

# Deloitte Haskins & Sells

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06/07/2012

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COMPANIES HOUSE

Chartered Accountants  
12 Dr. Annie Besant Road  
Opp. Shiv Sagar Estate  
Worli, Mumbai 400 018  
India

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## Auditor's report

To, the members of Intelenet Global Services Private Limited

- 1 We have audited the attached Balance sheet of Intelenet Global Services Private Limited as at 31<sup>st</sup> March 2007, the Profit and loss account and also the Cash-flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to above, we report that
  - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books,
  - (iii) the Balance sheet, Profit and Loss account and Cash-flow statement dealt with by this report are in agreement with the books of account,
  - (iv) in our opinion, the Balance sheet, Profit and Loss account and Cash-flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956,
  - (v) on the basis of written representations received from the directors, as on 31<sup>st</sup> March 2007 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2007 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956,
  - (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India.

4

# Deloitte Haskins & Sells

- (a) in the case of the Balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2007,
- (b) in the case of the Profit and Loss account, of the profit for the year ended on that date, and
- (c) in the case of the Cash-flow statement, of the cash flows for the year ended on that date

For Deloitte Haskins & Sells  
Chartered Accountants

*R. Salvati*

**R. Salvati**  
Partner  
Membership No 34004

Place Mumbai  
Date 23<sup>rd</sup> April 2007

4)

# Deloitte Haskins & Sells

## Annexure to the Auditor's report

**Re: Intelnet Global Services Private Limited**

(referred to in paragraph 3 of our report of even date)

- (i) The requirements of clauses (ii), (viii), (xiii) and (xiv) of paragraph 4 of the Order are not applicable to the Company for the year
- (ii) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets  
  
(b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification  
  
(c) The Company has not disposed off substantial part of fixed assets during the year
- (iii) The Company has not granted or taken loans to / from companies, firms and other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Consequently, requirements of sub clauses (a) to (g) of clause 4 (iii) of the Order are not applicable
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and sale of services. The Company being a service company does not purchase inventory or sell goods. We have not noticed a continuing failure to correct major weakness in the internal control system
- (v) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained in pursuance of that section and hence the question of commenting on reasonableness of prices in respect of transactions made in pursuance of such contracts or arrangements exceeding the value of rupees five lakhs each does not arise
- (vi) The Company has not accepted deposits from the public within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or the Reserve Bank of India or any Court or any other Tribunal. Accordingly, the provisions of clause 4 (vi) of the order are not applicable to the company

4

# **Deloitte**

## **Haskins & Sells**

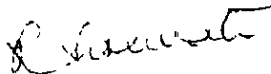
- (vii) In our opinion, the Company has an internal audit system which is commensurate with the size of the Company and the nature of its business
- (viii) (a) According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues, applicable to it
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of income tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material dues were in arrears as at 31<sup>st</sup> March 2007 for a period of more than six months from the date they become payable
- (c) According to the information and explanations given to us, there are no dues of income-tax , sales-tax , wealth-tax , service tax , customs duty , excise duty and cess which have not been deposited with the concerned authorities on account any dispute
- (ix) The Company does not have accumulated losses as at the end of the financial year and it has not incurred cash losses in the financial year under report and the immediately preceding financial year
- (x) The Company has not defaulted in repayment of dues to banks. The Company does not have borrowings from financial institutions and has not issued debentures
- (xi) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- (xii) In our opinion, the terms and conditions on which the Company has given guarantees for loans taken by others from the banks or financial institutions are not prejudicial to the interest of the company
- (xiii) In our opinion, term loans have been applied for the purpose for which the loans were raised
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment
- (xv) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956

48

# Deloitte Haskins & Sells

- (xvi) The Company has not issued any debentures and hence the question of creating security or charge in respect thereof does not arise
- (xvii) During the year, the Company has not raised money by public issue
- (xviii) Legal action has been taken against a few employees of the company for a fraud involving data manipulation in the case of a customer (see note 2 (d) of Schedule 18) The company has made a provision for Rs 4 40 crores There is a possibility of additional claims arising in future, the value of which is not ascertainable According to the information and explanations given to us, no other fraud on or by the Company has been noticed or reported during the course of the year

For **Deloitte Haskins & Sells**  
Chartered Accountants



**R. Salivati**  
Partner  
Membership No 34004

Place Mumbai

Date 22<sup>nd</sup> April 2007



**Intelenet Global Services Private Limited**  
**Balance Sheet as at 31st March 2007**

	Schedule	Rupees	As at 31st March 2007 Rupees	As at 31st March 2006 Rupees
<b>SOURCES OF FUNDS</b>				
<b>Shareholders' Funds</b>				
Share Capital	1		683,987,260	683,987,260
Reserves and Surplus	2		887,485,277	873,376,951
<b>Loan Funds</b>				
Secured Loans	3		721,452,530	892,241,706
Unsecured Loans	4		529,553,966	395,951,511
Deferred Tax Liability (Net)			12,978,675	
<b>TOTAL</b>			<b>2,835,457,708</b>	<b>2,845,557,428</b>
<b>APPLICATION OF FUNDS</b>				
<b>Fixed Assets</b>				
Gross Block	5	2,318,370,984		2,166,878,933
Less: Depreciation		1,180,817,933		825,467,123
Net Block		1,137,553,051		1,341,411,810
Capital Work In Progress		379,843,487		300,822,982
			1,517,396,538	1,642,234,792
<b>Investments</b>	6		154,414,129	154,414,129
<b>Current Assets, Loans and Advances</b>				
Sundry Debtors	7	629,151,451		501,937,308
Cash and Bank Balances	8	223,493,682		170,702,891
Loans and Advances	9	916,779,196		628,832,500
		1,769,424,329		1,301,472,699
<b>Less: Current Liabilities and Provisions</b>				
Current Liabilities	10	597,199,080		183,723,287
Provisions	11	8,578,208		68,840,905
		605,777,288		252,564,192
<b>Net Current Assets</b>			1,163,647,041	1,048,908,507
<b>TOTAL</b>			<b>2,835,457,708</b>	<b>2,845,557,428</b>

Significant Accounting Policies

17

Notes forming part of the Accounts

18

Schedules referred to above and notes thereon form an integral part of the Balance Sheet And Profit & Loss Account

As per our report of even date attached

For Deloitte Haskins & Sells  
Chartered Accountants

For and on behalf of the Board

R Salivati  
Partner

Keki Mistry  
Director

V S Rangan  
Director

Susir Kumar  
Chief Executive Officer

Ramachandra Panickar  
Chief Financial Officer

Abhay Teling  
Company Secretary

Mumbai  
Date 23<sup>rd</sup> April 2007

8

**Intelenet Global Services Private Limited**  
**Profit and Loss Account for the Year ended 31st March 2007**

	Schedule	Current Year Rupees	Previous Year Rupees
<b>INCOME</b>			
Income from BPO Services		2,884,770,148	2,691,926,534
Other Income	12	96,730,692	26,132,389
		<u>2,981,500,840</u>	<u>2,718,058,923</u>
<b>EXPENDITURE AND CHARGES</b>			
Staff Expenses	13	1,384,461,422	1,250,921,288
Establishment Expenses	14	669,990,011	629,879,730
Other Expenses	15	426,976,775	260,755,580
Interest and Other Charges	16	78,918,347	55,924,051
Depreciation		384,887,507	366,880,048
		<u>2,945,234,061</u>	<u>2,564,360,697</u>
<b>Profit before tax</b>		<b>36,266,779</b>	<b>153,698,226</b>
<b>Provision for tax</b>			
Current tax		2,609,777	497,322
Fringe benefit tax		6,570,000	1,850,000
Deferred tax Liability		12,978,675	-
		<u>22,158,452</u>	<u>2,347,322</u>
<b>Profit after tax</b>		<b>14,108,327</b>	<b>151,350,904</b>
<b>Balance brought forward from Previous Year</b>		<b>207,364,192</b>	<b>114,507,025</b>
<b>Amount available for appropriation</b>		<b>221,472,519</b>	<b>265,857,929</b>
<b>Appropriations</b>			
Proposed Dividend		-	51,299,045
Corporate Dividend Tax		-	7,194,691
Balance Carried to Balance Sheet		<u>221,472,519</u>	<u>207,364,193</u>
		<u>221,472,519</u>	<u>265,857,929</u>
<b>EARNINGS PER SHARE (Face Value Rs. 10)</b>			
(refer note 14 of schedule 18)			
Basic		0.21	2.29
- Diluted		0.20	2.22

Significant Accounting Policies 17  
Notes forming part of the Accounts 18  
Schedules referred to above and notes thereon form an integral part of the Balance Sheet And Profit & Loss Account

As per our report of even date attached

For Deloitte Haskins & Sells  
Chartered Accountants

*R. Sallivati*

R Sallivati  
Partner

For and on behalf of the Board

*Keki Mistry*  
Keki Mistry  
Director

*V S Rangan*  
V S Rangan  
Director

*Susir Kumar*  
Susir Kumar  
Chief Executive Officer

*Ramachandra Panicker*  
Ramachandra Panicker  
Chief Financial Officer

*Abhay Telang*  
Abhay Telang  
Company Secretary

Mumbai  
Date 23<sup>rd</sup> April 2007

8

**Intelenet Global Services Private Limited**  
**Cash Flow Statement for the Year ended 31st March 2007**

	<b>Rupees</b>	<b>Previous Year Rupees</b>
<b>Cash Flow from Operating Activities</b>		
Net Profit before tax	36,266,779	153,698,226
Adjustments for		
Depreciation	384,887,507	366,880,048
Preliminary expenses and deferred revenue expenditure	-	7,546,102
Interest and Other Charges	78,918,347	53,520,210
Provision for Doubtful Debts	55,000,000	20,000,000
Provision for Doubtful adv	2,000,000	2,000,000
Loss on Sale / Disposal of Fixed Assets	182,553	113,260
Net Unrealised Exchange Loss / (Gain)	(3,784,527)	(19,906,097)
Excess Provisions written back		(853,311)
Interest Income	(33,766,805)	(5,939,643)
Operating profit before working capital changes	519,703,854	577,058,795
(Increase) / Decrease in Sundry Debtors	(194,743,686)	62,044,143
(Increase) / Decrease in Loans and Advances	(305,378,998)	(232,245,089)
Increase / (Decrease) in Creditors / Other Liabilities	377,493,657	(96,071,080)
<b>Cash from Operations</b>	<b>397,074,827</b>	<b>310,786,769</b>
Income Tax paid	(4,500,000)	(5,225,235)
<b>Net Cash from Operating Activities</b>	<b>392,574,827</b>	<b>305,561,534</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Fixed Assets (ind CWIP)	(437,938,107)	(339,884,543)
Proceeds from Sale / Disposal of Fixed Assets	177,706,301	6,900,465
Investments in Subsidiaries	0	(151,935,650)
Interest Received	33,766,805	5,804,520
<b>Net Cash used in Investing Activities</b>	<b>(226,465,001)</b>	<b>(479,115,208)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Equity Share Capital	-	150,000,000
Proceeds from Long Term Loans	(151,138,112)	134,282,400
Repayment of Long Term Loans	(2,160,272)	(185,607,500)
Proceeds / (Repayment) of Short Term Loans (Net)	147,191,966	248,166,500
Dividend Paid	(25,649,522)	(56,355,767)
Interest paid	(78,918,347)	(53,117,466)
<b>Net Cash used in Financing Activities</b>	<b>(110,674,287)</b>	<b>237,368,167</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>55,435,540</b>	<b>63,814,493</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>167,392,075</b>	<b>103,577,582</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>222,827,615</b>	<b>167,392,075</b>
<b>Reconciliation of Cash and Cash Equivalents</b>		
As per Balance Sheet - Schedule No 8	223,493,682	170,702,891
Less Interest Accrued on Bank Deposits	256,055	353,976
<b>As per Cash Flow Statement</b>	<b>223,237,627</b>	<b>170,348,915</b>
<b>Effect of exchange rate changes</b>	<b>(410,012)</b>	<b>(2,956,840)</b>
<b>Cash &amp; Cash Equivalents, as restated</b>	<b>222,827,615</b>	<b>167,392,075</b>

As per our report of even date attached

For Deloitte Haskins & Sells  
Chartered Accountants

For and on behalf of the Board

*R Sallvati*

R Sallvati  
Partner

Mumbai  
Date 23<sup>rd</sup> April 2007

*Keki Mistry*  
Keki Mistry  
Director

*V S Rangan*  
V S Rangan  
Director

*Susir Kumar*  
Susir Kumar  
Chief Executive Officer

*Ramachandra Panickar*  
Ramachandra Panickar  
Chief Financial Officer

*Abhay Telang*  
Abhay Telang  
Company Secretary

8



**Intelenet Global Services Private Limited**  
**Schedules forming part of the Balance Sheet**

		As at 31st March 2007 Rupees	As at 31st March 2006 Rupees
<b>Schedule 1 - Share Capital</b>			
<u>Authorised</u>			
80,000,000 [previous year 70,000,000]			
Equity shares of Rs 10/- each		<u>800,000,000</u>	<u>700,000,000</u>
<u>Issued, Subscribed and Paid up</u>			
68,398,726 [previous year 68,398,726]			
Equity shares of Rs 10/- each		<u>683,987,260</u>	<u>683,987,260</u>
<b>Schedule 2 - Reserves and Surplus</b>			
<u>Share Premium Account</u>			
As at the beginning of the Year		666,012,758	541,012,758
Add Received during the year		-	125,000,000
		<u>666,012,758</u>	<u>666,012,758</u>
<u>Surplus in profit and loss account</u>		<u>221,472,519</u>	<u>207,364,193</u>
		<u>887,485,277</u>	<u>873,376,951</u>
<b>Schedule 3 - Secured Loans</b>			
Loans and Advances from Banks			
External Commercial Borrowing			
- Secured by hypothecation of tangible movable assets	564,672,373		371,791,667
- To be secured by hypothecation of tangible movable assets	<u>154,111,512</u>		<u>515,621,124</u>
		718,783,885	887,412,791
Dues under Hire Purchase arrangements		2,668,644	4,828,915
[secured by hypothecation on vehicles purchased under hire purchase arrangements]			
		<u>721,452,530</u>	<u>892,241,706</u>
<b>Schedule 4 - Unsecured Loans</b>			
- Working Capital Loan from Banks		499,553,966	388,150,500
Bank Overdraft		<u>30,000,000</u>	<u>7,801,011</u>
		<u>529,553,966</u>	<u>395,951,511</u>

85

**Internet Global Services Private Limited**  
**Schedules forming part of the Balance Sheet**

**Schedule 5 - Fixed Assets**

Particulars	As at 1st April 2006	Gross Block		As at 31st March 2007	Depreciation		Net Block	
		Additions	Deductions / Adjustments		For the Year	Up to 31st March 2007	As at 31st March 2007	As at 31st March 2006
<b>Owned Assets</b>								
Building	51,399,792	66,070,109	105,014,426	51,399,792	934,496	3,794,207	47,605,086	48,539,581
Leased Improvements	259,067,210	171,202,951	18,486,439	223,783,001	20,967,535	64,500,990	157,282,003	204,642,546
Data/Voice Processed Equipment	1,287,755,610	45,691,042	54,449,078	1,440,472,131	264,008,590	844,116,116	596,356,015	704,196,381
Office Equipment	280,653,422	27,542,920	16,139,155	292,057,187	55,830,840	150,860,474	137,196,713	183,360,318
Furniture and Fixtures	150,513,684	2,607,215	11,295,574	141,825,325	14,341,602	97,176,856	314,740,493	116,077,501
Machinery	30,542,112	1,041,352		31,583,464	511,120	5,293,683	24,560,070	32,570,911
Motor Cars	1,408,673			1,408,673	853,176	2,348,263	901,762	713,586
<b>Intangible Assets</b>								
Computer Software	77,532,487	43,961,113		121,493,600	25,105,713	58,300,856	63,192,744	44,337,344
Assets taken on Lease	2,155,812,507	358,917,601	205,404,672	2,309,325,436	382,353,073	1,175,591,553	1,133,733,883	1,334,388,188
Motor Cars (Refer Note 2)	11,006,426		2,020,878	8,985,548	2,334,434	5,226,380	3,759,168	7,023,622
<b>Total</b>	<b>2,166,478,933</b>	<b>358,917,601</b>	<b>207,425,550</b>	<b>2,318,170,984</b>	<b>384,887,897</b>	<b>1,180,817,933</b>	<b>1,137,553,051</b>	<b>1,341,411,810</b>
Previous Year	1,910,618,048	284,134,076	7,873,991	2,198,678,933	369,580,048	825,467,123	1,341,411,810	
Capital Work In Progress (excluding capital advances)							379,843,487	300,822,982

Notes:

1. Title deed in respect of Building is in the name of Maharashtra Industrial Development Corporation (MIDC).
2. Acquired on hire purchase basis over which vendors have a lien

82

**Intelenet Global Services Private Limited**  
**Schedules forming part of the Balance Sheet**

	Rupees	As at 31st March 2007 Rupees	As at 31st March 2006 Rupees
<b>Schedule 6 - Investments</b>			
<u>In Subsidiary Companies</u>			
[Long term, Unquoted, Non-trade]			
- 50,000 equity shares of \$ 1 each fully paid-up in Intelenet America Inc		2,478,435	2,478,435
1 equity share of \$ 1 each fully paid-up in Intelenet Inc		44	44
- 25,000 [previous year 25,000] equity shares of GBP 1 each fully paid-up in Intelenet UK Ltd		1,935,650	1,935,650
<u>[Long-term, Quoted, Non-trade]</u>			
8,235,225 [previous year 8,235,225] equity shares of Rs 10 each fully paid-up in Sparsh BPO Services Ltd (Formerly, known as Intelenet BPO Services Ltd )		150,000,000	150,000,000
		<b>154,414,129</b>	<b>154,414,129</b>
<u>Note :-</u>			
1 Aggregate value of Quoted investments - At Cost		150,000,000	150,000,000
2 Aggregate value of Quoted investments - At Market Value		1,192,048,819	N A
3 Aggregate value of Unquoted Investments - At Cost		4,414,129	4,414,129
<b>Schedule 7 - Sundry Debtors</b>			
[Unsecured]			
Debts outstanding for a period exceeding six months		93,049,877	11,380,931
Other Debts		589,991,689	510,556,377
		683,041,566	521,937,308
Less Provision		53,890,116	20,000,000
		<b>629,151,451</b>	<b>501,937,308</b>
<u>Note</u>			
Considered Good		629,151,451	501,937,308
Considered Doubtful		53,890,116	20,000,000
		<b>683,041,566</b>	<b>521,937,308</b>
<b>Schedule 8 - Cash and Bank Balances</b>			
Cash on Hand		147,944	61,546
<u>Balances with Scheduled Banks</u>			
in current accounts	19,643,217		44,737,241
in fixed deposit accounts [including interest accrued Rs 256,055 , previous year Rs 353,976]	81,301,767		54,737,106
		<b>100,944,984</b>	<b>99,474,347</b>
in EEFC accounts		121,489,362	70,039,283
<u>Balance with Others</u>			
in current account			
- with Citibank, New York			
- [maximum balance outstanding during the year Rs 52,424 , previous year Rs 19,930]	50,936		7,696
- With Barclays Bank, London			
- [maximum balance outstanding during the year Rs 387,390 previous year Rs 388,450]	(292,814)		387,390
- with HSBC, London			
- [maximum balance outstanding during the year Rs 7,078,340 , previous year Rs 3,549,969]	1,153,270		732,629
		<b>911,392</b>	<b>1,127,715</b>
		<b>223,493,682</b>	<b>170,702,891</b>
<b>Schedule 9 - Loans and Advances</b>			
[Unsecured ]			
Loans to Subsidiaries		303,427,869	168,492,008
Advances recoverable in cash or in kind or for value to be received		154,092,848	104,204,041
Deposits		438,663,314	351,803,272
Advance payment of Taxes, etc		24,595,165	6,333,179
		920,779,196	630,832,500
Less Provision		4,000,000	2,000,000
		<b>916,779,196</b>	<b>628,832,500</b>
<u>Note</u>			
Considered Good		916,779,196	626,982,500
Considered Doubtful		4,000,000	2,000,000
		<b>920,779,196</b>	<b>628,982,500</b>

**Intelenet Global Services Private Limited**  
**Schedules forming part of the Balance Sheet**

		As at 31st March 2007 Rupees	As at 31st March 2006 Rupees
<b>Schedule 10 - Current Liabilities</b>			
Acceptances		-	-
Sundry Creditors		-	-
Total outstanding dues to			
- small scale industrial undertakings		-	-
- other than small scale industrial undertakings	<u>4,465,748</u>	<u>4,465,748</u>	<u>56,549,379</u>
Due to Subsidiary Companies		<u>9,622,802</u>	<u>5,005,265</u>
Temporary Overdrawn Bank Balance		<u>93,837,435</u>	-
(Maximum Balance Outstanding during the year INR 115,98,82,632)			
Interest accrued but not due on loans		<u>3,917,925</u>	<u>4,691,950</u>
Other Liabilities		<u>485,355,170</u>	<u>117,476,694</u>
		<u><b>597,199,080</b></u>	<u><b>183,723,287</b></u>
<b>Schedule 11 - Provisions</b>			
For Tax		<u>3,620,001</u>	<u>3,770,000</u>
For Fringe Benefit Tax (Net)		<u>670,000</u>	-
For Leave Encashment		<u>4,288,207</u>	<u>6,577,169</u>
Proposed Dividend		-	<u>51,299,045</u>
Corporate Dividend Tax		-	<u>7,194,691</u>
		<u><b>8,578,208</b></u>	<u><b>68,840,905</b></u>

8

**Intelenet Global Services Private Limited**  
**Schedules forming part of the Profit and Loss Account**

	As at 31st March 2007 Rupees	As at 31st March 2006 Rupees
<b>Schedule 12 - Other Income</b>		
Interest [Gross] on		
Fixed Deposits with Banks	5,105,906	2,706,368
[Tax deducted at source Rs		
Rs 1,143,767/- previous year Rs 614,247/-]		
Interest on loans to Staff and others	260,899	829,434
Interest on Loans to Subsidiaries	28,400,000	2,403,841
[Tax deducted at source Rs Rs 63,72,960/-		
previous year Rs 539422/-]		
Set-up charges recovered	122,390	1,182,188
	<u>33,889,195</u>	<u>7,121,831</u>
Exchange Differences [net]	-	17,560,632
Rent income - Sublease	62,367,627	-
Amounts Written Back [net]	-	853,311
Miscellaneous Income	473,871	596,615
	<u><u>96,730,692</u></u>	<u><u>26,132,389</u></u>

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**Intelenet Global Services Private Limited**  
**Schedules forming part of the Profit and Loss Account**

Particulars	Rupees	As at 31st March 2007 Rupees	As at 31st March 2006 Rupees
<b>Schedule 13 - Staff Expenses</b>			
Salaries and Incentives [net of recoveries Rs 5,620,394 previous year Rs 5,884,114 ]		1,150,113,910	1,063,921,857
Contribution to Provident and Other Funds [net of recoveries Rs 548,747 previous year Rs 134,049]		54,407,666	49,122,796
Staff Welfare Expenses [net of recoveries Rs 1,208,753 previous year Rs 943,598]		132,253,302	119,117,876
Recruitment Expenses [net of recoveries Rs NIL previous year Rs 6,000]		44,296,286	14,703,132
Training Expenses		3,390,258	4,055,627
		<b>1,384,461,422</b>	<b>1,250,921,288</b>
<b>Schedule 14 - Establishment Expenses</b>			
Connectivity Expenses		297,673,821	346,287,141
Rent, Rates and Taxes [net of recoveries Rs 2,392,957 previous year Rs 3,408,763]		193,937,622	135,713,410
Repairs and Maintenance - Bldg, leasehold & fur		1,927,305	1,583,326
Insurance		21,433,908	23,457,955
Facility Mgt, Maintenance, Housekeeping [net of recoveries Rs 1,025,865 previous year Rs 101,209 ]		92,613,106	65,312,355
Electricity [net of recoveries Rs 172,132 previous year Rs 34,255]		62,404,248	57,525,543
		<b>669,990,011</b>	<b>629,879,730</b>
<b>Schedule 15 - Other Expenses</b>			
Travelling and Conveyance [net of recoveries Rs 9,370,249 previous year Rs 4,324,626 ]		119,987,840	53,987,550
Printing and Stationery [net of recoveries Rs 126,965 previous year Rs Nil ]		12,251,603	5,802,249
Postage, Telephone and Fax [net of recoveries Rs 247,380 previous year Rs 331,287]		9,660,619	9,863,476
Repairs and Maintenance - Others [net of recoveries Rs 1,442,340 previous year Rs 3,248,590]		41,130,353	36,315,964
Legal and Professional Fees [net of recoveries Rs 1,175,999 previous year Rs 2,108,237]		47,442,700	15,347,122
Entertainment Expenses [net of recoveries Rs 221,216, previous year Rs 168,656]		3,775,611	1,908,487
Sales and Marketing Expenses [net of recoveries Rs 57,919 previous year Rs Nil ]		110,347,470	101,068,136
Provision for Doubtful Debts		55,000,000	20,000,000
Provision for Doubtful Advances		2,000,000	2,000,000
Loss / (Profit) on Sale of Fixed Assets (Net)		182,553	113,260
Miscellaneous Expenses [net of recoveries Rs 123,140, previous year Rs 385,622]		8,173,945	6,803,234
Preliminary Expenses written off			707,204
Exchange Loss / (Gain) (Net)		17,024,081	
<b>Deferred Revenue Expenditure written off</b>			
Recruitment Expenses			2,297,527
Training Expenses			3,754,899
Share Issue Expenses			786,472
		-	6,838,898
		<b>426,976,775</b>	<b>260,755,580</b>
<b>Schedule 16 - Interest and Other Charges</b>			
Interest on Working Capital Loan		30,984,882	9,852,366
Interest on External Commercial Borrowing		15,530,157	15,905,085
Interest on Others		400,068	443,054
Bank Charges and Finance Charges		32,003,240	29,723,546
		<b>78,918,347</b>	<b>55,924,051</b>

81

**Significant Accounting Policies**

**a. Basis of preparation of Financial Statements**

The financial statements are prepared under historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting principles

**b. Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period

Difference between the actual results and estimates are recognized in the period in which the results are known materialized

**c. Revenue Recognition**

Revenue (income) is recognised when no significant uncertainty as to determination or realization exists

**d. Fixed Assets**

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss

**e. Depreciation**

Depreciation on fixed assets is provided on the Straight Line Method over their estimated useful lives, at the rates which are as given below, which are higher than the rates given in schedule XIV to the Companies act, 1956

<b>Fixed Asset (refer note below)</b>	<b>Rate of Depreciation (%)</b>
Building	1.69
Data and Voice Processing Equipment	20.00
Office Equipment	16.67
Furniture and Fixtures	10.00
Machinery	10.00
Motor Cars (other than on hire)	20.00

**Notes**

- 1 Fixed assets acquired on hire purchase basis are amortised over the tenure of the agreement
- 2 Leasehold Improvements are amortized over the period of the lease or ten years whichever is shorter

**f. Impairment loss**

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amounts. Recoverable amount is the higher of an asset's net selling price and its value in use



Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

**g. Intangible Assets**

Intangible assets are stated at cost of acquisition less amortization. These assets are amortised on a straight-line basis over a period of ten years except software, which is amortised over five years.

**h. Investments**

Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost. Provision is made to recognise declines other than temporary in the carrying amount of long term investments.

**i. Retirement Benefits**

The liability towards the contribution to gratuity fund is determined on the basis of an actuarial valuation obtained at the year-end. The trust in turn has availed a group gratuity policy with the HDFC Standard Life Insurance Company Limited.

Leave salary is provided for on the basis of actuarial valuation.

Provident Fund liability is determined on the basis of contribution as required under the statute / rules.

**j. Foreign Currency Transactions**

Transactions in foreign currencies are recorded at the original rates of exchange in force at the time the transactions are effected.

In case of forward exchange contracts or other financial instruments that is in substance a forward exchange contract, other than for trading or speculation purposes, the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference.

Gains / losses on settlement of transactions arising on cancellation / renewal of forward exchange contracts are recognised as income or expense.

At the year-end, monetary items denominated in foreign currency are reported using the closing rate of exchange. Exchange difference arising thereon and on realization / payments of foreign exchange are accounted as income or expense in the relevant year. Exchange differences arising



on restatement of liabilities incurred for acquiring fixed assets from outside India are adjusted in the carrying amount of such assets

**k. Provision for doubtful debts and advances**

Provision is made in the accounts in respect of debts and advances which in the opinion of the management are considered doubtful of recovery

**l. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**m. Income Taxes**

Tax expense comprised both current tax and deferred tax at the applicable enacted/ substantively enacted rates respectively. Current tax represents the amount of income tax payable/ recoverable in respect of taxable income/ loss for the reporting period. Deferred tax represents the tax effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty (virtual certainty in case of loss) that the asset will be realized in future.

**n. Employee Stock Option Scheme**

Employee stock compensation costs are recognized as per the generally accepted accounting principles, and, are measured as the excess of the value of the share of the company determined on the basis of valuation report from an independent valuer on the stock options grant date over the amount an employee must pay to acquire the share and recognized over the vesting period of equity shares.

**o. Provisions and Contingencies**

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

8

**p. Leases**

**i Finance Leases**

Finance Leases, which effectively transfer to the company substantially all the risks and benefit incidental to ownership of the leased item, are capitalised at the lower of fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised. If there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term on a straight-line basis.

**ii Operating Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

8

**Intelenet Global Services Private Limited****Schedule 18 - Notes forming part of the Accounts****2006-07**

- 1 The Company has been granted permission for importing Capital Goods worth Rs 955.00 million vide Letter No STPI/MUM/VIII (A)(785)/2000(10)/4058 dated 12<sup>th</sup> September 2002 issued by the Director, Software Technology Parks Of India (STPI). In lieu of this permission, the Company is required to achieve an export turnover of Rs 5,210.00 million within a period of 5 years. The Company has upto the date of Balance Sheet imported Capital Goods worth Rs 722.68 million and has achieved export turnover of Rs 9,385.63 million.

	Current year Rupees	Previous Year Rupees
2 Contingent Liabilities in respect of		
a Corporate Guarantee by IG SPL for banking facilities of Sparsh BPO Services Ltd	940,000,000	
b Claims against the Company not acknowledged as debt	Nil	1,702,837
c Loans and Advances includes Rs 4,38,86,168/- claimed as a refund of service tax paid on input services by the company, as the Company is not liable to pay service tax on output services as these are exported. A part of the Company's claim amounting to Rs 12,989,644/- has been rejected and the Company is in the process of filing an appeal against the order.		
d There is a claim against the Company, by a customer with respect to, an employee fraud. The Company has made adequate provisions for the claims crystallized so far. There is a possibility of additional claims arising in future, the value of which is not ascertainable. The Company shall provide for the same as and when such claims arise.		
3 Capital Commitments		
Estimated amounts of contracts remaining to be executed on capital account not provided for	59,722,422	52,512,366
4 Earnings in foreign exchange.		
Income from BPO Services	2,861,314,917	2,692,711,692
5 Value of imports on CIF basis		
Capital Goods	48,332,087	83,474,368
6 Expenditure in foreign currency on account of		
a Connectivity expenses	231,316,045	219,618,495
b Travelling	39,696,208	37,073,298
c Professional Fees	9,152,404	3,205,290
d Facility Management Fees	1,065,589	3,452,341
e Interest on ECB Loans	15,530,157	15,905,085
f Others	75,811,500	151,922,241



**Intelenet Global Services Private Limited**  
**Schedule 18 - Notes forming part of the Accounts**

**2006-07**

**7 Payment to Auditors**

a As auditors	1,250,000	1,000,000
b As advisors – for taxation matters	230,000	400,000
c In any other manner – tax audit, etc	250,000	240,000
	1,730,000	1,640,000

**8 Segment Results**

The Company operates solely in the information technology enabled services business and significant portion of revenue is from export of services. Hence, Segment wise results have not be disclosed.

**9 Related Parties Disclosures**

Details of transactions with related parties

Sr. No.	Name of the related party	Nature of relationship
1	Housing Development Finance Corporation Limited	Joint Venturer
2	Barclays (H & B) Mauritius Ltd	Joint Venturer
3	Barclays Bank PLC	Holding Co. of the Joint Venturer
4	Intelenet America Inc	Wholly Owned Subsidiary
5	Intelenet Inc	Wholly Owned Subsidiary
6	Intelenet (UK) Ltd	Wholly Owned Subsidiary
7	Sparsh BPO Services Ltd (formerly known as Intelenet BPO Services Ltd )	Subsidiary

Amount in Rupees

Nature of Transaction	Housing Development Finance Corporation Limited	Barclays (H & B) Mauritius Ltd	Barclays Bank PLC	Intelenet America Inc	Intelenet Inc	Intelenet (UK) Ltd	Sparsh BPO Ltd	Total
Service Income			1,673,170,957 [607,748,485]		622,792,130 [777,490,818]			2,295,963,087 [1,385,239,303]
Interest Expense	112,300 [-]							112300 [-]
Interest Income							28,400,000 [2,403,841]	28,400,000 [2,403,841]
Miscellaneous income	[23,632]							[23,632]
Brokerage Paid	[1,735,500]							[1,735,500]
Loans repaid by related party	[-]						595,000,000	595,000,000 [-]
Reimbursement of Expenses to related party	2,677,630 [1,988,158]			[-]			17,036,411 [11,531,430]	19,714,041 [13,519,588]
Reimbursement of Expenses by related party	1,605,910 [597,654]		12,409,199 [16,930,691]					14,015,109 [17,528,345]
Loans given to related party							700,000,000 [157,500,000]	700,000,000 [157,500,000]
Advances given on behalf of related party	[477,180]							[477 180]
Issue of Equity Shares (Inclusive of Share Premium)	[75,000,000]	[75,000,000]						[150 000 000]
Security Deposits							6,000,000 [-]	6,000,000 [ ]
Corporate Guarantee given on behalf of related party							940,000,000 [-]	940,000,000 [-]

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**Intelnet Global Services Private Limited**  
**Schedule 18 - Notes forming part of the Accounts**

**2006-07**

Business sourcing expenses				92,666,559 [84,467,809]	595,069 [398,306]	2,417,096 -		95,678,724 [84,866,115]
Dividend for the year	[25,649,522]	[25,649,523]						[51,299,045]
Investment in Subsidiary								
Open Bal				2,478,435 [2,478,435]	44 [44]	1,935,650 [1,935,650]	150,000,000 [-]	154,414,129 [4,414,129]
Add / Less during the year				[ ]	[ ]	[ ]	(150,000,000)	(150,000,000)
Closing Bal				2,478,435 [2,478,435]	44 [44]	1,935,650 [1,935,650]	150,000,000 [150,000,000]	154,414,129 [154,414,129]
Receivable			517,211,191 [245,633,961]		56,761,952 [87,843,290]	1,935,650 [1,935,650]	303,427,869 [168,492,008]	879,336,662 [503,904,909]
Payable	[25,654,726]	[25,649,523]		822,392 [4,526,853]	1,073,481 [478,412]	241,7096 -		4,312,969 [56,309,514]

**Notes**

- Figures in brackets are in respect of the previous year
- There are no provisions for doubtful debts or amounts written-off or written back during the year for debts due from or to related parties

**10 Lease Transactions**

(a) Lease rentals outstanding as at 31<sup>st</sup> March 2007 in respect of fixed assets taken on finance lease are as under

Due	Total minimum lease payments outstanding as at 31 <sup>st</sup> March 2007	Interest not due	Amount in Rupees Present value of minimum lease payments
Not later than 1 year	1,530,797 [2,208,852]	148,920 [297,187]	1,381,877 [1,911,665]
Later than 1 year and not later than 5 years	1,372,841 [3,161,439]	86,075 [244,189]	1,286,766 [2,917,250]
Later than 5 years	-	-	-
Total	2,903,638 [5,370,291]	234,994 [541,376]	2,668,644 [4,828,915]

**Note**

- Figures in brackets are in respect of the previous year

The tenure of hire purchase agreements ranges from thirty-six to forty-eight months with an option of prepayment and foreclosure

40

b) Future lease rentals in respect of fixed assets taken on non-cancellable operating lease basis are as follows

	Current year Rupees	Previous Year Rupees
Amounts due within one year	186,777,388	174,702,339
Amounts due later than 1 year and not later than 5 years	878,306,021	834,230,681
Amount due later than 5 years	1,766,736,738	475,104,547
Lease payments recognised in the profit and loss account	164,672,992	125,469,850

c) Amount of lease rentals charged to the profit and loss account (net of recoveries) in respect of cancellable operating leases is Rs 82,53,572/- (Previous year Rs 7,101,532)

d) Income received from sub-lease transferred to P & L A/c Rs 62,367,627/- (Previous Year Nil)

11 Balances of sundry debtors, sundry creditors and loans and advances are subject to confirmation and consequent reconciliation and adjustments, if any

12 Derivative Instruments

(1) The company has entered into the following derivative instruments

a) Forward Exchange Contracts [being a derivative instrument], which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables

The following are the outstanding Forward Exchange Contracts entered into by the company as on 31<sup>st</sup> March, 2007

Currency	C Y	P Y	Buy/Sell	Cross Currency
GBP	9,700,000	-	Sell	US Dollar
US Dollar	11,500,000	18,500,000	Sell	Rupees

b) Currency Swaps (other than forward exchange contracts stated above) to hedge against fluctuations in changes in exchange rate

No of contracts 2 (Previous Year 1)  
 Notional Principal JPY 1,748,125,000 (Previous Year JPY 1,324,125,000)

c) Currency Options

No of contracts 3 (Previous Year 3)  
 Notional Principal JPY 1,359,850,000 (Previous Year JPY 1,359,850,000)

4

2) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below

a. Amounts payable in foreign currency on account of the following

• Import of goods and services	Rs 9,622,802	USD 165,498 and GBP 28,351
	(Previous Year Rs 15,694,781)	(Previous Year USD 351,726)
• External Commercial Borrowings	Rs 1,218,337,851 (Rs 1,275,563,290)	USD 28,897,670 (USD 29,845,346)

**13 Remittance in foreign currency on account of dividend**

(a) Number of non-resident shareholders	1 (one)
(b) Number of equity shares held	32,949,363
(c) Amount of dividend paid (Rupees)	2,56,49,522 75(INR)
(d) Year to which dividend relates	31 <sup>st</sup> March, 2006

**14 Earnings Per share**

Earnings per share is calculated by dividing the profit/ (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under

**a) Basic Earnings per Share**

	Current year	Previous Year
Profit after tax attributable to Equity Shareholders (Rupees)	14,108,327	151,350,904
Weighted average number of equity shares outstanding during the year for computation of basic earnings per share	68,398,726	66,213,794
Basic Earnings Per Share (Rupees)	0 21	2 29

**b) Diluted Earnings per Share**

	Current year	Previous Year
Profit after tax attributable to Equity Shareholders (Rupees)	14,108,327	151,350,904
Weighted average number of equity shares outstanding during the year for computation of basic earnings per share	68,398,726	66,213,794
<u>Add. Dilutive potential equity shares</u>		
Stock Option given to employees	1,951,916	1,868,723
Weighted average number of equity shares outstanding during the year for computation of diluted earnings per share	70,350,642	68,082,517
Diluted Earnings Per Share (Rupees)	0 20	2 22

c) Nominal value per share (Rupees)	10 00	10 00
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**15 Deferred Tax**

The major components of deferred tax assets and liabilities are as under

	Current year Rupees	Previous Year Rupees
<b>Liabilities</b>		
a) Depreciation (reversing in the post tax holiday period)	(31,118,088)	-
<b>Assets</b>		
a) Provision for Doubtful Debts	18,139,413	-
<b>Net Deferred Tax (Liability) / Asset</b>	<b>(12,978,675)</b>	<b>-</b>

**16 Exchanges differences included in the profit and loss account for the year are**

	Current year Rupees	Previous Year Rupees
Exchange gain	74,751,841	82,690,004
Exchange loss	91,775,921	65,129,372

**17 Employee Stock Option Scheme**

**ESOS 2005**

During the year ended 31<sup>st</sup> March 2005, the Remuneration committee constituted to formulate and implement Employee Stock Option Plans approved the Employee Stock Option Scheme, 2005 ('ESOS Plan 2006') for the grant of stock options to the employees of the company. Accordingly, 23,20,900 stock options have been granted.

The options will vest with the employees in the following manner

- Based on future loyalty – 30% out of which 20% will vest on 1<sup>st</sup> April 2007 and 10% on 1<sup>st</sup> April 2008
- Based on future performance – 70% out of which 46.67% will vest on 1<sup>st</sup> April 2007 and 23.33% on 1<sup>st</sup> April 2008

As per the terms of the ESOS 2005, the exercise price equals the face value of the equity shares of the company. The difference between the value of the share of the company determined on the basis of valuation report from an independent valuer and the exercise price of the equity shares has not been recognized as employee compensation cost in accordance with the "Guidance Note on Accounting for Employee Share-based payments" issued by the Institute of Chartered Accountants of India, as the same was not applicable for schemes the grant date of which is on or before 1<sup>st</sup> April 2005.

**Details of movement of options**

Particulars	Nos.
Options outstanding at the beginning of the year	1,866,723



**Intelenet Global Services Private Limited**  
**Schedule 18 - Notes forming part of the Accounts**

**2006-07**

Options granted during the year	Nil
Options forfeited during the year	371,807
Options outstanding at the end of the year	1,494,916

As of 31<sup>st</sup> March 2007, no options have been exercised or vested

**ESOS 2006**

During the year, the Remuneration committee constituted to formulate and implement Employee Stock Option Plans approved the Employee Stock Option Scheme, 2006 ('ESOS Plan 2006') for the grant of stock options to the employees of the company. Accordingly, 457,000 stock options have been granted.

The entire options would vest as on 1<sup>st</sup> April 2008. The vesting criterion is as follows:

**For Marketing employees**

- Based on budgeted sale target – 50%
- Based on Company performance – 50%

**For Other employees**

- Based on Loyalty – 35%
- Based on Individual – 35%
- Based on Company Performance – 30%

The value of the equity shares has been determined at Rs 60 per share by the management on the date of the grant for ESOS 2006 based on a valuation by an independent appraiser. As per the terms of the ESOS 2006, the exercise price equals the value of the equity share determined by an independent appraiser. Considering that the exercise price equals the value of the equity share determined by an independent appraiser, no compensation cost has been recognized by the company in accordance with the "Guidance Note on Accounting for Employee Share-based payments" issued by the Institute of Chartered Accountants of India.

**Details of movement of options**

<b>Particulars</b>	<b>Nos.</b>
Options outstanding at the beginning of the year	Nil
Options granted during the year	457,000
Options outstanding at the end of the year	457,000

Had the company recorded compensation cost computed on the basis of fair value method (i.e. using a valuation methodology such as an option pricing model) instead of intrinsic value method, employee compensation would have been higher by Rs 39,88,821 and the profit after tax would have been lower by the same amount, consequently, the revised earnings per share would have been as follows:

**Earnings per share**

Basic	0.148
Diluted	0.144

As of 31<sup>st</sup> March 2007, no options have been forfeited, exercised, or vested.



- 18 The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given
- 19 Previous years figures have been regrouped wherever necessary to correspond with the figures of the current year

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**Signatures to Schedules 1 to 18**

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As per our report of even date attached  
**For Deloitte Haskins & Sells**  
Chartered Accountants





**R. Salivati**  
Partner

**For and behalf of the Board**

  
**Keki Mistry**  
Director  
**V S Rangan**  
Director

Mumbai  
Date

23<sup>rd</sup> April 2007

  
**Susir Kumar M**  
Chief Executive Officer  
**Ramachandra Panickar**  
Chief Financial Officer  
**Abhay Telang**  
Company Secretary

8