur) Limited	Subsidiary of fellow subsidiary
32	JITF Urban Waste Management (Jalandhar) Limited	Subsidiary of fellow subsidiary
33	JITF Urban Waste Management (Bathinda) Limited	Subsidiary of fellow subsidiary

Key Management Personnel		
1	Ratan Kumar Sinha	Director
2	Sanjiv Garg	Chief Executive Officer



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

	Relatives of Key Management Personnel	
1	Leena Garg	Wife of CEO
2	Gayatri Garg	Daughter of CEO

B- Statement of related party transactions:

Parties where control exists	2012-13	2011-12
a) Transactions during the period		
Rent	4,232,522	4,292,520
Power	8,022,834	11,125,867
Sale of services	-	9,600,000
Rent received	3,227,510	60,000
Reimbursement received	6,850,646	2,085,198
Reimbursement paid	177,870	291,746
Unsecured loan given during the year	1,400,000	-
b) Outstanding Balances as at close of the period		
Trade payables	2,203,466	9,216,341
Investment	1,500,000	1,500,000
Short-term loans & advances (Unsecured loan)	1,400,000	
Other current assets	183,406	71,479

Key Management Personnel	2012-13	2011-12
a) Transactions during the period		
Salaries	9,446,251	7,403,850
b) Outstanding Balances as at close of the period		
Due to employee	995,767	836,034

Relative of Key Management Personnel	2012-13	2011-12
a) Transactions during the period		
Salaries	1,294,228	1,556,195
b) Outstanding Balances as at close of the period		
Dues to employees	92,171	103,152



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

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

Particulars	(Amount in ₹)	
	2012-13	2011-12
Net Profit after tax (<i>numerator for Basic EPS</i>)	6,194,222	4,304,630
Weighted average number of equity shares (<i>denominator for Basic / Diluted EPS</i>)	10,910,000	10,910,000
Earnings per equity share - Basic / Diluted	0.57	0.39
Nominal value per equity share	10.00	10.00

36. Directors Remuneration:

Particulars	(Amount in ₹)	
	2012-13	2011-12
Salary	429,247	2,485,251
Bonus	-	294,584
	429,247	2,779,835

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

Defined contribution plans

The Company's contribution to Employee Provident Fund Scheme and Employee State Insurance Scheme are defined contribution plans. A sum of ₹ 2,909,388 (₹ 2,821,010) has been recognized as an expense in relation to these schemes and shown under Employee Benefit Expense in the Statement of Profit and Loss.

Defined benefit plans

Gratuity	(Amount in ₹)	
	2012-13	2011-12
a. Changes in defined benefit obligation		
Liability at the beginning of the year	10,935,556	11,249,044
Current service cost	1,608,603	2,051,146
Interest cost	832,386	889,167
Benefits paid	(1,444,454)	(1,963,091)
Actuarial losses/(gains)	(1,092,304)	(1,290,710)
Liability at the end of the year	10,839,787	10,935,556



JINDAL INTELICOM LIMITED

Notes to financial statements for the year ended 31st March, 2013

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

c. Amount recognised in the Balance Sheet		
Present value of obligation at the end of the year	10,839,787	10,935,556
Fair value of plan assets	-	-
Funded Status	(10,839,787)	(10,935,556)
Unrecognised actuarial (gain) / loss	-	-
Net asset / (liability) recognized in the Balance Sheet	(10,839,787)	(10,935,556)

d. Expenses recognised in the Statement of Profit and Loss		
Current service cost	1,608,603	2,051,146
Interest cost on benefit obligation	832,386	889,167
Expected return on plan assets	-	-
Net actuarial losses/(gains) recognised in the year	(1,092,304)	(1,290,710)
Expenses recognized in the Statement of Profit and Loss	1,348,685	1,649,603

e. Actuarial Assumptions:		
Mortality Table	IAL 2006-2008 Ultimate	LIC 1994-1996 Ultimate
Imputed rate of interest (per annum)	8.15%	8.75%
Rate of escalation in salary (per annum)	6% to 10%	6% to 10%
Average working life	30.17 Years	31.09 Years
Retirement age	58 Years	58 Years

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

As per our report of even date

For **S. NAYYAR & COMPANY**

Chartered Accountants

FRN Q02439N

Sanjeev Nayyar
Sanjeev Nayyar

Proprietor

Membership No. 81124



For and on behalf of the Board

Sunil Kumar Jain
Sunil Kumar Jain
Director

Ratan Kumar Sinha
Ratan Kumar Sinha
Director

Sanjiv Garg
Sanjiv Garg
Chief Executive Officer

Ritu Sharma
Ritu Sharma
Company Secretary

Place : New Delhi

Dated : 21st May, 2013