

ANNUAL REPORT 2014-15

Beetel Teletech Limited
(A Brightstar Company)

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Dharshan Nanayakkara (DIN: 06930415)
Mr. Alok Shankar (DIN:01122940)
Mr. Manoj Kohli (DIN: 00162071)
Mr. Noel Marsden (DIN:07181156)
Ms. Geeta Mathur (DIN:02139552)
Mr. Rajesh Madan (DIN:02647922)

CHIEF FINANCIAL OFFICER

Mr. Puneet Khanna

COMPANY SECRETARY

Mr. Abhay Singh

STATUTORY AUDITORS

S. R. Batliboi & Associates LLP
Chartered Accountants
Gurgaon

INTERNAL AUDITORS

Protiviti Consulting Private Limited
Gurgaon

SECRETARIAL AUDITOR

PWR Associates
Company Secretary
Delhi

BANKERS

HDFC Bank Limited
Australia and New Zealand Banking Group
Limited
Kotak Mahindra Bank Limited

REGISTERED OFFICE

First Floor, Plot No.16, Udyog Vihar, Phase-IV,
Gurgaon-122015 (Haryana)

WEBSITE

www.beetel.in

QUERIES/ASSISTANCE

Company Secretarial Department
Beetel Teletech Limited
First Floor, Plot No.16, Udyog Vihar, Phase-IV,
Gurgaon-122015 (Haryana)

THE BOARD OF DIRECTORS & KEY MANEGERIAL PERSONNEL - AN INTRODUCTION

Mr. Dharshan Nanayakkara

Mr. Darshan Nanayakkara is a Non-Executive Director in Beetel Teletech Limited with effect from October 2014. He is the Regional President of Brightstar Asia Pacific and is responsible for the overall management of Australia, New Zealand, Singapore, Hong Kong, Thailand, Malaysia and India amongst other countries with Brightstar operations in this region.



Darshan has held multiple positions within Brightstar since joining in February 2006. Previous to his current role, he was the Regional Managing Director for Oceania, Director for Strategic Sourcing and Device Management and later was given the responsibility to also lead the Australian Operation as the Managing Director.

Darshan started in the mobile industry in 1996 with Ericsson where he was General Manager Sales and in 2002 joined Crazy Johns as General Manager for Retail. He holds a Bachelor of Business - Marketing degree from Royal Melbourne Institute of Technology (RMIT) and an MBA from Monash University.

Mr. Alok Shankar

Mr. Alok Shankar is the Executive Director & CEO of Beetel Teletech Limited with effect from October 2014. He is a highly experienced manager and leader with a track record of success in both mature and emerging markets, including India, Middle East and Far East. Before joining Brightstar, Alok was executive Vice President at Uninor, an Indian mobile network operator majority owned by the Telenor Group. He held a variety of senior positions from 2009 to 2014 at Uninor and in Telenor Asia. Prior to his heading Device Supply Chain for Telenor in Asia, based out of Bangkok, Alok led the



Uninor operations in the Telecom Circles of Bihar & Jharkhand and Kolkata as CEO covering the areas of Sales, Distribution, Marketing, Technology, Regulatory and Customer care.

Alok's career includes appointments as Managing Director of Brightpoint in India, and various senior leadership roles with Brightpoint Middle East, based out of Dubai, UAE. He also worked for Ernst Young in their corporate finance practice.

Alok holds a Degree in Mechanical Engineering from DAVV University, Indore in India and is an MBA graduate from Asian Institute of Management, Manila, Philippines.

Mr. Manoj K. Kohli

Mr. Manoj Kumar Kohli is a Non-Executive Director in Beetel Teletech Limited with effect from February 2014. He has been associated with Bharti Group from more than a decade holding various board positions in Bharti owned companies. He served as Chairman of Cellular Operators the Association of India (COAI) and is a Member of the Academic Council of the Faculty of role in IT Management Studies, New Delhi. He was adjudged 'Telecom Man of the Year'- Techies Award for 2000 by Transasia. Mr. Kohli holds graduate degrees in Commerce and Law and an MBA from Delhi University. He attended an Executive Business Program at the Michigan Business School and the Advanced Management Program at Wharton, USA.



Mr. Noel G. Marsden

Mr. Noel Marsden is Non-Executive Director in Beetel Teletech Limited with effect from May, 2015. Noel works as a Vice President & Corporate Treasurer at Brightstar Corp wherein, he is responsible for managing corporate treasury functions including



maximizing the value of operational cash, global and financial capital planning, treasury operations, risk management, and strategic treasury initiatives.

Noel has a strong track record and extensive Treasury experience with publicly traded and private companies. From 2006-2013, Noel held a variety of leadership positions with BrightPoint, Inc. Noel holds a B.S. in computer engineering from Michigan State University, and an MBA from Purdue University. He is also a CFA Charterholder.

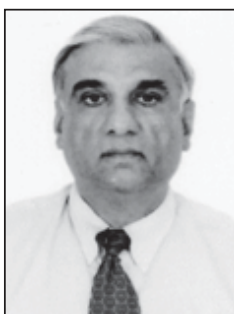
Ms. Geeta Mathur

Ms. Geeta Mathur is an Independent Director in Beetel Teletech Limited with effect from March, 2015. She is an experienced finance professional having worked as a banker and also in large corporate treasury and investor relations. She has expertise in project and structured finance, risk management and handling of large treasuries for the bodies corporate. She possess strong understanding of processes and systems with ability to identify key success /risk factors across several industries and understand how the leaders in those industries have managed the risks to stay ahead. She holds board level positions in various companies in India. She is a Commerce Graduate from Sri Ram College of Commerce, and a Chartered Accountant by profession.



Mr. Rajesh Madan

Mr. Rajesh Madan is an Independent Director in Beetel Teletech Limited with effect from March, 2015. He has experience of handling large transactions relating to mergers, acquisitions and divestitures, restructuring of companies and businesses and cross-border transactions. Besides this also have extensive experience in corporate governance and compliance with special emphasis on corporate responsibility to



shareholders, government, employees and customers. He has held the position of an In-house Counsel with a number of multinational corporations in India, including Novartis, Glaxo Smithkline etc. Since 2004, he has been practicing as an independent Counsel.

He is also a qualified Company Secretary and a Law Graduate by qualification.

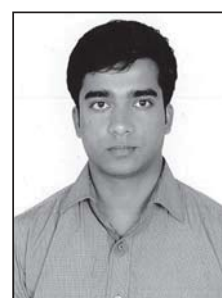
Mr. Puneet Khanna

Mr. Puneet Khanna joined as Chief Financial Officer of Beetel Teletech Limited with effect from October, 2014. He had held many leadership positions and has an extensive multinational & multi-industry experience in all key areas of Finance & Commercial Functions, has a good vintage of 20 years in various areas including Financial Control & Reporting, Budgeting, Accounting, Strategic Planning, Funding, M&A, Treasury management, Commercial and Risk Management. In past, he has worked with Multinational companies like American Tower, Sony Ericsson, Motorola India, Hewlett Packard, Brown Forman Corporation and Eicher Limited. He is a Commerce Graduate from Sri Ram college of Commerce, Delhi University and a Fellow Chartered Accountant by profession.



Mr. Abhay Singh

Mr. Abhay Singh is the Company Secretary of Beetel Teletech Limited with effect from January, 2015. He is a result-oriented professional with nearly 10 year experience in Legal & Secretarial Compliances, Contract Management; Risk Management; Litigation Management; Dispute Management; Due Diligence; Documentation Management of IPRs; Liaison Work. Prior to Beetel, he was associated with Tata Communications Limited, Cellnext Solutions Limited and Adidas India Marketing Private Limited. He is an Economics and Law Graduate from University of Delhi and Company Secretary by qualification.



CHAIRMAN'S MESSAGE

Dear Shareholders,

During the year gone by, we executed several complex initiatives and continued to make great strides in delivering on the strategic initiatives that we have been working on for some time to improve the product and services that we offer in the market.

Overall, your company operations, competitive posture, market offerings, and foundation of profitable growth are all stronger than a year ago. Efforts of all employees and continued support of shareholders reflected in financials of the Company, i.e. during the FY 2014-15 total turnover of your Company was 10,925Mn INR, against 8,687Mn INR in FY 2013-14 on a consolidated basis, with a YOY increase of 26%. The Company has earned profit after tax 231Mn INR against loss of 300Mn INR in the previous year.

While Company in its existing businesses continued to maintain its market leadership; after acquisition of majority stake by Brightstar in the company, your company has started new mobile handset and accessories product lines in India using global expertise of Brightstar and support of other shareholders. It is worth to mention here that your company has entered into contract with Apple India, through which it became the national distributor for Apple iPhones. Company during the year has entered into various distribution agreements with other OEMs including Samsung, Lenovo, and Xiaomi...Etc.

Today, the Company is looking to achieve the role of a market leader in new business segment of mobile phone distribution, and continue to be market leader in all other existing businesses. We are also looking at various new product launches and initiatives, which will not only drive our market share but also enhance our leadership position in all the segments in which we operate.

I would like to thank all our Shareholder's and the entire team at Beetel Teletech Limited and all our customers, suppliers and business partners for their continued support and confidence in our company and we wish them a successful year ahead.

Warm regards,
Dharshan Nanayakkara
Chairman
DIN: 06930415

NOTICE

Notice is hereby given that the Sixteenth (16th) Annual General Meeting of the members of Beetel Teletech Limited (the "Company") will be held on 08th September 2015 (Tuesday) at 10.00 a.m. at K-3, DLF Phase-II, Community Centre, Gurgaon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statement of the Company for the year ended 31st March, 2015, and the reports of the Board of Directors and the Auditors thereon.
2. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution

"RESOLVED THAT consent of the Shareholders of the company be and is hereby accorded not to appoint (including re-appoint) Mr. Manoj Kohli (DIN:00162071) (who retires by rotation at this Annual General Meeting and does not offers himself for reappointment) or any other person in his place as Director liable to retire by rotation."

3. APPOINTMENT OF STATUTORY AUDITORS

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, be and is hereby appointed as Statutory Auditors of the Company for a period of five years from the conclusion of the 16th Annual General Meeting until the conclusion of 21st Annual General Meeting subject to the

ratification of the appointment by members of the company at every Annual General Meeting as per the provisions of the Companies Act, 2013 at such remuneration as may be fixed by the Audit Committee and/or Board of Directors."

SPECIAL BUSINESS:

4. APPOINTMENT OF MS. GEETA MATHUR AS WOMAN (INDEPENDENT) DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Ms. Geeta Mathur (DIN: 02139552), who was appointed as an Additional Director with effect from 31st March 2015, and who holds office till the date of the 16th AGM, in terms of section 161 of the Companies Act, 2013 and in respect of whom the company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Woman (Independent) Director, not liable to retire by rotation, for a period of five years beginning 08th September 2015 and ending on 07th September 2020.

RESOLVED FURTHER THAT Mr. Alok Shankar (DIN:01122940), Director of the Company be and is hereby authorized to make necessary filings relating to the appointment of Ms. Geeta Mathur (DIN: 02139552) as a Woman (Independent) Director on the Board with the Registrar of Companies and any other necessary documents with the appropriate regulatory authorities, as may be required from time to time."

5. APPOINTMENT OF MR. RAJESH MADAN AS INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Rajesh Madan (DIN: 02647922), who was appointed as an Additional Director with effect from 31st March 2015, and who holds office till the date of the 16th AGM, in terms of section 161 of the Companies Act, 2013 and in respect of whom company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a period of five years beginning 08th September 2015 and ending on 07th September 2020.

“RESOLVED FURTHER THAT Mr. Alok Shankar (DIN:01122940), Director of the Company be and is hereby authorized to make necessary filings relating to the appointment of Mr. Rajesh Madan (DIN: 02647922) as Independent Director on the Board with the Registrar of Companies and any other necessary documents with the appropriate regulatory authorities, as may be required from time to time.”

6. APPOINTMENT OF MR. NOEL MARSDEN AS DIRECTOR LIABLE TO RETIRE BY ROTATION

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152, Section 161 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification

of Directors) Rules, 2014, Mr. Noel Marsden (DIN: 07181156), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 04th May 2015 and who holds office up to 16th AGM of the Company, and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director liable to retire by rotation, be and is hereby appointed as a Director liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Alok Shankar, (DIN: 01122940), Director of the Company be and is hereby authorized to make necessary filings relating to aforesaid matter with the Registrar of Companies and any other necessary documents with the appropriate regulatory authorities, as may be required from time to time.”

7. APPROVAL OF REMUNERTAIION OF MR. ALOK SHANKAR, WHOLE TIME DIRECTOR FOR FINANCIAL YEAR 2015-16

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or any other Government authority/agency/board, if any, approval of the company be and is hereby accorded to pay a fixed remuneration of Rs. 17,949,729/- per annum and variable remuneration of Rs. 8,064,371/- per annum which shall be paid at the end of financial year 2015-16 based on Mr. Alok Shankar’s annual appraisal.

RESOLVED FURTHER THAT Board of Directors be and is hereby authorized to make necessary filings relating to the aforesaid matter with the Registrar of Companies and any other necessary documents with the appropriate regulatory authorities, as may be required from time to time."

8. RATIFICATION OF REMUNERATION PAYABLE TO M/S. K. G. GOYAL & ASSOCIATES, COST ACCOUNTANTS AS COST AUDITORS OF THE COMPANY

To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. K. G. Goyal & Associates, Cost Accountants appointed as the Cost Auditors of the Company, for the conduct of the audit of the cost records of the Company for the financial year 2015-16, be paid remuneration of Rs. 30,000/- per annum, exclusive of service tax and out of pocket expenses incurred, if any."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For and on behalf of the Board of Directors

Beetel Teletech Limited

Date: 10th August, 2015

Place: Gurgaon

Abhay Singh
(Company Secretary)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll on his behalf and the proxy need not be a member. A proxy duly signed and stamped

should be delivered to the registered office of the Company not later than 48 hours before the commencement of the meeting, to be effective;

2. Corporate members are requested to send to the registered office of the Company a duly certified copy of the board resolution, pursuant to Section 113 of the Companies Act, 2013 authorizing their representatives to attend and vote at the general meeting;
3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Businesses to be transacted at this meeting is annexed hereto; and
4. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3: APPOINTMENT OF STATUTORY AUDITORS

M/s. S. R. Baltiboi & Associates LLP, Chartered Accountants have tendered their resignation from the position of Statutory Auditors resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 ("Act").

Casual vacancy caused by the resignation of auditors can only be filled up by the Company in general meeting. Board of Directors proposes the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountant as the Statutory Auditor of the company for a period of five years from the conclusion of 16th Annual General Meeting of the company until the conclusion of 21st Annual General Meeting of the company subject to the ratification of appointment by the members at

every Annual General Meeting at such remuneration as may be determined by Audit Committee and/or Board of Directors.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their Relatives, in any way, concerned or interested in the said Resolution.

ITEM NO. 4 & 5: APPOINTMENT OF INDEPENDENT DIRECTORS

As per the provisions of Companies Act 2013, the company was required to appoint 2 Independent Director and 1 Woman Director on or before 31st March 2015.

Ms. Geeta Mathur (DIN: 02139552) was appointed Additional Director (as Woman Independent Director) and Mr. Rajesh Madan (DIN: 02647922) was appointed Additional Director (as Independent) with effect from 31st March 2015 and they hold office till the date of the 16th Annual General Meeting in terms of section 161 of the Companies Act, 2013.

Now, company has received notices in writing under the provisions of Section 160 of the Companies Act, 2013, from members along with a deposit of Rs. 1,00,000/- for each director proposing the candidature of Ms. Geeta Mathur (DIN: 02139552) and Mr. Rajesh Madan (DIN: 02647922) to be appointed as Independent Directors, not liable to retire by rotation, under the provisions of Section 149 of the Companies Act, 2013 for a period of five years beginning 08th September 2015 and ending on 07th September 2020 as per the proposed resolutions.

Members may note that the requisite declarations have been furnished by the Independent Directors viz. (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolutions seek the approval of members for the appointment of Ms. Geeta Mathur (DIN: 02139552) and Mr. Rajesh Madan (DIN: 02647922) for a period of five years beginning 08th September 2015 and ending on 07th September 2020.

The Board of Directors recommend the Resolutions proposed vide item nos. 4 and 5 of the Notice be passed and approved as Ordinary Resolutions by the Members.

The Board confirms that the Independent Directors have fulfilled the conditions specified in Section 149 of the Act. Formal appointment letters will be issued to the Independent Directors, and the Company shall also post the Terms and Conditions of their appointment on the Company's website.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are concerned or interested in the said Resolution except the individual directors to the extent of respective directorships in the company

ITEM NO. 6: APPOINTMENT OF MR. NOEL MARSDEN AS DIRECTOR LIABLE TO RETIRE BY ROTATION

The members are informed that Mr. Noel Marsden (DIN: 07181156) was appointed as Additional Director of the Company by Board of Directors in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the

above Director hold office only up to the date of the ensuing Annual General Meeting.

In this regard, Company has received request in writing together with the deposit of Rs. 1 lakh from a member proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013 and rules made there under.

The presence of Mr. Noel Marsden on the Board is desirable and would be beneficial to the Company due to his experience in the business area of the Company and hence the Board recommends resolution no. 6 for adoption.

None of the Directors, key managerial personnel or their relatives except Mr. Noel Marsden is interested in this resolution.

ITEM NO. 7: APPROVAL OF REMUNERTAIION OF MR. ALOK SHANKAR, WHOLE TIME DIRECTOR FOR FY 2015-16

The Board of Directors of the Company have at their meeting held on 1st October, 2014 and Shareholders in its 15th Annual General Meeting held on 30th October, 2014 approved the appointment of Mr. Alok Shankar as the Whole Time Director for a period of 5 years commencing from 30th October 2014 to 29th October 2019. Further, the board and shareholders respectively also approve the remuneration of Mr. Alok Shankar amounting to Rs. 2,41,15,000/- per annum (fixed portion is Rs. 1,66,15,000 /- per annum and variable portion is Rs. 75,00,000/- per annum).

The Nomination and Remuneration committee after completing the performance appraisal of Mr. Alok Shankar has approved and recommended salary consisting fixed remuneration of Rs. 17,949,729/- per annum and variable remuneration of Rs. 8,064,371/- per annum (which shall be paid at the end of financial year 2015-16 based on Mr. Alok Shankar's annual appraisal) for financial year 2015-16 for the approval of shareholders vide special resolution.

Annexure forming part of the Explanatory Statement as required to be given pursuant to Part II of Schedule V of the Companies Act, 2013:-

I. General Information :-

- Nature of Industry: - Beetel is a value added distribution house that partners with leading brands and also creates and markets products in the IT, Telecom and Enterprise Solution domain.
- Date or expected date of commencement of commercial production :- Existing Company
- In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:- Not applicable
- Financial Performance based on given indicators:-

(Figures in Mn.)

Particulars	Financial Year ended March 31, 2015	Financial Year ended March 31, 2014
Gross Sales	9,996.73	8,056.56
Other Income	54.64	45.98
Profit/(Loss) before Tax	128.72	(310.97)
Profit/(Loss) after Tax	190.85	(308.32)

- Export performance and Net Foreign Exchange Outgo:- Foreign Exchange inflow of Rs. 259.02 (Million) and Foreign Exchange outgo- Rs 5403.12 (Million)
- Foreign Investments or Collaborations:- Investment in Wholly Owned Subsidiary in Singapore

II. Information about the appointee:-

- Background details:- Mr. Alok Shankar is a

highly experienced manager and leader with a track record of success in both mature and emerging markets, including India and Middle East. Before joining Brightstar, he was Executive Vice President at Uninor, an Indian mobile network operator majority owned by the Telenor Group. He held a variety of senior positions from 2009 to 2014 at Uninor and in Telenor Asia. Prior to his heading Device Supply Chain for Telenor in Asia, based out of Bangkok, he led the Uninor operations in the Telecom Circles of Bihar and Kolkata as CEO covering the areas of Sales, Distribution, Marketing, Technology, Regulatory and Customer care. Presently he is employed in the company as Whole Time Director and CEO for last one year.

- b. Past Remuneration:- Rs. 2,41,15,000/- per annum (fixed portion is Rs. 1,66,15,000 /- per annum and variable portion is Rs. 75,00,000/- per annum)
- c. Job Profile and his suitability: - Mr. Alok Shankar's career includes appointments as Managing Director of Brightpoint in India, Head of Operations of Brightpoint Middle East and Head of Technology at Brightpoint Middle East, based out of Dubai, UAE. He also worked for Ernst & Young in their corporate finance practice. He holds a Degree in Mechanical Engineering from DAVV University, Indore in India and is an MBA graduate from Asian Institute of Management, Manila, Philippines.
- d. Remuneration proposed: - As provided in the resolution.
- e. Comparative remuneration Profile with respect to the Industry, size of the Company, profile of the position and the person:- Though direct comparable data could not be obtained, however, as a normal industry trend, the managerial personnel of companies

of comparable size and scale are receiving remuneration above Rs. 25 Mn per annum. The remuneration proposed to be paid to Mr. Alok Shankar is commensurate with the experience, qualification and responsibilities entrusted to him by the Board and as prevailing in the Industry.

III. Other Information:-

- 1). Reason for Loss /inadequate profits:-
 - (a). The Company decided to discontinue its operations in business of selling/ distribution of IT peripherals business, basis it focused on core strengths and stoppage to loss making verticals.
 - b). A leading handset brand decided to change the distribution model in India resulting into lower revenues.

- 2). Steps taken or proposed to be taken for improvement:-

The Company will be looking for growth by focusing on :-

- (a). Increase Beetel's reach in Tier 2 cities for Business of Memory Cards;
- (b). Emphasis on business of Landline Phones with launch of new products to drive market share;
- (c). Increase in number of channel partners and cities addressed by Enterprise verticals;
- (d). Focus on Defence & Public sector segments for Business of Network solution;
- (e). Achieving higher productivity levels in the Factory through cost effective operations, systems and controls, and
- (f). Optimization of the operating expenses
- (g). Better margins from mobile handset business

The Company was already turned EBITDA positive in the FY 2013-2014 and has profit of Rs. 202.55 (Million) in financial year 2014-2015.

- c). Expected increase in productivity and profits in measurable terms: -

After acquisition of majority stake in the Company by Brightstar Logistics PTE Ltd. on October 01, 2014, Company has aggressively started a new segment of business in mobile device and wireless accessory distribution business. Since India is reported to be the fastest growing market for smart phones in the world, we expect significant revenues from this business in the coming years.

IV. Disclosures:-

- a) Remuneration:- Subject to the approval of the Central Government, as provided in the resolution, if any.
- b) Period of Appointment: - Term of 5 (Five) consecutive years commencing from 30.10.2014 to 29.10.2019.
- c) Termination: - The appointment may be terminated by either Party by giving six (6) months' notice in writing of such termination or as may be mutually agreed between the Parties.
- d) Duties and Responsibilities: - Mr. Alok Shankar, Whole Time Director shall perform such duties and responsibilities as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.
- e) Past Remuneration :- Rs. 2,41,15,000/- per annum (fixed portion is Rs. 1,66,15,000 /- per annum and variable portion is Rs. 75,00,000/- per annum)

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Alok Shankar are in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 8: RATIFICATION OF REMUNERATION PAYABLE TO M/S. K. G. GOYAL & ASSOCIATES, COST ACCOUNTANTS AS COST AUDITORS OF THE COMPANY

On the recommendation of the Audit Committee, the Board has approved the appointment of M/s K. G. Goyal & Associates, Cost Accountants as the Cost Auditor of the Company for the financial year 2015-16 at a remuneration of Rs. 30,000/- per annum, exclusive of reimbursement of service tax and all out of pocket expenses incurred, if any, in connection with the cost audit. The appointment and the remuneration of the cost auditor is to be ratified subsequently in accordance to the provisions and rules of the act.

Accordingly, Directors recommend the Ordinary Resolution to be passed by the shareholders for their acceptance.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

For and on behalf of the Board of Directors
Beetel Teletech Limited

Date: 10th August, 2015
Place: Gurgaon

Abhay Singh
(Company Secretary)

DIRECTOR'S REPORT

To

The Members of
Beetel Teletech Limited,

Your Directors have pleasure in presenting the 16th Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your Company for the financial year ended 31st March 2015.

FINANCIAL HIGHLIGHTS

(Rs. in Mn)

Particulars	Consolidated		Standalone	
	Year Ended 31 st march 2015	Year Ended 31 st march 2014	Year Ended 31 st march 2015	Year Ended 31 st march 2014
Net Sales / Other Operating Revenue	10,925.1	8,687.0	9,936.2	7,964.9
Total Expenditure before Depreciation and Finance Costs (Net of expenditure transferred to capital accounts)	10,727.2	8,421.0	9,788.3	7,726.2
Add: Dividend and other Income	51.5	37.1	54.6	46.0
Less: Finance Costs	49.7	118.8	47.2	110.2
Profit before Depreciation, Exceptional Items and Tax	199.8	184.5	155.3	174.4
Less: Depreciation and Amortization Expense	26.6	30.4	26.6	30.4
Profit before Exceptional Items and Tax	173.2	154.1	128.7	144.0
Add: Profit on Sale of Immovable Property	-	-	-	-
Add: Profit on Sale of Non-current Investments	-	-	-	-
Less: Diminution in Value of investment	-	455.0	-	455.0
Profit before Tax	173.2	(300.9)	128.7	(311.0)
Less: Provision for Current/Deferred Taxes	54.7	(7.5)	59.8	(6.1)
Less: Prior Years' Tax Adjustments	(25.3)	2.8	(26.3)	2.8
Add: Minimum Alternate Tax credit entitlement	28.6	6.0	28.6	6.0

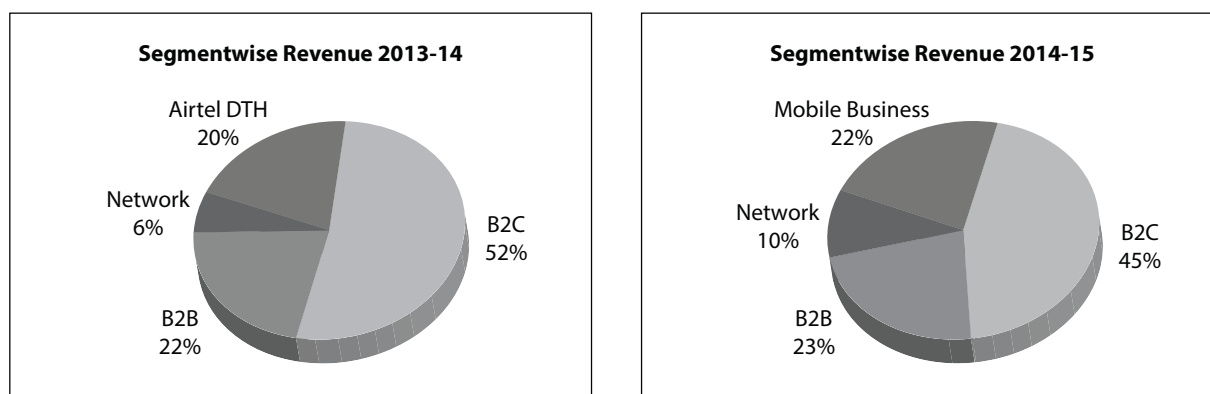
Particulars	Consolidated		Standalone	
	Year Ended 31 st march 2015	Year Ended 31 st march 2014	Year Ended 31 st march 2015	Year Ended 31 st march 2014
Profit after Tax	231.3	(299.7)	190.9	(308.3)
Surplus brought forward	81.1	380.7	49.7	358.0
Amount available for appropriation Which the Directors recommend should be appropriated as follows:	312.3	81.1	240.5	49.7
(a) Interim Equity Dividend	-	-	-	-
(b) Proposed Equity Dividend	-	-	-	-
(c) Corporate Dividend Tax	-	-	-	-
(d) Transfer to General Reserve	-	-	-	-
(e) Surplus carried forward	312.3	81.1	240.5	49.7

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Effective from 1st October 2014 majority stake (51%) in the company was acquired by Brightstar Logistics Pte Limited, a body corporate existing and organised under the laws of Australia.

During the FY 2014-15 total turnover of your Company was 10,925 Mn INR, against 8,687 Mn INR in FY 2013-14 on a consolidated basis, with a YOY increase of 26%. The Company has earned profit after tax 231 Mn INR against loss of 300 Mn INR in the previous year.

A Pie Chart showing the contribution of different business segments in Total Income in FY 2013-14 and FY 2014-15 are shown below:



With respect to your Company's wholly owned subsidiary (Beetel Teletech Singapore Pte Limited), it is pertinent to note that during the FY 2014-15, total turnover was 9,89Mn INR, against 7,22 Mn INR in the FY 2013-14, with a YOY increase of 37%.

Board of Directors of your Company are confident of good performances by Company in coming years.

CHANGE IN NATURE OF BUSINESS, IF ANY

After acquisition of majority stake by Brightstar Logistics Pte. Limited, your Company started distribution of mobile phones (Apple iPhone, Lenovo, Xiaomi) and mobile accessories. Further, Beetel has been appointed as an exclusive supplier for mobile phones and accessories for Airtel Stores. There is no change in the other existing businesses of the Company.

DIVIDEND

Your Board of Directors have not recommended any dividend with the view to conserve the resources of Company.

CHANGES IN SHARE CAPITAL, IF ANY

During the Financial Year 2014-15, the paid-up share capital of the Company has been increased from Rs. 50,700,070.00 to Rs. 50,916,070.00 pursuant to allotment of 21600 equity shares of Rs.10 each at a premium of Rs. 165 per share under Employee Stock Option Scheme of the Company.

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

Below is the details of Company which is wholly owned subsidiary of Beetel Teletech Limited.

S. No	Name of the Entity	Type (Subsidiary/ Joint Ventures/ Associate Co.)	Date of become Subsidiary/Joint Ventures/Associate Co.	Date of Ceased to be Subsidiary/ Joint Ventures/Associate Co.
1	Beetel Teletech Singapore Private Limited	Subsidiary	21/12/2011	Not Applicable

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company has deposited the unclaimed dividend which are pending for more than 7 years to the Investor Education and Protection Fund managed by Ministry of Corporate Affairs, New Delhi as per applicable provisions of Companies Act 2013. Acknowledgement to this regard has been received by the Company.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report.

THE EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information (**Annexure 1**).

MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2014-15, the Company held five (5) board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

S. No	Date of Meeting	Key Matters Discussed	Name of the Director who was attend the meeting	Name of the directors to whom the leave was granted
1	23/05/2014	Approval of Related party transactions, to take note of annual disclosure of directors, take note of secretarial audit report etc.	Mr. Rakesh Bharti Mittal, Mr. Manoj Kohli, Mr. Suresh Khanna	Mr. Devendra Khanna

S. No	Date of Meeting	Key Matters Discussed	Name of the Director who was attend the meeting	Name of the directors to whom the leave was granted
2	21/08/2014	Approval of Related party transactions, to take note of treasury report, appointment of secretarial auditor etc.	Mr. Rakesh Bharti Mittal, Mr. Manoj Kohli, Mr. Suresh Khanna	Mr. Devendra Khanna
3	1/10/2014	Amendment in articles of association, to approve key banking mandate, to approve appointment of CEO, to recommend appointment of statutory auditors and internal auditors	Mr. Rakesh Bharti Mittal, Mr. Manoj Kohli, Mr. Suresh Khanna	Mr. Devendra Khanna
4	30/10/2014	Approve power of attorney in favor of Mr. Alok Shankar, to withdraw general power of attorney issued in favor of Mr. Suresh Gupta, to take note of resignation of Company Secretary, to enhance credit limit from Kotak Mahindra limited etc.	Mr. Alok Shankar, Mr. Manoj Kohli, Mr. Dharshan Nanayakkara, Mr. Suresh Gupta	Mr. Arturo Alejandro Osorio Rodriguez
5	19/01/2015	Confirmation of resolution passed through circulation, to take note of appointment of Company secretary w.e.f. 09/01/2015, to increase working capital limits from HDFC Bank Limited, to reconstitute board committee, resolution for signing bank documents, resolution for forex transaction.	Mr. Alok Shankar, Mr. Manoj Kohli, Mr. Dharshan Nanayakkara, Mr. Suresh Gupta	Mr. Arturo Alejandro Osorio Rodriguez

During the FY 2014-15, three meetings of Audit Committee were held, details of which are as follows:

S. no.	Date of Meeting	Name of Directors who were present	Name of Directors who were absent
1	23/05/2014	Mr. Suresh Gupta, Mr. Manoj Kohli	Mr. Devendra Khanna
2	21/08/2014	Mr. Suresh Gupta, Mr. Manoj Kohli	Mr. Devendra Khanna
3	19/01/2015	Mr. Dharshan Nanayakkara, Mr. Alok Shanker, Mr. Manoj Kohli	-

During the FY 2014-15, three meetings of Nomination & Remuneration Committee were held, details of which are as follows:

S. no.	Date of Meeting	Name of Directors who were present	Name of Directors who were absent
1	23/05/2014	Mr. Suresh Gupta, Mr. Manoj Kohli	Mr. Devendra Khanna
2	21/08/2014	Mr. Suresh Gupta, Mr. Manoj Kohli	Mr. Devendra Khanna
3	19/01/2015	Mr. Dharshan Nanayakkara, Mr. Manoj Kohli	Mr. Arturo Alejandro Osorio Rodriguez

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) Company being unlisted sub clause (e) of section 134(3) is not applicable; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND REPORT THEREON

M/s S. R. Batliboi & Associates LLP, Chartered Accountants, conducted the statutory audit for - FY 2014-2015. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

M/s S. R. Batliboi & Associates LLP, Chartered Accountants, resigned as Statutory Auditors of the Company. It is proposed to appoint M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company for a period of five years from the conclusion of 16th annual general meeting until the conclusion of 21st Annual General Meeting, subject to the ratification of the appointment by members of the Company at every annual general meeting as per the provisions of the Companies Act, 2013 at such remuneration as may be fixed by the Audit Committee and/or Board of Directors of the Company.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants have conveyed its consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, its appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Their appointment and payment of remuneration are to be confirmed and approved in the 16th Annual General Meeting by the Shareholders of the Company.

LOANS, GUARANTEES AND INVESTMENTS

The Company has following Loans, Guarantee given and Investments made under section 186 of the Companies Act, 2013 for the financial year ended 31st March 2015:

S. No.	Name of Party	Particulars of Loans, Guarantee & Investments	Nature	Purpose for which it shall be used	Amount (USD)
1	G E Capital Services Pte Limited	Corporate Guarantee on behalf of Beetel Teletech Singapore Private Limited	Corporate Guarantee	For obtaining the credit limit to Beetel Teletech Singapore Private Limited (a wholly owned subsidiary of Beetel Teletech Limited) in Singapore	45,00,000/-

RELATED PARTY TRANSACTIONS

The Company has entered into various Related Parties Transactions as defined under Section 188 of the Companies Act, 2013 and Accounting Standard issued by ICAI with Related Parties. All these transactions have been carried by the Company in ordinary course of its business and on arm's length basis. Further all the necessary details of transaction entered with the related parties are attached herewith in Form No. AOC-2 for your kind perusal and information (**Annexure 2**).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) Conservation of Energy

Your Company takes appropriate measures to reduce energy consumption by using energy efficient equipment, computers and processes. As an ongoing process your Company continuously evaluates new technologies and techniques to make infrastructure more energy efficient.

Continuous study is being made on measures to conserve energy. The results wherever found suitable are implemented from time to time. The implementation of the measures adopted for energy conservation has resulted in savings in energy / fuel consumption/ cost.

(B) Technology Absorption

Your Company is continuously engaged in the research and development of new technologies. During the year Research and development was carried out for introducing new telecom products based on advancement in technology. Strong emphasis is given towards developing customized designs of phones based on the requirement of end users, telecom companies. Efforts are also on to improve the productivity levels in the manufacturing facility.

During the year under review, the R & D team of the Company has conceived and developed feature rich phones. New sources were evaluated and developed for cost reduction and to improve feature of phones. The efforts enable the Company to introduce new products to meet changing market needs. During the year, the Company has increased the focus on product development as per customers' requirements.

The expertise developed by the R&D team would be deployed in manufacturing advanced products indigenously. Details of expenditure on R&D are provided below-

(INR Mn)

S. No.	Details	31-Mar-15	31-Mar-14
1	Capital	-	-
2	Recurring	0.39	0.19
3	Total	0.39	0.19
4	Total R & D expenditure as a percentage of total turnover	0.004%	0.002%

The Company continues to use the latest technology for innovation and improving the productivity and quality of its products and development of new designs/models of telecom instruments. This has introduced technologically advanced user friendly products and has geared itself to achieve better quality and price standards in future.

(C) Foreign Exchange Earning and Outgo

(INR Mn)

Details	31-Mar-15	31-Mar-14
The Foreign Exchange earned in terms of actual inflows during the year	259.02	173.01
The Foreign Exchange outgo during the year in terms of actual outflows	5403.12	5681.56

RISK MANAGEMENT

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the Company to control risk through a properly defined plan. The risks are taken into account while preparing the annual business plan for the year. The elements of risk threatening the Company's existence is very minimal.

DIRECTORS AND KMP

During the current financial year the following changes have occurred in the constitution of directors and KMP of the Company:

S. No	Name	Designation	Date of appointment	Date of cessation	Mode of Cessation
1	Mr. Suresh Gupta	Whole Time Director	21/05/2013	31/01/2015	Resigned
2	Mr. Arturo Alejandro Osorio Rodriguez	Director	01/10/2014	16/02/2015	Resigned
3	Mr. Rakesh Bharti Mittal	Director	30/03/1999	02/10/2014	Resigned
4	Mr. Davendra Khanna	Director	27/01/2009	02/10/2014	Resigned
5	Mr. Alok Shankar	Whole Time Director & CEO	01/10/2014	Not Applicable	Not Applicable
6	Mr. Rajesh Madan	Additional Director (Independent)	31/03/2015	Not Applicable	Not Applicable
7	Ms. Geeta Mathur	Additional Director (Independent)	31/03/2015	Not Applicable	Not Applicable
8	Mr. Dharshan Nanayakkara	Director	01/10/2014	Not Applicable	Not Applicable
9	Mr. Abhay Singh	Company Secretary	09/01/2015	Not Applicable	Not Applicable
10	Mr. Puneet Khanna	Chief Financial Officer	01/10/2014	Not Applicable	Not Applicable
11	Mr. Vishal Mehan	Company Secretary	27/01/2014	31/10/2014	Resigned

DEPOSITS

Company has not accepted any deposits during the year.

CORPORATE SOCIAL RESPONSIBILITY

As per Section 135(5) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and schedule VII of the Companies Act, 2013, the Company has duly constituted CSR Committee.

The CSR Committee consist of following –

S. No	Name	Designation
1.	Mr. Manoj Kohli	Chairperson
2.	Mr. Rajesh Madan	Member
3.	Ms. Geeta Mathur	Member

Due to negative average net profits during preceding 3 years, Company is not mandatorily required to undertake the CSR activities in terms of applicable provisions of Companies Act 2013. A detailed working on the profitability of the Company for CSR expenditure for the financial year ended, 31st March, 2015 is annexed herewith for your kind perusal and information (**Annexure 3**).

ANNUAL EVALUATION

The provision of section 134(3) (p) relating to board evaluation is not applicable on the Company.

INDEPENDENT DIRECTORS AND DECLARATION

Mr. Rajesh Madan and Ms. Geeta Mathur have been appointed as the Additional Director (Independent) of the Company as per Section 149(10) of the Companies Act, 2013 with effect from 31/03/2015 on the Board of the Company.

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

NOMINATION AND REMUNERATION COMMITTEE

As per the section 178(1) of the Companies Act, 2013 the Company has constituted a Nomination and Remuneration Committee. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Mr. Dharshan Nanayakkara	Chairman	Non-Executive Non Independent Director
Mr. Rajesh Madan	Member	Non-Executive Independent Director
Ms. Geeta Mathur	Member	Non-Executive Independent Director
Mr. Manoj Kohli	Member	Non-Executive Non Independent Director

The Terms of Reference of the Nomination and Remuneration Committee are as under:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- The Nomination and Remuneration Committee policy ensure that:
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:
- Review the Human Resource function of the Company, if required.
- Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- Make reports to the Board as appropriate.
- Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

8. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

REMUNERATION POLICY

Remuneration to Executive Directors:

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

Remuneration to Independent Directors:

The Independent Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them as per the terms of their appointment letters.

Information as per Rule 5 (2) of Companies (appointment and remuneration of managerial personnel) Rules 2014 is enclosed as (**Annexure 4**)

AUDIT COMMITTEE

According to Section 177 of the Companies Act, 2013 the Company's Audit Committee comprised of four directors. The board has accepted the recommendations of the Audit Committee. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Mr. Alok Shankar	Chairman	Executive Non Independent Director
Ms. Geeta Mathur	Member	Non-Executive Independent Director
Mr. Rajesh Madan	Member	Non-Executive Independent Director
Mr. Manoj Kohli	Special Invitee	Non-Executive Non Independent Director

SECRETARIAL AUDIT REPORT

There are no qualifications or adverse remarks in the Secretarial Audit Report which require any clarification/ explanation.

Further the Secretarial Audit Report as provided by Ms. Poonam Wadhwa, Practicing Company Secretary C/o. M/s. PWR Associates for the financial year ended, 31st March, 2015 is annexed herewith for your kind perusal and information (**Annexure 5**).

COST AUDIT

Cost audit was not applicable for the FY 2014-2015.

M/s. K G Goyal & Associates., Cost Accountants has been appointed as Cost Auditors of the Company for conducting Cost Audit of the Company for FY 2015-2016 subject to approval of its remuneration by the Shareholders in the 16th AGM.

HEARING AND RESOLVING CONCERNS AND ISSUES

We have specific processes policies and procedures for dealing with issues and concerns raised by our employees including to report and deal with sexual harassment cases at the workplace. The cases are heard and resolve by a committee constituted under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.

Following are the details of workplace sexual harassment complaint received and resolved –

S. No	Workplace Sexual Harassment Complaint Received	FY 2014-2015
1	No. of complaints received under the Act.	1
2	No. of complaints disposed off during the year.	1
3	No. of cases pending for more than 90 days.	0
4	No. of information sessions/seminar organised during the year.	6
5	Information on Action Taken	Warning issued to the concerned employee; documented in his personnel file

VIGIL MECHANISM

As per Section 177(9) and (10) of the Companies Act, 2013, the Company has established Vigil Mechanism under the overall supervision of Audit Committee, for its employees to report genuine concerns. Company has adopted the Group ethics helpline toll free number and systems in this regard. Educative materials has been provided to all the employees of the Company in this regard. The procedure established fully safeguards the interest of its stakeholders, Whistle Blowers, Directors and Employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company. The details of the helpline with necessary guidance has been provided on the website of the Company.

ORDER OF COURT

There is no material adverse orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used efficiently and adequately protected

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

For and On behalf of the Board of Directors

Beetel Teletech Limited

Dharshan Nanayakkara

Chairman

DIN: 06930415

Date : 10th August, 2015

Place : Gurgaon

BEETEL TELETECH LIMITED
(A Brightstar Company)

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year Ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Extract of Annual Return of a Company Having a Share Capital

I Registration and other Details

[illegible]

II Principal Business Activities of the company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No	Name and Description of Main Products/ Services	NIC Code of Products/Services	% to total turnover of the company
1	Company's branded landline telephones and other products	Division 26: Manufacture of computer, electronic and optical products – Class 2630 – Subclass 26302	14

S. No	Name and Description of Main Products/ Services	NIC Code of Products/Services	% to total turnover of the company
2	Company's distributed/marketed products of other brands	Division 46: Wholesale trade, except of Motor Vehicles and Motor Cycles. – Class 469 – Subclass 46909	86

III Particulars of Holding, Subsidiary and Associates Companies:

S. No	Name and address of the company	CIN/GNL	Holding/Subsidiary/Associate	% of Shares Held	Applicable Section
1	Brightstar Logistics PTE Limited		Holding Company	51%	Section 2 (87)
2	Beetel Teletech Singapore Private Limited		Subsidiary	100%	Section 2 (87)

IV Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No of Shares held at the end of year				% change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	Promoters									
1	Indians	-	-	-	-	-	-	-	-	-
	Individual/HUF	-	-	-	-	-	-	-	-	-
	Central Govt.	-	-	-	-	-	-	-	-	-
	State Govt.	-	-	-	-	-	-	-	-	-
	Bodies Corp.	4862997	-	4862997	95.92	2266277	-	2266277	44.50	-51.42
	Banks/FI	-	-	-	-	-	-	-	-	-
	Any Others	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (1)	4862997	-	4862997	95.92	2266277	-	2266277	44.50	-51.42
2	Foreign	-	-	-	-	-	-	-	-	-
	NRIs- Individuals	-	-	-	-	-	-	-	-	-
	Other- Individuals	-	-	-	-	-	-	-	-	-
	Bodies Corp.	-	-	-	-	2596720	-	2596720	51.00	51.00
	Banks/FI	-	-	-	-	-	-	-	-	-
	Any Others	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (2)	-	-	-	-	2596720	-	2596720	51.00	51.00
	Total shareholding of Promoter A = (A)(1)+(A)(2)	4862997	-	4862997	95.92	4862997	-	4862997	95.50	-0.41
B.	Public Shareholding									
1	Institutions	-	-	-	-	-	-	-	-	-
	Mutual Funds	-	-	-	-	-	-	-	-	-
	Banks/FI	-	-	-	-	-	-	-	-	-
	Central Govt.	-	-	-	-	-	-	-	-	-
	State Govt.	-	-	-	-	-	-	-	-	-

Category of Shareholders		No. of Shares held at the beginning of the year				No of Shares held at the end of year				% change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
	Venture Capital Fund	-	-	-	-	-	-	-	-	-
	Insurance Co	-	-	-	-	-	-	-	-	-
	FIs	-	-	-	-	-	-	-	-	-
	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	Any Others (Company)	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (1)	-	-	-	-	-	-	-	-	-
2	Non Institutions									
	Bodies Corp. Indian	-	-	-	-	79768	531	80299	1.58	1.58
	Bodies Corp. Overseas	-	-	-	-	-	-	-	-	-
	Individual shareholders holding nominal share capital upto Rs. 1 lakh	112610	94400	207010	4.08	56832	91479	148311	2.91	-1.17
	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
	Any Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (2)	112610	94400	207010	4.08	136600	92010	228610	4.49	0.41
	Total Public shareholding B =(B) (1)+(B)(2)	112610	94400	207010	4.08	136600	92010	228610	4.49	0.41
C.	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total =A+B+C	4975607	94400	5070007	100.00	4999597	92010	5091607	100.00	0.00

ii) Shareholding of promoters

S. No	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Bharti (SBM) Holdings Private Limited	1,945,199	38.37	-	1007235	19.78	-	-18.59
2	Bharti (RM) Holdings Private Limited	1,215,748	23.98	-	629521	12.36	-	-11.62
3	Bharti (RBM) Holdings Private Limited	1,215,748	23.98	-	629521	12.36	-	-11.62

S. No	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
4	Bharti Satya Trustees Private Limited	486,302	9.59	-	-	-	-	-9.59
5	Brightstar Logistics PTE Limited	-	-	-	2596720	51.00	-	51.00

iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	4862997	95.92	4862997	95.92
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	4862997	95.51	4862997	95.51

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 01 April, 2014)		Shareholding at the end of the year (as on 31 March, 2015)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Akhil Kumar Gupta	9630	0.190	-	-
2	Harsha Hitesh Javeri	8846	0.174	8846	0.17
3	Sajjid A Khan	2610	0.051	2610	0.05
4	Santosh Bhansali	2400	0.047	-	-
5	Pannalal Bhansali	1725	0.034	-	-
6	Rasila Shantilal Mehta	1500	0.030	1500	0.03
7	Archana Gupta	1440	0.028	-	-
8	Ashok C Samani	1320	0.026	-	-
9	Charu Gupta	1318	0.026	-	-
10	Rasila Shantilal Mehta	1026	0.020	1026	0.02

S. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 01 April, 2014)		Shareholding at the end of the year (as on 31 March, 2015)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
11	Bharti Enterprises Limited	-	-	80299	1.58
12	Indrakala Gattani	-	-	840	0.02
13	Rajiv Chaudri	-	-	631	0.01
14	S Vijaylakshmi	-	-	600	0.01
15	Leelu Bhagwan Wadhwani	-	-	592	0.01
16	Rasila Shantilal Mehta	-	-	513	0.01

v) Shareholding of Directors and Key Managerial Personnel:

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	For Each of the Directors and KMP				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	-	-	-	-

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loan	Unsecured Loan	Deposit	Total
Indebtness at the begning of the year				
Principal Amount	171,952,197	-	-	171,952,197
Interest due but not paid	-	-	-	-
Interest accrued but not due	279,795	-	-	279,795
Total	172,231,992	-	-	172,231,992
Change in Indebtedness during the financial year				
Addition	568,939,223	-	-	568,939,223
Reduction	-	-	-	-
Net Change	568,939,223	-	-	568,939,223
Indebtedness at the end of the financial year				
Principal Amount	740,891,420	-	-	740,891,420
Interest due but not paid	-	-	-	-
Interest accrued but not due	1,810,314	-	-	1,810,314
Total	742,701,734	-	-	742,701,734

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amt. in Rs.)

S. No	Particulars of Remuneration	Mr. Alok Shankar, Whole Time Director	Mr. Suresh Gupta, Whole Time Director	Total Amount
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,803,198	20,521,694	28,324,892
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify...	-	-	-
8	Others, please specify	-	-	-
	Total (A)	7,803,198	20,521,694	28,324,892
	Ceiling as per the Act	42,000,00	42,000,00	84,000,000

b. Remuneration to other directors:

S. No	Particulars of Remuneration	Name of Directors				Total Amount
1	Gross salary	-	-	-	-	-
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Independent Directors	-	-	-	-	-
	Fee for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, specify...	-	-	-	-	-
	Total (1)	-	-	-	-	-
4	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, specify...	-	-	-	-	-

S. No	Particulars of Remuneration	Name of Directors				Total Amount
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

c. Remuneration to Key Managerial Personnel other than MD/Manager/WT

(Amt. in Rs.)

1	Gross salary	Mr. Alok Shankar, CEO	Mr. Abhay Singh, Company Secretary	Mr. Puneet Khanna, CFO	Total
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,803,198	542,997	4,031,070	12,377,265
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify...	-	-	-	-
8	Others, please specify	-	-	-	-
	Total (A)	7,803,198	542,997	4,031,070	12,377,265

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Related Party transaction details for FY 2014-2015
1. Details of contracts or arrangements or transactions not at arm's length basis

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	None							

2. Details of material contracts or arrangement or transactions at arm's length basis

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Audit Committee/ Board	Amount paid as advances, if any:
1	Beetel Teletech Singapore Private Limited	Share of common business expenses	Ongoing	INR 4 Million	19-Jan-15	-
2	Brightstar Logistics Pte Ltd.	Re-imbursement of expenses	Ongoing	INR 4.95 Million	19-Jan-15	-
3	Brightstar NZ limited	Re-imbursement of expenses	Ongoing	INR .41 Million	19-Jan-15	-

3. Related party transaction as per AS-18 (As disclosed in the Audited Financials)

Description	Subsidiary		Holding company		Key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Sales of goods and services										
Bharti Airtel Limited	-	-	-	-	-	-	516.03	801.81	516.03	801.81
Purchase of goods & services										
Bharti Airtel Limited	-	-	-	-	-	-	3.57	10.11	3.57	10.11
Bharti Reality Holding Limited	-	-	-	-	-	-	3.67	7.42	3.67	7.42
Bharti Axa General Insurance Co. Limited	-	-	-	-	-	-	1.50	3.53	1.50	3.53
Expenses Incurred by related parties on behalf of the Company										
Bharti Airtel Limited	-	-	-	-	-	-	-	0.20	-	0.20
Brightstar Logistics Pte. Ltd	-	-	4.95	-	-	-	-	-	4.95	-
Brightstar Logistics Pty Ltd	-	-	-	-	-	-	9.46	-	9.46	-
Brightstar FZE	-	-	-	-	-	-	0.68	-	0.68	-

Description	Subsidiary		Holding company		Key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Brightstar NZ Limited	-	-	-	-	-	-	0.41	-	0.41	-
Expenses Incurred by Company on behalf of related parties										
Bharti Airtel Limited	-	-	-	-	-	-	6.90	169.45	6.90	169.45
Brightstar Logistics Pty Ltd	-	-	-	-	-	-	4.28	-	4.28	-
Brightstar Corp	-	-	-	-	-	-	0.46	-	0.46	-
Beetel Teletech Singapore Private Limited	4.57	8.15	-	-	-	-	-	-	4.57	8.15
Purchase of Capital item										
Brightstar Logistics Pty Ltd	-	-	-	-	-	-	1.54	-	1.54	-
Brightstar Supply Chain Services Sdn Bhd	-	-	-	-	-	-	1.16	-	1.16	-
Management fees										
Beetel Teletech Singapore Private Limited	4.00	2.40	-	-	-	-	-	-	4.00	2.40
Remuneration (refer note)										
Mr. Suresh Gupta	-	-			20.52	11.51	-	-	20.52	11.51
Mr. Alok Shankar	-	-			11.91	-	-	-	11.91	-
Rent Received										
Bharti Airtel Limited	-	-			-	-	7.80	15.60	7.80	15.60
Rent Paid										
Bharti Airtel Limited	-	-			-	-	1.51	1.63	1.51	1.63
Amount written off										
Bharti Airtel Limited	-	-			-	-	-	0.08	-	0.08
Due to										
Brightstar Logistics Pte. Ltd			3.64	-					3.64	-
Brightstar Logistics Pty Ltd							3.60	-	3.60	-
Brightstar FZE							0.68	-	0.68	-
Brightstar NZ Limited							0.30	-	0.30	-
Brightstar Supply Chain Services Sdn Bhd							0.92	-	0.92	-
Mr.Suresh Gupta	-	-			-	3.84	-	-	-	3.84
Bharti Reality Holding Limited							0.48	-	0.48	-
Bharti AXA General Insurance Company Limited	-	-			-	-	-	0.04	-	0.04
Due from										
Bharti Airtel Limited	-	-			-	-	199.45	134.43	199.45	134.43
Brightstar Corp							0.46	-	0.46	-
Beetel Teletech Singapore Private Limited	-	2.94			-	-	-	-	-	2.94

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

- 1 The main objective of the CSR Policy is to lay down guidelines for the Company to make CSR as one of the key focus areas to adhere to Progress strategy that focuses on making a positive contribution to society through high impact, sustainable programs. The Policy covers current as well as proposed CSR activities to be undertaken by the Company and examining their alignment with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

- 2 The Composition of the CSR Committee.

S. No	Name of the Member
1	Mr. Manoj Kohli
2	Mr. Rajesh Madan
3	Ms. Geeta Mathur

- 3 Average net profit of the company for last three financial years

Financial Year	Net Profit/Net Loss (-) (Rs. in Mn.)
F.Y. 13-14	-311
F.Y. 12-13	-204
F.Y. 11-12	-358
Total net profit for 3 years	-873
Average net profit of the company for last three financial years	-291

- 4 Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) NIL

- 5 Details of CSR spent during the financial year.

- a. Total amount to be spent for the financial year; NIL
- b. Amount unspent, if any; NA
- c. Manner in which the amount spent during the financial year is detailed below.

S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
1	NA	NA	NA	NA	NA	NA	NA

- 6 Since the Company's average net profit for last 3 financial year is negative, the Company is not mandatorily required to spend any amount on any CSR activity. CSR Committee is fully committed to carry out the responsibility casts by Companies Act 2013 in its letter and spirit.
- 7 CSR Committee declares that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Annexure 4

Information as per Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

(in Rs.)

S. No	Name of the Employee	designation of the employee	remuneration received	nature of employment, whether contractual or otherwise	qualifications and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above	whether any such employee is a relative of any director or manager of the company and if so name of such director or manager
1	Mr. Alok Shankar	Chief Executive Officer	78,03,198	Permanent	BE(Mech.) MBA	01-10-2014	45	Brightpoint	NA	NA
2	Mr. Puneet Khanna	CFO	40,31,070	Permanent	B.Com,FCA (21 years)	06-10-2014	45	American Tower	NA	NA
3	Mr. Suresh Gupta	COO	2,05,21,694	Permanent	B.Sc,ICWA (30 years)	16/12/2008 (Resigned 31/01/2015)	54	Intex Technologies India Ltd.	NA	NA
4	Ms. Nidhi Chauhan	CHRO	99,76,336	Permanent	BA,MSW,B.Ed (25 years)	01/04/2011 (Resigned 07/02/2015)	50	Bharti Airtel Ltd.	NA	NA
5	Ms. Bunty Rohatgi	Vice President	75,59,627	Permanent	BE,MMS (20 years)	02/04/2012 (Resigned 01/04/2015)	45	HCL Infinet Ltd.	NA	NA

Note:

The board's report shall include a statement showing the name of every employee of the company, who

- if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees
- if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month
- if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company

Form No. MR-3
Secretarial Audit Report

For the financial year ended 31.03.2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Beetel Teletech Limited
First Floor, Plot No. 16,
Udyog Vihar, Phase IV,
Gurgaon (HR) - 122015

CIN No.: U32204HR1999PLC042204
Authorised Capital: Rs. 10 Crore

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Beetel Teletech Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Beetel Teletech Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information/representations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit.

We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Beetel Teletech Limited for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; -NA
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; -NA
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; -NA

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; -NA
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -NA
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -NA
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; -NA
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; NA
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; NA
- (vi) The other laws as applicable specifically on the Company
 1. **Labour and Industrial Laws** such as The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Employees Provident Fund and Miscellaneous Provisions Act, 1952, Equal Remuneration Act, 1976, Contract Labour (Regulation and Abolition) Act, 1970, Maternity Benefit Act, 1961, The Apprentices Act, 1961, The Child Labour (Prohibition & Abolition) Act, 1960, Employees' Compensation Act, 1923; Factories Act, 1948, Industrial Dispute Act, 1947, Industrial (Development & Regulation) Act, 1951
 2. **Environmental Laws** such as Environment Protection Act, 1986, Water (Prevention & Control of Pollution) Act, 1974.
 3. **Financial Laws** such as Income Tax Act, 1961, Service Tax Act (Finance Act, 1994), State & Central Sales (VAT) Act (Central Sales Tax Act, 1956), Central Excise Act, 1944, Customs Act, 1962.
 4. Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 & rules there made therein.
 5. IPR (Intellectual Property Rights) Laws such as Trade Mark Act, 1999, Copyrights Act, 1957, Patent Act, 1970.
 6. Other laws to the extent applicable are Registration Act, 1908, Indian Stamp Act, 1899, Limitation Act, 1963, Transfer of Property Act, 1882, Indian Contract Act, 1872, Negotiable Instrument Act, 1881, Sales of Goods Act, 1930, Information Technology Act, 2000, Consumer Protection Act, 1986, Competition Act, 2002, Legal Metrology Act, 2009.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. – Not Applicable-Not mandatory
 - (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; -NA
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:
1. That the Company has maintained statutory registers and records under the provisions of Companies Act, 2013;
 2. That the Company has filed all the forms, returns, documents and resolutions with the Registrar of Companies, Delhi & Haryana prescribed under the Act and rules made there under.

3. That the Company has altered its Articles of Association in its Annual General Meeting dated 31.10.2014 and filed the respective statutory form with authorities within time.
4. That the Board has duly met 5 (five) times i.e. on 23.05.2014, 21.08.2014, 01.10.2014, 30.10.2014 and 19.01.2015 during the year. Audit Committee met 3 (three) times on 23.05.2014, 21.08.2014 and 19.01.2015; and Nomination and Remuneration Committee formerly known as Remuneration and ESOP Committee duly met 2 (two) times on 23.05.2014 and 21.08.2014 during the year.
5. That the Company was granted an extension of two months for conducting its AGM beyond its due date i.e. 30.09.2014 and Annual general Meeting for the financial year 2013-14 was held on 31.10.2014;
6. The Company has deposited the unclaimed dividend pending for more than seven years to the Investor Education and Protection Fund managed by Ministry of Corporate Affairs, New Delhi pursuant to Section 205 of the Companies Act, 1956.
7. That the Company has appointed Mr. Rajesh Madan and Ms. Geeta Mathur as independent directors through circular resolution and also has complied with the requirement of woman director. The Company has re-constituted its various Committees as per the provisions of the Companies Act, 2013;
8. That Mr. Alok Shaker has been appointed as Whole Time Director & CEO and Mr. Puneet Khanna is appointed as CFO of the Company for which respective forms are filed with the statutory authorities. Mr. Vishal Mehan, Company Secretary, has resigned w.e.f. 31.10.2014 and in his place Mr. Abhay Singh has been appointed as Company Secretary w.e.f. 09.01.2015, for which the provisions of Companies Act, 2013 has been complied with;
9. That the Company has issued and allotted 21,600 Equity Shares of Rs. 10/- each at a premium of Rs. 165/- per share under ESOP Scheme 2008 dated July 1, 2008 made to the shareholders in Share Allotment & Transfer Committee;
10. That 25,96,720 Equity Shares (51 % to paid capital of the Company) of Rs. 10/- each has been transferred to Brightstar Logistics Pte. Ltd. On 01st October, 2014 by the existing shareholders of the Company.
11. That the shares of the Company are in dematerialized form with the depositories and an agreement between the Company and the Depository has been entered initially in the year 1993 and amended/revised from time to time;
12. That the Company has adopted and/or filed Share Capital Audit Report issued by a Practising Company Secretary with respect to the reconciliation of shares as per clause 55A of SEBI (Depositories and Participants) Regulations, 1996 for the quarter ending June 30, 2014, September 30, 2014, December 31, 2014 and March 31, 2014 respectively;
13. That the Company has given Corporate Guarantee dated 16.12.2014 in favor of GE Capital Services Pte Ltd on behalf of its Wholly Owned Subsidiary situated in Singapore in the name of Beetel Teletech Singapore Pvt Ltd. Form ODI has been filed with Reserve Bank of India for the same;
14. That the Brightstar Logistics Pte Ltd. Had acquired 51% shares of the company from the existing shareholders of the Company during the period under review and Form FC-TRS has been filed accordingly;
15. That the Company is registered under Contract Labour (Regulation & Abolition) Act, 1970 with Registration No. CLA/RC-4,708/HR1,533/GGN/919 dated 20.11.2014;
16. That the Company is registered under Punjab Shops and Commercial Establishment Act, 1958 with Registration No. PSA/REG/GGN/LI-GGN-2-4/0065818 dated 30.05.2012;

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place by appointment of Mr. Arturo Alejandro Osorio Rodriguez (who resigned during the year), Mr. Darshan Nanayakkar and Mr. Alok Shankar as the Director of the Company, and by resignation of Mr. Devendra Khanna, Mr. Suresh Gupta and Mr. Rakesh Bharti Mittal during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the Board decisions are taken unanimously and recorded in the Minutes Book of the Company during the period under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Board adopts Compliance Certificate issued by the Company on a quarterly basis.

We further report that during the audit period the company has no other specific event required to be reported except above mentioned.

Poonam Wadhwa
PWR Associates
FCS No: 5431
C P No.: 4717

Place : Delhi
Date : 21st April, 2015

INDEPENDENT AUDITOR'S REPORT ON STANDALONE

To the Members of Beetel Teletech Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Beetel Teletech Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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.

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 thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as 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 written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
 - (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 7 and 33 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;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W

per Vineet Kedia

Partner

Membership Number: 212230

Place of Signature: Gurgaon

Date: 27th May, 2015

Annexure 1 to the Auditor's Report referred to in paragraph [1] of "Report on Other Legal and Regulatory Requirements" in our report of even date

Re: Beetel Teletech Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (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 inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it. Also, according to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded by authority (Rs. Mn)	Period to which the amount relates	Forum where dispute is pending
Central Sales tax Act & Sales Tax Act of various states	Sales Tax	0.39	1992-93, 1996-97, 2002-04	Sales Tax Officer, Delhi
	Central Sales Tax (Interest on CST)	4.68	1999-00, 2000-01	VAT Tribunal, Haryana
	Non Submission of Forms	3.79	1998-99	Excise & Taxation Officer, Gurgaon
	Non Submission of Forms	3.34	2002-05	Deputy Commissioner (Assessment), U.P.
	Sales Tax	0.12	2007-08	Deputy Commissioner (Assessment), U.P.
	Non Submission of forms	1.36	2007-08	Deputy Commissioner (Assessment), Assam
	Sales Tax	0.80	2005-06	Deputy Commissioner (Assessment), Cochin
	Sales Tax	2.30	2008-13	Assessing Officer, Jaipur
	Sales Tax	1.30	2007-09	Deputy Commissioner (Assessment), Chennai
	Sales Tax	5.53	2009-10	Deputy Commissioner (Assessment), Goa
	Sales Tax	18.00	2012-13	Deputy Commissioner, Haryana
	Sales Tax	0.35	2009-10	Assessing Officer, Jaipur
	Sales Tax	4.55	2005-06	JC Appeal, Maharashtra
	Sales Tax	93.20	2010-11	JC Appeal, Maharashtra
	Sales Tax	12.90	2010-11	JC Appeal, Delhi
	Sales Tax	1.88	2008-09	Commercial Tax Officer, Bangalore
	Sales Tax	0.74	2011-12	JC Appeal, Noida
Haryana General Sales Tax Rules, 1973	Sales Tax	22.67	1991-92 to 1998-99	Hon'ble Supreme Court
M.P. Entry Tax Act	Entry Tax	3.90	April 05 – Dec 08	Hon'ble Supreme Court
Chhattisgarh Entry Tax Act	Entry Tax	0.45	2007-08	Commercial Tax Commissioner (Assessment)
Central Excise Act	Service Tax	2.05	2005-08	CESTAT, Delhi
Custom Act	Custom Duty	0.61	1996-97	CESTAT, Delhi

Name of the statute	Nature of dues	Amount Demanded by authority (Rs. Mn)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax	9.74	AY 2003-04	Income Tax Appellate Tribunal, Delhi
Income Tax Act	Income Tax	3.96	AY 2004-05	Income Tax Appellate Tribunal, Delhi
Income Tax Act	Income Tax	2.05	AY 2006-07	High Court
Income Tax Act	Income Tax	0.45	AY 2007-08	Income Tax Appellate Tribunal, Delhi

(c) According to the information and explanations given to us, the 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 thereunder has been transferred to such fund within time.

- (viii) The Company has no accumulated losses at the end of the financial year and has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in their repayment of dues to a financial institution, bank 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) The Company did not have any term loans outstanding during the year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W

per Vineet Kedia

Partner

Membership Number: 212230

Place of Signature: Gurgaon

Date: 27th May, 2015

STANDALONE BALANCE SHEET as at 31 March 2015

(Rs. in Mn.)

PARTICULARS	Notes	As at 31-Mar-15	As at 31-Mar-14
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	50.92	50.70
Reserves & surplus	5	274.78	80.37
		325.70	131.07
Non-current liabilities			
Other long term liabilities	6	13.62	13.27
Long term provisions	7	36.48	27.09
		50.10	40.36
Current liabilities			
Short term borrowings	8	740.89	171.95
Trade payables	9	2,336.38	821.17
Other current liabilities	9	74.10	75.45
Short term provisions	7	143.07	138.89
		3,294.44	1,207.46
TOTAL		3,670.24	1,378.89
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	86.47	92.15
Intangible assets	11	6.61	12.88
Capital work in progress		2.63	0.07
Investment	12A	-	-
Deferred Tax Assets(net)	13	79.08	-
Long term loans & advances	14	125.71	140.75
Other non-current assets	15	10.22	9.82
		310.72	255.67
Current assets			
Current Investments	12B	-	45.00
Inventories	16	1,410.90	392.77
Trade receivables	17	1,716.86	583.77
Cash & bank balances	18	68.76	23.30
Short term loans & advances	14	158.44	73.55
Other current assets	15	4.56	4.83
		3,359.52	1,123.22
TOTAL		3,670.24	1,378.89

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S.R. Batliboi & Associates LLP
ICAI Firm registration number:101049W
Chartered Accountants

per Vineet Kedia
Partner

Membership No: 212230

Place : Gurgaon
Date : May 27, 2015

**For and on behalf of the Board of Directors of
Beetel Teletech Limited**

Alok Shankar
CEO and Director
(DIN:01122940)

Abhay Singh
Company Secretary

Mukesh Kapoor
Finance Controller

Dharshan Nanayakkara
Director
(DIN: 06930415)

Puneet Khanna
Chief Financial Officer

STANDALONE PROFIT AND LOSS ACCOUNT for the year ended 31 March 2015

(Rs. in Mn.)

PARTICULARS	Notes	Year ended 31-Mar-15	Year ended 31-Mar-14
INCOME			
Revenue from operations(gross)	19	9,996.73	8,056.56
Less: Excise duty		60.51	91.70
Revenue from Operations(net)		9,936.22	7,964.86
Other income	20	54.64	45.98
Total Revenue (I)		9,990.86	8,010.84
EXPENDITURE			
Cost of raw material and components consumed	21	300.33	495.35
Purchases of goods and services	22	9,617.74	6,442.53
(Increase)/decrease in inventories of finished goods, work in progress and traded goods	22	(1,013.28)	193.99
Employee benefits expenses	23	335.21	247.01
Other expenses	24	548.31	347.30
Total (II)		9,788.31	7,726.18
Earning before interest, tax, depreciation and amortisation (EBITDA) (I)-(II)		202.55	284.66
Financial cost	25	47.22	110.24
Depreciation and amortisation	26	26.61	30.39
Profit before Exceptional item and tax		128.72	144.03
Exceptional Item (Refer Note 41)		-	455.00
Profit/(loss) before Tax		128.72	(310.97)
PROVISION FOR TAX			
-Current Tax		19.30	6.08
-Tax pertaining to earlier years		26.29	(2.78)
-MAT credit entitlement (includes Rs. 28.64 Mn pertaining to earlier years, Previous year Rs Nil)		(28.64)	(5.95)
- Deferred tax credit (including Rs. 73.34 Mn pertaining to earlier years, Previous year Rs Nil) - Refer Note 13		(79.08)	-
Total Tax Expense		(62.13)	(2.65)
Profit/(loss) after tax		190.85	(308.32)
Earning/(loss) per share -basic and diluted	27	37.57	(60.81)
[Nominal value of share Rs. 10/- each (Previous Year Rs. 10/- each)]			

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S.R. Batliboi & Associates LLP

ICAI Firm registration number:101049W

Chartered Accountants

per Vineet Kedia
Partner

Membership No: 212230

Place : Gurgaon

Date : May 27, 2015

**For and on behalf of the Board of Directors of
Beetel Teletech Limited**

Alok Shankar
CEO and Director
(DIN:01122940)

Abhay Singh
Company Secretary

Mukesh Kapoor
Finance Controller

Dharshan Nanayakkara
Director
(DIN: 06930415)

Puneet Khanna
Chief Financial Officer

STANDALONE CASH FLOW STATEMENT for the year ended 31 March 2015

(Rs. in Mn.)

PARTICULARS	Year ended 31-Mar-15	Year ended 31-Mar-14
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	128.72	(310.97)
Adjustments for :		
Depreciation/amortisation	26.61	30.39
Amortisation of employee stock option cost	-	0.00
Unrealised exchange difference (net)	6.00	9.15
Interest expense	38.17	94.49
Lease equalisation reserve	1.33	0.53
Bad debts/amounts written off	18.12	2.97
Provision for doubtful debts	8.84	(20.64)
Provision for Obsolete/Slow Moving Stock	5.15	9.84
Provision for doubtful advances/claim	4.40	10.92
Interest income	(5.94)	(3.02)
Provision for Diminution in value of investment	(455.00)	455.00
(Profit)/loss on sale of investments (current)	455.00	-
(Profit)/loss on sale of fixed assets	0.63	0.29
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	232.03	278.95
Movements in working capital:		
(Increase)/decrease Non current loans & advances	(1.35)	(3.96)
(Increase)/decrease in current loans & advances	(77.88)	10.97
(Increase)/decrease in current other current assets	0.28	(0.66)
(Increase)/decrease in current trade receivables	(1,157.46)	359.38
(Increase)/decrease in inventories	(1,023.28)	125.97
Increase/(decrease) in current liabilities	1,506.01	(549.81)
Increase/(decrease) in current provisions	(11.01)	67.16
Increase/(decrease) in non current liabilities	(0.98)	0.03
Increase/(decrease) in non-current provisions	9.39	(10.71)
CASH GENERATED FROM/(USED IN) OPERATIONS	(524.25)	277.32
Direct taxes paid	1.77	(23.36)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	(522.48)	253.96
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of current investments	45.00	0.00
Proceeds from sale of fixed assets	0.65	0.37
Purchase of fixed assets including capital work in progress	(19.27)	(9.05)
Interest received	5.54	2.99
Proceeds of deposits matured (with maturity more than three months)	-	0.43
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	31.92	(5.25)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(36.64)	(94.20)
Proceeds from Issue of Shares	3.78	-
Proceeds/(repayment) of bank borrowings	568.94	(187.40)
Dividends paid(including dividend tax)	(0.06)	(0.06)
NET CASH FLOW GENERATED FROM/(USED IN) FINANCING ACTIVITIES	536.02	(281.66)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	45.46	(32.96)
Cash and cash equivalents at the beginning of the year	23.30	56.26
Cash and cash equivalents at the end of the year	68.76	23.30
Components of cash and cash equivalents		
Cash in hand	0.10	0.20
In current accounts	68.32	22.76
In unpaid dividend account	0.34	0.34
Total cash and bank as per note 18	68.76	23.30
Cash and cash equivalents at the end of the year	68.76	23.30

Figures in brackets indicate cash out flow.

As per our report of even date attached

For S.R. Batliboi & Associates LLP
ICAI Firm registration number:101049W
Chartered Accountants

per Vineet Kedia
Partner
Membership No: 212230

Place : Gurgaon
Date : May 27, 2015

**For and on behalf of the Board of Directors of
Beetel Teletech Limited**

Alok Shankar
CEO and Director
(DIN:01122940)

Abhay Singh
Company Secretary

Mukesh Kapoor
Finance Controller

Dharshan Nanayakkara
Director
(DIN: 06930415)

Puneet Khanna
Chief Financial Officer

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1. Corporate information

Beetel Teletech Limited ('The Company') was incorporated in India on March 30, 1999. The Company is engaged in trading of landline phones, modems, smart phones, storage devices, information technology peripherals, network equipments, board room solutions, DTH devices, display devices, voice and data products. The Company is also engaged in manufacturing of landline phones.

2. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

3. Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with Indian Generally Accepted Auditing Practices ("Indian GAAP") requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

b) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

c) Depreciation

Fixed assets (other than Building, Moulds and Computer software) are depreciated to the extent of 95% of their gross value. Depreciation is provided on a straight-line method over the useful life of the assets estimated by the management.

Asset Category	Useful lives (years)
Building-factory*	20
Plant & machinery (other than moulds and office equipments)*	10
Moulds*	2
Office equipments	5
Furniture & fixtures*	5
Computers*	3
Vehicles*	5

Leasehold improvement is being amortized over the period of lease.

Fixed assets costing up to Rs. 5,000 are being fully depreciated in the year of acquisition.

*For these class of assets, based on internal assessment and technical evaluation carried out by the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

d) 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 asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

A summary of amortization policies applied to the company's intangible assets is as below:

- i) Goodwill arising from the acquisition of marketing customer support and distribution set up has been amortized over a period of ten years.
- ii) Computer software in the nature of ERP license is amortized over a period of 5 years and other softwares are charged off within one year of purchase.

f) Leases

Where the Company is a lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the 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 capitalized.

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 recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the company is the lessor

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in

the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

h) Inventories

Raw materials, stores and spare parts

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average cost basis.

Work-in-progress and finished goods

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on weighted average cost basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

i) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i) Revenue is recognized when the significant risk and rewards of ownership of the goods have passed to the buyer which generally coincides with dispatch of goods to the buyer. Net sales are exclusive of excise duty and sales tax. Gross sales include export incentive and service income.
- ii) Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable
- iii) Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

j) Foreign currency transactions

i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Transactions denominated in foreign currencies are recorded in the reporting currency at exchange rate prevailing at the date of transaction.

iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expense in the period in which they arise except those arising from investments in non-integral operations

iv) Forward exchange contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year. Also refer notes (r) below.

k) Retirement and other employee benefits

- i) Retirement benefits in the form of Provident Fund and employee state insurance scheme are a defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The contributions are made to funds administered and managed by the government of India. There are no other obligations under these plans beyond its contributions.
- ii) Gratuity and leave encashment are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The contribution towards gratuity is made to Life Insurance Corporation.
- iii) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains/losses are immediately taken to Statement of profit and loss and are not deferred.

l) Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. 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 and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. 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. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

m) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the fair value method. Fair value is determined by using Black Scholes Option Pricing Model. Compensation expense is amortized over the vesting period of the option on a straight line basis.

n) Segment accounting

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter-segment revenue.
- ii. Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under “Un-allocable Expenditure”.
- iii. Income which relates to the Company as a whole and not allocable to segments is included in “Un-allocable Income”.
- iv. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

o) Earnings/(loss) per share

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

p) Provision

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Warranty provisions

Provisions for warranty related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty related costs is revised annually.

q) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

r) Derivative instruments

As per the ICAI Announcement, accounting for derivative contracts, other than those covered under Accounting Standard 11 are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored. Accounting policy for forward exchange contracts is given in point (iv) of note (j) above.

s) Contingent liability

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence or one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

t) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to presented earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations before exceptional items, if any. In its measurement, the Company does not include depreciation and amortization expenses, finance costs and tax expenses.

4. Share capital

Rs. in Mn.

	31-Mar-15	31-Mar-14
Authorized shares (No. Mn.)		
10 (31 Mar 2014: 10) equity shares of Rs. 10/- each	100.00	100.00
Issued, subscribed and fully paid-up shares (No. Mn.)		
5.09 (31 Mar 2014: 5.07) equity shares of Rs. 10/- each	50.92	50.70

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares Rs. in Mn.

	31-Mar-15		31-Mar-14	
At the beginning of the year	5.07	50.70	5.07	50.70
Issued during the year	0.02	0.22	-	-
Outstanding at the end of the year	5.09	50.92	5.07	50.70

(b) Terms/ rights attached to equity shares

As per the secretarial records of the Company, the Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(c) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates.

Out of the equity Shares issued by company, shares held by holding company are as below:

Name of the Holding company	As at 31-Mar-2015 Rs. in Mn	As at 31-Mar-2014 Rs. in Mn
Brightstar Logistics Pte Ltd 2.59 Mn (31 Mar 2014: Nil) equity shares of Rs. 10 each fully paid)	25.9	Nil

Effective October 1, 2014 51% share capital of the Company was acquired by Brightstar Logistics Pte Ltd, post which it became the holding company. Prior to that, the Company did not have any holding company.

(d) The Company has not issued any bonus shares, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

(e) Details of shareholders holding more than 5% shares in the Company

Rs. in Mn.

Name of the shareholder	As at 31-Mar-15		As at 31-Mar-14	
	No. Mn.	% holding	No. Mn.	%holding
Equity shares of Rs. 10 each fully paid Brightstar Logistics Pte Ltd.	2.59	51.00%	-	-
Bharti (RM) Holdings Private Limited	0.63	12.36%	1.22	23.98%
Bharti (SBM) Holdings Private Limited	1.01	19.78%	1.95	38.37%
Bharti (RBM) Holdings Private Limited	0.63	12.36%	1.22	23.98%
Bharti (SATYA) Trustees Private Limited	-	-	0.49	9.59%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

5. Reserves and surplus

Rs. in Mn.

	31-Mar-15	31-Mar-14
Capital reserve	2.50	2.50
Employee stock options outstanding		
Gross employee stock compensation for options granted in earlier years	1.74	1.74
Less: amount transferred to Securities premium on exercise of stock options	(1.71)	-
Less: amount transferred to General Reserve	(0.03)	-
Closing Balance	-	1.74
Securities Premium account		
Balance as per the last financial statements	-	-
Add: additions on ESOPs exercised	5.27	-
Closing Balance	5.27	-
General reserve		
Balance as per the last financial statements	26.47	26.47
Add: amount transferred from employee stock option outstanding upon cancellation/forfeiture	0.03	-
Closing Balance	26.50	26.47
Surplus /(deficit) in the statement of profit and loss		
Balance as per last financial statements	49.66	357.98
Profit / (loss) for the year	190.85	(308.32)
Net surplus in the statement of profit and loss	240.51	49.66
Total Reserves and Surplus	274.78	80.37

6. Other Long-term liabilities

Rs. in Mn.

	31-Mar-15	31-Mar-14
Lease equalization reserve	12.78	11.45
Security deposit received	0.84	1.82
	13.62	13.27

7. Provisions

Rs. in Mn.

	Long-term		Short-term	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Provision for employee benefits				
Provision for gratuity (Refer note 28)	12.50	4.43	-	-
Provision for leave benefits	-	-	9.18	10.21
	12.50	4.43	9.18	10.21

Other provisions				
Provision for litigations	21.50	21.50	79.79	79.79
Provision for warranties	2.48	1.16	30.54	40.53
Provision for taxation (net of Advance tax Rs. 40.74 Mn. (31-Mar-14: Rs. 145.38 Mn.))	-	-	23.56	8.36
	23.98	22.66	133.89	128.68
	36.48	27.09	143.07	138.89

Provision for warranties

The Company provides warranty on certain products dealt by it by giving the undertaking to repair / replace items, which fails to perform satisfactorily during the warranty period. Provision made as at 31-Mar-15 represents the amount of the expected cost of meeting such obligations of repair/replacement. The timing of the outflows is expected to be within a period of 1-3 years

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
At the beginning of the year	41.69	63.66
Arising during the year	10.74	8.83
Utilized during the year	(17.23)	(19.45)
Unused amounts reversed	(2.18)	(11.35)
At the end of the year	33.02	41.69
Current portion	30.54	40.53
Non-current portion	2.48	1.16

Provision for litigations

The Company is contending various matters pertaining to excise duty, service tax, sales tax and entry tax and has considered provision for the matters where it is probable that an outflow of resources may be required to settle the obligation.

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
At the beginning of the year	101.29	24.60
Arising during the year	-	85.80
Utilized during the year	-	-
Provision reversed	-	(9.11)
At the end of the year	101.29	101.29
Current portion	79.79	79.79
Non-current portion	21.50	21.50

8. Short-term borrowings

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
Cash credit from banks (secured) *	72.53	30.95
Working Capital Demand Loan (secured)**	668.36	80.00
Buyer's Credit***	-	61.00
	740.89	171.95
The above amount includes		
Secured borrowings	740.89	171.95

*Cash credit from banks is secured against the hypothecation of inventories, receivables, movable fixed assets and other current assets excluding plant & machinery, land and building at Ludhiana factory. The cash credit is repayable on demand and carries interest @ 10.35% to 11.60% p.a.

** Working capital demand loan and cash credit is from ANZ Banking Group Ltd which is against corporate guarantee from Brightstar Logistics Pte Ltd (Singapore) and Brightstar Logistics Pty Ltd(Australia) and pari passu charge on current, fixed, movable and immovable assets of the company. The loan is repayable with interest @ 10.15%.

** Working capital demand loan from HDFC and Kotak Bank is secured against the hypothecation of inventories, receivables, other current assets, all moveable fixed assets of the Company excluding plant & machinery, land and building at Ludhiana factory. The loan is repayable on demand and carries interest @ 10.75% p.a.

*** Buyer's Credit from bank is secured against the hypothecation of inventories, receivables, other current assets, plant at Ludhiana factory and other fixed assets.

9. Other current liabilities

Rs. in Mn.

	31-Mar-15	31-Mar-14
Trade payables (refer note 35 for details of dues to micro and small enterprises)	2,336.38	821.17
Other liabilities		
Investor Education and Protection Fund (will be credited by unpaid dividend as and when due)	0.27	0.34
Advance from customers	24.20	29.58
Forward Cover Payables(net)	3.62	21.85
Interest Accrued and but not due on borrowings	1.81	0.28
Due to Group Company	9.14	-
Others		
- Sales tax payable	12.56	13.43
- Tax deducted at source payable	10.90	7.49
- Other statutory liabilities	11.60	2.48
	74.10	75.45
	2,410.48	896.62

10. Tangible assets

Rs. in Mn.

	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computer	Leasehold improvements	Total
Cost								
At 1 Apr 2013	0.59	33.29	266.49	18.37	0.05	44.16	23.31	386.26
Additions	-	-	7.87	0.27	-	0.85	-	8.98
Disposals	-	-	(0.93)	(0.03)	-	(11.88)	-	(12.83)
At 31 Mar 2014	0.59	33.29	273.43	18.61	0.05	33.13	23.31	382.41
Additions	-	-	3.04	0.07	-	11.28	-	14.39
Disposals	-	-	(63.50)	(0.74)	(0.05)	(4.37)	-	(68.66)
At 31 Mar 2015	0.59	33.29	212.97	17.94	0.00	40.04	23.31	328.14
Depreciation								
At 1 Apr 2013	-	17.73	198.79	13.71	0.05	41.61	8.69	280.58

	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computer	Leasehold improvements	Total
Charge for the year	-	1.84	14.64	2.41	-	0.38	2.59	21.86
Disposals	-	-	(0.98)	(0.03)	-	(11.17)	-	(12.18)
At 31 Mar 2014	-	19.57	212.45	16.09	0.05	30.82	11.28	290.26
Charge for the year	-	0.95	12.44	1.30	-	1.48	2.58	18.75
Disposals	-	-	(62.47)	(0.71)	(0.05)	(4.11)	-	(67.34)
At 31 Mar 2015	-	20.52	162.42	16.68	0.00	28.19	13.86	241.67
Net Block								
At 31 Mar 2014	0.59	13.72	60.98	2.52	0.00	2.31	12.03	92.15
At 31 Mar 2015	0.59	12.77	50.55	1.26	0.00	11.85	9.45	86.47

11. Intangible assets

Rs. in Mn.

	Goodwill*	Computer software	Total
Gross block			
At 1 Apr 2013	90.00	58.73	148.73
Additions	-	-	-
Disposals			
At 31 Mar 2014	90.00	58.73	148.73
Additions	-	1.59	1.59
Disposals	(90.00)	-	(90.00)
At 31 Mar 2015	-	60.32	60.32
Amortization			
At 1 Apr 2013	90.00	37.32	127.32
Charge for the year	-	8.53	8.53
At 31 Mar 2014	90.00	45.85	135.85
Charge for the year	-	7.86	7.86
Disposals	(90.00)	-	(90.00)
At 31 Mar 2015	-	53.71	53.71
Net block			
At 31 Mar 2014	-	12.88	12.88
At 31 Mar 2015	-	6.61	6.61

* Post acquisition from Brightstar Logistics Pte Ltd, the Company has written off the goodwill, which was fully amortized in earlier years, as it does not expect any further cash flows/benefits arising to the Company from it.

12. A Non-current investments

Rs. in Mn.

	31-Mar-15	31-Mar-14
Trade Investments(valued at cost , unless stated otherwise)		
Unquoted equity instruments (In subsidiary Company)		
1 (31 March,2014: 1) Equity Shares of Beetel Teletech Singapore Private Limited of USD 1/-each fully paid up*	-	-

*The financial statements are represented in Rs million. The amount of investment is as follows

	Amount in Rs	Amount in Rs
Investment in Beetel Teletech Singapore Private Limited	51.16	51.16

12. B Current investments

Rs. in Mn.

	31-Mar-15	31-Mar-14
Current investments (valued at lower of cost and fair value, unless stated otherwise)		
Unquoted equity instruments		
Nil (31 March 2014: 5,000,000) Equity Shares of Bharti Ventures Limited of Rs. 10/-each fully paid up	-	500.00
Less: Provision for diminution in Investments	-	(455.00)
	-	45.00

Note: On May 13, 2014, the Company has disposed off the above investment at an agreed price of Rs. 45 Mn to Bharti Enterprises (Holding) Private Limited. Also refer note 41.

13. Deferred tax asset (net)

Rs. in Mn.

	31-Mar-15	31-Mar-14
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	0.35	-
Gross deferred tax liability	0.35	-
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	19.27	-
Provision for doubtful debts and advances	11.67	-
Provision for Inventories	20.12	-
Provision for litigations	8.95	-
Others	19.42	-
Gross deferred tax asset	79.43	-
Net deferred tax asset	79.08	-

Note: The Company till March 31, 2014 had brought forward business losses of Rs 290.36 Mn and unabsorbed depreciation of Rs 90.41 Mn and deferred tax asset was not recognised in the absence of virtual certainty of taxable profits. During the current year, the Company has utilised the unabsorbed depreciation and the benefit of utilising carry forward business losses is forgone as per section 79A of the Income Tax Act 1961 on account of changes in majority shareholding. As at 31 March 2015, there are no carry forward business losses and unabsorbed depreciation and accordingly, based on reasonable certainty of generating taxable profits in future, the Company has recognised deferred tax asset of Rs. 79.08 Mn in the current year.

14. Loans and advances

Rs. in Mn.

Name of the shareholder	Non-current		Current	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Balances with statutory/ government authorities *				
Unsecured, considered good	24.86	29.46	100.56	34.95
Unsecured, considered doubtful	20.08	14.51	3.53	4.33
	44.94	43.97	104.09	39.28
Provision for doubtful Balances	(20.08)	(14.51)	(3.53)	(4.33)

	24.86	29.46	100.56	34.95
Security deposit				
Unsecured, considered good	25.74	24.28	-	-
Unsecured, considered doubtful	-	1.08	-	-
	25.74	25.36	-	-
Provision for doubtful Balances	-	(1.08)	-	-
	25.74	24.28	-	-
Advances recoverable in cash or kind				
Unsecured considered good	-	-	32.74	21.84
Unsecured considered doubtful	-	-	0.71	4.58
	-	-	33.45	26.42
Provision for doubtful advances	-	-	(0.71)	(4.58)
	-	-	32.74	21.84
Other Loans and Advances				
Advance income-tax (net of provision of Rs. 165.10 Mn. (31 March 2014: Rs. 386.90 Mn.))	59.02	81.06	9.12	-
MAT Credit Receivable	15.34	5.95	-	-
Capital Advance	0.75	-	-	-
Due from Group Company	-	-	0.46	-
Prepaid expenses	-	-	14.91	14.57
Loans/Imprest to Employees	-	-	0.65	2.80
	75.11	87.01	25.14	17.37
Provision for Doubtful Advances	-	-	-	(0.61)
	75.11	87.01	25.14	16.76
	125.71	140.75	158.44	73.55

* Balances with statutory/ government authorities (non-current) includes Rs.26.84 Mn. (31 Mar 2014 Rs 25.86 Mn.) and (current) includes Rs 60.33 Mn (31 Mar 2014 Rs Nil) being amount deposited under protest with relevant authorities.

15. Other assets

Rs. in Mn.

	Non-current		Current	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Unsecured, considered good unless stated otherwise				
Non-current bank balances (note - 18)*	8.96	8.96	-	-
Unamortized expenditure				
Unamortized premium on forward contract	-	-	4.56	4.83
Others				
Interest accrued on fixed deposits	1.26	0.86	-	-
	10.22	9.82	4.56	4.83

*Margin money deposit with a carrying amount of Rs. 3.96 Mn (31 Mar 2014: 3.96 Mn) are hypothecated against the Bank guarantees.

16. Inventories (valued at lower of cost and net realizable value) Rs. in Mn.

	31-Mar-15	31-Mar-14
Raw materials and components (including stock in transit Rs. 11.47 Mn. (31 Mar 2014: Rs.11.88 Mn.)) (refer note 21)	44.40	34.22
Less: Provision for Obsolete/Slow moving stock	(0.48)	(0.32)
	43.92	33.90
Finished goods (refer note 22)	29.01	41.83
Less: Provision for Obsolete/Slow moving stock	(0.11)	(0.10)
	28.90	41.73
Work in progress	4.83	5.06
Traded goods (including stock-in-transit Rs. 87.97 Mn. (31 Mar 2014: Rs. 63.01 Mn.)) (refer note 22)	1392.28	365.95
Less: Provision for Obsolete/Slow moving stock	(61.29)	(56.44)
	1,330.99	309.51
Stores and spares	2.40	3.10
Less: Provision for Obsolete/Slow moving stock	(0.14)	(0.53)
	2.26	2.57
	1,410.90	392.77

17. Trade receivables

Rs. in Mn.

	Current	
	31-Mar-15	31-Mar-14
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	1.82	0.33
Doubtful	3.24	4.40
	5.06	4.73
Provision for doubtful receivables	(3.24)	(4.40)
	1.82	0.33
Other receivables		
Unsecured, considered good	1,715.04	583.44
Doubtful	8.42	1.11
	1,723.46	584.55
Provision for doubtful receivables	(8.42)	(1.11)
	1,715.04	583.44
	1,716.86	583.77

18. Cash and bank balances

Rs. in Mn.

	Non-current		Current	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Cash and cash equivalents				
<i>Balances with banks:</i>				
– On current accounts	-	-	68.32	22.76
– On unpaid dividend account	-	-	0.34	0.34
Cash on hand	-	-	0.10	0.20
	-	-	68.76	23.30
Other bank balances				
Deposits under lien with original maturity for more than 12 months	5.00	5.00	-	-
Margin money *	3.96	3.96	-	-
	8.96	8.96	-	-
Amount disclosed under non-current assets (note 15)	(8.96)	(8.96)	-	-
	-	-	68.76	23.30

*Margin money deposit of Rs. 3.96 Mn (31 Mar 2014: 3.96 Mn) are against the Bank guarantee.

19. Revenue from operations

Rs. in Mn.

	31-Mar-15	31-Mar-14
Revenue from operations		
Sale of products		
Finished goods	788.16	1,026.93
Traded goods	9,197.55	7,022.44
Sale of services	10.76	7.19
Other operating revenue		
Scrap sales	0.26	-
Revenue from operations (gross)	9,996.73	8,056.56
Less: Excise duty #	60.51	91.70
Revenue from operations (net)	9,936.22	7,964.86

Excise duty on sales amounting to Rs. 60.51 Mn. (31 Mar 2014: Rs. 91.70 Mn.) has been reduced from sales in Statement of profit and loss account and excise duty on increase/decrease in stock amounting to Rs. 0.61 Mn. (31 Mar 2014: Rs. 0.05 Mn.) has been disclosed as (income)/expense in note 24 of financial statements.

Detail of products sold		Rs. in Mn.	
	31-Mar-15	31-Mar-14	
Finished goods sold			
Landline phones	788.16	1026.93	
	788.16	1026.93	
Traded goods sold			
Landline phones	465.97	397.73	
Set top box	9.80	1,752.33	
Modem/data card	1,891.98	1,428.15	
Mobile phones and IT Peripherals	2,433.93	244.07	
Memory devices	1,823.29	1,514.48	
Voice and data products	387.16	256.64	
Board room solutions	1,190.11	945.94	
Networking equipment	995.31	483.10	
	9,197.55	7,022.44	
	9,985.71	8,049.37	

20. Other income

		Rs. in Mn.	
	31-Mar-15	31-Mar-14	
Interest income on :			
Bank deposits	0.79	1.54	
Others	5.15	1.47	
Amounts written back	19.73	12.03	
Rental income	24.96	21.48	
Miscellaneous Income	4.01	9.46	
	54.64	45.98	

21. Cost of raw material and components consumed

		Rs. in Mn.	
	31-Mar-15	31-Mar-14	
Inventory at the beginning of the year	34.22	22.01	
Add: Purchases during the year	310.51	507.56	
	344.93	529.57	
Less: inventory at the end of the year	44.40	34.22	
Cost of raw material and components consumed	300.33	495.35	

Details of raw material and components consumed

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
Moulding Materials	44.11	59.70
LCD Modules	37.18	76.40
Others	219.04	359.25
	300.33	495.35

Details of inventory

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
Raw material and components		
Moulding Materials	3.25	4.14
LCD Modules	3.90	1.48
Others	37.25	28.60
	44.40	34.22

22. (Increase)/ decrease in inventories

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
Inventories at the end of the year		
Traded goods	1,392.28	365.95
Work-in-progress	4.83	5.06
Finished goods	29.01	41.83
	1426.12	412.84
Inventories at the beginning of the year		
Traded goods	365.95	548.89
Work-in-progress	5.06	4.39
Finished goods	41.83	53.55
	412.84	606.83
(Increase) /decrease in Inventory	(1,013.28)	193.99

Details of purchase of traded goods and service cost		Rs. in Mn.
	31-Mar-15	31-Mar-14
Landline phones	355.20	368.43
Set top Box	-	1,675.90
Modem/data Card	1,893.99	1,304.14
Mobile phones and IT Peripherals	3,177.26	178.34
Memory devices	1,794.04	1,445.68
Voice & data products	346.26	222.11
Board room solution	1,173.75	806.79
Networking equipment	873.56	432.76
Purchase of goods	9614.06	6,434.15
Spare parts	-	5.95
Service cost	3.68	2.43
Purchase of services	3.68	8.38
	9,617.74	6,442.53
Details of Inventory		Rs. in Mn.
	31-Mar-15	31-Mar-14
Traded goods		
Landline phones	31.36	59.54
Set top Box	-	0.68
Modem/data Card	194.30	107.29
Mobile phones and IT peripherals	817.74	3.47
Memory devices	89.57	54.38
Voice & data products	20.93	15.37
Board room solution	130.32	43.94
Networking equipment	101.06	60.14
Spare parts	7.00	21.14
	1,392.28	365.95
Work-in-progress		
Landline phones	4.83	5.06
	4.83	5.06
Finished goods		
Landline phones	29.01	41.83
	29.01	41.83

23. Employee benefits expense

Rs. in Mn.

	31-Mar-15	31-Mar-14
Salaries, wages and bonus	294.27	223.35
Gratuity expense (note 28)	11.03	3.04
Contribution to provident and other funds	14.17	11.28
Staff welfare expenses	7.43	6.56
Recruitment expenses	8.31	2.78
	335.21	247.01

24. Other expenses

Rs. in Mn.

	31-Mar-15	31-Mar-14
Administrative and other expenses		
Rent	33.85	31.91
Rates & taxes	2.40	28.42
Insurance charges	10.54	6.69
Power & fuel	12.80	15.22
Excise duty on account of increase/(decrease) in stock of finished goods	0.61	0.05
Consumption of stores and spares	3.84	4.14
Repair & maintenance:		
-Building	0.50	0.19
-Others	44.67	42.90
Travelling & conveyance	38.63	24.13
Communication expenses	6.10	9.32
Printing & stationery	1.35	1.25
Legal & professional expenses	73.62	32.90
Security charges	2.93	2.92
Electricity & water charges	2.17	2.56
Charity & donation	0.37	0.81
Amount/trade receivables written off**	18.12	2.97
Exchange rate difference (net)	27.17	30.77
Premium on Forward cover Contract amortised	3.37	4.64
Loss/(Profit) on Sale of fixed assets(Net)	0.63	0.29
Provision for doubtful debts *	8.84	(20.64)
Provision for obsolete/slow moving stock	5.15	9.84
Provision for doubtful advances/claim	4.40	10.92
Miscellaneous expenses	8.51	8.26
	310.57	250.46

Selling and distribution expenses		Rs. in Mn.	
	31-Mar-15	31-Mar-14	
Freight and cartage	53.69	36.58	
Advertisement & marketing expenses	54.81	0.87	
Sales Promotion & Schemes expenses	32.05	14.79	
Rebate and discounts	18.72	10.11	
Commission on Sales	22.14	11.20	
Service charges	21.91	17.08	
Warranty cost (net of reversals)	34.42	6.21	
	237.74	96.84	
	548.31	347.30	

*Negative amounts indicate reversals / amounts net off written back

** (after write off of Rs. 2.70 Mn from provision of doubtful debts and Rs. 5.18 Mn from provision of doubtful advances (31 Mar 2014 Rs. 2.47Mn. from provision of doubtful debts). Also refer note 42.

Payment to auditor (as included in Legal and professional expenses)

		Rs. in Mn.	
	31-Mar-15	31-Mar-14	
As auditor:			
Audit fee	3.75	2.50	
In other capacity:			
Other services (certification and others)	0.70	0.07	
Reimbursement of expenses	0.45	0.50	
	4.90	3.07	

25. Finance costs Rs. in Mn.

	31-Mar-15	31-Mar-14	
Interest	38.17	94.49	
Bank charges	9.05	15.75	
	47.22	110.24	

26. Depreciation and amortization expense Rs. in Mn.

	31-Mar-15	31-Mar-14	
Depreciation of tangible assets	18.75	21.86	
Amortization of intangible assets	7.86	8.53	
	26.61	30.39	

27. Earnings/loss per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations: Rs. in Mn.

	31-Mar-15	31-Mar-14	
Total operations for the year			
Profit/ (loss) after tax	190.85	(308.32)	
	No. in Mn.	No. in Mn.	
Weighted average number of equity shares in calculating basic and diluted EPS	5.08	5.07	
Earnings/ (loss) per share – basic & diluted	37.57	(60.81)	

28. Employee benefits

Gratuity

The Company has a defined benefit gratuity plan. The scheme is a defined benefit arrangement providing gratuity benefit expensed in terms of final monthly salary and service. Every employee gets a gratuity on departure at 15 days salary for each completed year of service. However, payment to the employees who have joined prior to April 1, 2008 is subject to a maximum limit of Rs 1,000,000. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss

Rs. in Mn.

	Gratuity	
	31-Mar-15	31-Mar-14
Current service cost	3.14	3.21
Interest cost on benefit obligation	2.53	2.11
Expected return on plan assets	(2.33)	(2.22)
Net actuarial(gain) / loss recognized in the year	7.69	(0.06)
Net benefit expense	11.03	3.04
Actual return on plan assets	(2.33)	(2.08)

Balance sheet

Benefit asset/ liability

Rs. in Mn.

	Gratuity	
	31-Mar-15	31-Mar-14
Present value of defined benefit obligation	(37.29)	(31.60)
Fair value of plan assets	24.79	27.17
Plan asset / (liability)	(12.50)	(4.43)

Changes in the present value of the defined benefit obligation are as follows:

Rs. in Mn.

	Gratuity	
	31-Mar-15	31-Mar-14
Opening defined benefit obligation	31.60	28.13
Acquisition adjustment	0.48	0.04
Current service cost	3.14	3.21
Interest cost	2.53	2.11
Benefits paid	(8.15)	(1.70)
Actuarial (gains) / losses on obligation	7.69	(0.19)
Closing defined benefit obligation	37.29	31.60

Changes in the fair value of plan assets are as follows:

Rs. in Mn.

	Gratuity	
	31-Mar-15	31-Mar-14
Opening fair value of plan assets	27.17	25.94
Expected return	2.33	2.22
Contributions by employer	0.16	-
Benefits paid	(4.87)	(0.86)
Actuarial gains / (losses)	(0.00)	(0.13)
Closing fair value of plan assets	24.79	27.17

The Company expects to contribute Rs. 18.20 Mn. to gratuity in the next year. (31 Mar 2014: Rs 2.85 Mn.)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	31-Mar-15	31-Mar-14
Investments with insurer	100%	100%

The principal assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:

	Gratuity	
	31-Mar-15	31-Mar-14
Discount rate	7.75%	8.00%
Expected rate of return on assets	8.50%	8.00%-9.10%
Employee turnover	4.06%-37.5%	4%/25%
Salary escalation rate	8%	6%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Amounts for the current and previous four years are as follows:

Rs. in Mn.

	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Gratuity					
Defined benefit obligation	37.29	31.60	28.13	29.93	26.38
Plan assets	24.79	27.17	25.94	23.96	22.80
Surplus / (deficit)	(12.50)	(4.43)	(2.19)	(5.97)	(3.58)
Experience adjustments on plan liabilities	(1.36)	(2.89)	(3.45)	(1.41)	0.90
Experience adjustments on plan assets	(0.00)	(0.15)	0.38	0.18	0.02

29. Leases

The Company has taken certain office and warehouse space on lease. Rental expense towards such leases charged to statement of profit and loss amounts to Rs. 33.85 Mn. (31 Mar 2014 Rs. 31.91 Mn.). The Company had entered into a leave and license arrangement for lease of its Corporate office effective November 1, 2009 for a period of 9 years with a lock-in period of 3 years. The rent is subject to escalation of 15% every three years. Rent charged to Statement of Profit and loss in the current year is Rs. 33.85 Mn (31 Mar 2014 Rs. 31.91Mn.)

Details of non-cancellable operating lease commitments are as under:

Rs. in Mn.

	31-Mar-15	31-Mar-14
Within one year	34.20	25.77
After one year but not more than five years	78.94	103.94
More than five years	-	-
	113.14	129.71

The Company has subleased the office space and the attached furniture, the recovery of which is disclosed as rental income under "Other Income". Subsequent to year end, the Company has entered into a memorandum of understanding with the sub lessees for termination of the lease contract with effect from March 31, 2015.

30. Segment information

The business segment has been considered as the primary segment. The reportable business segments are "Beetel Products" and "Distribution Products". Beetel products include customer premises equipment like landline phones, modems, set top boxes and Information Technology peripherals. Distribution products cover mobile phones, memory devices, data cards, voice and data products, board room solutions, networking equipments which are sold under non-Beetel brand etc.

In terms of geographical segment, the Company's sales outside India are not material and do not qualify as a separate reportable segment as per provisions of AS-17 "Segment Reporting"

For the year ended 31 March 2015

Rs. in Mn.

Reportable Segements	Beetel Products	Distribution Products	Unallocated	Total
Revenue				
Net Sales	1,486.13	8,450.09		9,936.22
Other Income	16.18	32.52	5.94	54.64
Total Revenue	1,502.31	8,482.61	5.94	9,990.86
Result				
Segment result, Profit/(Loss)	195.80	33.62	(53.48)	175.94
Financial Cost			47.22	47.22
Net Profit/(Loss) before tax	195.80	33.62	(100.70)	128.72
Provision for Tax				
-Current year Tax			19.30	19.30
-Tax pertaining to earlier years			26.29	26.29
-MAT Credit			(28.64)	(28.64)
-Deferred Tax			(79.08)	(79.08)
Net Profit/(Loss) after tax	195.80	33.62	(38.57)	190.85
Other information				
Segment Assests	380.02	3,006.45	283.77	3,670.24
Segment Liabilities	260.43	2,297.20	786.91	3,344.54
Capital Expenditure	3.75		14.77	18.52
Depreciation/Amortisation	12.22		14.39	26.61
Other non-cash Expenditure	9.09	34.74		43.83

For the year ended 31st March, 2014

(Rs. in Mn)

Reportable Segements	Beetel Products	Distribution Products	Unallocated	Total
Revenue				
Net Sales	1,713.25	6,251.61		7,964.86

Reportable Segements	Beetel Products	Distribution Products	Unallocated	Total
Other Income	17.26	25.65	3.07	45.98
Total Revenue	1,730.51	6,277.26	3.07	8,010.84
Result				
Segment result, Profit/(Loss)	208.93	57.87	(12.53)	254.27
Financial Cost	57.12		53.12	110.24
Exceptional Item			455.00	455.00
Net Profit/(Loss) before tax	151.81	57.87	(520.65)	(310.97)
Provision for Tax				
-Current year Tax			6.08	6.08
-Tax pertaining to earlier years			(2.78)	(2.78)
-MAT Credit			(5.95)	(5.95)
Net Profit/(Loss) after tax	151.81	57.87	(518.00)	(308.32)
Other information				
Segment Assests	392.38	766.49	220.02	1,378.89
Segment Liabilities	318.72	725.95	203.15	1,247.82
Capital Expenditure	8.29		0.77	9.06
Depreciation/Amortisation	15.08		15.31	30.39
Other non-cash Expenditure	(0.68)	13.44	455.00	467.76

31. Related parties

a) Related Parties where control exists irrespective of whether transactions have occurred or not.

i) Holding Company

Brightstar Logistics Pte. Ltd

ii). Significant shareholders

Brightstar Logistics Pte. Ltd**

Bharti (SBM) Holdings Private Limited.*

Bharti (RBM) Holdings Private Limited.*

Bharti (RM) Holdings Private Limited.*

b) Names of other related parties with whom transactions have taken place during the year.

i. Subsidiary

Beetel Teletech Singapore Private Limited.

ii) Enterprises owned or significantly influenced by key management personnel or their relatives

Bharti Airtel Limited*

Bharti Reality Holding Limited*

Bharti Axa General Insurance Company Limited*

Brightstar Logistics Pty Ltd**

Brightstar NZ Limited**

Brightstar FZE**

Brightstar Corp**

Brightstar Supply Chain Services Sdn Bhd**

* Up to 30 September 2014 (The transactions with these parties for 2015 are disclosed for the period 1

April 2014 to 30 September 2014 and the balance outstanding as payable/receivable is as at 31-Mar-15)

** With effect from 1 October 2014

iii) Key management personnel

Mr. Rakesh Bharti Mittal-Chairman and Director till 2 October 2014

Mr. Suresh Gupta – Chief Operating Officer & Director till 31 January 2015

Mr. Alok Shankar-CEO and Whole Time Director with effect from 1 October 2014

Mr Dharshan Nanayakkara - Chairman

The detail of transactions during the year ended 31 March 2015 and 31 March 2014 are as follows:

Rs. in Mn.

	Subsidiary		Holding company		Key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Sales of goods and services										
Bharti Airtel Limited	-	-	-	-	-	-	516.03	801.81	516.03	801.81
Purchase of goods & services										
Bharti Airtel Limited	-	-	-	-	-	-	3.57	10.11	3.57	10.11
Bharti Reality Holding Limited	-	-	-	-	-	-	3.67	7.42	3.67	7.42
Bharti Axa General Insurance Co. Limited	-	-	-	-	-	-	1.50	3.53	1.50	3.53
Expenses Incurred by related parties on behalf of the Company										
Bharti Airtel Limited	-	-	-	-	-	-	-	0.20	-	0.20
Brightstar Logistics Pte. Ltd	-	-	4.95	-	-	-	-	-	4.95	-
Brightstar Logistics Pty Ltd	-	-	-	-	-	-	9.46	-	9.46	-
Brightstar FZE	-	-	-	-	-	-	0.68	-	0.68	-
Brightstar NZ Limited	-	-	-	-	-	-	0.41	-	0.41	-
Expenses Incurred by Company on behalf of related parties										
Bharti Airtel Limited	-	-	-	-	-	-	6.90	169.45	6.90	169.45
Brightstar Logistics Pty Ltd	-	-	-	-	-	-	4.28	-	4.28	-
Brightstar Corp	-	-	-	-	-	-	0.46	-	0.46	-
Beetel Teletech Singapore Private Limited	4.57	8.15	-	-	-	-	-	-	4.57	8.15
Purchase of Capital item										
Brightstar Logistics Pty Ltd	-	-	-	-	-	-	1.54	-	1.54	-

	Subsidiary		Holding company		Key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Brightstar Supply Chain Services Sdn Bhd	-	-	-	-	-	-	1.16	-	1.16	-
Management fees										
Beetel Teletech Singapore Private Limited	4.00	2.40	-	-	-	-	-	-	4.00	2.40
Remuneration (refer note)										
Mr. Suresh Gupta	-	-			20.52	11.51	-	-	20.52	11.51
Mr. Alok Shankar	-	-			11.91	-	-	-	11.91	-
Rent Received										
Bharti Airtel Limited	-	-			-	-	7.80	15.60	7.80	15.60
Rent Paid										
Bharti Airtel Limited	-	-			-	-	1.51	1.63	1.51	1.63
Amount written off										
Bharti Airtel Limited	-	-			-	-	-	0.08	-	0.08
Due to										
Brightstar Logistics Pte. Ltd			3.64	-					3.64	-
Brightstar Logistics Pty Ltd							3.60	-	3.60	-
Brightstar FZE							0.68	-	0.68	-
Brightstar NZ Limited							0.30	-	0.30	-
Brightstar Supply Chain Services Sdn Bhd							0.92	-	0.92	-
Mr.Suresh Gupta	-	-			-	3.84	-	-	-	3.84
Bharti Reality Holding Limited							0.48	-	0.48	-
Bharti AXA General Insurance Company Limited	-	-			-	-	-	0.04	-	0.04
Due from										
Bharti Airtel Limited	-	-			-	-	199.45	134.43	199.45	134.43
Brightstar Corp							0.46	-	0.46	-
Beetel Teletech Singapore Private Limited	-	2.94			-	-	-	-	-	2.94

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

32. Capital and other commitments

- Estimated amount of contracts to be executed on capital account and not provided for (net of advances Rs 0.75) is Rs. 1.00 Mn. (31 Mar 2014 Rs. 1.36 Mn.).
- For commitments relating to lease arrangements, please refer note 29.

33. Contingent liabilities

Rs. in Mn.

	31-Mar-15	31-Mar-14
Guarantees issued (Refer Note a)	281.93	359.52
Claims against the Company not acknowledged as debts (excluding cases where the possibility of any outflow in settlement is remote):		
(i) Sales tax/excise duty and service tax demands (Refer Note b and c)	56.17	10.94
(ii) Income-tax demands	1.43	3.70
(iii) Others (Refer Note d)	22.73	5.13
	362.26	379.29

- a) Guarantees includes guarantee given to a bank for standby letter of credit facility of USD Nil (31 March 2014 USD 3,000,000) and a corporate guarantee amounting to USD 4,500,000 (31 March 2014 USD 3,000,000) issued to GE Capital Services Pte. Ltd. on behalf of Company's wholly owned subsidiary Beetel Teletech Singapore Private Limited.
- b) Amount paid under protest against demands is Rs 3.34 Mn. (31 March 2014 –Rs 2.52 Mn.).
- c) The Hon'ble Supreme Court of India vide its order dated December 17, 2014 in the case of State of Punjab Vs Nokia India Pvt Ltd, has held that the Mobile charger contained in the Mobile Phone Retail Pack is an independent part and shall be separately charged to VAT at rate as applicable to chargers. In view of this judgment, the VAT Authorities of Rajasthan, Uttar Pradesh and Karnataka have raised demands along with interest and penalties aggregating to Rs 2.9 Mn on the Company. The Company has filed/is in the process of filing appeal against these demands and believes that likelihood of demands being sustained is less than probable and any additional contingent liability w.r.t. this issue for any other years and/or other states cannot be reliably estimated. Accordingly, it has disclosed the above demands in the contingent liabilities above.
- d) Amount paid under protest Rs 0.30 Mn. (31 March 2014 –Rs 0.30 Mn.)

34. Derivative instruments and unhedged foreign currency exposure

The Company takes foreign currency derivative instruments to hedge its foreign currency risk on its trade receivables and payables. As at the year end, the Company had outstanding forward contracts of USD 7,206,527 (31 March 2014- USD 7,018,000) towards underlying payables. The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as on 31 March 2015 and 31 March 2014 are as under:

Particulars	Currency	As at 31-Mar-2015	As at 31-Mar-2014
Current trade receivables	USD in Mn.	0.95	0.90
	Rs in Mn.*	59.81	53.67
Current trade payables	USD in Mn.	2.68	4.25
	Rs in Mn.**	167.76	254.44
	AUD in Mn.	0.07	-
	Rs in Mn***	3.34	-
Current advances to supplier	USD in Mn	0.13	0.02
	Rs in Mn.*	8.20	1.18
Current advances from customer	USD in Mn	0.00	0.02
	Rs in Mn.**	0.03	0.93

*Exchange rates 1 USD=Rs. 62.65 (31 March 2014: 1 USD=Rs. 59.91)

** Exchange rates 1 USD=Rs.62.65 (31 March 2014: 1 USD=Rs. 59.92)

*** Exchange rates 1 AUD=Rs.47.83

35. Detail of dues to micro and small enterprises as define under MSMED Act, 2006 Rs. in Mn.

		31-Mar-15	31-Mar-14
1	The principal amount remaining unpaid to any supplier as at the end of each accounting year.	-	3.27
2	The interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
3	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
4	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
5	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
6	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

The above is on the basis of confirmation sent by Management to supplier

36. Value of imports calculated on CIF basis

Rs. in Mn.

	31-Mar-15	31-Mar-14
Raw materials and components	130.86	229.13
Capital goods	5.21	4.41
Traded goods	5,209.75	5,429.76
Stores and spares	9.11	5.95
	5,354.93	5,669.25

37. Expenditure in foreign currency (accrual basis)

Rs. in Mn.

	31-Mar-15	31-Mar-14
Commission on sales	21.27	9.87
Travelling & conveyance	6.63	0.87
Branch office expenses	-	0.62
Legal & Professional expenses	5.68	0.58
Freight and cartage	0.90	0.25
Repair & maintenance - Others	2.98	0.12
Salaries, wages and bonus	10.73	-
	48.19	12.31

38. Earning in foreign currency

Rs. in Mn.

	31-Mar-15	31-Mar-14
FOB Value of goods exported(included in Revenue)	227.68	161.38
Management Fees (included in Miscellaneous Income)	4.00	2.40
Reimbursement & Others	27.34	9.23
	259.02	173.01

39. Imported and indigenous raw materials, components and spare parts consumed

	% of total consumption	Value (Rs. in Mn.)	% of total consumption	Value (Rs. in Mn.)
	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
Raw materials				
Imported	39.00	117.13	45.00	222.90
Indigenously obtained	61.00	183.20	55.00	272.45
	100.00	300.33	100.00	495.35
Store and Spares				
Imported	23.16	1.15	2.08	0.09
Indigenously obtained	76.84	3.83	97.92	4.05
	100.00	4.98	100.00	4.14

40. Employee stock option plans:

- Pursuant to the scheme approved by shareholders' Resolutions dated May 29,2008, the Company introduced the "Employee Stock Options Scheme 2008"(ESOP 2008) under which Company decided to grant maximum quantum of 500,000 options to the employees from time to time on the basis of their performance and other eligibility criteria.
- Pursuant to the scheme approved by Shareholders' special resolution dated September 27, 2010, the Company introduced Senior Leadership Team ('SLT') Employee stock option scheme under which Company decided to grant maximum quantum of 1,075,000 options to the employees from time to time on the basis of their performance and other eligibility criteria. Pursuant to cancellation of plan, all the vested options have been forfeited in the previous year.
- Under ESOP 2008, the Company has granted total options of 416,830 till 31 March 2011.
During the year 21,600 options have been exercised by the employee. The option granted are as follows:

- a) The options under this scheme have an exercise price of Rs. 175 per share and vest on a granted basis as follows:

	Vesting Period from the grant date	Vesting Schedule
For options with a vesting period of 36 months	On completion of 12 months	33.33%
	On completion of 24 months	33.33%
	On completion of 36 months	33.33%
For options with a vesting period of 48 months	On completion of 12 months	10%
	On completion of 24 months	20%
	On completion of 36 months	30%
	On completion of 48 months	40%

- b) The options under this scheme have an exercise price of Rs. 100 per share and vest on a graded basis as follows::

	Vesting Period from the grant date	Vesting Schedule
For options with a vesting period of 36 months	On completion of 36 months	100%
For options with a vesting period of 48 months	On completion of 12 months	40%
	On completion of 24 months	20%
	On completion of 36 months	20%
	On completion of 48 months	20%

- iv) The information concerning stock options granted, exercised, forfeited and outstanding at the year end is as follows:

ESOP SCHEME 2008 (a):

	As on 31-Mar-2015			As on 31-Mar-2014		
	Number of options (in '000)	Weighted Average Exercise Price(Rs.)	Weighted Average remaining Contractual life(yrs)	Number of options (in '000)	Weighted Average Exercise Price(Rs.)	Weighted Average remaining Contractual life(yrs)
Outstanding at the beginning of the year	24.00	175.00		27.52	175.00	
Granted during the year	-	-		-	-	
Forfeited during the year	2.40	-		3.52	-	
Exercised during the year	21.60	175.00		-	-	
Expired during the year	-	-		-	-	
Outstanding at the end of the year	-	-	0.13 to 2.25	24.00	175.00	0.13 to 3.25
Exercisable at the end of the year	-	-		24.00	175.00	
Weighted average fair value of options granted on the date of grant	-	-	-	-	193.00	-

41. Exceptional item in financial year ended 31 March 2014, pertained to provision made for permanent diminution in the value of long term investments in Bharti Ventures Limited. These investments were sold during the current year at Rs. 45 Mn, accordingly, provision for diminution in value of investment amounting to Rs. 455 Mn was reversed and loss on sale of investment amounting to Rs. 455 Mn was recognized, under the 'exceptional items' during the year..
42. During the current year, the Company has entered into an irrevocable assignment agreement with Bharti Enterprises Limited and Optic Electronic (India) Private Limited effective 30 June 2014 under which in respect of its obligations towards sale agreements entered with Empresa de Telecomunicaciones De Cuba SA. Under the assignment agreement, all rights, duties, obligations and entitlements including right to receive payments against products delivered has been assigned and accordingly the amount of Rs. 15.87 Mn outstanding as at that date towards sales already made has been written off in these financial statements under other expenses.
43. The Company has paid a management fee of Rs. 45 Mn to Bharti Enterprises Limited in relation to corporate advisory, legal & regulatory support with respect to formation of Joint venture, strategic business tie up, assistance in preparation of long term business plan, liasoning with key business vendors.
44. The Company has appointed independent consultants for conducting a Transfer Pricing study to determine whether the transactions with associated enterprises were undertaken at "arm's length price". The management confirms that all international transactions with associated enterprises are undertaken at negotiated contracted prices on usual commercial terms and is confident of there being no adjustments on completion of the study. Adjustments, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed.
45. Previous year's figures have been regrouped where necessary to in order to conform to current year classification.

As per our report of even date attached

For S.R. Batliboi & Associates LLP

ICAI Firm registration number:101049W

Chartered Accountants

per Vineet Kedia

Partner

Membership No: 212230

For and on behalf of the Board of Directors of

Beetel Teletech Limited

Alok Shankar
CEO and Director
(DIN:01122940)

Dharshan Nanayakkara
Director
(DIN: 06930415)

Abhay Singh
Company Secretary

Puneet Khanna
Chief Financial Officer

Place: Gurgaon

Date : May 27, 2015

Mukesh Kapoor
Finance Controller

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED

To the Members of Beetel Teletech Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Beetel Teletech Limited (hereinafter referred to as "the Holding Company"), its subsidiary Beetel Teletech Singapore Private Limited (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We

believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for qualified opinion

We report that the corresponding numbers for the year ended March 31, 2014 have not been audited and are based on management certified financial statements. We are unable to comment on the impact arising out of the same had the same been subject to audit.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated the state of affairs of the Group as at March 31, 2015, of their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company incorporated in India, to whom the Order applies, we give in the Annexure 1a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, to the extent applicable, we report that:
 - (a) Except for the matter described in the Basis for Qualified Opinion paragraph, We/the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the reports of the other auditors;
 - (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company none of the directors of the Group's companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (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 consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group. – Refer Note 6 and 32 to the consolidated financial statements;
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.

Other Matter

The accompanying consolidated financial statements include total assets of Rs 318.53 Mn as at March 31, 2015, and total revenues and net cash inflows of Rs 988.91 Mn and Rs 56.86 Mn for the year ended on that date, in respect of subsidiary, which has been audited by other auditors, which financial statements, other financial information and auditor's report has been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W

per Vineet Kedia

Partner

Membership Number: 212230

Place of Signature: Gurgaon

Date: 27 May, 2015

Annexure 1a to the Auditor's Report referred to in paragraph [1] of "Report on Other Legal and Regulatory Requirements" in our report of even date

Beetel Teletech Limited ('Holding Company') incorporated in India to whom the provisions of the Order apply

- (i) (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Fixed assets have been physically verified by the management of the Holding Company during the year and no material discrepancies were identified on such verification.
- (ii) (a) The management of the Holding Company has conducted physical verification of inventory at reasonable intervals during the year.
 - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and the nature of their business.
 - (c) The Holding Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Holding Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Holding Company and hence not commented upon.
- (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 Holding 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, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Holding Company in respect of these areas.
- (v) The Holding Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Holding Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. The detailed examination of the same have not been made by us.
- (vii) (a) The Holding Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable to it. Also, according to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the records of the Holding Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded by authority (Rs. Mn)	Period to which the amount relates	Forum where dispute is pending
Central Sales tax Act & Sales Tax Act of various states	Sales Tax	0.39	1992-93, 1996-97, 2002-04	Sales Tax Officer, Delhi
	Central Sales Tax (Interest on CST)	4.68	1999-00, 2000-01	VAT Tribunal, Haryana
	Non Submission of Forms	3.79	1998-99	Excise & Taxation Officer, Gurgaon
	Non Submission of Forms	3.34	2002-05	Deputy Commissioner (Assessment), U.P.
	Sales Tax	0.12	2007-08	Deputy Commissioner (Assessment), U.P.
	Non Submission of forms	1.36	2007-08	Deputy Commissioner (Assessment), Assam
	Sales Tax	0.80	2005-06	Deputy Commissioner (Assessment), Cochin
	Sales Tax	2.30	2008-13	Assessing Officer, Jaipur
	Sales Tax	1.30	2007-09	Deputy Commissioner (Assessment), Chennai
	Sales Tax	5.53	2009-10	Deputy Commissioner (Assessment), Goa
	Sales Tax	18.00	2012-13	Deputy Commissioner, Haryana
	Sales Tax	0.35	2009-10	Assessing Officer, Jaipur
	Sales Tax	4.55	2005-06	JC Appeal, Maharashtra
	Sales Tax	93.20	2010-11	JC Appeal, Maharashtra
	Sales Tax	12.90	2010-11	JC Appeal, Delhi
	Sales Tax	1.88	2008-09	Commercial Tax Officer, Bangalore
	Sales Tax	0.74	2011-12	JC Appeal, Noida
Haryana General Sales Tax Rules, 1973	Sales Tax	22.67	1991-92 to 1998-99	Hon'ble Supreme Court
M.P. Entry Tax Act	Entry Tax	3.90	April 05 – Dec 08	Hon'ble Supreme Court
Chhattisgarh Entry Tax Act	Entry Tax	0.45	2007-08	Commercial Tax Commissioner (Assessment)

Name of the statute	Nature of dues	Amount Demanded by authority (Rs. Mn)	Period to which the amount relates	Forum where dispute is pending
Central Excise	Service Tax	2.05	2005-08	CESTAT, Delhi
Custom Act	Custom Duty	0.61	1996-97	CESTAT, Delhi
Income Tax Act	Income Tax	9.74	AY 2003-04	Income Tax Appellate Tribunal, Delhi
Income Tax Act	Income Tax	3.96	AY 2004-05	Income Tax Appellate Tribunal, Delhi
Income Tax Act	Income Tax	2.05	AY 2006-07	High Court
Income Tax Act	Income Tax	0.45	AY 2007-08	Income Tax Appellate Tribunal, Delhi

(c) According to the information and explanations given to us, the 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 thereunder has been transferred to such fund within time by the Holding Company.

(viii) The Holding Company has no accumulated losses at the end of the financial year and has not incurred cash losses in the current and immediately preceding financial year.

(ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Holding Company has not defaulted in their repayment of dues to a financial institution, bank or debenture holders.

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

(xi) The Holding Company did not have any term loans outstanding during the year.

(xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Holding Company has been noticed or reported during the year.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W

per Vineet Kedia

Partner

Membership Number: 212230

Place of Signature: Gurgaon

Date: 27th May, 2015

CONSOLIDATED BALANCE SHEET as at 31 March 2015

(Rs. in Mn.)

PARTICULARS	Notes	As at 31-Mar-15	As at 31-Mar-14
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	50.92	50.70
Reserves & surplus	4	351.53	114.08
		402.45	164.78
Non-current liabilities			
Other Long term liabilities	5	13.62	13.27
Long term provisions	6	36.48	27.09
		50.10	40.36
Current liabilities			
Short term borrowings	7	740.89	178.04
Trade payables	8	2,571.60	904.94
Other current liabilities	8	75.49	78.91
Short term provisions	6	148.23	140.29
		3,536.21	1,302.18
TOTAL		3,988.76	1,507.32
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	86.47	92.15
Intangible assets	10	6.61	12.88
Capital work in progress		2.63	0.07
Deferred Tax Assets(net)	11	79.08	-
Long term loans & advances	12	125.71	140.75
Other non-current assets	13	10.50	10.08
		311.00	255.93
Current assets			
Current Investments	14	-	45.00
Inventories	15	1,533.86	409.84
Trade receivables	16	1,847.79	686.61
Cash & bank balances	17	132.69	27.77
Short term loans & advances	12	158.86	77.35
Other current assets	13	4.56	4.83
		3,677.76	1,251.40
TOTAL		3,988.76	1,507.33

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S.R. Batliboi & Associates LLP

ICAI Firm registration number:101049W

Chartered Accountants

per Vineet Kedia

Partner

Membership No: 212230

Place : Gurgaon

Date : May 27, 2015

**For and on behalf of the Board of Directors of
Beetel Teletech Limited**

Alok Shankar
CEO and Director
(DIN:01122940)

Abhay Singh
Company Secretary

Mukesh Kapoor
Finance Controller

Dharshan Nanayakkara
Director
(DIN: 06930415)

Puneet Khanna
Chief Financial Officer

CONSOLIDATED PROFIT AND LOSS ACCOUNT for the year ended 31 March 2015

(Rs. in Mn.)

PARTICULARS	Notes	Year ended 31-Mar-15	Year ended 31-Mar-14
INCOME			
Revenue from operations(gross)	18	10,985.64	8,778.74
Less: Excise duty		60.51	91.70
Revenue from Operations(net)		10,925.13	8,687.04
Other income	19	51.54	37.13
Total Revenue (I)		10,976.67	8,724.17
EXPENDITURE			
Cost of raw materials and Components consumed	20	300.33	495.35
Purchases of goods and services	21	10,652.69	6,973.95
(Increase)/decrease in inventories of finished goods, work in progress and traded goods	21	(1,120.00)	335.63
Employee benefits expenses	22	335.21	247.01
Other expenses	23	558.94	369.01
Total (II)		10,727.17	8,420.95
Earning before interest, tax, depreciation and amortisation (EBITDA) (I)-(II)		249.50	303.22
Financial cost	24	49.69	118.75
Depreciation and amortisation	25	26.61	30.39
Profit/(loss) before exceptional items and tax		173.20	154.08
Exceptional Item(refer note 36)		-	455.00
Profit/(loss) before Tax		173.20	(300.92)
PROVISION FOR TAX			
-Current Tax		24.34	7.50
-Tax pertaining to earlier years		25.29	(2.78)
-MAT Credit Entitlement(includes Rs. 28.64 Mn pertaining to earlier years, previous year Rs. Nil)		(28.64)	(5.95)
- Deferred Tax credit (including Rs. 73.34 Mn pertaining to earlier years, Previous year Rs. Nil) - Refer Note 11		(79.08)	-
Total Tax Expense		(58.09)	(1.23)
Profit/(loss) after tax		231.29	(299.69)
Earning/(loss) per share -basic and diluted	26	45.53	(59.11)
[Nominal value of share Rs. 10/- each(Previous year Rs. 10/- each)]			

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S.R. Batliboi & Associates LLP

ICAI Firm registration number:101049W

Chartered Accountants

per Vineet Kedia
Partner

Membership No: 212230

Place : Gurgaon

Date : May 27, 2015

**For and on behalf of the Board of Directors of
Beetel Teletech Limited**

Alok Shankar
CEO and Director
(DIN:01122940)

Abhay Singh
Company Secretary

Mukesh Kapoor
Finance Controller

Dharshan Nanayakkara
Director
(DIN: 06930415)

Puneet Khanna
Chief Financial Officer

BEETEL TELETECH LIMITED
(A Brightstar Company)

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31 March 2015

(Rs. in Mn.)

PARTICULARS	Year ended 31-Mar-15	Year ended 31-Mar-14
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	173.20	(300.92)
Adjustments for :		
Depreciation/amortisation	26.61	30.39
Amortisation of employee stock option cost	-	0.00
Unrealised exchange difference (net)	5.99	9.15
Interest expense	38.21	98.14
Lease equalisation reserve	1.33	0.53
Bad debts/amounts written off	19.01	2.97
Provision for doubtful debts	(0.52)	(11.41)
Provision for Obsolete/Slow Moving Stock	5.92	6.50
Provision for doubtful advances/claim	4.40	10.92
Interest income	(5.94)	(3.02)
Provision for Diminution in value of investment	(455.00)	455.00
(Profit)/Loss on sale of investment	455.00	-
(Profit)/loss on sale of fixed assets	0.63	0.29
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	268.84	298.54
Movements in working capital:		
(Increase)/decrease in non-current loans & advances	(1.35)	(3.96)
(Increase)/decrease in current loans & advances	(75.37)	7.20
(Increase)/decrease in current other current assets	0.28	(0.66)
(Increase)/decrease in current trade receivables	(1,176.21)	461.21
(Increase)/decrease in inventories	(1,129.93)	267.61
Increase/(decrease) in current liabilities	1,655.38	(686.98)
Increase/(decrease) in current provisions	(11.01)	65.05
Increase/(decrease) in non-current liabilities	(0.98)	0.03
Increase/(decrease) in non-current provisions	9.39	(8.59)
CASH GENERATED FROM/(USED IN) OPERATIONS	(460.96)	399.45
Direct taxes paid	1.49	(26.13)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	(459.47)	373.32
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of current investments	45.00	-
Proceeds from sale of fixed assets	0.68	0.37
Purchase of fixed assets including capital work in progress	(19.31)	(9.05)
Interest received	5.54	2.99
Proceeds of deposits matured (with maturity more than three months)	(0.01)	0.17
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	31.90	(5.52)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(36.68)	(98.14)
Proceeds from Issue of Shares	3.78	-
Proceeds/(repayment) of bank borrowings	562.85	(325.06)
Dividends paid(including dividend tax)	(0.06)	(0.06)
NET CASH FLOW GENERATED FROM/(USED IN) FINANCING ACTIVITIES	529.89	(423.26)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	102.32	(55.47)
Cash and cash equivalents at the beginning of the year	25.45	80.92
Cash and cash equivalents at the end of the year	127.77	25.45
Components of cash and cash equivalents		
Cash in hand	0.10	0.20
Cheque in Hand	-	-
Balance with scheduled banks:		
In current accounts	132.25	27.23
In unpaid dividend account	0.34	0.34
	-	-
Total cash and bank as per note 17	132.69	27.77
Foreign currency translation reserve	(4.92)	(2.32)
Cash and cash equivalents at the end of the year	127.77	25.45

Figures in brackets indicate cash out flow.

As per our report of even date attached

For S.R. Batliboi & Associates LLP
ICAI Firm registration number:101049W
Chartered Accountants

per Vineet Kedia
Partner

Membership No: 212230

Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors of
Beetel Teletech Limited

Alok Shankar
CEO and Director
(DIN:01122940)

Abhay Singh
Company Secretary

Mukesh Kapoor
Finance Controller

Dharshan Nanayakkara
Director
(DIN: 06930415)

Puneet Khanna
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015

1. Background

Beetel Teletech Limited ('The Company') was incorporated in India on March 30, 1999. The Company is engaged in trading of landline phones, modems, smart phones, storage devices, information technology peripherals, network equipments, board room solutions, DTH devices, display devices, voice and data products. The Company is also engaged in manufacturing of landline phones.

Basis of preparation of financial statements

The consolidated financial statements of the Group comprising of the Company and its wholly owned subsidiary Beetel Teletech Singapore Pvt. Limited incorporated in Singapore, have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India. The financial statements have been prepared under the historical cost convention on an accrual basis.

Principles of Consolidation

- The financial statements of the subsidiary used in consolidation are drawn upto the same reporting date as that of Company i.e March 31, 2015.
- The financial statements of the Company and its subsidiary company has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in same manner as the Company's separate financial statements.

2. Summary of significant accounting policies

a) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

b) Depreciation

Fixed assets (other than Building, Moulds and Computer software) are depreciated to the extent of 95% of their gross value. Depreciation is provided on a straight-line method over the useful life of the assets estimated by the management.

Asset Category	Useful lives (years)
Building-factory*	20
Plant & machinery (other than moulds and office equipments)*	10
Moulds*	2
Office equipments	5
Furniture & fixtures*	5
Computers*	3
Vehicles*	5

Leasehold improvement is being amortized over the period of lease.

Fixed assets costing up to Rs. 5,000 are being fully depreciated in the year of acquisition.

*For these class of assets, based on internal assessment and technical evaluation carried out by the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

c) 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 asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

A summary of amortization policies applied to the company's intangible assets is as below:

- i) Goodwill arising from the acquisition of marketing customer support and distribution set up has been amortized over a period of ten years.
- ii) Computer software in the nature of ERP license is amortized over a period of 5 years and other softwares are charged off within one year of purchase.

e) Leases

Where the Company is a lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the 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 capitalized.

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 recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the company is the lessor

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of

profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

g) Inventories

Raw materials, stores and spare parts

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average cost basis.

Work-in-progress and finished goods

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on weighted average cost basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

h) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i) Revenue is recognized when the significant risk and rewards of ownership of the goods have passed to the buyer which generally coincides with despatch of goods to the buyer. Net sales are exclusive of excise duty and sales tax. Gross sales include export incentive and service income.
- ii) Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable
- iii) Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

i) Foreign currency transactions

i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. The financial statement of foreign subsidiary is translated and recorded in the functional currency of the Company.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Transactions denominated in foreign currencies are recorded in the reporting currency at exchange rate prevailing at the date of transaction.

iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expense in the period in which they arise except those arising from investments in non-integral operations.

iv) Forward exchange contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year. Also refer notes (q) below.

v) Translation of non-integral foreign operations

In translating the financial statements of a non-integral foreign operation for incorporation in consolidated financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expense items of the non-integral foreign operations are translated at yearly average exchange rates; and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of net investment. On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

(vi) Translation of Integral foreign operation

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

j) Retirement and other employee benefits

- i) Retirement benefits in the form of Provident Fund and employee state insurance scheme are a defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The contributions are made to funds administered and managed by the government of India. There are no other obligations under these plans beyond its contributions.
- ii) Gratuity and leave encashment are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The contribution towards gratuity is made to Life Insurance Corporation.
- iii) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains/losses are immediately taken to Statement of profit and loss and are not deferred.

k) Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. 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 and deferred tax liabilities are offset, if a legally enforceable right

exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. 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. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

l) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the fair value method. Fair value is determined by using Black Scholes Option Pricing Model. Compensation expense is amortized over the vesting period of the option on a straight line basis.

m) Segment accounting

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter-segment revenue.
- ii. Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under "Un-allocable Expenditure".
- iii. Income which relates to the Company as a whole and not allocable to segments is included in "Un-allocable Income".
- iv. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

n) Earnings/(loss) per share

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

o) Provision

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Warranty provisions

Provisions for warranty related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty related costs is revised annually.

p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

q) Derivative instruments

As per the ICAI Announcement, accounting for derivative contracts, other than those covered under Accounting Standard 11 are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored. Accounting policy for forward exchange contracts is given in point (iv) of note (i) above.

r) Contingent liability

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence or one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

s) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to presented earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations before exceptional items, if any. In its measurement, the Company does not include depreciation and amortization expenses, finance costs and tax expenses.

3. Share capital

Rs. in Mn.

	31-Mar-15	31-Mar-14
Authorized shares (No. Mn.)		
10 (31 March 2014: 10) equity shares of Rs. 10/- each	100.00	100.00
Issued, subscribed and fully paid-up shares (No. Mn.)		
5.09 (31 March 2014: 5.07) equity shares of Rs. 10/- each	50.92	50.70

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

Rs. in Mn.

	31-Mar-15		31-Mar-14	
At the beginning of the year	5.07	50.70	5.07	50.70
Issued during the year	0.02	0.22	-	-
Outstanding at the end of the year	5.09	50.92	5.07	50.70

(b) Terms/ rights attached to equity shares

As per the secretarial records of the Company, the Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(c) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates.

Out of the equity Shares issued by company, shares held by holding company are as below:

Name of the Holding company	As at 31-Mar-2015 Rs. in Mn	As at 31-Mar-2014 Rs. in Mn
Brightstar Logistics Pte Ltd 2.59 Mn (31 Mar 2014: Nil) equity shares of Rs. 10 each fully paid)	25.9	Nil

Effective October 1, 2014 51% share capital of the Company was acquired by Brightstar Logistics Pte Ltd, post which it became the holding company. Prior to that, the Company did not have any holding company.

(d) The Company has not issued any bonus shares, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

(e) Details of shareholders holding more than 5% shares in the Company

Rs. in Mn.

Name of the shareholder	As at 31-Mar-15		As at 31-Mar-14	
	No. Mn.	% holding	No. Mn.	%holding
Equity shares of Rs. 10 each fully paid Brightstar Logistics Pte Ltd.	2.59	51.00%	-	-
Bharti (RM) Holdings Private Limited	0.63	12.36%	1.22	23.98%
Bharti (SBM) Holdings Private Limited	1.01	19.78%	1.95	38.37%
Bharti (RBM) Holdings Private Limited	0.63	12.36%	1.22	23.98%
Bharti (SATYA) Trustees Private Limited	-	-	0.49	9.59%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. Reserves and surplus

Rs. in Mn.

	31-Mar-15	31-Mar-14
Capital reserve	2.50	2.50
Employee stock options outstanding		
Gross employee stock compensation for options granted in earlier years	1.74	1.74
Less: amount transferred to Securities premium on exercise of stock options	(1.71)	-
Less: amount transferred to General Reserve	(0.03)	-
Closing Balance	-	1.74
Securities Premium account		

	31-Mar-15	31-Mar-14
Balance as per the last financial statements	-	-
Add: additions on ESOPs exercised	5.27	-
Closing Balance	5.27	-
General reserve		
Balance as per the last financial statements	26.47	26.47
Add: amount transferred from employee stock option outstanding upon cancellation/forfeiture.	0.03	
Closing Balance	26.50	26.47
Surplus /(deficit) in the statement of profit and loss		
Balance as per last financial statements	81.05	380.74
Profit / (loss) for the year	231.29	(299.69)
Net surplus in the statement of profit and loss	312.34	81.05
Foreign Currency Translation Reserve		
Opening Balance	2.32	(0.42)
Add: movement during the year	2.60	2.74
Closing Balance	4.92	2.32
Total reserves and surplus	351.53	114.08

5. Other Long-term liabilities

Rs. in Mn.

	31-Mar-15	31-Mar-14
Lease equalization reserve	12.78	11.45
Security deposit received	0.84	1.82
	13.62	13.27

6. Provisions

Rs. in Mn.

	Long-term		Short-term	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Provision for employee benefits				
Provision for gratuity (Refer note 27)	12.50	4.43	-	-
Provision for leave benefits	-	-	9.18	10.21
	12.50	4.43	9.18	10.21
Other provisions				
Provision for litigations	21.50	21.50	79.79	79.79
Provision for warranties	2.48	1.16	30.54	40.53
Provision for taxation (net of Advance tax Rs. 40.74 Mn. (31 March 2014: Rs. 145.38 Mn.))	-	-	28.72	9.77
	23.98	22.66	139.05	130.09
	36.48	27.09	148.23	140.30

Provision for warranties

The Company provides warranty on certain products dealt by it by giving the undertaking to repair / replace items, which fails to perform satisfactorily during the warranty period. Provision made as at 31 March 2015 represents the amount of the expected cost of meeting such obligations of repair/replacement. The timing of the outflows is expected to be within a period of 1-3 years

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
At the beginning of the year	41.69	63.66
Arising during the year	10.74	8.83
Utilized during the year	(17.23)	(19.45)
Unused amounts reversed	(2.18)	(11.35)
At the end of the year	33.02	41.69
Current portion	30.54	40.53
Non-current portion	2.48	1.16

Provision for litigations

The Company is contending various matters pertaining to excise duty, service tax, sales tax and entry tax and has considered provision for the matters where it is probable that an outflow of resources may be required to settle the obligation.

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
At the beginning of the year	101.29	24.60
Arising during the year	-	85.80
Utilized during the year	-	-
Provision reversed	-	(9.11)
At the end of the year	101.29	101.29
Current portion	79.79	79.79
Non-current portion	21.50	21.50

7. Short-term borrowings

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
Cash credit from banks (secured) *	72.53	37.04
Working Capital Demand Loan (secured)**	668.36	80.00
Buyer's Credit***	-	61.00
	740.89	178.04
The above amount includes		
Secured borrowings	740.89	178.04

**Cash credit from banks is secured against the hypothecation of inventories, receivables, movable fixed assets and other current assets excluding plant & machinery, land and building at Ludhiana factory. The cash credit is repayable on demand and carries interest @ 10.35% to 11.60% p.a.

** Working capital demand loan and cash credit is from ANZ Banking Group Ltd which is against corporate guarantee from Brightstar Logistics Pte Ltd (Singapore) and Brightstar Logistics Pty Ltd (Australia) and pari passu charge on current, fixed, movable and immovable assets of the company. The loan is repayable with interest @ 10.15%.

** Working capital demand loan from HDFC and Kotak Bank is secured against the hypothecation of inventories, receivables, other current assets, all moveable fixed assets of the Company excluding plant & machinery, land and building at Ludhiana factory. The loan is repayable on demand and carries interest @ 10.75% p.a.

*** Buyer's Credit from bank is secured against the hypothecation of inventories, receivables, other current assets, plant at Ludhiana factory and other fixed assets.

8. Other current liabilities

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
Trade payables (refer note 34 for details of dues to micro and small enterprises)	2,571.60	904.94
Other liabilities		
Investor Education and Protection Fund (will be credited by unpaid dividend as and when due)	0.27	0.34
Advance from customers	25.59	33.06
Forward Cover Payables(net)	3.62	21.85
Interest Accrued and but not due on borrowings	1.81	0.28
Due to Group Company	9.14	-
Others		
-Sales tax payable	12.56	13.41
-Tax deducted at source payable	10.90	7.49
-Other statutory liabilities	11.60	2.48
	75.49	78.91
	2,647.09	983.85

9. Tangible assets

Rs. in Mn.

	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computer	Leasehold improvements	Total
Cost								
At 1 April 2013	0.59	33.29	266.49	18.37	0.05	44.16	23.31	386.26
Additions	-	-	7.87	0.27	-	0.85	-	8.98
Disposals	-	-	(0.93)	(0.03)	-	(11.88)	-	(12.83)
At 31 March 2014	0.59	33.29	273.43	18.61	0.05	33.13	23.31	382.41
Additions	-	-	3.04	0.07	-	11.28	-	14.39
Disposals	-	-	(63.50)	(0.74)	(0.05)	(4.37)	-	(68.66)
At 31 March 2015	0.59	33.29	212.97	17.94	0.00	40.04	23.31	328.14
Depreciation								
At 1 April 2013	-	17.73	198.79	13.71	0.05	41.61	8.69	280.58
Charge for the year	-	1.84	14.64	2.41	-	0.38	2.59	21.86
Disposals	-	-	(0.98)	(0.03)	-	(11.17)	-	(12.18)
At 31 March 2014	-	19.57	212.45	16.09	0.05	30.82	11.28	290.26
Charge for the year	-	0.95	12.44	1.30	-	1.48	2.58	18.75
Disposals	-	-	(62.47)	(0.71)	(0.05)	(4.11)	-	(67.34)
At 31 March 2015	-	20.52	162.42	16.68	0.00	28.19	13.86	241.67
Net Block								
At 31 March 2014	0.59	13.72	60.98	2.52	0.00	2.31	12.03	92.15
At 31 March 2015	0.59	12.77	50.55	1.26	0.00	11.85	9.45	86.47

10. Intangible assets

Rs. in Mn.

	Goodwill*	Computer software	Total
Gross block			
At 1 April 2013	90.00	58.73	148.73
Additions	-	-	-
Disposals	-	-	-
At 31 March 2014	90.00	58.73	148.73
Additions	-	1.59	1.59
Disposals	(90.00)	-	(90.00)
At 31 March 2015	-	60.32	60.32
Amortization			
At 1 April 2013	90.00	37.32	127.32
Charge for the year	-	8.53	8.53
At 31 March 2014	90.00	45.85	135.85
Charge for the year	-	7.86	7.86
Disposals	(90.00)	-	(90.00)
At 31 March 2015	-	53.71	53.71
Net block			
At 31 March 2014	-	12.88	12.88
At 31 March 2015	-	6.61	6.61

* Post acquisition from Brightstar Logistics Pte Ltd, the Company has written off the goodwill which was fully amortized in earlier years as it does not expect any further cash flows/benefits arising to the Company from it.

11. Deferred tax asset (net)

Rs. in Mn.

	31-Mar-15	31-Mar-14
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	0.35	-
Gross deferred tax liability	0.35	-
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	19.27	-
Provision for doubtful debts and advances	11.67	-
Provision for Inventories	20.12	-
Provision for litigations	8.95	-
Others	19.42	-
Gross deferred tax asset	79.43	-
Net deferred tax asset	79.08	-

Note: The Company till March 31, 2014 had brought forward business losses of Rs 290.36 Mn and unabsorbed depreciation of Rs 90.41 Mn and deferred tax asset was not recognised in the absence of virtual certainty of taxable profits. During the current year, the Company has utilised the unabsorbed depreciation and the benefit of utilising carry forward business losses is forgone as per section 79A of the Income Tax Act 1961 on account of changes in majority shareholding. As at 31 March 2015, there are no carry forward business losses and unabsorbed depreciation and accordingly, based on reasonable certainty of generating taxable profits in future, the Company has recognised deferred tax asset of Rs. 79.08 Mn in the current year.

12. Loans and advances

Rs. in Mn.

	Non-current		Current	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Balances with statutory/ government authorities *				
Unsecured, considered good	24.86	29.46	100.95	34.95
Unsecured, considered doubtful	20.08	14.51	3.53	4.33
	44.94	43.97	104.48	39.28
Provision for doubtful Balances	(20.08)	(14.51)	(3.53)	(4.33)
	24.86	29.46	100.95	34.95
Security deposit				
Unsecured, considered good	25.74	24.28	-	-
Unsecured, considered doubtful	-	1.08	-	-
	25.74	25.36	-	-
Provision for doubtful Balances	-	(1.08)	-	-
	25.74	24.28	-	-
Advances recoverable in cash or kind				
Unsecured considered good	-	-	32.74	25.59
Unsecured considered doubtful	-	-	0.71	4.58
	-	-	32.45	30.17

	Non-current		Current	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Provision for doubtful advances	-	-	(0.71)	(4.58)
	-	-	32.74	25.59
Other Loans and Advances				
Advance income-tax (net of provision of Rs. 165.10 Mn. (31 March 2014: Rs. 386.90 Mn.))	59.02	81.06	9.12	-
MAT Credit Receivable	15.34	5.95	-	-
Capital Advance	0.75	-	-	-
Due from Group Company	-	-	0.46	-
Prepaid expenses	-	-	14.94	14.62
Loans/Imprest to Employees	-	-	0.65	2.80
	75.11	87.01	25.17	17.42
Provision for Doubtful Advances	-	-		(0.61)
	75.11	87.01	25.17	16.81
	125.71	140.75	158.86	77.35

* Balances with statutory/ government authorities (non-current) includes Rs.26.84 Mn. (31 Mar 2014 Rs 25.86 Mn.) and (current) includes Rs 60.33 Mn (31 Mar 2014 Rs Nil) being amount deposited under protest with relevant authorities.

13. Other assets

Rs. in Mn.

Name of the shareholder	Non-current		Current	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Unsecured, considered good unless stated otherwise				
Non-current bank balances (note - 17)*	9.24	9.22	-	-
Unamortized expenditure				
Unamortized premium on forward contract	-	-	4.56	4.83
Others				
Interest accrued on fixed deposits	1.26	0.86	-	-
	10.50	10.08	4.56	4.83

*Margin money deposit with a carrying amount of Rs. 4.24 Mn (31 March 2014: 4.23 Mn) are hypothecated against the Bank guarantee.

14. Current investments

Rs. in Mn.

	31-Mar-15	31-Mar-14
Current investments (valued at lower of cost and fair value, unless stated otherwise)		
Unquoted equity instruments		
Nil (31 March 2014: 5,000,000) Equity Shares of Bharti Ventures Limited of Rs. 10/-each fully paid up*	-	500.00
Less: Provision for diminution in Investments	-	(455.00)
	-	45.00

Note: On May 13, 2014, the Company has disposed off the above investment at an agreed price of Rs. 45 Mn to Bharti Enterprises (Holding) Private Limited. Also refer note 36

15. Inventories (valued at lower of cost and net realizable value)

Rs. in Mn.

	31-Mar-15	31-Mar-14
Raw materials and components (including stock in transit Rs. 11.47 Mn. (31 March 2014: Rs.11.88 Mn.)) (refer note 20)	44.40	34.22
Less: Provision for Obsolete/Slow moving stock	(0.48)	(0.32)
	43.92	33.90
Finished goods (refer note 21)	29.01	41.83
Less: Provision for Obsolete/Slow moving stock	(0.11)	(0.10)
	28.90	41.73
Work in progress	4.83	5.06
Traded goods (including stock-in-transit Rs. 212.83 Mn. (31 March 2014: Rs. 63.01 Mn.)) (refer note 21)	1,517.14	384.09
Less: Provision for Obsolete/Slow moving stock	(63.19)	(57.51)
	1,453.95	326.58
Stores and spares	2.40	3.10
Less: Provision for Obsolete/Slow moving stock	(0.14)	(0.53)
	2.26	2.57
	1,533.86	409.84

16. Trade receivables

Rs. in Mn.

	Current	
	31-Mar-15	31-Mar-14
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	1.82	0.33
Doubtful	3.24	4.40
	5.06	4.73
Provision for doubtful receivables	(3.24)	(4.40)
	1.82	0.33
Other receivables		
Unsecured, considered good	1,845.97	686.28
Doubtful	8.42	10.30
	1,854.39	696.58
Provision for doubtful receivables	(8.42)	(10.30)
	1,845.97	686.28
	1,847.79	686.61

17. Cash and bank balances

Rs. in Mn.

Name of the shareholder	Non-current		Current	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Cash and cash equivalents				
<i>Balances with banks:</i>				
– On current accounts	-	-	132.25	27.23
– On unpaid dividend account	-	-	0.34	0.34
Cash on hand	-	-	0.10	0.20
	-	-	132.69	27.77
Other bank balances				
Deposits under lien with original maturity for more than 12 months	5.00	5.00	-	-
Margin money *	4.24	4.23	-	-
	9.24	9.23	-	-
Amount disclosed under non-current assets (note 13)	(9.24)	(9.23)	-	-
	-	-	132.69	27.77

*Margin money deposit with a carrying amount of Rs. 4.24 Mn (31 March 2014: 4.23 Mn) are hypothecated against the Bank guarantee.

18. Revenue from operations

Rs. in Mn.

	31-Mar-15	31-Mar-14
Revenue from operations		
Sale of products		
Finished goods	788.16	1,026.93
Traded goods	10,186.46	7,744.62
Sale of services	10.76	7.19
Other operating revenue		
Scrap sales	0.26	-
Revenue from operations (gross)	10,985.64	8,778.74
Less: Excise duty #	60.51	91.70
Revenue from operations (net)	10,925.13	8,687.04

Excise duty on sales amounting to Rs. 60.51 Mn. (31 March 2014: Rs. 91.70 Mn.) has been reduced from sales in Statement of profit and loss account and excise duty on increase/decrease in stock amounting to Rs. 0.61 Mn. (31 March 2014: Rs. 0.05 Mn.) has been considered as (income)/expense in note 23 of financial statements.

Detail of products sold

Rs. in Mn.

	31-Mar-15	31-Mar-14
Finished goods sold		
Landline phones	788.16	1026.93
	788.16	1026.93

Traded goods sold		
Landline phones	465.97	397.73
Set top box	9.80	1,752.33
Modem/data card	1,891.98	1,428.15
Mobile phones and IT Peripherals	2,433.93	244.07
Memory devices	1,823.29	1,514.48
Voice and data products	697.03	630.74
Board room solutions	1,813.30	1,260.25
Networking equipment	1,051.26	516.87
	10,186.46	7,744.62
	10,974.62	8,771.55

19. Other income

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
Interest income on :		
Bank deposits	0.79	1.54
Others	5.15	1.47
Amounts written back	20.59	12.03
Rental income	24.96	21.48
Miscellaneous Income	0.05	0.61
	51.54	37.13

20. Cost of raw material and components consumed

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
Inventory at the beginning of the year	34.22	22.01
Add: Purchases during the year	310.51	507.56
	344.93	529.57
Less: inventory at the end of the year	44.40	34.22
Cost of raw material and components consumed	300.33	495.35

Details of raw material and components consumed

	Rs. in Mn.	
	31-Mar-15	31-Mar-14
Moulding Materials	44.11	59.70
LCD Modules	37.18	76.40
Others	219.04	359.25
	300.33	495.35

Details of inventory

Rs. in Mn.

	31-Mar-15	31-Mar-14
Raw material and components		
Moulding Materials	3.25	4.14
LCD Modules	3.90	1.48
Others	37.25	28.60
	44.40	34.22

21. (Increase)/ decrease in inventories

Rs. in Mn.

	31-Mar-15	31-Mar-14
Inventories at the end of the year		
Traded goods	1,517.14	384.09
Work-in-progress	4.83	5.06
Finished goods	29.01	41.83
	1,550.98	430.98
Inventories at the beginning of the year		
Traded goods	384.09	708.67
Work-in-progress	5.06	4.39
Finished goods	41.83	53.55
	430.98	766.61
(Increase) /decrease in Inventory	(1,120.00)	335.63

Details of purchase of traded goods and service cost

Rs. in Mn.

	31-Mar-15	31-Mar-14
Landline phones	355.19	368.45
Set top Box	-	1,675.90
Modem/data Card	1,893.99	1,304.14
Mobile phones and IT Peripherals	3,177.26	178.34
Memory devices	1,794.04	1,445.68
Voice & data products	643.54	466.04
Board room solution	1,862.43	1,064.83
Networking equipment	922.56	462.19
Purchase of goods	10649.01	6965.57
Spare parts	-	5.95
Service cost	3.68	2.43
Purchase of services	3.68	8.38
	10,652.69	6,973.95

Details of Inventory		Rs. in Mn.	
		31-Mar-15	31-Mar-14
Traded goods			
Landline phones		31.36	59.54
Set top Box		-	0.68
Modem/data Card		194.30	107.29
Mobile phones and IT peripherals		817.74	3.47
Memory devices		89.57	54.38
Voice & data products		48.00	29.19
Board room solution		228.11	48.26
Networking equipment		101.06	60.14
Spare parts		7.00	21.14
		1,517.14	384.09
Work-in-progress			
Landline phones		4.83	5.06
		4.83	5.06
Finished goods			
Landline phones		29.01	41.83
		29.01	41.83

22. Employee benefits expense		Rs. in Mn.	
		31-Mar-15	31-Mar-14
Salaries, wages and bonus		294.27	223.35
Gratuity expense (note 27)		11.03	3.04
Contribution to provident and other funds		14.17	11.28
Staff welfare expenses		7.43	6.56
Recruitment expenses		8.31	2.78
		335.21	247.01

23. Other expenses		Rs. in Mn.	
		31-Mar-15	31-Mar-14
Administrative and other expenses			
Rent		33.85	31.91
Rates & taxes		2.40	28.42
Insurance charges		11.34	7.13
Power & fuel		12.80	15.22
Excise duty on account of increase/(decrease) in stock of finished goods		0.61	0.05
Consumption of stores and spares		3.84	4.14
Repair & maintenance:			
-Building		0.50	0.19
-Others		44.67	42.90
Travelling & conveyance		38.63	24.13

	31-Mar-15	31-Mar-14
Communication expenses	6.10	9.36
Printing & stationery	1.35	1.25
Legal & professional expenses	76.00	34.86
Security charges	2.93	2.92
Electricity & water charges	2.17	2.56
Charity & donation	0.37	0.81
Amount/trade receivables written off**	19.01	2.97
Exchange rate difference (net)	27.33	30.96
Premium on Forward cover Contract amortised	3.37	4.64
Loss/(Profit) on Sale of fixed assets(Net)	0.63	0.29
Provision for doubtful debts *	(0.52)	(11.41)
Provision for obsolete/slow moving stock	5.92	6.50
Provision for doubtful advances/claim	4.40	10.92
Miscellaneous expenses	11.03	10.77
	308.73	261.49

Selling and distribution expenses

Rs. in Mn.

	31-Mar-15	31-Mar-14
Freight and cartage	55.16	41.24
Advertisement & marketing expenses	54.81	0.87
Sales Promotion & Schemes expenses	38.65	14.87
Rebate and discounts	18.76	10.59
Commission on Sales	23.11	12.98
Service charges	25.30	20.73
Warranty cost (net of reversals)	34.42	6.24
	250.21	107.52
	558.94	369.01

*Negative amounts indicate reversals / amounts net off written back

** (after adjustment of Rs. 2.70 Mn from provision of doubtful debts and Rs. 5.18 Mn from provision of doubtful advances (31 Mar 2014 Rs. 2.47Mn. from provision of doubtful debts). Also refer note 37

Payment to auditor (as included in Legal and professional expenses)

Rs. in Mn.

	31-Mar-15	31-Mar-14
As auditor:		
Audit fee	4.20	2.85
In other capacity:		
Other services (certification and others)	0.70	0.07
Reimbursement of expenses	0.45	0.50
	4.65	3.42

24. Finance costs

Rs. in Mn.

	31-Mar-15	31-Mar-14
Interest	38.21	98.14
Bank charges	11.48	20.61
	49.69	118.75

25. Depreciation and amortization expense

Rs. in Mn.

	31-Mar-15	31-Mar-14
Depreciation of tangible assets	18.75	21.86
Amortization of intangible assets	7.86	8.53
	26.61	30.39

26. Earnings/loss per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Rs. in Mn.

	31-Mar-15	31-Mar-14
Total operations for the year		
Profit/ (loss) after tax	231.29	(300.92)
	No. in Mn.	No. in Mn.
Weighted average number of equity shares in calculating basic and diluted EPS	5.08	5.07
Earnings/ (loss) per share – basic & diluted	45.53	(59.11)

27. Employee benefits

Gratuity

The Company has a defined benefit gratuity plan. The scheme is a defined benefit arrangement providing gratuity benefit expensed in terms of final monthly salary and service. Every employee gets a gratuity on departure at 15 days salary for each completed year of service. However, payment to the employees who have joined prior to April 1, 2008 is subject to a maximum limit of Rs 1,000,000. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss

Rs. in Mn.

	Gratuity	
	31-Mar-15	31-Mar-14
Current service cost	3.14	3.21
Interest cost on benefit obligation	2.53	2.11
Expected return on plan assets	(2.33)	(2.22)
Net actuarial(gain) / loss recognized in the year	7.69	(0.06)
Net benefit expense	11.03	3.04
Actual return on plan assets	(2.33)	(2.08)

Balance sheet

Benefit asset/ liability

Rs. in Mn.

	Gratuity	
	31-Mar-15	31-Mar-14
Present value of defined benefit obligation	(37.29)	(31.60)
Fair value of plan assets	24.79	27.17
Plan asset / (liability)	(12.50)	(4.43)

Changes in the present value of the defined benefit obligation are as follows:

Rs. in Mn.

	Gratuity	
	31-Mar-15	31-Mar-14
Opening defined benefit obligation	31.60	28.13
Acquisition adjustment	0.48	0.04
Current service cost	3.14	3.21
Interest cost	2.53	2.11
Benefits paid	(8.15)	(1.70)
Actuarial (gains) / losses on obligation	7.69	(0.19)
Closing defined benefit obligation	37.29	31.60

Changes in the fair value of plan assets are as follows:

Rs. in Mn.

	Gratuity	
	31-Mar-15	31-Mar-14
Opening fair value of plan assets	27.17	25.94
Expected return	2.33	2.22
Contributions by employer	0.16	-
Benefits paid	(4.87)	(0.86)
Actuarial gains / (losses)	(0.00)	(0.13)
Closing fair value of plan assets	24.79	27.17

The Company expects to contribute Rs. 18.20 Mn. to gratuity in the next year. (31 March 2014: Rs 2.85 Mn.)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	31-Mar-15	31-Mar-14
Investments with insurer	100%	100%

The principal assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:

	Gratuity	
	31-Mar-15	31-Mar-14
Discount rate	7.75%	8.00%
Expected rate of return on assets	8.50	8.00%-9.10%
Employee turnover	4.06%-37.5%	4%/25%
Salary escalation rate	8%	6%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Amounts for the current and previous four years are as follows:

Rs. in Mn.

	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Gratuity					
Defined benefit obligation	37.29	31.60	28.13	29.93	26.38
Plan assets	24.79	27.17	25.94	23.96	22.80
Surplus / (deficit)	(12.50)	(4.43)	(2.19)	(5.97)	(3.58)
Experience adjustments on plan liabilities	(1.36)	(2.89)	(3.45)	(1.41)	0.90
Experience adjustments on plan assets	(0.00)	(0.15)	0.38	0.18	0.02

28. Leases

The Company has taken certain office and warehouse space on lease. Rental expense towards such leases charged to statement of profit and loss amounts to Rs. 33.85 Mn. (31 Mar 2014 Rs. 31.91 Mn.). The Company had entered into a leave and license arrangement for lease of its Corporate office effective November 1, 2009 for a period of 9 years with a lock-in period of 3 years. The rent is subject to escalation of 15% every three years. Rent charged to Statement of Profit and loss in the current year is Rs. 33.85 Mn (31 Mar 2014 Rs. 31.91Mn.)

Details of non cancellable operating lease commitments are as under:

Rs. in Mn.

	31-Mar-15	31-Mar-14
Within one year	34.20	25.77
After one year but not more than five years	78.94	103.94
More than five years	-	-
	113.14	129.71

The Company has subleased the office space and the attached furniture, the recovery of which is disclosed as rental income under "Other Income". Subsequent to year end, the Company has entered into a memorandum of understanding with the sub lessees for termination of the lease contract with effect from March 31, 2015.

29. Segment information

The business segment has been considered as the primary segment. The reportable business segments are "Beetel Products" and "Distribution Products". Beetel products include customer premises equipment like landline phones, modems, set top boxes and Information Technology peripherals. Distribution products cover mobile phones, memory devices, data cards, voice and data products, board room solutions, networking equipments which are sold under non-Beetel brand etc.

In terms of geographical segment, the Company's sales outside India are not material and do not qualify as a separate reportable segment as per provisions of AS-17 "Segment Reporting".

For the year ended 31 March 2015

Rs. in Mn.

Reportable Segements	Beetel Products	Distribution Products	Unallocated	Total
Revenue				
Net Sales	1,486.13	9,439.00		10,925.13
Other Income	15.26	30.34	5.94	51.54
Total Revenue	1,501.39	9,469.34	5.94	10,976.67
Result				
Segment result, Profit/(Loss)	195.80	80.55	(53.46)	222.89
Financial Cost		2.46	47.23	49.69
Exceptional Item				
Net Profit/(Loss) before tax	195.80	78.09	(100.69)	173.20
Provision for Tax				
-Current year Tax		5.03	19.30	24.33
-Tax pertaining to earlier years		(1.00)	26.29	25.29
-MAT Credit			(28.64)	(28.64)
-Deferred Tax			(79.07)	(79.07)
Net Profit/(Loss) after tax	195.80	74.06	(38.57)	231.29
Other information				
Segment Assests	380.02	3,324.97	283.77	3,988.76
Segment Liabilities	260.43	2,538.97	768.91	3,568.31
Capital Expenditure	3.75		14.77	18.52
Depreciation/Amortisation	12.22		14.39	26.61
Other non-cash Expenditure	9.09	34.74		43.83

For the year ended 31st March, 2014

(Rs. in Mn)

Reportable Segements	Beetel Products	Distribution Products	Unallocated	Total
Revenue				
Net Sales	1,713.25	6,973.79		8,687.04
Other Income	14.18	19.87	3.08	37.13
Total Revenue	1,727.43	6,993.66	3.08	8,724.17
Result				
Segment result, Profit/(Loss)	208.93	76.43	(12.53)	272.83
Financial Cost	57.12	8.51	53.12	118.75
Exceptional Item			455.00	455.00
Net Profit/(Loss) before tax	151.81	67.92	(520.65)	(300.92)
Provision for Tax				
-Current year Tax		1.42	6.08	7.50

Reportable Segements	Beetel Products	Distribution Products	Unallocated	Total
-Tax pertaining to earlier years			(2.78)	(2.78)
-MAT Credit			(5.95)	(5.95)
Net Profit/(Loss) after tax	151.81	66.49	(518.00)	(299.69)
Other information				
Segment Assests	392.37	894.95	220.01	1,507.33
Segment Liabilities	318.72	820.70	203.13	1,342.55
Capital Expenditure	8.29		0.77	9.06
Depreciation/Amortisation	15.08		15.31	30.39
Other non-cash Expenditure	(0.68)	13.44	455.00	467.76

30. Related parties

a) Related Parties where control exists irrespective of whether transactions have occurred or not.

i) Holding Company

Brightstar Logistics Pte. Ltd

ii). Significant shareholders

Brightstar Logistics Pte. Ltd**

Bharti (SBM) Holdings Private Limited.*

Bharti (RBM) Holdings Private Limited.*

Bharti (RM) Holdings Private Limited.*

b) Names of other related parties with whom transactions have taken place during the year.

i) Enterprises owned or significantly influenced by key management personnel or their relatives

Bharti Airtel Limited*

Bharti Reality Holding Limited*

Bharti Axa General Insurance Company Limited*

Brightstar Logistics Pty Ltd**

Brightstar NZ Limited**

Brightstar FZE**

Brightstar Corp**

Brightstar Supply Chain Services Sd**

* Up to 30 September 2014 (The transactions with these parties for 2015 are disclosed for the period 1 April 2014 to 30 September 2014 and the balance outstanding as payable/receivable is as at 31-Mar-15)

** With effect from 1 October 2014

ii) Key management personnel

Mr. Rakesh Bharti Mittal-Chairman and Director till 2 October 2014

Mr. Suresh Gupta – Chief Operating Officer & Director till 31 January 2015

Mr. Alok Shankar-CEO and Whole Time Director with effect from 1 October 2014

Mr Dharshan Nanayakkara – Chairman

Mr Lim Puay Chong Vincent-Director till 30 September 2014

The detail of transactions during the year ended 31 March 2015 and 31 March 2014 are as follows:

Rs. in Mn.

	Subsidiary		Holding company		Key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Sales of goods and services										
Bharti Airtel Limited	-	-			-	-	516.03	801.81	516.03	801.81
Purchase of goods & services										
Bharti Airtel Limited	-	-			-	-	3.57	10.11	3.57	10.11
Bharti Reality Holding Ltd	-	-			-	-	3.67	7.42	3.67	7.42
Bharti Axa General Insurance Co. Ltd	-	-			-	-	1.50	3.53	1.50	3.53
Expenses Incurred by related parties on behalf of the Company										
Bharti Airtel Limited	-	-			-	-	-	0.20	-	0.20
Brightstar Logistics Pte Ltd			4.95						4.95	
Brightstar Logistics Pty Ltd			-				9.46		9.46	
Brightstar FZE							0.68		0.68	
Brightstar NZ Ltd							0.41		0.41	
Expenses Incurred by Company on behalf of related parties										
Bharti Airtel Limited	-	-	-	-	-	-	6.90	169.45	6.90	169.45
Brightstar Logistics Pty Ltd							4.28		4.28	
Brightstar Corp							0.46		0.46	
Purchase of Capital item										
Brightstar Logistics Pty Ltd	-	-	-	-	-	-	1.54	-	1.54	-
Brightstar Supply Chain Services Sd							1.16		1.16	
Remuneration										
Mr. Suresh Gupta	-	-			20.52	11.51	-	-	20.52	11.51
Mr. Alok shankar	-	-			11.91	-	-	-	11.91	-
Mr. Lim Puay Chong, Vincent					-	0.22			-	0.22
Rent Received										
Bharti Airtel Limited	-	-			-	-	7.80	15.60	7.80	15.60
Rent Paid										
Bharti Airtel Limited	-	-			-	-	1.51	1.63	1.51	1.63
Amount written off										
Bharti Airtel Limited	-	-			-	-	-	0.08	-	0.08
Due to										
Brightstar Logistics Pte Ltd			3.64	-					3.64	-
Brightstar Logistics Pty Ltd							3.60	-	3.60	-

	Subsidiary		Holding company		Key management personnel		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Brightstar FZE							0.68	-	0.68	-
Brightstar NZ Ltd							0.30	-	0.30	-
Brightstar Supply Chain Services Sd							0.92	-	0.92	-
Mr.Suresh Gupta	-	-			-	3.84	-	-	-	3.84
Mr. Alok shankar	-	-			-	-	-	-	-	-
Bharti Reality Holding Ltd							0.48	-	0.48	-
Bharti AXA General Insurance Company Ltd.	-	-			-	-	-	0.04	-	0.04
Due from										
Bharti Airtel Limited	-	-			-	-	199.45	134.43	199.45	134.43
Brightstar Corp							0.46	-	0.46	-

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

31. Capital and other commitments

- (a) Estimated amount of contracts to be executed on capital account and not provided for (net of advances Rs 0.75) is Rs. 1.00 Mn. (31 March 2014 Rs. 1.36 Mn.).
- (b) Commitments in respect of letter of credit Rs. Nil (31 March 2014 Rs. 53.91 Mn)
- (c) For commitments relating to lease arrangements, please refer note 28

32. Contingent liabilities

Rs. in Mn.

	31-Mar-15	31-Mar-14
Guarantees issued (Refer Note a)	281.93	359.52
Claims against the Company not acknowledged as debts (excluding cases where the possibility of any outflow in settlement is remote):		
(i) Sales tax/excise duty and service tax demands (Refer Note b and c)	56.17	10.94
(ii) Income-tax demands	1.43	3.70
(iii) Others (Refer Note d)	22.73	5.13
	362.26	379.29

- Guarantees includes guarantee given to a bank for standby letter of credit facility of USD Nil (31 March 2014 USD 3,000,000) and a corporate guarantee amounting to USD 4,500,000 (31 March 2014 USD 3,000,000) issued to GE Capital Services Pte. Ltd. on behalf of Company's wholly owned subsidiary Beetel Teletech Singapore Private Limited.
- Amount paid under protest against demands is Rs 3.34 Mn. (31 March 2014 –Rs 2.52 Mn.).
- The Hon'ble Supreme Court of India vide its order dated December 17, 2014 in the case of State of Punjab Vs Nokia India Pvt Ltd, has held that the Mobile charger contained in the Mobile Phone Retail Pack is an independent part and shall be separately charged to VAT at rate as applicable to chargers. In view of this

judgment, the VAT Authorities of Rajasthan, Uttar Pradesh and Karnataka have raised demands along with interest and penalties aggregating to Rs 2.9 Mn on the Company. The Company has filed/is in the process of filing appeal against these demands and believes that likelihood of demands being sustained is less than probable and any additional contingent liability w.r.t. this issue for any other years and/or other states cannot be reliably estimated. Accordingly, it has disclosed the above demands in the contingent liabilities above.

d) Amount paid under protest Rs 0.30 Mn. (31 March 2014 –Rs 0.30 Mn.)

33. Derivative instruments and unhedged foreign currency exposure

The Company takes foreign currency derivative instruments to hedge its foreign currency risk on its trade receivables and payables. As at the year end, the Company had outstanding forward contracts of USD 7,206,527 (March 31, 2014- USD 7,018,000) towards underlying payables. The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as on 31 March 2015 and 31 March 2014 are as under:

Particulars	Currency	As at 31-Mar-2015	As at 31-Mar-2014
Current trade receivables	USD in Mn.	0.95	0.90
	Rs in Mn.*	59.81	53.67
Current trade payables	USD in Mn.	2.68	4.25
	Rs in Mn.**	167.76	254.44
	AUD in Mn.	0.07	-
	Rs in Mn***	3.34	-
Current advances to supplier	USD in Mn	0.13	0.02
	Rs in Mn.*	8.20	1.18
Current advances from customer	USD in Mn	0.00	0.02
	Rs in Mn.**	0.03	0.93

*Exchange rates 1 USD=Rs. 62.65 (31 March 2014: 1 USD=Rs. 59.91)

** Exchange rates 1 USD=Rs.62.65 (31 March 2014: 1 USD=Rs. 59.92)

*** Exchange rates 1 AUD=Rs.47.83

34. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

		Rs. in Mn.	
		31-Mar-15	31-Mar-14
1	The principal amount remaining unpaid to any supplier as at the end of each accounting year.	-	3.27
2	The interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
3	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
4	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-

		31-Mar-15	31-Mar-14
5	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
6	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

35. Employee stock option plans:

- Pursuant to the scheme approved by shareholders' Resolutions dated May 29, 2008 the Company introduced the "Employee Stock Options Scheme 2008" (ESOP 2008) under which Company decided to grant maximum quantum of 500,000 options to the employees from time to time on the basis of their performance and other eligibility criteria.
- Pursuant to the scheme approved by Shareholders' special resolution dated September 27, 2010, the Company introduced Senior Leadership Team ('SLT') Employee stock option scheme under which Company decided to grant maximum quantum of 1,075,000 options to the employees from time to time on the basis of their performance and other eligibility criteria. Pursuant to cancellation of plan, all the vested options have been forfeited in the previous year.
- Under ESOP 2008, the Company has granted total options of 416,830 till 31 March 2011.
- During the year 21600 has been exercised by the employee.

The option granted are as follows:

- The options under this scheme have an exercise price of Rs. 175 per share and vest on a granted basis as follows:

	Vesting Period from the grant date	Vesting Schedule
For options with a vesting period of 36 months	On completion of 12 months	33.33%
	On completion of 24 months	33.33%
	On completion of 36 months	33.33%
For options with a vesting period of 48 months	On completion of 12 months	10%
	On completion of 24 months	20%
	On completion of 36 months	30%
	On completion of 48 months	40%

- The options under this scheme have an exercise price of Rs. 100 per share and vest on a graded basis as follows::

	Vesting Period from the grant date	Vesting Schedule
For options with a vesting period of 36 months	On completion of 36 months	100%
For options with a vesting period of 48 months	On completion of 12 months	40%
	On completion of 24 months	20%
	On completion of 36 months	20%
	On completion of 48 months	20%

- v) The information concerning stock options granted, exercised, forfeited and outstanding at the year end is as follows:

ESOP SCHEME 2008 (a):

	As on 31-Mar-2015			As on 31-Mar-2014		
	Number of options (in '000)	Weighted Average Exercise Price(Rs.)	Weighted Average remaining Contractual life(yrs)	Number of options (in '000)	Weighted Average Exercise Price(Rs.)	Weighted Average remaining Contractual life(yrs)
Outstanding at the beginning of the year	24.00	175.00		27.52	175.00	
Granted during the year	-	-		-	-	
Forfeited during the year	2.40	-		3.52	-	
Exercised during the year	21.60	175.00		-	-	
Expired during the year	-	-		-	-	
Outstanding at the end of the year	-	-	0.13 to 2.25	24.00	175.00	0.13 to 3.25
Exercisable at the end of the year	-	-		24.00	175.00	
Weighted average fair value of options granted on the date of grant	-	-	-	-	193.00	-

36. Exceptional item in financial year ended 31 March 2014, pertained to provision made for permanent diminution in the value of long term investments in Bharti Ventures Limited. These investments were sold during the current year at Rs. 45 Mn, accordingly, provision for diminution in value of investment amounting to Rs. 455 Mn was reversed and loss on sale of investment amounting to Rs. 455 Mn was recognized, under the 'exceptional items' during the year.
37. During the current year, the Company has entered into an irrevocable assignment agreement with Bharti Enterprises Limited and Optic Electronic (India) Private Limited effective 30 June 2014 under which in respect of its obligations towards sale agreements entered with Empresa de Telecomunicaciones De Cuba SA. Under the assignment agreement, all rights, duties, obligations and entitlements including right to receive payments against products delivered has been assigned and accordingly the amount of Rs. 15.87 Mn outstanding as at that date towards sales already made has been written off in these financial statements under other expenses.
38. The Company paid management fee of Rs. 45 Mn to Bharti Enterprises Limited in relation to corporate advisory, legal and regulatory support with respect to formation of Joint venture, strategic business tie up, preparation of long term business plan and liasoning with key business vendors.
39. The Company has appointed independent consultants for conducting a Transfer Pricing study to determine whether the transactions with associated enterprises were undertaken at "arm's length price". The management confirms that all international transactions with associated enterprises are undertaken at negotiated contracted prices on usual commercial terms and is confident of there being no adjustments on completion of the study. Adjustments, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed.

40. The share of subsidiaries in the Net Assets & Profit is as below:

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss			
	Amount	As % of consolidated net assets	Standalone profits (in INR)	Eliminations (in INR)	Amount (After Eliminations)	As % of consolidated profit or loss
Parent:						
Beetel Teletech Limited	325.70	81%	190.85	4.00	186.85	81%
Subsidiaries:						
Foreign - Beetel Teletech Singapore Pvt Ltd	76.75	19%	40.44	4.00	44.44	19%
Total	402.45	100%	31.29	-	231.29	100%

41. Previous year's figures have been regrouped where necessary to in order to conform to current year classification.

As per our report of even date attached

For S.R. Batliboi & Associates LLP
ICAI Firm registration number:101049W
Chartered Accountants
per Vineet Kedia
Partner
Membership No: 212230

For and on behalf of the Board of Directors of
Beetel Teletech Limited

Alok Shankar
CEO and Director
(DIN:01122940)

Dharshan Nanayakkara
Director
(DIN: 06930415)

Abhay Singh
Company Secretary

Puneet Khanna
Chief Financial Officer

Place: Gurgaon
Date : May 27, 2015

Mukesh Kapoor
Finance Controller



BEETEL TELETECH LIMITED

(A Brightstar Company)

(CIN: U32204HR1999PLC042204)

Regd.Office:1st Floor, Plot No. 16, Udyog Vihar Phase IV, Gurgaon-122015, Haryana, India

T: +91-124-4823500, F:+91-124-4146130

website:www.beetel.in

ATTENDANCE SLIP

16th Annual General Meeting

Folio No./Client ID :	
DP ID :	
Number of shares held	

I certify that I am a Registered Shareholder/Proxy of the Registered Shareholder of the Company. I hereby record my presence at the 16th Annual General Meeting of the Company to be held on Tuesday, September 08, 2015 at 10:00 A.M. at K-3, DLF Phase-II, Community Centre, Gurgaon and at every adjournment thereof.

Member's name :

Member's /Proxy's Signature

Proxy's name :

- Note :** 1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members/Proxy Holders/Authorized Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate Member(s) shall produce proper authorization issued in their favour.

Form No. MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rules 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: U32204HR1999PLC042204

BEETEL TELETECH LIMITED

(A Brightstar Company)

Regd.Office:1st Floor, Plot No. 16, Udyog Vihar Phase IV, Gurgaon-122015, Haryana, India

Name of the Member(s) :	
Registered Address :	
E.mail ID :	
Folio No./Client ID :	
DP ID :	

I/We, being the member(s) holding shares in the above named Company, hereby appoint

- Name:.....Address:.....
E.mail ID:.....Signature:.....or failing him
- Name:.....Address:.....
E.mail ID:.....Signature:.....or failing him
- Name:.....Address:.....
E.mail ID:.....Signature:.....

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 16th Annual General Meeting of the Company to be held on Tuesday, September 08th 2015 at 10:00 A.M. at K-3, DLF Phase-II, Community Centre, Gurgaon and at every adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Description/Resolutions	Optional	
	Ordinary Business	For	Against
1.	To adopt Audited Annual Accounts for the year ended 31st March, 2015.		
2.	To not appoint (including re-appoint) Mr. Manoj Kohli (who retires by rotation at this Annual General Meeting and does not offers himself for reappointment) or any other person in his place as Director liable to retire by rotation.		
3.	To appoint M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as the Statutory Auditors of the Company for five years.		
	Special Business		
4.	To appoint Ms. Geeta Mathur as Woman (Independent director) of the company for five years.		
5.	To appoint Ms. Rajesh Madan as Independent director of the company for five years		
6.	To appoint Mr. Noel Marsden as Director liable to retire by rotation.		
7.	To approve the remuneration of Mr. Alok Shankar, Whole Time Director for financial year 2015-16		
8.	To ratify the remuneration payable to M/s. K .G. Goyal & Associates, Cost Accountants as Cost Auditors of the Company.		

Signed this day of2015

Signature of the Shareholder

Signature of Proxy Holder(s)

Affix
Revenue
Stamp

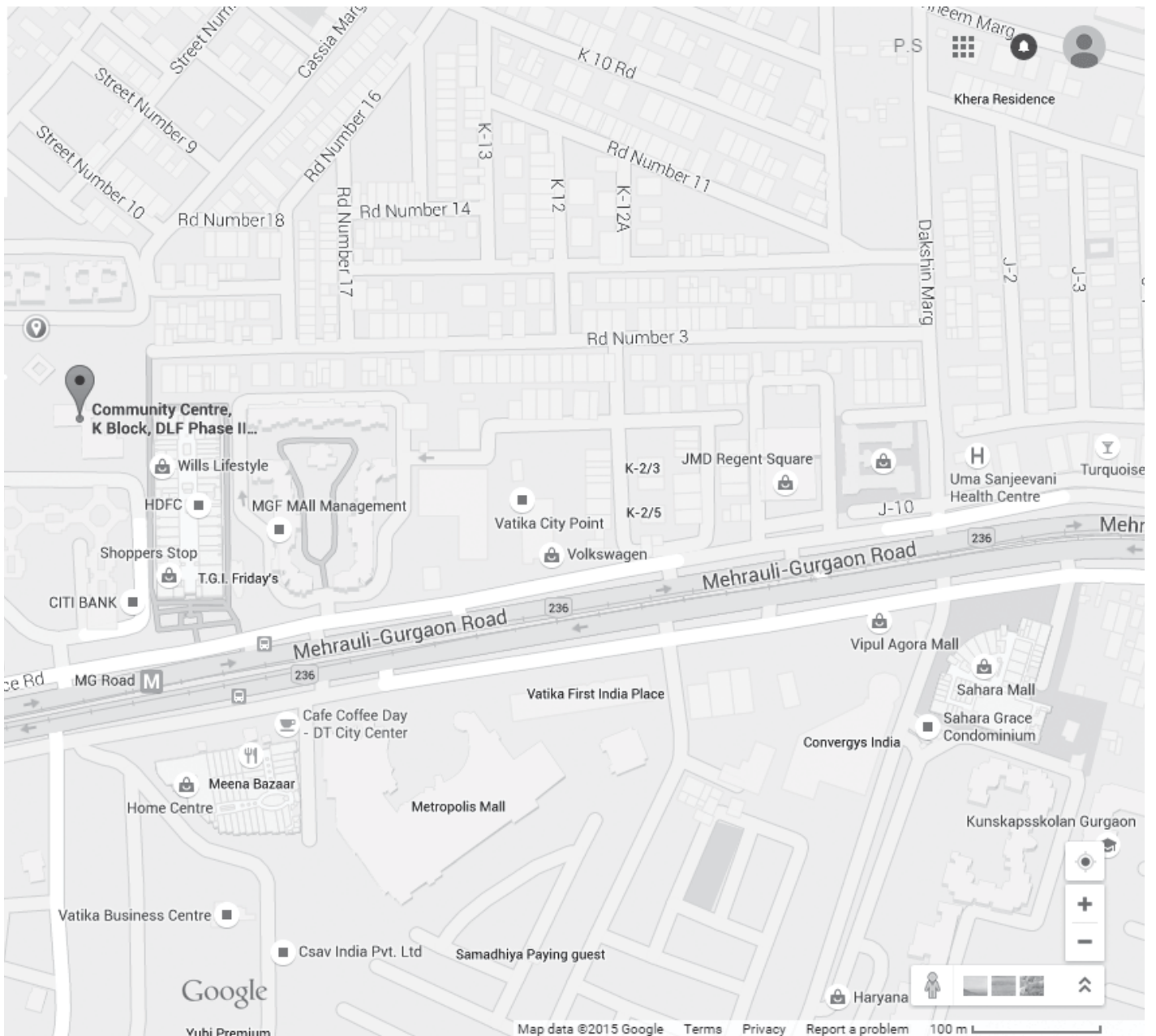
- Note:**
1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. For Resolutions, Explanatory Statements and Notes, please refer to the Notice of 16th annual General Meeting of the company.
 3. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the, '**For**' or '**Against**' column blank against ANY OR ALL Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
 4. Please complete all details including details of Members(s) in above box before submission.

Voting Through Electronic Means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 16th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. Remote e-voting period commences on 5th September, 2015 (9:00 AM IST) and ends on 07 September, 2015 (5:00 PM IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 01st September, 2015 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz: "Beetel remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/ PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" (E-VOTING EVENT NUMBER) of Beetel Teletech Limited which is 102801
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to consult@aishmghrana.me with a copy marked to evoting@nsdl.co.in.
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
 - (i) Initial password is provided separately along with notice of AGM :
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 01st September, 2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of notice and holding shares as of the cut-off date i.e. 01st September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Aishwarya Mohan Gahrana, a Practising Company Secretary, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.beetel.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing..

EVEN (E-VOTING EVENT NUMBER)
 USER ID _____ PASSWORD/PIN _____

ROUTE MAP FOR AGM VENUE



**Community Centre,
K-3, DLF Phase-II,
Gurgaon**



Beetel Teletech Limited (a Brightstar Company)

CIN: U32204HR1999PLC042204

Regd. Office: 1st Floor, Plot No. 16, Udyog Vihar Phase IV, Gurgaon-122015, Haryana, India

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