Jindal Intellicom Limited

Balance Sheet as at 31st March, 2017

	Particulars	Note No	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, plant and equipment	5.0	142,144.08	147,107.79
	(b) Capital work-in-progress		347.48	1,105.32
	(c) Intangible assets	6.0	4,077.94	5,114.68
	(d) Financial assets			
	(i) Investments	7.0	167,426.66	124,420.64
	(ii) Other financial assets	8.0	15,030.67	657.06
	(e) Other non-current assets	9.0	2,471.89	1,156.86
(2)	**Current assets**			
	(a) Financial assets			
	(i) Investments	10.0	18,123.17	21,849.46
	(ii) Trade receivables	11.0	51,445.91	53,201.62
	(iii) Cash and cash equivalents	12.0	6,590.47	8,848.92
	(iv) Bank balances other than (iii) above	13.0	392.93	3,190.75
	(v) Loans	14.0	3,721.00	800.00
	(vi) Other financial assets	15.0	8,788.31	6,029.77
	(b) Current tax assets (Net)	16.0	1,136.32	1,823.17
	(c) Other current assets	17.0	6,859.90	7,106.05
	Total Assets		**428,556.73**	**382,412.09**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Share capital	18.0	109,100.00	109,100.00
	(b) Other equity	19.0	248,735.72	200,211.08
	Liabilities			
(1)	**Non-current liabilities**			
	(a) Provisions	20.0	13,416.82	11,959.17
	(b) Deferred tax liabilities (Net)	21.0	5,359.07	1,481.03
(2)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	22.0	-	6,051.93
	(ii) Trade payables	23.0	7,682.15	7,602.89
	(iii) Other financial liabilities	24.0	23,262.88	28,571.89
	(b) Other current liabilities	25.0	7,931.51	7,543.80
	(c) Provisions	26.0	13,068.58	9,890.30
	Total Equity and Liabilities		**428,556.73**	**382,412.09**

S. NAYYAR & COMPANY
CHARTERED ACCOUNTANTS
NEW DELHI

Jindal Intellicom Limited

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

As per our report of even date attached

For **S. Nayyar & Company**
Chartered Accountants
FRN 002439N

Sanjeev Nayyar
Proprietor
M. No. 81124

Place: New Delhi
Dated: 26th April, 2017

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 Profit and Loss for the year ended 31st March, 2017

	Particulars	Note No	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
I	**INCOME**			
	Revenue from operations	**27.0**	405,063.64	349,976.79
	Other income	**28.0**	25,918.12	20,545.73
	Total Income		**430,981.76**	**370,522.52**
II	**EXPENSES**			
	Purchases of Stock-in-Trade		1,254.29	-
	Employee benefit expense	**29.0**	262,344.34	231,161.23
	Finance costs	**30.0**	582.40	177.09
	Depreciation and amortization expense	**31.0**	18,189.56	16,562.72
	Other expenses	**32.0**	89,019.06	87,206.57
	Total expenses		**371,389.65**	**335,107.61**
III	**Profit/(loss) before exceptional items and tax (I - II)**		**59,592.11**	**35,414.91**
IV	Exceptional items		-	-
V	**Profit/(loss) before tax (III - IV)**		**59,592.11**	**35,414.91**
VI	**Tax expense:**			
	Current tax		18,310.34	7,232.60
	MAT credit utilisation		4,306.60	3,192.34
	Deferred tax		(2,772.82)	1,332.39
VII	**Profit/(Loss) for the year from continuing operations (V - VI)**		**39,747.99**	**23,657.58**
VIII	**OTHER COMPREHENSIVE INCOME**			
	A Items that will not be reclassified to profit or loss:			
	(i) Re-measurement gains (losses) on defined benefit plans		(1,885.13)	1,397.15
	Income tax effect on above		522.53	(453.66)
	(ii) Equity instruments through Other Comprehensive Income		8.04	-
	Income tax effect on above		(1.77)	(13.63)
	B Items that will be reclassified to profit or loss:			
	(i) Mutual fund investments through Other Comprehensive Income		12,997.98	6,548.94
	Income tax effect on above		(2,865.01)	(1,457.58)
	(ii) The effective portion of gain and loss on hedging instruments in a cash flow hedge		-	(569.23)
	Income tax effect on above		-	184.69
	Other Comprehensive Income		**8,776.64**	**5,636.68**
IX	**Total Comprehensive Income for the year (VII + VIII) (Comprising Profit (Loss) and Other Comprehensive Income for the year)**		**48,524.63**	**29,294.26**
X	**Earnings per equity share (from continuing operations):**			
	Basic		3.64	2.17
	Diluted		3.64	2.17

S. JATTAR & COMPANY CHARTERED ACCOUNTANTS NEW DELHI

Jindal Intellicom Limited

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

As per our report of even date attached

For **S. Nayyar & Company**
Chartered Accountants
FRN 002439N

Sanjeev Nayyar
Proprietor
M. No. 81124

Place: New Delhi
Dated: 26th April, 2017

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 Changes in Equity for the year ended 31st March, 2017

A – Equity Share Capital

Balance as at 1st April 2015 (Rs. in '000)	Changes in equity share capital during the year ended 31st March, 2016 (Rs. in '000)	Balance as at 31st March, 2016 (Rs. in '000)	Changes in equity share capital during the year ended 31st March, 2017 (Rs. in '000)	Balance as at 31st March, 2017 (Rs. in '000)
109,100.00	-	109,100.00	-	109,100.00

B – Other Equity

	Reserves and Surplus		Items of Other Comprehensive Income				
	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)	Revaluation Surplus	Re-measurements of the Net Defined Benefit Plans (Rs. in '000)	Total (Rs. in '000)
Balance as at 1st April, 2015	**4,450.00**	**164,094.73**	**2,674.53**	**218.46**	**384.54**	**(905.44)**	**170,916.82**
Total Comprehensive Income for the year ended 31st March, 2016	-	23,657.58	5,091.36	(13.63)	(384.54)	943.49	29,294.26
Balance as at 31st March, 2016	**4,450.00**	**187,752.31**	**7,765.89**	**204.83**	**-**	**38.05**	**200,211.08**
Total Comprehensive Income for the year ended 31st March, 2017	-	39,747.99	10,132.98	6.27	-	(1,362.60)	**48,524.64**
Balance as at 31st March, 2017	**4,450.00**	**227,500.30**	**17,898.87**	**211.10**	**-**	**(1,324.55)**	**248,735.72**

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

As per our report of even date attached
For **S. Nayyar & Company**
Chartered Accountants
FRN 002439N

CHARTERED ACCOUNTANTS
NEW DELHI

Sanjeev Nayyar
Proprietor
M. No. 81124

Place: New Delhi
Dated: 26th April, 2017

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 31st March, 2017

Particulars	For the year ended 31st March, 2017 (Rs. in '000)		For the year ended 31st March, 2016 (Rs. in '000)	
A. CASH INFLOW / (OUTFLOW) FROM THE OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		**59,592.11**		**35,414.91**
Add/(Less):				
Adjustments for:				
Depreciation and amortization expense	18,189.56		16,562.73	
Interest expense	15.02		38.70	
Loss/(Profit) on sale of property, plant and equipment	4,783.44		(116.05)	
Provision for impairment of trade receivables written back	-		(664.17)	
Provision for impairment of trade receivables	889.01		-	
Provision for employee benefits	2,750.81		1,701.83	
Loss/(gain) on fair valuation of current investments	(105.01)		(167.64)	
Miscellaneous balances written off	1,607.36		11,765.45	
Loss/(gain) on sale of investments	(1,620.96)		(1,236.67)	
Effect of unrealised foreign exchange loss/(gain)	(5,571.44)		(2,066.32)	
Interest income	(1,398.34)		(2,240.02)	
		19,539.45		**23,577.84**
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**79,131.56**		**58,992.75**
Adjustments for:				
(Increase)/decrease in trade receivables	1,856.75		(17,544.44)	
(Increase)/decrease in loans and advances and other assets	(344.03)		(1,323.13)	
Increase/(decrease) in payables and provisions	(2,713.52)		10,125.29	
		(1,200.80)		**(8,742.28)**
		77,930.76		50,250.47
Income tax paid		**(17,623.49)**		**(5,931.39)**
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES (A)		**60,307.27**		**44,319.08**
B. CASH INFLOW/(OUTFLOW)FROM INVESTMENT ACTIVITIES				
Payment to acquire financial assets:				
Purchase of debt mutual fund and fixed maturity plan securities	(30,000.00)		(47,000.00)	
Purchase of liquid mutual fund units	(260,500.00)		(191,900.00)	
Proceeds from redemption of financial assets:				
Redemption of debt mutual fund units	-		6,583.31	
Redemption of liquid mutual fund units	265,952.25		171,371.55	
Expenditure on property, plant and equipment, intangible assets and capital work-in-progress (net of sales proceeds)	(19,333.69)		(30,771.84)	
Loan to subsidiary (net of repayments)	(2,900.00)		(800.00)	
Loan to employees (net of repayments)	(21.00)		-	
Interest received	1,158.31		5,202.81	
Increase/decrease in bank fixed deposits	(10,855.38)		40,985.57	
NET CASH INFLOW/(OUTFLOW)FROM INVESTING ACTIVITIES (B)		**(56,499.51)**		**(46,328.60)**
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES				
Short-term borrowings (net)	(6,051.93)		75.46	
Interest paid	(14.28)		(38.70)	
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES (C)		**(6,066.21)**		**36.76**
NET CHANGES IN CASH AND CASH EQUIVALENTS [A + B + C]		**(2,258.45)**		**(1,972.76)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		**8,848.92**		**10,821.68**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**6,590.47**		**8,848.92**

NOTES:

1. Figures in brackets indicate cash out flows.
2. The above Cash Flow Statement has been prepared under the indirect method setout 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 **S. Nayyar & Company**
Chartered Accountants
FRN 002439N

Sanjeev Nayyar
Proprietor
M. No. 81124

Place: New Delhi
Dated: 26th April, 2017

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

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 – 110 001 (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.

2- Basis of preparation

The financial statements have been prepared complying in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015. 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, 2017

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.

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).

3.0- 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:

S. NAYYAR & COMPANY CHARTERED ACCOUNTANTS NEW DELHI

- 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 (Rupees or Rs.), which is the Company's functional and presentation currency and all amounts are rounded to the nearest thousands and two decimals thereof, except as stated otherwise.

3.2- Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company had adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently 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.

3.3- Intangible Assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Software are capitalised at the amounts paid to acquire the respective licenses for use and are amortised over the period of license, generally not exceeding six years on straight line method. The useful lives of assets are reviewed at each financial year end.

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3.4- Impairment of Non-current Assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e., the higher of the net asset selling price and value in use).The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.5- 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 include outstanding bank overdrafts shown as borrowings in current liabilities in the Balance Sheet and which are considered an integral part of the cash management of the Company.

3.6- 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.

Finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

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.

CHARTERED ACCOUNTANTS
NEW DELHI

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.

Operating lease

An operating lease is a lease other than a finance 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 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 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.

3.7- 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.

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 cost of providing gratuity, a defined benefit plan, is determined 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 Other Comprehensive Income in the period in which they arise. Other costs are accounted for in the Statement of Profit and Loss.

3.8- 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.

CHARTERED ACCOUNTANTS NEW DELHI

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

3.9- 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 measured 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.

Subsequent measurements of financial assets are dependent on initial categorisation. 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.

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.

S. NAYAR & COMPANY CHARTERED ACCOUNTANTS NEW DELHI

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 shares

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.

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

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. 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.

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Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

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.

3.10- 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.

3.11- 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.

3.12- 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.

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3.13- Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period do not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.14- Taxation

Income tax expense represents the sum of current and deferred tax including Minimum Alternative Tax (MAT). 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, which may be due to change in tax rate, on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income-tax laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. 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.

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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 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

3.15- Revenue recognition and other income

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

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 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 service.

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.

3.16- 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.

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3.17- 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.

3.18- Provisions and contingencies

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. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent Liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

3.19- 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

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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.

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

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.

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5.0- Property, plant and equipment

Gross Block (Rs. In '000)

Particulars	Building	Furniture and Fixtures	Vehicles	Office Equipments	Computer	Total
As at 1st April, 2015	106,152.86	2,749.65	8,797.12	12,702.08	12,650.81	143,052.52
Additions	15,239.15	2,167.28	1,748.21	5,468.99	9,316.34	33,939.97
Acquisition through business combination	-	-	-	-	-	-
Disposal/adjustments	-	-	541.28	-	-	541.28
Currency translation	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
As at 31st March, 2016	**121,392.01**	**4,916.93**	**10,004.05**	**18,171.07**	**21,967.15**	**176,451.21**
Additions	3,326.85	4,681.60	2,105.12	4,513.99	2,718.28	17,345.84
Acquisition through business combination	-	-	-	-	-	-
Disposal/adjustments	6,968.86	1,407.28	-	82.45	-	8,458.59
Transferred to held for sale	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
As at 31st March, 2017	**117,750.00**	**8,191.25**	**12,109.17**	**22,602.61**	**24,685.43**	**185,338.46**

Accumulated Depreciation (Rs. In '000)

Particulars	Building	Furniture and Fixtures	Vehicles	Office Equipments	Computer	Total
As at 1st April, 2015	7,089.10	1,097.76	1,203.75	2,114.56	2,998.30	14,503.47
Charge for the period	7,596.08	584.04	1,359.49	2,115.87	3,391.80	15,047.28
Disposal/adjustments	-	-	207.33	-	-	207.33
Currency translation	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
As at 31st March, 2016	**14,685.18**	**1,681.80**	**2,355.91**	**4,230.43**	**6,390.10**	**29,343.42**
Charge for the period	7,549.01	690.68	1,337.22	2,503.53	4,864.53	16,944.97
Disposal/adjustments	2,178.13	875.79	-	40.09	-	3,094.01
Transferred to held for sale	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
As at 31st March, 2017	**20,056.06**	**1,496.69**	**3,693.13**	**6,693.87**	**11,254.63**	**43,194.38**

Net carrying amount (Rs. In '000)

Particulars	Building	Furniture and Fixtures	Vehicles	Office Equipments	Computer	Total
As at 31st March, 2016	**106,706.83**	**3,235.13**	**7,648.14**	**13,940.64**	**15,577.05**	**147,107.79**
As at 31st March, 2017	**97,693.94**	**6,694.56**	**8,416.04**	**15,908.74**	**13,430.80**	**142,144.08**

The Company has taken borrowings from bank which carry charge over the above assets (refer Note 22.0 for details towards security).

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6.0- Intangible Assets

Cost (Rs. In '000)

Particulars	Software
As at 1st April, 2015	4,449.91
Additions	3,713.89
Acquisition through business combination	-
Disposal/adjustments	-
Currency translation	-
Reclassifications	-
As at 31st March, 2016	**8,163.80**
Additions	207.83
Acquisition through business combination	-
Disposal/adjustments	-
Transferred to held for sale	-
Currency translation	-
Reclassifications	-
As at 31st March, 2017	**8,371.63**

Accumulated amortization (Rs. In '000)

Particulars	Software
As at 1st April, 2015	1,533.66
Charge for the period	1,515.46
Disposal/adjustments	-
Currency translation	-
Reclassifications	-
As at 31st March, 2016	**3,049.12**
Charge for the period	1,244.57
Disposal/adjustments	-
Transferred to held for sale	-
Currency translation	-
Reclassifications	-
As at 31st March, 2017	**4,293.69**

Net carrying amount (Rs. In '000)

Particulars	Software
As at 31st March, 2016	**5,114.68**
As at 31st March, 2017	**4,077.94**

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7.0- Non-current Investments

(Rs. in '000)

	PARTICULARS	Designation	As at 31st March, 2017				As at 31st March, 2016			
			Units (Nos.)	Face Value (Rs.)	Amount: Cost	Amount: Carrying Value	Units (Nos.)	Face Value (Rs.)	Amount: Cost	Amount: Carrying Value
	Non-Current Investment - NON TRADE									
A.	**Investment in equity shares - Unquoted**									
	In Subsidiary (At cost)									
	iCom Analytics Limited	Cost	150,000	10	1,500.00	1,500.00	150,000	10	1,500.00	1,500.00
	(formerly Intellicom Insurance Advisors Limited)									
	Others (At fair value)									
	Jindal System Private Limited	FVOCI	500	100	150.00	3,467.05	500	100	150.00	3,459.02
			150,500		**1,650.00**	**4,967.05**	**150,500**		**1,650.00**	**4,959.02**
B.	**Investment in mutual funds - Unquoted (At fair value)**									
a)	Birla Sun Life Medium Term Plan	FVOCI	832,145	10	15,000.00	16,983.83	832,145	10	15,000.00	15,513.34
b)	Franklin India Corporate Bond Opporunities Fun (G)	FVOCI	1,097,864	10	15,000.00	18,338.93	1,097,864	10	15,000.00	16,560.17
c)	HDFC Corp Debit Opportunities Fund (G)	FVOCI	1,372,487	10	15,000.00	18,608.18	1,372,487	10	15,000.00	16,842.89
d)	Reliance Corporate Bond Fund (G)	FVOCI	2,738,181	10	30,000.00	36,050.34	1,970,055	10	20,000.00	23,326.44
e)	Reliance Regular Savings Fund-Debt	FVOCI	752,434	10	15,000.00	17,047.67	752,434	10	15,000.00	15,538.44
f)	DSP BlackRock Fund FMP Ser 192-36M Reg-G	FVOCI	1,000,000	10	10,000.00	11,260.00	1,000,000	10	10,000.00	10,243.00
g)	ICICI Prudential FMP Series75 - 1100 D Reg (G)	FVOCI	1,250,000	10	12,500.00	16,109.00	1,250,000	10	12,500.00	14,413.12
h)	Indiabulls FMP Series V - (Plan 1) - 1175D Reg (G)	FVOCI	700,000	10	7,000.00	7,740.47	700,000	10	7,000.00	7,024.22
i)	Reliance Fixed Horizon Fund XXXII-Series-2 Growth	FVOCI	1,000,000	10	10,000.00	10,229.20				
j)	DSP BlackRock Income Opportunities Fund - Regular - Growth	FVOCI	375,477	27	10,000.00	10,091.99				
			11,118,587		**139,500.00**	**162,459.61**	**8,974,985**		**109,500.00**	**119,461.62**
	Total		**11,269,087**		**141,150**	**167,426.66**	**9,125,485**		**111,150.00**	**124,420.64**

8.0- Other Non-current Financial Assets

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Security deposits	415.17	415.17
(Unsecured considered good)		
Fixed deposits with banks with more than 12 months maturity		
(Unsecured considered good)		
- Margin deposits**	1,000.00	-
- Other deposits	12,841.69	188.47
Interest accrued on above bank deposits	773.81	53.42
Total	**15,030.67**	**657.06**

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

9.0-Other Non-current Assets

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Capital advances (unsecured, considered good)	1,238.88	275.06
Prepaid expenses	1,233.01	881.80
Total	**2,471.89**	**1,156.86**

10.0- Current Investments

(Rs. in '000)

	PARTICULARS	Designation	As at 31st March, 2017			As at 31st March, 2016		
			Units	Cost	Carrying Value	Units	Cost	Carrying Value
	SHORT TERM INVESTMENTS							
	Investments in Mutual Funds - Unquoted (At fair value)							
a)	IDBI Liquid Fund - Direct Plan - Growth	FVTPL	10,409	18,018.16	18,123.17	7,251	11,681.82	11,771.72
b)	Reliance Liquidity Fund - Growth Plan	FVTPL	-	-	-	4,425	10,000.00	10,077.74
	Total		**10,409**	**18,018.16**	**18,123.17**	**11,676**	**21,681.82**	**21,849.46**

11.0- Current Trade Receivables

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Unsecured		
Considered good	51,445.91	53,201.62
Considered doubtful	889.01	-
Less: Provision for impairment	(889.01)	-
Total	**51,445.91**	**53,201.62**

The ageing analysis of these trade receivables is as follows:

As at 31st March, 2017

(Rs. in '000)

Particulars	Unbilled/ Not due	Less than 6 months	6 to 12 months	More than 12 months	Total
Gross trade receivables					
Unsecured	14,802.64	33,592.63	3,939.65	-	52,334.92
Less: Provision for impairment	-	127.46	761.55	-	889.01
Net trade receivables	14,802.64	33,465.17	3,178.10	-	51,445.91

As at 31st March, 2016

(Rs. in '000)

Particulars	Unbilled/ Not due	Less than 6 months	6 to 12 months	More than 12 months	Total
Gross trade receivables					
Unsecured	24,763.68	28,437.95	-	-	53,201.63

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

Particulars	2016-17 (Rs. in '000)	2015-16 (Rs. in '000)
Opening provision	-	664.17
Addition to provision during the year	889.01	-
Reversal of provision during the year	-	(664.17)
Closing provision	**889.01**	-

12.0- Cash and Cash Equivalents

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Cheques in hand	79.99	3,776.65
Cash in hand	186.70	238.89
Balances with banks in current accounts		
- On current accounts	4,762.01	4,833.38
- On cash credit accounts	1,561.77	-
Total	**6,590.47**	**8,848.92**

Cash is at free disposal of the Company.

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

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13.0- Other Bank Balances

Particular	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (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	160.00	1,085.00
- Other deposits	232.93	2,105.75
Total	**392.93**	**3,190.75**

Deposits of the Company have an average effective interest rate of 8.19% per annum (8.84% for 2015-16). 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.

14.0- Loans

Particulars	As at 31st March, 2017 (Rs. in'000)	As at 31st March, 2016 (Rs. in'000)
Unsecured, considered good		
Loan to subsidiary (iCom Analytics Limited)	3,700.00	800.00
Loan to employee	21.00	-
Total	**3,721.00**	**800.00**

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15.0- Other Financial Assets

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Insurance claim receivable	-	1,644.10
Receivable from related parties		
- Interest receivable*	227.05	30.37
- Other receivables**	895.63	619.08
Receivable from other parties	356.74	356.74
Interest accrued but not due on bank fixed deposits	73.83	750.87
Derivative financial assets	7,235.06	2,628.61
Total	**8,788.31**	**6,029.77**

*** Interest receivable is due from**

- iCom Analytics Limited	227.05	30.37
	227.05	**30.37**

**** Other receivables include amounts due from**

- JITF Water Infrastructure Ltd.	567.62	284.62
- Jindal ITF Ltd.	157.72	92.35
- iCom Analytics Limited	-	138.17
- Jindal Saw Ltd	45.20	-
- Jindal Systems Pvt. Ltd.	20.43	-
- Jindal Steel & Power Limited	104.66	103.94
Total	**895.63**	**619.08**

16.0- Current Tax Assets (Net)

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Income tax paid in advance	42,571.88	26,463.22
Less : Provision for taxation	41,435.56	24,640.05
Total	**1,136.32**	**1,823.17**

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17.0- Other Current Assets

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Unsecured, considered good		
Advances to vendors	771.71	679.75
Advances to employees	-	29.01
Balances with Central Excise / Sales tax authorities	1,659.99	2,189.00
Advances recoverable in cash or in kind	4,428.20	4,208.29
Total	**6,859.90**	**7,106.05**

18.0- Share Capital

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Authorized		
(i) 12,000,000 Equity Shares of Rs. 10/- each		
(12,000,000 Rs. 10/- each as at 31st March, 2016)	120,000.00	120,000.00
	120,000.00	**120,000.00**
Issued		
(i) 10,910,000 Equity Shares of Rs. 10/- each		
(10,910,000 Rs. 10/- each as at 31st March, 2016)	109,100.00	109,100.00
	109,100.00	**109,100.00**
Subscribed and Fully Paid-Up		
(i) 10,910,000 Equity Shares of Rs. 10/- each		
(10,910,000 Rs. 10/- each as at 31st March, 2016)	109,100.00	109,100.00
	109,100.00	**109,100.00**

a) Reconciliation of number of shares

Equity Shares	As at 31st March, 2017	As at 31st March, 2016
Shares outstanding as at the beginning of the year	10,910,000	10,910,000
Add: Fresh issue of shares	-	-
Shares outstanding as at the end of the year	10,910,000	10,910,000

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

Name of shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No of Shares	% of holding	No of Shares	% of holding
JITF Shipyards Limited	10,776,770	98.78%	10,776,770	98.78%
	10,776,770	**98.78%**	**10,776,770**	**98.78%**

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.

19.0- **Other Equity**

a) **Retained Earnings**

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Balance as per last financial statements	187,752.31	164,094.73
Add: Profit after tax transferred from Statement of Profit and Loss	39,747.99	23,657.58
Closing Balance	**227,500.30**	**187,752.31**

Retained earnings represent the undistributed profits of the Company.

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

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Balance as per last financial statements	8,008.77	2,372.09
Add: Addition during the year	8,776.65	5,636.68
Closing Balance	**16,785.42**	**8,008.77**

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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 Reserve

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (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	-	-
Closing Balance	**4,450.00**	**4,450.00**

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.

Total - Other Equity	**248,735.72**	**200,211.08**

20.0- Provisions

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Provision for gratuity	8,951.37	7,459.75
Provision for leave encashment	4,465.45	4,499.42
Total	**13,416.82**	**11,959.17**

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21.0- Deferred Tax Assets / (Liabilities) – Net

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
A. Deferred tax assets		
(i) Disallownace under Income Tax Act, 1961	8,600.62	7,230.61
Total Deferred tax assets	**8,600.62**	**7,230.61**
B. Deferred tax liabilities		
(i) Difference between book and tax base related to fixed assets	6,145.42	9,168.60
(ii) Others	7,814.27	3,849.64
Total Deferred tax liabilities	**13,959.69**	**13,018.24**
Net asset/(liabilities) due to temporary differences	**(5,359.07)**	**(5,787.63)**
MAT credit entitlement	-	4,306.60
Total Deferred tax assets/(liabilities) (net)	**(5,359.07)**	**(1,481.03)**

22.0- Borrowings

Secured (From Banks)

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Working capital borrowings	-	**6,051.93**

Secured short term borrowings:

Short term borrowing in cash credit account is payable on demand and secured by way of hypothecation of book debts and 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.

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23.0- Trade Payables

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Trade Payables (including acceptances)		
- Micro, small and medium enterprises	-	-
- Related parties	1,910.14	3.23
- Others	5,772.01	7,599.66
Total	**7,682.15**	**7,602.89**

24.0- Other Financial Liabilities

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Capital creditors	1,102.63	3,257.79
Dues to employees	22,160.25	25,314.10
Total	**23,262.88**	**28,571.89**

25.0- Other Current Liabilities

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Advance from customer	-	159.03
Other payables		
- Statutory dues	4,921.13	3,365.02
- Provision for expenses	3,010.38	4,019.75
Total	**7,931.51**	**7,543.80**

26.0- Provisions

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Provision for gratuity	8,224.24	6,554.43
Provision for leave encashment	4,844.34	3,335.87
Total	**13,068.58**	**9,890.30**

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27.0- Revenue from Operations

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Sale of services		
- Business process outsourcing services	361,330.57	324,029.13
- Information technology services	42,290.40	25,947.66
Sale of goods	1,442.67	-
Total	**405,063.64**	**349,976.79**

28.0- Other Income

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Interest income	1,398.34	2,240.02
Net gain on sale of current investments	1,620.96	1,236.67
Rent received from sub-letting	12,911.34	12,310.56
Other non-operating income	1,498.84	353.74
Provision for doubtful trade receivables written back	-	664.17
Profit on sale of property, plant and equipments	-	116.05
Net gain on foreign currency transactions and translation	8,383.63	3,456.88
Unrealised gain or loss on fair valuation of investments through profit and loss	105.01	167.64
Total	**25,918.12**	**20,545.73**

29.0- Employee Benefit Expenses

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Salaries	245,470.67	216,698.80
Contribution to Provident Fund and other funds	9,842.43	8,551.03
Staff welfare expenses	7,031.24	5,911.40
	262,344.34	**231,161.23**

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30.0- Finance Costs

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Interest on bank borrowings	15.02	38.69
Bank and finance charges	97.48	80.00
Interest on Income-tax	469.90	58.40
Total	**582.40**	**177.09**

31.0- Depreciation and Amortization Expenses

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Depreciation		
Building	7,549.01	7,596.07
Furniture and fixtures	690.69	584.04
Vehicles	1,337.22	1,359.48
Office equipments	2,503.52	2,115.87
Computer	4,864.53	3,391.80
Amortization expenses		
Software	1,244.59	1,515.46
Total	**18,189.56**	**16,562.72**

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32.0- Other Expenses

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Rent	7,544.40	6,592.29
Power and fuel expenses	13,298.18	13,523.05
Rates and taxes	39.80	53.53
Insurance	3,247.58	2,809.61
Housekeeping expenses	5,200.26	4,260.94
Security expenses	4,725.54	4,349.60
Repairs to building	628.67	777.97
Repairs to equipment	6,567.88	6,216.36
Other repair and maintenance	543.27	586.02
Travelling and conveyance	6,154.32	5,645.86
Vehicle running and maintenance expenses	3,009.90	3,094.75
Postage and telephones	1,037.03	1,024.14
Telecommunication link expenses	15,562.64	15,159.20
Legal and professional fees and expenses	489.44	867.46
Auditor's remuneration	359.35	393.09
Selling expenses	711.56	2,245.91
Bad debts written off	-	11,765.42
Provision for impairment of trade receivables	889.01	-
Loss on sale/discard of property, plant and equipment	4,783.44	-
Miscellaneous expenses	14,226.79	7,841.37
Total	**89,019.06**	**87,206.57**

33.0- Financial Risk Management

33.1- 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:

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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.

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(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:

Particulars	Change in currency exchange rate	Effect on Profit Before Tax (Rs. In '000)	Effect on Equity (OCI) (Rs. In '000)
For the year ended 31st March, 2017			
USD	+5%	1,719.04	-
	- 5%	(1,719.04)	-
GBP	+5%	(0.02)	-
	- 5%	0.02	-
For the year ended 31st March, 2016			
USD	+5%	1,538.08	-
	- 5%	(1,538.08)	-
GBP	+5%	(0.03)	-
	- 5%	0.03	-

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, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Currency fluctuations		
Net foreign exchange (gain) / losses shown as operating expenses	(3,777.19)	(828.27)
Net foreign exchange (gain) / losses shown as finance cost	-	-
Net foreign exchange (gain) / losses shown as other income	-	-
Derivatives		
Currency forwards (gain) / losses shown as operating expense	(4,606.44)	(2,628.61)
Total	**(8,383.63)**	**(3,456.88)**

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(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.

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings:

Interest rate sensitivity	Increase / Decrease in basis points	Effect on Profit Before Tax (Rs. In '000)	Effect on Equity (OCI) (Rs. In '000)
For the year ended 31st March, 2017			
INR borrowings	+50	-	-
	-50	-	-
For the year ended 31st March, 2016			
INR borrowings	+50	(30.26)	-
	-50	30.26	-

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

<u>Credit risk</u>

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 also taken advances and security deposits from its customers & distributors, which mitigate the credit risk to an extent. Moreover, the Company takes advances from its customers which mitigate the credit risk to an extent.

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The ageing of trade receivable is as below:

As at 31st March, 2017

(Rs. In '000)

Particulars	Unbilled/ Not due	Less than 6 months	6 to 12 months	More than 12 months	Total
Gross trade receivables					
Unsecured	14,802.64	33,592.63	3,939.65	-	52,334.92
Less: Provision for impairment	-	127.46	761.55	-	889.01
Net trade receivables	14,802.64	33,465.17	3,178.10	-	51,445.91

As at 31st March, 2016

(Rs. in '000)

Particulars	Unbilled/ Not due	Less than 6 months	6 to 12 months	More than 12 months	Total
Gross trade receivables					
Unsecured	24,763.68	28,437.95	-	-	53,201.63

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.

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As at 31st March, 2017 (Rs. In '000)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	More than 12 months	Total
Other financial liabilties	23,262.88	22,229.38	1,033.50	-	-	23,262.88
Trade and other payables	7,682.15	3,739.21	3,942.94	-	-	7,682.15
Total	**30,945.03**	**25,968.59**	**4,976.44**	**-**	**-**	**30,945.03**

As at 31st March, 2016 (Rs. In '000)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	More than 12 months	Total
Interest bearing borrowings	6,051.93	6,051.93	-	-	-	6,051.93
Other financial liabilties	28,571.89	20,758.10	7,813.79	-	-	28,571.89
Trade and other payables	7,602.89	1,201.08	6,401.81	-	-	7,602.89
Total	**42,226.71**	**28,011.11**	**14,215.60**	**-**	**-**	**42,226.71**

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, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Secured - Cash credit facility	25,000.00	18,948.07

*Excluding non-fund based facilities.

Interest rate and currency of borrowings

Particulars	Total Borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average interest rate
INR	-	-	-	10.64%
Total as on 31st March, 2017	**-**	**-**	**-**	
INR	6,051.93	6,051.93	-	11.29%
Total as on 31st March, 2016	**6,051.93**	**6,051.93**	**-**	

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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 31st March, 2017 and 31st March, 2016.

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, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Loans and Borrowings	-	6,051.93
Less : Cash & cash equivalents	6,590.47	8,848.92
Net debt	(6,590.47)	(2,796.99)
Shareholders' equity	357,835.72	309,311.08
Capital and net debt	351,245.25	306,514.09
Gearing Ratio	0.00%	0.00%

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34.0- 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, 2017		As at 31st March, 2016	
	Carrying amount (Rs. in '000)	Fair Value (Rs. in '000)	Carrying amount (Rs. in '000)	Fair Value (Rs. in '000)
Financial Assets				
Assets carried at fair value through OCI - Non current				
Investment				
- In equity shares**	3,467.05	3,467.05	3,459.02	3,459.02
- In mutual funds and others	162,459.61	162,459.61	119,461.62	119,461.62
Assets carried at fair value through Profit and Loss- Current				
Derivatives - not designated as hedging instruments				
- Forward contracts	7,235.05	7,235.05	2,628.61	2,628.61
Investment				
- In equity shares	-	-	-	-
- In mutual funds and others	18,123.17	18,123.17	21,849.46	21,849.46
Assets carried at amortised cost - Non Current				
Fixed deposits with banks	13,841.69	15,360.43	188.48	218.88
Other financial assets	1,188.98	1,188.98	468.58	468.58
Current				
Fixed deposits with banks	392.93	477.46	3,190.76	3,921.25
Cash and bank balances	6,590.47	6,590.47	8,848.92	8,848.92
Loans and advances (interest bearing)	3,721.00	3,721.00	800.00	800.00
Trade and other receivables	51,445.91	51,445.91	53,201.62	53,201.62
Other financial assets	1,553.25	1,553.25	3,717.16	3,717.16
Total	**270,019.11**	**271,622.38**	**217,814.23**	**218,575.12**

** Other than in subsidiary which are valued at cost

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Carrying amount (Rs. in '000)	Fair Value (Rs. in '000)	Carrying amount (Rs. in '000)	Fair Value (Rs. in '000)
Financial Liabilities				
Liabilities carried at amortised cost				
Borrowings - Floating rate	-	-	6,051.93	6,051.93
Trade & other payables	7,682.15	7,682.15	7,602.89	7,602.89
Other financial liabilities	23,262.88	23,262.88	28,571.89	28,571.89
Total	**30,945.03**	**30,945.03**	**42,226.71**	**42,226.71**

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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 31st March, 2017, 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.

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- 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 31st March, 2017

(Rs. In '000)

	Level 1	Level 2	Level 3
Financial assets			
Derivatives - not designated as hedging instruments			
- Forward contracts	-	7,235.06	-
Investment			
- In mutual funds	180,582.78	-	-
- In equity shares	-	-	3,467.05
Financial liabilities			
Derivatives - not designated as hedging instruments			
- Forward contracts	-	-	-

As at 31st March, 2016

(Rs. In '000)

	Level 1	Level 2	Level 3
Financial assets			
Derivatives - not designated as hedging instruments			
- Forward contracts	-	2,628.61	-
Investment			
- In mutual funds	141,311.08	-	-
- In equity shares	-	-	3,459.02
Financial liabilities			
Derivatives - not designated as hedging instruments			
- Forward contracts	-	-	-

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Assets / Liabilities for which fair value is disclosed

As at 31st March, 20117

(Rs. In '000)

	Level 1	Level 2	Level 3
Financial assets			
Fixed deposits with banks		15,837.89	

As at 31st March, 20116

(Rs. In '000)

	Level 1	Level 2	Level 3
Financial assets			
Fixed deposits with banks		4,140.13	

During the year ended 31st March, 2017 and 31st March, 2016, 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 31st March, 2017 and 31st March, 2016, respectively:

a) Assets / Liabilities measured at fair value

Particulars	Fair value hierarchy	Valuation technique	Inputs used	Quantitative information about significant unobservable inputs
Financial assets				
Investment in mutual funds	Level 1	Published NAVs	Published NAVs	-
Investment in equity shares (unquoted) *(other than in subsidiary company)*	Level 3	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	-
Financial liabilities				
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	-

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b) Assets / Liabilities for which fair value is disclosed

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

35.0- Segment information

Information about primary segment

The Company is engaged primarily into 'Business Process Outsourcing Services' and 'Information Technology Services'. The Company's primary segment as identified by management is 'Business Process Outsourcing Services', other activities not meeting the quantitative threshold as specified in Ind AS 108 are reported as 'Others'.

Segments have been identified taking into account the nature of services and differential risk and returns of these segments.

The following table present revenue and profit information and certain asset and liability information regarding the Company's reportable segments for the year ended 31st March, 2017 and 31st March, 2016.

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(Rs. in '000)

		Business Process Outsourcing Services	Software Services (Rs. in '000)	Unallocable	Total
(A)	**Segment Revenue**				
	External revenue	361,330.57	42,290.40	27,360.79	430,981.76
	- Previous year	324,029.13	25,947.66	20,545.73	370,522.52
(B)	**Segment Results**				
	Profit/(Loss) before tax	194,364.39	24,081.72	(158,854.00)	59,592.11
	- Previous year	156,438.35	12,383.41	(133,406.85)	35,414.91
	Tax Expense				19,844.12
	- Previous year				11,757.33
	Net Profit after tax				39,747.99
	- Previous year				23,657.58
	Segment Assets	45,739.19	4,455.91	378,361.63	428,556.73
	- Previous year	48,473.84	6,655.81	327,282.44	382,412.09
	Segment Liabilities	15,042.36	1,756.98	53,921.67	70,721.01
	- Previous year	17,046.36	2,234.62	53,820.03	73,101.01

Information about Geographical Segment – Secondary

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.

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(Rs. in '000)

		Within india	Outside	Unallocable	Total
(A)	**Segment Revenue**				
	External revenue	106,917.40	296,703.57	27,360.79	430,981.76
	- Previous year	102,193.43	247,783.36	20,545.73	370,522.52
(B)	**Segment Results**				
	Profit/(Loss) before tax	40,155.19	178,290.92	(158,854.00)	59,592.11
	- Previous year	34,629.37	134,192.39	(133,406.85)	35,414.91
	Tax Expense				19,844.12
	- Previous year				11,757.33
	Net Profit after tax				39,747.99
	- Previous year				23,657.58
	Segment Assets	17,504.31	32,690.79	378,361.63	428,556.73
	- Previous year	20,729.26	34,400.39	327,282.44	382,412.09
	Segment Liabilities	5,405.08	11,394.26	53,921.67	70,721.01
	- Previous year	5,560.30	13,720.68	53,820.03	73,101.01

36.0- 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 31st March, 2017 outstanding contracts are for sale of USD 1.70 million (USD 2.40 million as at 31st March, 2016).

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37.0- Income-tax expenses

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Current tax		
- India	18,310.34	7,232.60
Deferred tax		-
- Relating to origination & reversal of temporary differences	(428.57)	3,072.57
Tax expense attributable to current year's profit	**17,881.77**	**10,305.17**
Minimum alternate tax (MAT)	-	
MAT credit utilisation for current year	2,617.78	3,192.34
MAT credit utilisation adjusted for previous year tax	1,688.82	
Total tax expense	**22,188.37**	**13,497.51**

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, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Net Income/(Loss) before taxes	59,592.11	35,414.91
Enacted tax rates	33.0630%	33.0630%
Computed tax expense/(benefit)	**19,702.94**	**11,709.23**
Increase/(reduction) in taxes on account of:		
Temporary differences reversing during the future tax period	2,772.82	(1,332.39)
Previous year tax adjustment	1,688.82	0.00
Effect of change in Income tax rate	(14.18)	28.79
Deferred tax recognized in respect of previous years	(1,688.82)	0.00
Tax on which no credit is allowed	155.36	19.31
Current Income tax expense/(benefit) reported	**22,616.94**	**10,424.94**

38.0- Deferred Income-tax

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

Particulars	Year ended March 31, 2017 (Rs. in '000)	Year ended March 31, 2016 (Rs. in '000)
On account of book base and tax base of fixed assets	(3,023.19)	880.04
On account of post employment benefits	449.23	(687.54)
On account of (Disallowance) / Allowance (net) under Income Tax	(198.86)	1,139.89
Closing Net Deferred tax Assets/(Liabilities)	**(2,772.82)**	**1,332.39**

Component of tax accounted in OCI and equity

Particulars	Year ended March 31, 2017 (Rs. in '000)	Year ended March 31, 2016 (Rs. in '000)
On defined benefit plans	(522.53)	453.66
On equity instruments through Other Comprehensive Income	1.77	13.63
On debt mutual fund investments through Other Comprehensive Income	2,865.01	1,457.58
On effective portion of gain and loss on hedging instruments in cash flow hedge	-	(184.69)
Closing Net Deferred tax Assets/(Liabilities)	**2,344.25**	**1,740.18**

39.0- Employees' benefit and retirement benefit obligations

Expense recognised for defined contribution plan

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Company's contribution to Provident Fund	6,223.26	5,888.50
Company's contribution to ESI	2,073.10	1,281.23
Company's contribution to Labour Welfare Fund	3.35	3.70
Company's contribution to National Pension Scheme	1,542.72	1,377.60
Total	**9,842.43**	**8,551.03**

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The following table sets forth the changes in the projected benefit obligation and amounts recognised in the Balance Sheet as at 31st March, 2017 and 31st March, 2016, being the respective measurement dates:

Particulars	Gratuity (Unfunded) (Rs. in '000)	Leave Encashment (Unfunded) (Rs. in '000)
Present value of obligation - 1st April, 2015	**13,973.82**	**7,570.97**
Current service cost	1,537.54	1,936.14
Interest cost	1,050.91	569.38
Benefits paid	(1,150.94)	(510.05)
Remeasurements - actuarial loss/ (gain)	(1,397.15)	(1,731.15)
Present value of obligation - 31st March, 2016	**14,014.18**	**7,835.29**
Present value of obligation - 1st April, 2016	**14,014.18**	**7,835.29**
Current service cost	1,874.58	2,271.42
Interest cost	910.92	509.29
Benefits paid	(1,509.19)	(644.94)
Remeasurements - actuarial loss/ (gain)	1,885.12	(661.27)
Present value of obligation - 31st March, 2017	**17,175.61**	**9,309.79**

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	1,874.58	2,271.42
Interest cost	910.92	509.29
Expected return on plan assets	-	0.00
Remeasurements - acturial loss/(gain)	-	(661.27)
Past service cost	-	0.00
For the year ended 31st March, 2017	**2,785.50**	**2,119.44**
Current service cost	1,537.54	1,936.14
Interest cost	1,050.91	569.38
Expected return on plan assets	-	0.00
Remeasurements - acturial loss/(gain)	-	(1,731.15)
Past service cost	-	0.00
For the year ended 31st March, 2016	**2,588.45**	**774.37**

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Recognised in other comprehensive income

Particulars	Gratuity (Rs. in '000)	Leave Encashment (Rs. in '000)
Remeasurements - acturial loss/(gain)	1,885.13	-
For the year ended 31st March, 2017	**1,885.13**	**-**
Remeasurements - acturial loss/(gain)	(1,397.15)	-
For the year ended 31st March, 2016	**(1,397.15)**	**-**

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, 2017**	**Year ended 31st March, 2016**
Attrition rate	41.00%	42.00%
Discount rate	6.50%	7.50%
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)	29.30	30.20

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. Same assumptions were considered for comparative period i.e. 2015-16 as considered in previous GAAP on transition to Ind AS.

Sensitivity Analysis:

For the year ended 31st March, 2017

Particulars	change in Assumption	Effect on Gratuity obligation (Rs. in '000)	Effect on Leave Encashment obligation (Rs. in '000)
Discount rate	+1%	16,857.74	9,127.59
	-1%	17,508.52	9,500.16
Salary growth rate	+1%	17,370.37	9,495.72
	-1%	17,006.53	9,128.32
Withdrawal rate	+1%	17,119.57	9,303.70
	-1%	17,233.62	9,316.11

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For the year ended 31st March, 2016

Particulars	change in Assumption	Effect on Gratuity obligation (Rs. in '000)	Effect on Leave Encashment obligation (Rs. in '000)
Discount rate	+1%	13,769.85	7,686.98
	-1%	14,238.55	7,985.58
Salary growth rate	+1%	14,139.58	7,983.54
	-1%	13,875.70	7,686.23
Withdrawal rate	+1%	13,975.65	7,833.73
	-1%	14,053.76	7,837.12

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)
For the year ended 31st March, 2017		
Plan liabilities - (loss)/gain	(1,446.34)	873.35
Plan assets - (loss)/gain	-	-
For the year ended 31st March, 2016		
Plan liabilities - (loss)/gain	1,420.89	1,821.34
Plan assets - (loss)/gain	-	-

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

(Rs. in '000)

Particulars	Gratuity
1st April, 2017 to 31st March, 2018	7,591.34
1st April, 2018 to 31st March, 2019	6,736.85
1st April, 2019 to 31st March, 2020	7,174.97
1st April, 2020 to 31st March, 2021	7,951.78
1st April, 2021 to 31st March, 2022	8,023.04

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Statement of Employee benefit provision

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Gratuity	17,175.61	14,014.19
Leave encashment	9,309.79	7,835.29
Total	**26,485.40**	**21,849.48**

Current and non-current provision for Gratuity and Leave Encashment

For the year ended 31st March, 2017

(Rs. in '000)

Particulars	Gratuity	Leave Encashment
Current provision	8,224.24	4,844.34
Non-current provision	8,951.37	4,465.45

For the year ended 31st March, 2016

(Rs. in '000)

Particulars	Gratuity	Leave Encashment
Current provision	6,554.43	3,335.87
Non-current provision	7,459.75	4,499.42

Employee benefit expenses

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Salaries	245,470.67	216,698.80
Contribution to Provident Fund and other funds	9,842.43	8,551.03
Staff welfare expenses	7,031.24	5,911.40
	262,344.34	**231,161.23**

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.

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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.

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.

40.0- Other disclosures

a) Auditors remuneration

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Statutory Auditors		
a) Audit fees	228.14	207.03
b) Taxation matters	70.35	85.30
c) Certification / Others	50.75	87.19
d) Out of pocket expenses	10.11	13.57
Total	**359.35**	**393.09**

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

Investment made and loans given are given under the respective heads at Note 7 and 14 respectively.

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41.0- 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, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Income tax	844.45	844.45
Total	**844.45**	**844.45**

ii) Guarantees:

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Financial bank guarantees	10,850.00	10,850.00
Liabilities in respect of duty saved for availing various export based incentives schemes	2,421.90	1,866.40
Total	**13,271.90**	**12,716.40**

b) Capital commitments:

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

Particulars	As at 31st March, 2017 (Rs. in '000)	As at 31st March, 2016 (Rs. in '000)
Property, plant and equipment	2,593.11	1,920.87
Intangible assets	235.99	-
Total	**2,829.10**	**1,920.87**

Capital commitments are net of advances.

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42.0- 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 exits 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	Ratan Kumar Sinha (upto 2nd August, 2016)	Whole time director
9	Ajay Bhatia	Chief Financial Officer
10	Ritu Sharma	Company Secretary

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2- Related parties

i) Entities where control exists – 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 ITF Limited	Fellow subsidiary
5	IUP Jindal Metals & Alloys Limited	Fellow subsidiary
6	S. V. Travding Limited	Fellow subsidiary
7	Quality Iron and Steel Limited	Fellow subsidiary
8	Ralael Holdings Limited	Fellow subsidiary
9	Jindal Tubular (India) Limited	Fellow subsidiary
10	Jindal Saw Holdings FZE	Fellow subsidiary
11	Green Ray Holdings	Fellow subsidiary
12	Jindal Quality Tubular Limited	Fellow subsidiary
13	Sulog Transhipment Services Limited	Fellow subsidiary
14	Jindal Saw Espana SL (Upto 10.03.2017)	Fellow subsidiary
15	JITF Urban Infrastructure Services Ltd. (Up to 5.08.2016)	Fellow subsidiary
16	Universal Tube Accessories Private Limited (Up to 12.04.2016)	Fellow subsidiary
17	JITF Infralogistics Limited (Up to 5.08.2016)	Fellow subsidiary
18	JITF Wateways Limited (Up to 4.08.2016)	Fellow subsidiary
19	Jindal Tubular U.S.A. LLC (Up to 30.03.2017)	Subsidiary of fellow subsidiary
20	JITF Shipping & Logistics (Signapore) PTE Limited (Up to 17.03.2017)	Subsidiary of fellow subsidiary
21	JITF Water Infrastructure Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
22	JITF Water Infra (Naya Raipur) Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
23	JITF ESIPL CETP (Sitarganj) Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
24	JITF Industrial Infrastructure Development Co. Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
25	Jindal Rail Infrastructure Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
26	JITF Urban Infrastructure Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
27	Jindal Urban Waste Management (Visakhapatnam) Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
28	Jindal Urban Waste Management (Guntur) Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
29	Jindal Urban Waste Management (Tirupati) Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
30	JITF Urban Waste Management (Ferozepur) Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
31	JITF Urban Waste Management (Jalandhar) Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
32	JITF Urban Waste Management (Bathinda) Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
33	Timarpur-Okhla Waste Management Co. Private Limited (Up to 5.08.2016)	Subsidiary of fellow subsidiary
34	Jindal Saw USA LLC	Subsidiary of fellow subsidiary
35	World Transload & Logistics LLC	Subsidiary of fellow subsidiary
36	5101 Boone LLP	Subsidiary of fellow subsidiary
37	Drill Pipe International LLC	Subsidiary of fellow subsidiary
38	Tube Technologies Inc.	Subsidiary of fellow subsidiary
39	Helical Anchors Inc.	Subsidiary of fellow subsidiary
40	Boone Real Property Holding LLC	Subsidiary of fellow subsidiary
41	Jindal Saw Italia S.P.A.	Subsidiary of fellow subsidiary
42	Jindal Saw Middle East FZC	Subsidiary of fellow subsidiary
43	Jindal Saw Gulf LLC	Subsidiary of fellow subsidiary
44	Jindal International FZE	Subsidiary of fellow subsidiary
45	Derwant Sand SARL	Subsidiary of fellow subsidiary
46	Jindal Fittings Limited	JV of Ultimate parent company
47	JWIL-SSIL (JV) ACP (Up to 5.08.2016)	JV of fellow subsidiary
48	SMC-JWIL(JV)ACP (Up to 5.08.2016)	JV of fellow subsidiary
49	JWIL-RANHILL (JV) ACP (Up to 5.08.2016)	JV of fellow subsidiary
50	TAPI-JWIL (JV) ACP (Up to 5.08.2016)	JV of fellow subsidiary

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ii) Relative of key management personnel

1	Leena Garg	Wife of Mr. Sanjiv Garg, Whole time director and CEO

3- Key management personnel remuneration

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Short-Term employee benefits	18,393.66	18,106.44
Post-Employment benefits		
- Defined contribution plan	1,957.13	1,941.07
Total	**20,350.79**	**20,047.51**

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4- 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	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
B) Other details of related party transactions								
i) Transactions								
1- Rent Paid								
- Jindal Saw Limited	5,651.02	5,654.02	-	-	-	-		
- IUP Jindal Metal & Alloys Limited					25.00	-		
2- Rent Received								
- Jindal Saw Limited	12,068.46	11,467.68	-	-	-	-		
- Jindal Steel & Power Limited							598.08	598.08
3- Sale of Services								
- Jindal Saw Limited	-	20.00	-	-	-	-	-	-
- Jindal Steel & Power Limited							-	281.61
4- Loan given during the year								
- iCom Analytics Limited	-	-	2,900.00	800.00	-	-		
5- Interest received								
- iCom Analytics Limited	-	-	252.28	33.74	-	-		
6- Purchase of services								
- iCom Analytics Limited	-	-	3,200.00	20.00	-	-		
7- Miscellaneous income								
- Jindal Saw USA, LLC					3.23			
8- Advance received by the Company								
- Jindal Saw USA, LLC	-	-	-	-	-	3.23		
9- Expenses incurred/recovered by the Company								
- Jindal Saw Limited	467.79	6,208.34	-	-	-	-		
- iCom Analytics Limited	-	-	59.28	101.53	-	-		
- Jindal ITF Ltd	-	-	-	-	139.57	145.35		
- Jindal Tubular Limited	-	-	-	-	100.45	45.12		
- JITF Water Infrastructure Limited	-	-	-	-	504.81	290.86		
- Jindal Systems Private Limited							17.76	8.24
10- Expenses incurred by others and reimbursed by the Company								
- Jindal Saw Limited	12,664.14	13,306.32		-	-	-		
- IUP Jindal Metal & Alloys Limited		-		-	9.58	-		
11- Remuneration paid								
- Leena Garg	-	-		-			600.00	600.00

5- Related parties' outstanding balances

(Rs. In '000)

Particulars	Ultimate Parent / Parent		Subsidiary		Other Related Parties	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
1- Investment outstanding	-	-	1,500.00	1,500.00		-
2- Loan Given						
- iCom Analytics Limited (Subsidiary company)	-	-	3,700.00	800.00		-
3- Interest recoverable	-	-	227.05	30.37		-
4- Other receivables						
- Jindal Saw Limited (Ultimate holding company)	45.20	-	-	-		-
- iCom Analytics Limited (Subsidiary company)	-	-	-	138.17		-
- Jindal ITF Limited (Fellow subsidiary company)	-	-	-	-	157.72	92.35
- JITF Water Infrastructure Limited (Fellow subsidiary company)	-	-	-	-	567.62	284.62
- Jindal Saw USA, LLC (Fellow subsidiary company)	-	-	-	-	-	3.23
5- Other payables						
- iCom Analytics Limted (Subsidiary company)	-	-	1,900.74	-	-	-
- Leena Garg (Wife of whole time director and CEO)	-	-	-	-	43.00	42.86

43.0- 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. 7,544.40 (Previous year Rs. 6,592.29).

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. 12,911.34 (Previous year Rs. 12,310.56).

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44.0- Earnings per share (EPS)

Particulars	Year ended 31st March, 2017 (Rs. in '000)	Year ended 31st March, 2016 (Rs. in '000)
Net profit after tax from continuing operations *(numerator for Basic EPS)*	39,747.99	23,657.58
Weighted average number of equity shares *(denominator for Basic / Diluted EPS)*	10,910.00	10,910.00
Earnings per equity share from continuing operations		
- Basic (In Rs.)	3.64	2.17
- Diluted (In Rs.)	3.64	2.17

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.

45.0- 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

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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 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.

46.0- The details of Specified Bank Notes (SBN) (as defined in the notification number S.O. 3407 (E) dated 8.11.2016 issued by Ministry of Finance, Department of Economic Affairs, Government of India) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are as follows:

(Rs. in '000)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	24.00	64.84	88.84
Add: Permitted receipts*	-	279.45	279.45
Less: Permitted payments	-	166.91	166.91
Less: Amount deposited in Banks	24.00	-	24.00
Closing cash in hand as on 30th December, 2016	-	177.38	177.38

**Permitted receipts include withdrawals made from bank*

47.0- 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 **S. Nayyar & Company**
Chartered Accountants
FRN 002439N

Sanjeev Nayyar
Proprietor
M. No. 81124

Place: New Delhi
Dated: 26th April, 2017

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