

KHANDELWAL JAIN & CO.

CHARTERED ACCOUNTANTS

BRANCH OFFICE :
221, HANS BHAWAN,
BAHADUR SHAH ZAFAR MARG,
NEW DELHI-110002

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INDEPENDENT AUDITOR'S' REPORT

**TO THE MEMBERS,
DIGICALL TELESERVICES PRIVATE LIMITED**

1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **DIGICALL TELESERVICES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

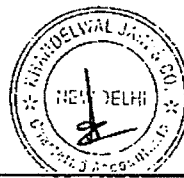
2. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

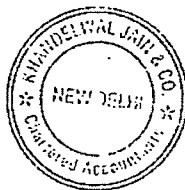


- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 22 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For KHANDELWAL JAIN & Co
Chartered Accountants
Firm's Registration No. 105049W



Naveen Jain
Partner
Membership No. 511596



Place: New Delhi
Date: 25/05/2015

KHANDELWAL JAIN & CO.

CHARTERED ACCOUNTANTS

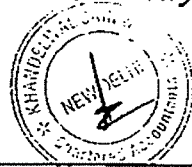
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ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in paragraph 5(I) of the Independent Auditors' Report of even date to the Members of **Digicall Teleservices Private Limited** on the standalone financial statements for the year ended 31st March, 2015, we report that:

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets.
(b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and as informed, no material discrepancies were noticed on such verification.
- II. As the Company does not have any Inventory, accordingly paragraph 3 clause (II) (a), (b) and (c) of the said Order is not applicable.
- III. As per the information furnished, the Company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii) (a) and (b) of the Order are not applicable.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and Fixed Assets and for the sale of goods and services. During the course of our audit no major weaknesses has been noticed in the internal controls system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- V. The Company has not accepted any deposits within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- VI. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the Company.
- VII. (a) According to the information and explanations given to us and records examined by us, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, cess and other material statutory dues have not been regularly deposited with the appropriate authorities and there have been delays in large number of



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cases. According to information and explanation given to us, and as per the records examined by us, undisputed arrears of statutory dues outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable, are as follows:-

S. No.	Particulars	Outstanding for more than 6 months (Rs.)
1.	Sales Tax	4,038
2.	Wealth Tax	42,938

(b) According to the records of the company, there are no dues which have not been deposited on account of disputes.

(c) According to the information and explanations given to us and as certified by the management, there are no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

VIII. The accumulated losses of the company are more than fifty percent of its net worth at the end of the financial year. The Company has not incurred cash loss during the year. In the immediately preceding financial year also, the Company had not incurred cash loss.

IX. According to the information and explanations given to us and records examined by us, as at the Balance Sheet date the Company has not defaulted in repayment of dues to financial institution or banks or debenture holders.

X. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

XI. In our opinion and according to the information and explanation given to us on an overall basis the term loans have been applied for the purposes for which they were obtained.

XII. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For KHANDELWAL JAIN & Co

Chartered Accountants

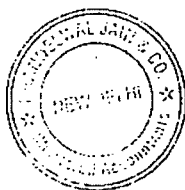
Firm's Registration No. 105049W



Naveen Jain

Partner

Membership No. 511596



Place: New Delhi

Date: 25/05/2015

DIGICALL TELESERVICES PRIVATE LIMITED
(Formerly known as Pagepoint Services (India) Private Limited)
BALANCE SHEET AS AT MARCH 31, 2015

Particulars	Note No.	As at 31.3.2015	As at 31.3.2014
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	1	270,000,000	200,000,000
(b) Reserve and Surplus	2	(232,865,215)	(103,566,165)
2. Non-Current Liabilities			
(a) Long Term Borrowings	3	232,903,069	328,492,416
(b) Long Term Provision	4	9,758,944	10,533,059
3. Current Liabilities			
(a) Short Term Borrowings	5	304,124,391	345,233,308
(b) Trade Payables	6	38,319,744	36,464,524
(c) Other Current Liabilities	7	128,800,561	147,161,992
(d) Short Term Provision	8	1,203,099	351,856
		752,244,593	964,670,990
II. ASSETS			
1. Non Current Assets			
(a) Fixed Assets			
- Tangible	9	221,929,806	370,738,692
- Intangible		3,169,825	1,545,564
(b) Non Current Investment	10	55,000,000	55,000,000
(c) Long Term Loans and Advances	11	60,114,207	60,492,506
2. Current Assets			
(a) Inventories		-	-
(b) Trade Receivable	12	224,139,328	183,303,949
(c) Cash and Bank Balances	13	24,480,004	12,889,085
(d) Short Term Loans & Advances	14	123,415,874	237,134,044
(e) Other Current Assets	15	39,995,549	43,567,150
		752,244,593	964,670,990
Significant Accounting Policies & Other Notes	1-37		

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
Firm Regn. No. 105049W

For and on behalf of the Board

Naveen Jain

Naveen Jain
Partner
M.No. 511596



Place : New Delhi

Date: 25/5/2015

B.B. Chugh

B.B. Chugh
Director

Sunil Batra

Sunil Batra
Director

Sanjeet Kumar Sharma
Sanjeet Kumar Sharma
Chief Finance Officer

Place : New Delhi

Date: 25/5/2015

DIGICALL TELESERVICES PRIVATE LIMITED
(Formerly known as Pagepoint Services (India) Private Limited)
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2015

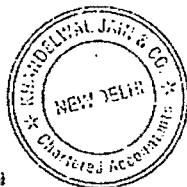
Particulars	Note No.	For the year ended 31.3.2015	For the year ended 31.03.2014
		Rs.	Rs.
1. Revenue from Operations	16	863,002,150	799,691,396
2. Other Income	17	7,513,441	6,460,143
3. Total Revenue (1+2)		870,515,591	806,151,539
4. Expenses			
Employees Benefit Expenses	18	566,450,880	508,443,442
Finance Cost	19	29,043,624	28,655,267
Depreciation & Amortization	9	138,318,778	62,520,823
Other Expenses	20	222,941,471	260,518,883
		956,754,753	860,138,415
5. Profit/ (Loss) before Extraordinary Items and Tax		(86,239,162)	(53,986,876)
6. Extraordinary Items- loss on discard of Fixed assets		-	9,812,887
7. Profit/ (Loss) before Tax		(86,239,162)	(63,799,763)
8. Tax Expense		-	-
9. Profit/ (Loss) after tax		(86,239,162)	(63,799,763)
10. Earning per Equity Share Basic / Diluted (Face value of Rs.10/- each)	26	(4.31)	(3.19)
Significant Accounting Policies & Other Notes	1-37		

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
Firm Regn. No. 105049W

For and on behalf of the Board

Naveen Jain

Naveen Jain
Partner
M.No. 511596



Place : New Delhi
Date: 25/5/2015

B.B. Chugh
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Director

Sunil Babbar
Sunil Babbar
Director

Sanjeet Kumar Sharma
Sanjeet Kumar Sharma
Chief Finance Officer

Place : New Delhi
Date: 25/5/2015

DIGICALL TELESERVICES PRIVATE LIMITED
(Formerly known as Pagepoint Services (India) Private Limited)
CASH FLOW STATEMENT
for the year ended 31st March 2015

Particulars	2014-15 Rs.	2013-14 Rs.
A. Cash flow from Operating Activities		
Net Profit before taxes	(86,239,162)	(63,799,763)
Adjustments for:		
Depreciation	138,318,778	62,520,823
Interest and Finance charges	29,043,624	28,655,767
Interest Income	(5,216,084)	(2,084,133)
Excess Provision W/ back	-	(3,558,430)
Amount Written Off	1,453,294	4,597,283
Net off Profit/ (Loss) on sale of assets	(860,355)	-
Loss on sale/Discard of assets	-	10,060,629
Prior period items	4,932,418	2,623,537
Bad debts written off	-	1,404,344
Operating Profit before working capital changes	81,432,513	40,419,557
Adjustments for:		
Trade and other receivables	75,245,481	(121,816,121)
Inventories	-	-
Trade payables and other Current Liability	(16,339,037)	(27,829,032)
Gratuity and leave encashment Provision	77,128	1,473,527
Cash generated from operations	140,416,085	(107,752,069)
Prior period adjustment	(4,932,418)	(2,623,537)
Net cash from (used) in operating activities - (A)	135,483,667	(110,375,606)
B. Cash flow from Investing activities		
Purchase of Fixed Assets	(35,576,620)	(40,176,359)
Change in Capital Advance	97,970	3,954,048
Proceeds from sale of fixed assets	2,242,933	157,998
Interest Received	5,216,084	2,084,133
Net cash from (used) in Investing activities - (B)	(28,019,633)	(33,980,180)
C. Cash from financing activities		
Share Capital	70,000,000	-
Proceeds from Long Term Borrowings	-	150,000,000
Proceeds from Short Term Borrowings	15,000,000	268,946,312
Repayment of Long Term Borrowings	(95,589,347)	(150,737,461)
Repayment of Short Term Borrowings	(56,108,917)	(99,133,316)
Interest Paid (Net)	(29,210,798)	(31,475,104)
Net cash from (used) in financing activities - (C)	(95,909,062)	137,600,432
Net Increase in cash & cash equivalents (A+B+C)	11,554,972	(6,755,353)
Cash & Cash equivalent (Opening balance)	12,311,322	19,066,673
Cash & Cash equivalent (Closing balance)	23,866,294	12,311,322

Notes:-

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement
- 2) Figures in brackets indicate cash outflow
- 3) Cash & Cash Equivalents represents:

Cash in Hand
Balances with Scheduled Banks
- In Current Accounts

Figure as at March 31, Figure as at March 31,

2015	2014
149,938	101,835
23,716,356	12,209,487
23,866,294	12,311,322

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
Firm Regn. No. 105049W

Haven Jain
Partner
M.No. 511596



Place : New Delhi

Date: 25/5/2015

For and on behalf of the Board

BB Chugh
Director

Sunil Babu
Director

Sanjeet Kumar Sharma
Chief Finance Officer

Place : New Delhi

Date: 25/5/2015

DIGICALL TELESERVICES PRIVATE LIMITED
(Formerly known as Pagepoint Services (India) Private Limited)

1. 'Share Capital'	As at 31.3.2015	As at 31.3.2014
	Rs.	Rs.
Authorised:		
44,000,000 (Previous year 44,000,000) Equity shares of Rs. 10/- each	440,000,000	440,000,000
1,000,000 (Previous year - 1,000,000) Redeemable Preference shares of Rs. 10/- each	10,000,000	10,000,000
	450,000,000	450,000,000
Issued, Subscribed and Paid up:		
27,000,000 (Previous year 20,000,000) Equity shares of Rs. 10/- each fully paid up	270,000,000	200,000,000
Total	270,000,000	200,000,000

1.1 Reconciliation of Number of Equity Shares

Particulars	As at 31.3.2015 (No.)	As at 31.3.2014 (No.)
Opening No. of Equity Shares	20,000,000	20,000,000
Add: Additions*	7,000,000	-
Closing No. of Equity Shares	27,000,000	20,000,000

* During the year Company on request of Compulsory Convertible Debentures (CCDs) Holders, covert 70,000/- CCD of Rs. 1000/- each into 70,00,000 equity shares at par.

1.2 Shareholders holding more than 5% Equity shares

Particulars		2014-15	2013-14
Media Matrix World Wide Limited	No. of Shares	20,099,900	13,099,900
	% of Holding	74.44%	65.50%
Media Matrix Holdings Pvt Ltd (Previously known as Digicall Holdings Pvt Ltd)*	No. of Shares	6,900,095	6,900,095
	% of Holding	25.56%	34.50%

* Media Matrix Holdings Pvt Ltd is 100% subsidiary of Media Matrix World Wide Limited. Accordingly, Company becomes 100% subsidiary of Media Matrix World Wide Limited

2. 'Reserves and Surplus'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Capital Reserve:		
Opening Balance	1,144,735,861	1,144,735,861
Changes during the year	-	-
Closing Capital Reserve	1,144,735,861	1,144,735,861
Profit & Loss Account:		
Opening Balance	(1,248,302,026)	(1,184,502,263)
Add : Carrying amount of the assets where the remaining useful life is NIL, as per schedule II of Companies Act, 2013	(43,059,888)	-
Add: Net Profit/(Loss) during the year	(86,239,162)	(63,799,763)
Closing Profit & Loss	(1,377,601,076)	(1,248,302,026)
Total	(232,865,215)	(103,566,165)



DIGICALL TELESERVICES PRIVATE LIMITED
(Formerly known as Pagepoint Services (India) Private Limited)

3. 'Long Term Borrowings'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Secured, From Bank		
Vehicle Loans (Refer Note 3.1 below)	746,069	-
Unsecured		
202,157 (Previous Year - 220,000) 0% Compulsarily Convertible Debentures of Rs.1,000 each (Refer Note 3.2 below)	202,157,000	220,000,000
Loan from Body Corporate (Refer Note No.3.3)	30,000,000	30,000,000
Loan and Advances From Related Parties	-	78,492,416
Total	232,903,069	328,492,416

3.1 Vehicle Loan (Rate of Interest -11.75%)

Vehicle Loan from Bank is secured by way of hypothecation of car. Loan is repayable on 60 monthly installments of Rs.26,897/- each

Repayment Schedule

Financial Year	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
2015-16	220,479	-
2016-17	248,073	-
2017-18	278,675	-
2018-19	219,321	-

3.2 CCD

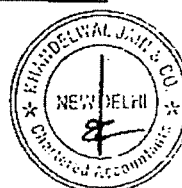
a) The CCDs will be compulsarily converted into equity shares after 9 years from the date of allotment at Book Value or Face Value of Equity Shares at the time of conversion, whichever is higher.

b) The CCDs shall remain unsecured throughout and shall not carry any rights of a lender against the company.

3.3 Loan taken from Bodies Corporate

Loan taken from In Touch Infotech Services Private Limited as on 31st March 2015 Rs. 30,000,000/- (P.Y. Rs. 30,000,000/-) carrying interest @ Nil and repayable in 12 equal monthly installments starting from January 2017.

4. 'Long Term Provision'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Provision for employee benefit		
Gratuity	7,413,825	7,752,715
Leave Encashment	2,345,119	2,780,344
Total	9,758,944	10,533,059



DIGICALL TELESERVICES PRIVATE LIMITED
(Formerly known as Pagepoint Services (India) Private Limited)

5. 'Short Term Borrowings'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Loan Repayable on Demand:		
Secured Loan from Bank		
Working Capital Facility(Refer Note 5.1)	158,618,521	118,070,530
Unsecured Loan from Others		
Loans from Holding Company	72,797,465	125,000,000
Loans from Bodies Corporate ((Refer Note 5.2)	72,708,405	102,162,778
Total	304,124,391	345,233,308

5.1 Working Capital facility from Bank @ 15.75% interest rate and secured by:

a) Hypothecation of Book Debts

b) Collateral Security: first charge on the entire fixed assets of the Company present & future excluding Vehicle & lease hold Improvemnts financed by other Banks.

c) Collateral Security: Pledge of Videocon shares belonging to M/s Infotel Telecom Infrastructure Pvt Ltd.

5.2 Unsecured Loans from Bodies Corporate

Parties	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Kamlesh Mercantile Credit Private Limited	12,500,000	12,500,000
Ivory Consultants Private Limited	5,000,000	-
Shreshth Builders Private Limited	10,000,000	-
Dover Properties Pvt Ltd	-	15,000,000
Express Vanllya Private Ltd	5,000,000	5,000,001
Haridarshan Sales Pvt Ltd	-	10,000,000
Dipco Estates Pvt Ltd	-	7,500,000
Om Enclave Pvt Ltd	-	10,000,000
Haridarshan Sales Pvt Ltd	10,000,000	-
Indian National Press Bombay Pvt Ltd	10,000,000	-
Ritesh Nirman Pvt Ltd	5,000,000	5,000,000
Mpurse services private limited		
(Formerly Known as HotlineCall Centre Solution Private Limited)	7,097,830	7,059,091
Tribhuvan Finance Pvt Limited	3,110,575	-
One Click Technologies Pvt Ltd	-	974,595
Singh Wahini Moulders & Holding Pvt Ltd	5,000,000	5,000,000
Parmesh Finlease Pvt Ltd	-	24,129,091
Total	72,708,405	102,162,778

6. 'Trade Payables'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Micro, Small and Medium Enterprises*	-	-
Other	38,319,744	36,464,524
Total	38,319,744	36,464,524

* Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. Based on the information available with the Company there are no principal / interest amounts due to micro, small and medium enterprises.



DIGICALL TELESERVICES PRIVATE LIMITED
(Formerly known as Pagepoint Services (India) Private Limited)

Note - 9 - Fixed Assets

Particulars	Original Cost			Depreciation				Net Book Value	
	As at	Additions	Deletions	As at	# Transferred To Retain Earning	For the Year	Deletions	As at	As at
	01.04.2014 Rs.	Rs.	Rs.	as on 31.03.15 Rs.	01.04.2014 Rs.	Rs.	Rs.	31.03.2015 Rs.	31.03.2014 Rs.
Tangible Assets									
Plant and Machinery	168,082,492	-	-	168,082,492	168,082,492	-	-	168,082,492	-
Office Equipment	218,307,951	12,287,300	856,009	229,739,242	67,213,632	34,878,937	856,009	149,032,517	80,706,725
Computers	198,607,057	15,712,398	-	214,319,455	92,336,139	8,022,867	-	171,097,274	43,222,181
Furniture and Fixtures	135,260,390	2,452,697	-	137,713,087	28,943,524	158,024	-	41,440,934	96,272,153
Leasehold Improvements	22,690,373	-	-	22,690,373	16,124,545	-	-	22,690,373	-
Vehicles	1,311,591	2,955,217	1,538,217	2,728,591	820,830	334,653	155,639	999,844	1,728,747
Total Tangible Assets	744,259,854	33,407,612	2,394,226	775,273,240	373,521,162	43,059,888	1,011,648	553,343,434	221,929,806
Intangible Asset									
Computer Software	1,694,477	2,169,008	-	3,863,485	148,913	-	-	593,660	3,169,825
Total Intangible Assets	1,694,477	2,169,008	-	3,863,485	148,913	-	-	593,660	3,169,825
Grand Total	745,954,331	35,576,620	2,394,226	779,136,725	373,670,075	43,059,888	1,011,648	554,037,094	225,099,631
Previous Year	800,151,147	40,176,359	94,373,175	745,954,331	395,303,801	62,510,823	84,154,549	373,670,075	372,284,257
								372,284,257	404,847,347

Note:-

As per the New Companies Act, 2013, where remaining useful life of the assets as at 1st April, 2014 is Nil, remaining WDV of assets is recognized in the opening retained earning.



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7. 'Other Current Liabilities'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Current Maturities of Long Term Debts		
- Vehicle Loans	220,479	-
Book Overdraft	1,949,974	1,442,629
Interest accrued and due*	905,918	1,073,096
Statutory Liabilities	68,298,849	81,508,943
Salary and other payable to employees	42,162,144	44,062,765
Expenses Payable	6,321,674	10,485,724
Other Payable to Related Party	-	1,100,000
Capex Creditors	8,941,523	7,488,835
Total	128,800,561	147,161,992

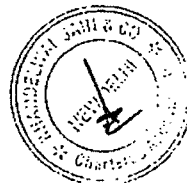
* Interest amounting to Rs. 8,18,631/- (Previous year 8,18,631/-) due with effect from December 31, 2012, NIL (Previous year Rs. 254 465/-) due from March 31, 2014, and Rs. 87,287/- (Previous year Rs. NIL) due from March 31, 2015.

8. 'Short Term Provision'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Provision for employee benefit		
Gratuity	235,382	232,324
Leave Encashment	967,717	119,532
Total	1,203,099	351,856

10. 'Non-Current Investments'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Trade Investment - Unquoted (at Cost)		
In Wholly owned Subsidiary		
Digicall Global Private Limited	55,000,000	5,000,000
- \$500,000 fully paid up equity shares of Rs. 10/- each (Previous year 500,000 shares)		
- 50,000, 0% Optional Fully Convertible Debentures of Rs.1000 each (Previous Year - 50,000 Optional Fully Convertible Debentures)	-	50,000,000
Total	55,000,000	55,000,000

11. 'Long Term Loans & Advances'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Unsecured but considered good		
Capital Advance	-	97,970
Security Deposits	60,114,207	60,394,536
Total	60,114,207	60,492,506

12. 'Trade Receivable'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Unsecured Debts outstanding for a period exceeding six months		
Considered good	59,233,542	14,764,327
Considered Doubtful	-	-
Others		
Considered good	164,905,786	168,539,622
Considered Doubtful	-	-
	224,139,328	183,303,949
Less Provision for Doubtful Debts	-	-
Total	224,139,328	183,303,949



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13. 'Cash and Bank Balance'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Cash and cash Equivalents'		
Cash on Hand	149,938	101,835
Balance with Scheduled Banks In Current Accounts	23,716,356	12,209,487
Other Bank Balances'		
Balance with Scheduled Banks in Deposits		
More than 12 Months	613,710	577,763
Total	24,480,004	12,889,085

14. 'Short Term Loans & Advances'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Unsecured, goods Advances		
-To Related parties (Refer Note No. 14.1)	-	24,252,075
-To Bodies Corporate (Refer Note No. 14.2)	85,612,814	111,078,644
Advances to Vendor	376,625	2,335,281
Advances recoverable in cash or kind	2,331,329	3,088,314
Balances with Service Tax Authorities	494,417	666,727
Advance Tax- TDS	34,600,689	95,713,003
Total	123,415,874	237,134,044

14.1 Advances to Related parties	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Subsidiary Company		
Digicall Global Private Limited	-	15,426,116
Fellow Subsidiary Company		
NexG Devices Pvt Ltd	-	8,825,959
Total	-	24,252,075

14.2 Advances to Bodies Corporate	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Infotel Business Solutions Ltd	10,884,211	10,884,211
Infotel Technologies Pvt Ltd	31,895,083	11,105,221
Microwave Communications Ltd	-	44,659,355
Customised Call Centre Services Pvt Ltd	-	9,278,857
Parmesh Finlease Limited	2,690,850	-
Dighvision Entertainment Pvt Ltd	19,803,402	10,090,626
Dighvision Infotainment Pvt Ltd	-	2,463,958
Infotel Telecom Infra Structure Pvt Ltd	-	2,525,365
Smart Dighvision Pvt Limited	20,339,268	20,071,051
Total	85,612,814	111,078,644

15. 'Other Current Assets'	As at 31.3.2015 (Rs.)	As at 31.3.2014 (Rs.)
Unbilled Revenue	39,995,549	43,567,150
Total	39,995,549	43,567,150



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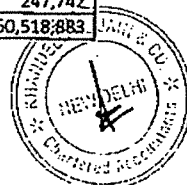
16. 'Revenue from Operation'	For the year ended 31.3.2015 Rs.	For the year ended 31.03.2014 Rs.
Service charges from call center	863,002,150	799,691,396
Total	863,002,150	799,691,396

17. 'Other Income'	For the year ended 31.3.2015 Rs.	For the year ended 31.03.2014 Rs.
Interest on fixed deposit	39,940	325,303
Interest on income tax refund	5,176,144	1,758,830
Other Non Operating Income:		
Excess Provision written back	-	3,558,430
Sale of Scrap	1,251,759	817,580
Misc Income	185,243	-
Profit on Sale of Fixed Assets (net)	860,355	-
Total	7,513,441	6,460,143

18. 'Employees Benefit Expenses'	For the year ended 31.3.2015 Rs.	For the year ended 31.03.2014 Rs.
Salaries & Wages	509,057,379	453,950,787
Contribution to provident and other funds		
Provident Fund	15,915,112	13,777,216
ESI	19,986,576	19,591,032
Gratuity	412,212	1,507,119
Leave Encashment	1,197,148	1,063,559
Staff Welfare & other benefits	19,882,453	18,553,729
Total	566,450,880	508,443,442

19. 'Finance Cost'	For the year ended 31.3.2015 Rs.	For the year ended 31.03.2014 Rs.
Interest Expense		
'-On Bank	18,000,132	14,316,425
'-On Others	9,997,881	13,474,415
Bank charges	1,045,611	864,427
Total	29,043,624	28,655,267

20. 'Other Expenses'	For the year ended 31.3.2015 Rs.	For the year ended 31.03.2014 Rs.
Payments to auditors:		
-Statutory Audit Fees	525,000	450,000
-Tax Audit Fees	125,000	100,000
-Other Services Fees	100,000	-
-Out of Pocket Expenses	46,781	63,045
Advances / deposit written off	1,453,294	4,597,283
Prior Period Items	4,932,418	2,623,537
Electricity & Water charges	54,692,277	54,525,659
Rent & hiring charges	49,337,127	72,833,573
Rates & taxes	2,567,769	5,083,532
Recruitment Expenses	3,839,555	3,188,898
Insurance charges	59,164	946,693
Repair & maintenance		
- Equipment	11,392,758	14,523,651
- Building	1,867,307	2,106,542
- Others	11,347,516	10,736,082
Communication expenses	16,897,828	17,823,037
Travelling, conveyance & vehicle expenses	18,376,514	19,230,919
Printing & stationery	2,965,904	2,604,916
Legal & professional charges	12,441,307	11,074,137
Service Charges	24,603,905	28,589,101
Bad Debts	-	1,404,344
Sales Incentive/ Commission	182,845	2,257,210
Business Promotion/Advertisement	795,762	1,251,074
Port rental charges	3,693,363	3,168,965
Other expenses	698,077	1,088,943
Loss on Sale of assets	-	247,742
Total	222,941,471	260,518,883



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21. Significant Accounting Policies

The financial statements are prepared under the historical cost convention on the accrual basis of accounting and comply with the mandatory accounting standards and statements issued by the Institute of Chartered Accountants of India. The significant accounting policies followed by the Company are set out below.

a) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. The cost of fixed assets includes the cost of purchase/construction of the assets and all incidental expenditure incurred in bringing the assets to their working condition for intended use. Fixed assets purchased in foreign currency are recorded at the actual rupee cost incurred.

Depreciation on fixed assets other than leasehold improvements is provided on the straight line method at the rates and in the manner specified in Schedule II to the Companies Act, 2013. Leasehold improvements are written off over the primary period of the lease.

b) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

c) License fees

The license fee payable to the Department of Telecommunications (DOT) to set up and operate radio paging services in limited areas for a limited period of time was representative of a valuable right and such payments made to acquire the right were capitalised by the Company until 31 March 1999 and amortised over the remaining period of the license.

The DOT vide its letter dated 25 January 2000, revised the license fees for the years IV and V. The license fees from IVth year onwards has been provisionally fixed by the DOT as a percentage of revenue earned and consequently the fees for these years are being charged to revenue in the respective year.

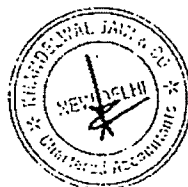
d) Inventories

Inventories are valued at lower of cost and net realizable value. Cost refers to the actual cost of purchase of inventories calculated on a first in first out basis and is inclusive of all duties and taxes.

e) Foreign Currency Transactions

Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction.

Monetary items denominated in foreign currency at the year end are translated at the year end rate. Any income or expenses on account of exchange difference between the date of transactions and on settlement or on translation is recognized in the statement of profit and loss as income or expense.



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f) Revenue recognition

The Company derives its revenue primarily from business process services, which are provided on both time and fixed-price and call basis. Such revenues are recognized as the services are provided. The Company recognizes revenue and unbilled receivables for the services rendered between the last billing date and the Balance Sheet Date.

g) Investments

The cost of an investment includes incidental expenses like brokerage, fees and duties incurred prior to acquisition.

Long term investments are shown at cost. Provision for diminution is made only if; in the opinion of the management such a decline is other than temporary.

h) Lease Assets

Finance lease or similar arrangements, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized and disclosed as leased assets. Finance charges are charged directly against income.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account or on a basis, which reflect the time pattern of such payments appropriately.

i) Short Term Employee Benefits

Short term employee benefits are recognised in the period during which the services have been rendered.

j) Long Term Employee Benefits

Defined Contribution plan

i. Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the employees' state insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India.

The Company's contributions to both these schemes are expensed in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.



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ii. Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Accounting Standard 15 (revised), "Employee Benefits in respect of employees. The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Other long term benefit

iii. Leave Encashment

The Company has provided for the liability at period end on account of unavailed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

k) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

l) Taxation

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

m) Earnings Per Share

In determining basic earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extra ordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



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n) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is provable that there will be a out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

o) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



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22. Contingent Liabilities not provided for in respect of

S. No.	Particulars	As at 31.03.2015	As at 31.03.2014
(a)	Guarantees given by the bank on behalf of the company	100,000	100,000
(b)	Liability of licence fees	30,282,000	30,282,000
(c)	Interest on licence fees	31,563,360	27,929,520
(d)	Claims against Company not acknowledge as Debt	41,94,566	2,500,000
(e)	Capital Commitment (Net off Advances)	2,103,708	3,225,565

Notes:

- a. DoT vide its letter No 843-26/99-BS-III dated 26.4.2004 has offered a relief package to all Radio Paging Service Operators. Under the relief package the fixed licence fee regime for city radio licence paging is waived off from the third payment year i.e. after expiry of two calendar years from the date of delivery of services. From such date of commencement of third year, the licence fee will be charged @ 5% of Adjusted Gross Revenue (AGR). Licence period after accepting relief package is automatically extended to next 10 years as per relief package. The Company has given a proposal for accepting of the relief package on 24.8.2004 to DoT. While accepting relief package, company had conveyed to retain the paging licence for Bangalore city only. The DoT has refused to accept the conditional acceptance of relief package for Mumbai /Pune/ Hyderabad as the company had shown their reluctance to retain the licence for these cities. However in the absence of acceptance of DoT for Bangalore circle, the Company has taken the legal opinion and as per legal opinion since the conditional acceptance for Mumbai, Pune and Hyderabad is not accepted by DOT it may be treated as acceptance of relief package by DOT for Bangalore city. Accordingly effect of the relief package is taken in to account in respect of Bangalore city. Further, the Company vide their letter dated 27.11.2009 has informed DoT that the Company has surrendered their Paging licence w.e.f. 1st Jan 2010. In absence of any demand from DOT towards payment of liability the Company has reversed licence fees liability of Rs. 302.82lacs along with interest liability of Rs. 224.79 lacs and shown as contingent liability. The interest liability will increase by 12% per annum. Demand arising if any, in future for payment of licence fee shall be accounted for on actual settlement.
- b. The Land Lord of the tenanted premises 1501, Hemkunt Chamber, Nehru Place, New Delhi filed a suit against us for recovery of damages of Rs. 130.80 Lac for said tenanted premises, which we had vacated in July 2010. However, we are contesting the case and we hope that we will be directed to pay damages of about Rs. 27 Lac. We will bring to the notice of the Court the Clause 27 of the Registered Lease Agreement, dt. 27/02/2005, where in the landlord, is entitled to claim only Rs. 1,50,000/- per month as damages. Thus, the maximum damages for 32 months can be Rs. 48 lacs and after adjusting the amount of Rs. 21 Lac already paid, maximum a sum of Rs. 27 Lac would be payable.
- c. The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities / Statutory Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.
- d. The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable laws/accounting standards.



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e. As at March 31, 2015 the Company did not have any outstanding long term derivative contracts.

23. The Company has carried out Impairment Test on its Fixed Assets as on 31.3.2015 and the Management is of the opinion that there is no asset for which impairment is required to be made as per Accounting Standard-28 on Impairment of Assets issued by ICAI . (Previous year Rs. Nil).

24. Operating Lease

The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are non-cancellable and are for a period of 1 to 9 years and may be renewed for a further period based on mutual agreement of the parties. Some of these lease agreements have price escalation clauses.

Future Minimum Lease Payments

Period	(Rs. In Lacs)	
	As at 31.03.2015	As at 31.03.2014
Not later than 1 year	869.40	871.82
Later than 1 year and not later than 5 years	2374.44	2686.80
Later than 5 years	425.42	920.91

Lease payments recognised in the Statement of Profit and Loss Rs.49,337,127/- (PY Rs.72,833,573/-).

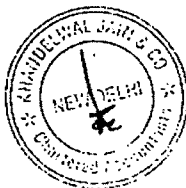
25. Deferred tax Assets/Liabilities

In view of there not being any certainty at this stage of realizing the unabsorbed depreciation and carried forward losses, the net deferred tax assets computed in accordance with Accounting Standard (AS)-22 on " Accounting for taxes on income" issued by the Institute of Chartered Accountants of India has not been recognized in these accounts.

26. Earnings per Share

Particulars	Amount(Rs.) Year ended 31.3.2015	Amount(Rs.) Year ended 31.3.2014
Profit / (Loss) as per Statement of Profit & loss attributable to ordinary Share Holders	(86,239,162)	(63,799,763)
Weighted average number of ordinary shares	20,019,178	20,000,000
Nominal value of ordinary share	10	10
Basic / Diluted Earnings (Loss) per Share*	(4.31)	(3.19)

* Potentially equity shares are anti-dilutive when their conversion to equity shares would increase earnings per share from continuing ordinary activities or decrease loss per share from continuing ordinary activities. The effects of anti-dilutive potential equity shares are ignored in calculating diluted earnings per share.



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27. The disclosures required under Accounting Standard 15 on "Employee Benefits" notified in the Companies (Accounting Standards) Rule 2006, are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, maintained under the Employees Provident Fund Scheme by the Central Government, is charged to Profit and Loss Account as under:

Particulars	Year ended 31.3.2015 Amount (Rs.)	Year ended 31.3.2014 Amount (Rs.)
Employer's Contribution to Provident Fund	15,915,112	13,777,216
Employer's Contribution to Employees State Insurance	19,986,576	19,591,032

Defined Benefit Plan

The employees' gratuity fund scheme managed by the Company itself. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same matter as gratuity.

A. GRATUITY

Particulars	Year ended 31.3.2015 (Amount in Rs.)	Year ended 31.3.2014 (Amount in Rs.)
a. Changes in Present Value of Obligations		
i. Present Value at the beginning of the year	7,985,039	6,802,772
ii. Interest Cost	6,38,803	612,249
iii. Current Service Cost	24,76,143	3,522,331
iv. Benefits Paid	(748,044)	(324,851)
v. Actuarial (gain)/loss on obligations	(2,702,734)	(2,627,462)
vi. Present Value at the end of the period	7,649,207	7,985,039
b. Actuarial gain/loss recognized		
i. Actuarial (gain)/loss for the period – obligation	(2,702,734)	(2,627,462)
ii. Actuarial (gain)/loss for the period – plan asset	Nil	Nil
iii. Total (gain)/loss for the year	(2,702,734)	(2,627,462)
iv. Actuarial (gain)/loss recognized in the period	(2,702,734)	(2,627,462)
v. Unrecognized actuarial (gains)/losses at the end of the year	Nil	Nil
c. Amounts to be recognized in the Balance Sheet and Statement of Profit & Loss		
i. Present Value at the end of the period	7,649,207	7,985,039
ii. Fair value of plan assets at the end of the period	Nil	Nil
iii. Difference (Funded Status)	(7,649,207)	(7,985,039)



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iv.	Unrecognized Actuarial (Gains)/Losses	Nil	Nil
v.	Net Asset/(Liability) recognized in the Balance Sheet	(7,649,207)	(7,985,039)
d. Expenses recognized in the Statement of Profit & Loss			
i.	Current Service Cost	2,476,143	3,522,331
ii.	Past Service Cost	Nil	Nil
iii.	Interest Cost	638,803	612,249
iv.	Expected return of plan assets	Nil	Nil
v.	Curtailment cost / (credit)	Nil	Nil
vi.	Settlement cost / (credit)	Nil	Nil
vii.	Net Actuarial (gain) / loss recognized in the period	(2,702,734)	(2,627,462)
viii.	Expenses recognized in the Statement of Profit & Loss	412,212	1,507,118

B. LEAVE ENCASHMENT

Particulars	Year ended 31.3.2015 (Amount in Rs.)	Year ended 31.3.2014 (Amount in Rs.)
a. Changes in Present Value of Obligations		
i. Present Value at the beginning of the year	2,899,876	2,608,616
ii. Interest Cost	231,990	234,775
iii. Current Service Cost	1,105,662	1,299,080
iv. Benefits Paid	(784,188)	(772,299)
v. Actuarial (gain)/loss on obligations	(140,504)	(4,70,296)
vi. Present Value at the end of the period	3,312,836	2,899,876
b. Actuarial gain/loss recognized		
i. Actuarial (gain)/loss for the period – obligation	(140,504)	(4,70,296)
ii. Actuarial (gain)/loss for the period – plan asset	Nil	Nil
iii. Total (gain)/loss for the year	(140,504)	(4,70,296)
iv. Actuarial (gain)/loss recognized in the period	(140,504)	(4,70,296)
v. Unrecognized actuarial (gains)/losses at the end of the year	Nil	Nil
c. Amounts to be recognized in the Balance Sheet and Statement of Profit & Loss		
i. Present Value at the end of the period	3,312,836	2,899,876
ii. Fair value of plan assets at the end of the period	Nil	Nil
iii. Difference (Funded Status)	(3,312,836)	(2,899,876)
iv. Unrecognized Actuarial (Gains)/Losses	Nil	Nil
v. Net Asset/(Liability) recognized in the Balance Sheet	(3,312,836)	(2,899,876)



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d. Expenses recognized in the Statement of Profit & Loss		
i. Current Service Cost	1,105,662	1,299,088
ii. Past Service Cost	Nil	Nil
iii. Interest Cost	231,990	234,775
iv. Expected return of plan assets	Nil	Nil
v. Curtailment cost / (credit)	Nil	Nil
vi. Settlement cost / (credit)	Nil	Nil
vii. Net Actuarial (gain) / loss recognized in the period	(140,504)	(4,70,296)
viii. Expenses recognized in the Statement of Profit & Loss	1,197,148	1,063,559

C. ACTUARIAL ASSUMPTIONS

Particulars	YEAR ENDED 31.3.2015		YEAR ENDED 31.3.2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount Rate	8.00%	8.00%	9.00%	9.00%
Rate of increase in compensation levels	5.50%	5.50%	5.50%	5.50%
Average remaining working lives of employees (years)	33.9	33.9	34.1	34.1

28. As required by Accounting Standard 18 "Related Party Disclosures"

i) Name of related parties and description of relationship are given below:-

Name	Relationship
Digivision Holding Private Limited	Ultimate Holding Company
Media Matrix World Wide Limited	Immediate Holding Company
Digicall Global Services Private Limited	Subsidiary Companies
Media Matrix Enterprises Private Limited (Formerly known as Media Matrix Holding Private Limited)	Fellow Subsidiary Companies
Digivive Services Private Limited	Fellow Subsidiary Companies
NexG Devices Private Limited	Fellow Subsidiary Companies
Digivision Wireless Private Limited	Fellow Subsidiary Companies
Mr. Sunil Batra, Managing Director	Key Management Personnel *
Mr. Sanjeet Kumar Sharma, Chief Finance Officer	Key Management Personnel from 27 th March 2015 *



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- ii) Nature of transactions: -The transactions entered into with the related parties during the year along with outstanding balances as at 31st March 2015 are as under:

(In Rupees)			
Particulars	Immediate Holding	Subsidiary	Fellow Subsidiary
Issue of 0% Compulsorily Convertible Debentures (CCDs)	52,157,000 (150,000,000)	Nil (Nil)	Nil (Nil)
Conversion of 0% Compulsorily Convertible Debentures (CCDs) into Equity Share	70,000,000 (Nil)	Nil (Nil)	Nil (Nil)
Issue of Equity Share through conversion of 0% Compulsorily Convertible Debentures (CCDs)	70,000,000 (Nil)	Nil (Nil)	Nil (Nil)
Interest/Commission Exps	Nil (254,465)	Nil (Nil)	Nil (Nil)
Debit Note raised by us	Nil (Nil)	13,611,754 (17,989,586)	Nil (21,325,959)
Debit Note raised on us	Nil (1,100,000)	Nil (Nil)	Nil (Nil)
Rendering of Services	Nil (Nil)	Nil (Nil)	2,122,891 (12,021,649)
Loans Taken (Liability)	15,000,000 (137,500,000)	69,297,677 (Nil)	70,620,950 (75,000,000)
Loans Repaid	15,000,000 (12,500,000)	69,297,677 (Nil)	149,113,366 (169,074,000)
Loans and Advance Given (Assets)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Amount Paid against other Payable	1,354,465 (Nil)	Nil (Nil)	Nil (Nil)
Amount Recovered against debit note/Services	Nil (Nil)	13,611,754 (17,505,249)	14,533,677 (21,206,252)
Amount Received against Loans and Advance Receivable	Nil (Nil)	15,426,116 (Nil)	Nil (Nil)
Closing Balances at the Year End			
Debtors	Nil (Nil)	Nil (Nil)	2,023,853 (56,086,680)
Loans and Advances Payable	72,797,465 (125,000,000)	Nil (Nil)	Nil (78,492,416)
Loans and Advances Receivable	(Nil) (Nil)	Nil (15,426,116)	Nil (8,825,959)
Other Payable	(Nil) (1,354,465)	Nil (Nil)	Nil (Nil)

*Director Remuneration shown in Note No 32 below

* Chief Finance Officer Remuneration in Note No 33 Below

Figures in Bracket shown previous Year

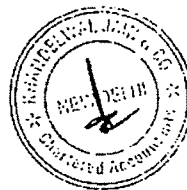


DIGICALL TELESERVICES PRIVATE LIMITED
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iii) Details of Transactions:-

- **Details of Debit Notes raised by us are as follows:-**
 - **Fellow Subsidiary Company**
NexG Devices Pvt. Limited – Nil (Previous Year – Rs. 21,325,959).
- **Details of Services rendered are as follows:-**
 - **Fellow Subsidiary Company**
Digivive Services Private Limited – Rs. 2,122,891 (Previous Year – Rs.12,021,649)
- **Details of Loans taken from Related Companies are as follows:-**
 - **Fellow Subsidiary Company**
 - **Media Matrix Enterprises Private Limited (Formerly known as Media Matrix Holding Private Limited)**
– Rs. 24,620,950 (Previous Year – Rs. 75,000,000)
NexG Devices Private Limited – Rs. 46,000,000 (Previous Year – Nil)
- **Details of Loans Repaid to Related Companies are as follows:-**
 - **Fellow Subsidiary Company**
NexG Devices Private Limited – Rs. 46,000,000 (Previous Year – Nil)
Media Matrix Enterprises Private Limited (Formerly known as Media Matrix Holding Private Limited)
– Rs. 103,113,366 (Previous Year – Rs. 169,074,000)
- **Details of Amount Recovered Against Debit Note and Services Rendered**
 - **Fellow Subsidiary**
NexG Devices Private Limited – Rs. 8,825,959 (Previous year - Rs. 13,340,619)
Digivive Services Private Limited – Rs. 5,707,718 (Previous year – Rs. 7,865,633)
- **Detail of Amount Outstanding at the end of the year**
 - **Fellow Subsidiary**
Debtors Include Rs. 2,023,853 (Previous year Rs. 56,086,680) due from Digivive Services Private Limited.
Loans and Advances Receivable Include Nil (Previous Year Rs. 8,825,959) due from NexG Devices Private Limited.
Loans Payable Include Rs. Nil (Previous year Rs. 78,492,416) to Media Matrix Enterprises Private Limited (Formerly known as Media Matrix Holding Private Limited)

Notes: Related party relationship transactions are as identified by the company and relied upon by the auditors.



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29. Segment Reporting

(a) Primary (Business) Segment

The Company's operations primarily and only relate to providing of call centre services and there is no separate reportable segment as per Accounting Standard (AS) 17 on segment reporting.

(b) Secondary (Geographical) Segment

The Company caters only to the needs of Indian market and there is no export revenue. Hence, there are no reportable geographical segments.

30. The outstanding balances of some of Trade Receivables, Trade Payables, Deposits, Advances and Other Current Assets/ Liabilities are subject to confirmation and reconciliation, if any. However, in the opinion of the management, adjustment, if any, will not be material.

31. In the opinion of the Board, the value on realization of Current Assets, Loans and Advances in the ordinary course of the business would not be less than amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

32. Directors' remuneration

Particulars	Amount(Rs.) Year ended 31.3.2015	Amount(Rs.) Year ended 31.3.2014
Basic Salary & Other Allowance	6,442,817	5,383,979
Employer Contribution to PF etc.	576,000	576,000
Total	7,018,817	5,959,979

33. Chief Finance Officer's remuneration

Particulars	Amount(Rs.) Year ended 31.3.2015	Amount(Rs.) Year ended 31.3.2014
Basic Salary & Other Allowance	689,476	Nil
Employer Contribution to PF etc.	28,269	Nil
Total	717,745	Nil

34. With effect from April 01, 2014, the company has revised the useful life of some of its fixed assets to comply with the useful life as prescribed by schedule II to the Companies Act, 2013. As per Note 7 of Part C of Schedule II to the Companies Act, 2013 the carrying amount of the asset as on the date has to be depreciated over the remaining prescribed useful life of the assets. In case of fixed assets where the use full life was nil as at 01.04.2014, the Company has adjusted the net residual value aggregating to Rs. 43,059,888/- from retained earnings. Further, due to change in rate of depreciation as per Schedule II of the Act during the year, the depreciation for the year is higher by Rs.79,366,531/- and loss is higher by Rs. 79,366,531/-.

35. Particulars of Income/ expenditure in foreign currency:

Particulars	Amount(Rs.) Year ended 31.3.2015	Amount(Rs.) Year ended 31.3.2014
Earning	NIL	NIL
Expenses	NIL	NIL



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36. Consequent to the resignation of present Company Secretary on 11th November, 2014, the post of a whole time Company Secretary is vacant. The Company is looking for a suitable qualified Company Secretary to comply with the provisions of Section 203 of the Companies Act, 2013.

37. Previous year's figures have been regrouped, reclassified and restated wherever considered necessary.

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
Firm Registration No. 105049W


Naveen Jain
Partner

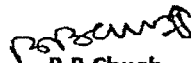
Membership No. 511596



Place: New Delhi

Dated: 25/5/2015

For and on behalf of the Board


B.B. Chugh
Director


Sunil Batra
Director


Sanjeet Kumar Sharma
Chief Finance Officer

Place: New Delhi

Dated: 25/5/2015