



TRICOM INDIA LIMITED

**21st Annual Report
2012-2013**

BOARD OF DIRECTORS

Chetan Kothari*
Baldev Boolani*
Jayant Tanksale
Hiren Kothari****
Vijay Bhatia***
Gautam Berry**
Rasik Chaturvedi*****
Gaurav Bhatia**
Paresh Pathak
Rajesh Panamburkar#

Chairman and Managing Director
Director
Director
Director
Director
Director
Director
Director
Director

Company Secretary

G.T Shenoy

Bankers

State Bank of India
ICICI Bank Limited

Auditors

M/s. Koshal & Associates
Chartered Accountants
Mumbai

Registered Office

Tricom House
Gandhi Estate , Andheri Kurla Road,
Safed Pool, Andheri (East)
Mumbai-400072.

Registrar & Transfer Agent

M/s. Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Ind.Premises,
Andheri Kurla Road, Safed Pool,
Andheri (East), Mumbai 400 072.
Ph.Nos.: (91-22) 2851 5606/2851 5644

- * Mr. Baldev Boolani has stepped down as Chairman of the company and Mr. Chetan Kothari has been appointed as Chairman of the Company w.e.f. October 16, 2012
- ** Mr. Gautam Berry and Mr. Gaurav Bhatia Ceases to be Director w.e.f. May 14, 2012.
- *** Mr. Vijay Bhatia Ceased to be a Director w.e.f. September 4, 2012.
- **** Mr. Hiren Kothari Ceased to be a Director w.e.f. October 31, 2012.
- ***** Mr. Rasik Chaturvedi ceased to be Director w.e.f. December 10, 2012
- # Mr. Rajesh Panamburkar appointed as Additional Director w.e.f. January 7, 2013

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NOTICE

The Twenty First Annual General Meeting of **Tricom India Limited** will Be Held On **30th Day of September, 2013** at **11.00 a.m.** Damodar Thakarsi Mulji Hall, Dr. Ambedkar Marg, Parel Naka, Mumbai 400 012 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited statement of Profit and Loss for the Financial Year ended March 31, 2013, the Balance Sheet as at that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint, Mr. Paresh Pathak as Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint, Mr. Baldev Boolani as Director, who retires by rotation and being eligible, not offering himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, M/s Koshal and Associates (FR No.: 121233W) Chartered Accountant, be and are hereby appointed as the auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS

5. REGULARIZATION OF APPOINTMENT OF MR. RAJESH PANAMBURKAR AS A DIRECTOR

To appoint Mr. Rajesh Panamburkar as a Director liable to retire by rotation and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, Mr. Rajesh Panamburkar, who was appointed by the Board as an Additional Director of the Company on January 7, 2013 and who in terms of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Rajesh Panamburkar as a candidate for the office of the Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation."

6. To re-appoint Mr. Chetan Kothari as Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, including any Statutory modification or re-enactment thereof, for the time being in force, the Company in general meeting hereby approves the re-appointment of Mr. Chetan Kothari as Managing Director of the Company for period of three years with effect from December 4, 2012 to December 3, 2015 with remuneration of ₹ 2,50,000 for the month of December 2012 and ₹ 40,000 p.m. w.e.f. January 1, 2013 upon terms and conditions as fixed by the remuneration committee of the Company and upon terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to vary any of the terms of remuneration in consultation with Managing Director provided such variation is in accordance with the provisions of Schedule XIII of the Companies Act, 1956 and/ or the provisions of law as may be applicable thereto from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers to any Committee of Directors or Officer(s) of the Company to give effect to the aforesaid resolution."

7. CONSIDER THE RE-CLASSIFICATION OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 16, 94 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, and as permissible by the Company's Memorandum of Association, the Authorized Share Capital of the Company of ₹ 20,00,00,000 (Rupees Twenty Crores Only) comprising of 8,75,00,000 (Eight Crores Seventy Five Lacs) Equity Shares of ₹ 2 each and 2,50,000 (Two Lacs Fifty Thousand) Preference Shares of ₹ 100 each be and is hereby altered without increasing or decreasing the aggregate amount thereof by dividing and reclassifying the 2,50,000 (Two Lacs Fifty Thousand) Preference Shares of ₹ 100 each into 1,25,00,000 (One Crores Twenty five Lacs) Equity Shares of ₹ 2 each thereby adding the total number of Equity Shares included in the Authorised Capital from 8,75,00,000 (Eight Crores Seventy Five Lacs) Equity Shares of ₹ 2 each to 10,00,00,000 (Ten Crores) Equity Shares of ₹ 2 each and consequently the respective clauses in the Memorandum and Articles of Association of the Company do stand altered accordingly and also as provided in the succeeding resolutions to be proposed at the meeting .

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary, proper, desirable or appropriate to give effect to this resolution.”

8. INCREASE IN AUTHORIZED CAPITAL OF THE COMPANY

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

“RESOLVED THAT the Authorised Share Capital of the Company be increased from ₹ 20,00,00,000 (Rupees Twenty Crores Only) divided into 10,00,00,000 (Ten Crores) Equity Shares of ₹ 2 each to ₹ 40,00,00,000 (Rupees Forty Crores) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 2 each by creation of additional 10,00,00,000 (Ten Crores) Equity Shares of ₹ 2 each ranking pari-passu with the existing Equity Shares.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary, proper, desirable or appropriate to give effect to this resolution.”

9. ALTERATION IN CLAUSE V (A) OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

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

“RESOLVED THAT Clause V (a) of the Memorandum of Association of the Company be amended by substituting with the following clause :

V (a). The Authorized Share Capital of the Company is ₹ 40,00,00,000 (Rupees Fourty Crores Only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 2 each with power to classify or re-classify, increase or reduce capital from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with the power to divide the share capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with these presents and the Articles of Association.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary, proper, desirable or appropriate to give effect to this resolution."

10. ALTERATION OF ARTICLE 4 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the Company is altered in the following manner:

4. The Authorized Share Capital of the Company shall be as per clause V (a) of the Memorandum of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary, proper, desirable or appropriate to give effect to this resolution."

11. To consider and, if thought fit, to pass, with or without modification(s) the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to Sections 81, 81(1A) and other applicable provisions of the Companies Act, 1956,(including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, permissions, consents and sanctions as may be necessary from the Government of India (GOI), Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and/or any other competent authorities and enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, where the Shares of the Company are listed and in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares through Depository Receipt Mechanism) Scheme, 1993, the guidelines, rules, regulations issued by the GOI, RBI, SEBI and/or any other competent authorities and clarifications thereon, issued from time to time, and subject to all such other approvals, permissions, consents and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company, (which term shall include any Committee constituted / to be constituted by the Board for exercising the powers conferred on the Board by this resolution), consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, whether within India or outside India, with or without premium, whether rupee denominated or denominated in any foreign currency, such number of Equity/Preference Shares (Cumulative or Non-Cumulative, Redeemable or Non-Redeemable)and/or Foreign Currency Convertible Bonds (FCCBs) and/or Fully/Partially Convertible Bonds/Loans or Non Convertible Debentures/Bonds and/or Global Depository Receipts (GDRs) and/or American Depository Receipts (ADRs) and/or Qualified Institutional Placements (QIPs) and/or any other Equity and/or Preference or Equity related Instrument/Security and/or any other Instruments/Securities in the nature of Shares/Bonds and/or Warrants, convertible into Equity Shares at the option of the Company and/or the holder(s) of such Securities, and/or Securities linked to Equity Shares and/or Securities with or without Detachable/Non-detachable warrants with a right exercisable by the warrant-holder to subscribe for the Equity Shares and/or Warrants with an option exercisable by the warrant-holder to subscribe for Equity Shares, and/or any Instrument or Securities representing either Equity Shares and/or Convertible Securities linked to Equity Shares, naked or otherwise, convertible into shares or otherwise, either in Registered or Bearer forms, (hereinafter referred to as "Securities") or any combination of the Securities in the International/Domestic market, upto ₹ 150,00,00,000 (Rupees One Hundred Fifty Crores Only) to Indian or Foreign Investors (whether Institutions, Incorporated Bodies, Mutual Funds and/or Individuals, or otherwise and whether or not such Investors are Members of the Company),Members, Employees, Non-resident Indians, Foreign Institutional Investors (FIIs), Qualified Institutional Buyers (QIBs), Companies, Mutual Funds, Banks, Indian/Foreign Financial Institutions, other entity (ies) and such

other persons through public issue(s), private placement(s), preferential allotment, rights issue, qualified institutional placements, exchange of Securities, issue of Shares under ESOP Plan, Conversion of loan or otherwise in the course of offerings in Indian and/or International Market or in any other manner or a combination thereof at such time or times, at such price or prices, at a discount or at par to or at a premium to market price or prices in such manner and on such terms and conditions including Security, Rate of Interest, Dividend, etc. as may be decided and deemed appropriate by the Board at the time of such issue, offer or allotment considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with the Lead Managers, and/or Underwriters and/or other Advisors to the extent and in the manner as may be decided by the Board in this behalf.

RESOLVED FURTHER THAT in the event of issue of Securities by way of Global Depository Receipts and/ or American Depository Receipts, the 'Relevant Date' on the basis of which price of the resultant shares shall be determined as specified under applicable law, shall be the date of the meeting at which the Board or the Committee of Directors duly authorised by the Board decided to open the proposed issue of Securities.

RESOLVED FURTHER THAT in the event of issue of Securities by way of a Qualified Institutional Placement:

- i. the 'Relevant Date' on the basis of which price of the resultant shares shall be determined as specified under applicable laws, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decided to open the proposed issue of Securities;
- ii. the allotment of Securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by the SEBI Guidelines from time to time; and the Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized Stock Exchange in India or except as may be permitted from time to time by the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Securities may have all or any term or combination of terms in accordance with prevalent market practice including but not limited to terms and conditions relating to payment of interest, dividend, premium or redemption at the option of the Company and/or holders of any securities, including terms for issue/offer of additional Equity Shares or variations of the price or period of conversion of Securities into Equity Shares or issue/offer of Equity Shares during the period of the Securities or terms pertaining to voting rights or option(s) for early redemption of Securities and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in the Capital Markets. For the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form, terms and timing of the issue(s)/offer(s), including the class of investors, to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue/offer price, face value, premium amount on issue/conversion of Securities/exercise of Warrants/redemption of Securities, Rate of Interest, Redemption period, Listings on one or more stock exchanges in India and/or overseas as the Board in its absolute discretion deems fit and to make and accept any modification in the proposal as may be required by the authorities involved in such issues/offers in India and/or overseas, to do all acts, deeds, matters and things as may be necessary and to settle any questions or difficulties that may arise in regard to the issue(s)/offer(s) and the Board is hereby authorized in its absolute discretion in such a manner as it may deem fit, to dispose of such of the Securities as are not subscribed.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to make appointments as may be required of Managers (including Lead Managers), Merchant Bankers, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Principal Paying/Transfer/Conversion Agents, Listing Agents, Registrars, Trustees and all other agencies, whether in India or Overseas and to enter into and execute all such arrangement(s)/agreements(s) with any such Managers (including Lead Managers), Merchant Bankers, Principal Paying/Transfer/Conversion Agents, Underwriters, Guarantors, Depositories, Custodians, Legal Advisors, Listing Agents, Registrars, Trustees and all such agents or body as may be involved or concerned in such offering of Securities and to remunerate all such agents including by way of payment of commission, brokerage, fees, expenses incurred in relation to the issue/offer of Securities and other expenses, if any.

RESOLVED FURTHER THAT the Preliminary as well as the Final Offer Document for the aforesaid issue/offer be finalized, approved and signed by any of the Directors for the time being on the Board, for and on behalf of the Company with authority to amend, vary, modify the same as may be considered desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, undertakings, certificates, consents, authorities as may be necessary and required from time to time.

RESOLVED FURTHER THAT the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of the Securities or exercise of options as may be necessary in accordance with the terms of the offer aforesaid, subject to the provisions of the Company's Articles of Association and all such Shares shall rank pari-passu with the existing Equity Shares of the Company in all respects, in accordance with the laws applicable at the time of such issue, offer or allotment as the case may be.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and resolve any doubts or questions that may arise in the issue and allotment of the Securities and/or fresh Shares, to effect any modification to the foregoing in the best interest of the Company and its members and to execute all such writings and instrument as the Board may in its absolute discretion deem necessary or desirable.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers to any Committee of Directors or Managing Director or Executive Director or any Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution."

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Date : September 3, 2013

CHETAN KOTHARI
CHAIRMAN AND MANAGING DIRECTOR

Reg off:

Tricom House, Gandhi Estate
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai-400072

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relevant details of directors seeking appointment/ re-appointment under item no. 2, 5 & 6 above, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges are also annexed.
3. The Register of Members and Share Transfer Books of the Company will remain closed from, September 25, 2013 to September 30, 2013 (both days inclusive).
4. Members holding shares in electronic form are requested to intimate immediately any change in their address and e-mail Id's or bank mandates to their Depository Participant with whom they are maintaining their demat account. Members holding shares in physical form are requested to advise any change of address and intimate e-mail id immediately to the Company/ Registrar & Transfer Agent, M/s. Sharex Dynamic (India) Pvt. Ltd. having their office premises at Unit-1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai- 400072.

5. For the convenience of members and for proper conduct of the meeting, entry to the place of meeting will be regulated by attendance slip, which is attached to the proxy form. Members are requested to affix their signature at the place provided on the attendance slip and hand over the same at the entrance of the venue. Members are requested to bring their copies of the Annual Report and attendance slip to the meeting.
6. Members are hereby informed that dividends which remain unclaimed / unpaid over a period of seven years have to be transferred by the Company to the Investor Education and Protection Fund (the IEPF) constituted by the Central Government under Sec. 205(A) & 205(C) of the Companies Act, 1956. Pursuant to the provisions of Section 205(A) and 205(C) of the Companies Act, 1956 the Company is going to transfer the unpaid or unclaimed dividends for the financial year 2005-2006 to the IEPF established by the Central Government.

Disclosure pursuant to Clause 49 of the Listing Agreement with regard to the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. of Notice	Name of the Director	Brief Resume	Listing of Other Directorships/ Committee Memberships in other companies
2	Paresh Pathak	Mr. Paresh Pathak is a Commerce Graduate with more than 20 years of experience in Business.	Directorships in: <ul style="list-style-type: none"> • Tricom Fruit Products Limited • Tricom I.T Services Private Limited • Mastiff Tech Private Limited • Tricom Infotech Solutions Limited • Welplace Portfolio And Financial Consultancy Services Limited
5	Rajesh Panamburkar	Mr. Rajesh Panamburkar is a Practicing Chartered Accountant by profession. His expertise lies in the areas of corporate advisory, management audit, finance and taxation.	Directorship in : <ul style="list-style-type: none"> • Tricom Fruit Products Limited
6	Chetan Kothari	A Chartered Accountant by profession, Mr. Kothari has rich experience spanning nearly two decades of experience in corporate affairs. A first generation entrepreneur, he has successfully set up a fast-growing IT-ITeS company in the country. As a promoter of Tricom Fruit Products, Mr Kothari provides the overall strategic business direction to the Company.	Directorships in: <ul style="list-style-type: none"> • Tricom Fruit Products Limited • Tricom Infotech (India) Private Limited • Tricom Infotech Solutions Limited • Tricom LPO Private Limited • Tricom I.T. Services Private Limited • Mastiff Tech Private Limited • Adilnath Finance Private Limited • Opec Share And Stock Brokers Private Limited • Gaparik Trade and Finance Resources Pvt. Ltd.

The following explanatory Statement set out all material facts relating to the Special business mentioned in the accompanying notice:

5. Mr. Rajesh Panamburkar was appointed as Additional Director of the Company with effect from January 7, 2013. According to the provisions of Section 260 of the Companies Act, 1956, he holds office upto the date of the ensuing Annual General Meeting. A notice has been received from a member signifying his intention to propose the appointment of Mr. Rajesh Panamburkar as Director at the forthcoming Annual General Meeting. Hence, necessary resolution is placed before the meeting for member's approval.

Mr. Rajesh Panamburkar is deemed to be interested in the proposed resolution to the extent of their appointment as a Director. No other Director is interested in the Resolution. Directors recommend the resolution as proposed in the Notice for member's approval.

The Board commends the resolution as set at item no 5 of the notice for your approval.

6. The Board of Directors at their Meeting held on May 30, 2013 and pursuant to the recommendations of the Remuneration Committee of the Board, re-appointed Mr. Chetan Kothari as Managing Director for a period starting from December 4, 2012 to December 3, 2015.

The remuneration and perquisites payable to Mr. Chetan Kothari are in conformity with the requirements of Schedule XIII to the Companies Act, 1956.

The broad particulars of terms of appointment of and remuneration payable to Mr. Chetan Kothari referred to in Item No. 6 of the Notice are as under:

- a. Salary: Salary including dearness, house-rent and all other allowances upto ₹ 2,50,000 (Rupees Two Lacs Fifty Thousand only) p.m. upto December 31, 2012 and ₹ 40,000 (Rupees Forty Thousand) p.m. w.e.f. January 1, 2013
- b. Perquisites: Perquisites shall be restricted to an amount equal to the annual salary.
- c. The Salary and perquisites as mentioned under (a) and (b) above shall be exclusive of: Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent they are not taxable under the Income Tax Act, 1961 and are as per the rules of the Company.

Gratuity as per the rules of the Company.

Leave as per the rules of the Company including encashment of leave at the end of the tenure.

- d. Apart from above mentioned remuneration, he shall be entitled to:
 1. Medical Expenses actually and properly incurred for him and his family.
 2. Entertainment expenses actually and properly incurred by him in the course of legitimate business of the Company.
 3. Club Membership fees subject to a maximum of two clubs. No admission and life membership fees shall be paid.
 4. Personal Accident Insurance Policy.
 5. Provision for use of car and telephone for both official and personal use.
 6. Group Insurance Policy as per the rules of the Company.

In the event of loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Mr. Chetan Kothari shall be the minimum remuneration payable to him in terms of the provision of Schedule XIII to the Companies Act, 1956.

The terms and conditions of remuneration may be varied from time to time by the Board as it may, in its discretion, deem fit, in consultation with Managing Director provided such variation is in accordance with the provisions of Schedule XIII of the Companies Act, 1956 and/ or the provisions of law as may be applicable thereto from time to time.

The aforesaid terms and conditions have been approved by the Remuneration Committee of the Company at their meeting held on January 1, 2013.

The Board recommends the approval by the members of the re-appointment of Mr. Chetan Kothari as the Managing Director and payment of remuneration to him.

Mr. Chetan Kothari satisfies all the conditions set out in Part-I of Schedule XIII of the Act for being eligible for the re-appointment.

Save and except Mr. Chetan Kothari, none of the other Directors of the Company is, in any way, concerned or interested in the Resolution.

The Board of Directors recommends the Resolution as set out at Item No.6 of the Notice for your approval.

7. The Authorised Capital of the Company at present is ₹ 20,00,00,000 (Rupees Twenty Crores Only) comprising of 8,75,00,000 (Eight Crores Seventy Five Lacs) Equity Shares of ₹ 2 each and 2,50,000 (Two Lacs Fifty Thousand) Preference Shares of ₹ 100 each.

With the view of Increase in Authorised Capital of the Company by the Board of Directors the share capital is proposed to be reclassified so as to enable the Company to increase low volume of Shares.

Your Board of Directors is of the view that for increasing the Authorised Share Capital of the Company, it is prudent to reclassify the existing Preference Shares into Equity Shares of the Company i.e. 2,50,000 (Two Lacs Fifty Thousand) Preference Shares of ₹ 100 each into 1,25,00,000 (One Crore Twenty Five Lacs) Equity Shares of ₹ 2 each aggregating into ₹ 2,50,00,000 (Two Crores Fifty Lacs Only).

The Board recommends the resolution set forth in Items 7 above for approval of the members.

None of the Directors of the Company are interested or deemed to be concerned or interested in the said Resolution.

8. The Board of Directors of the Company has decided to raise funds through issue of Equity Shares of the Company. The Management of the Company is of the opinion that the present Authorised Capital of the Company is ₹ 20,00,00,000 (Rupees Twenty Crores Only) comprising of 10,00,00,000 (Ten Crores) Equity Shares of ₹ 2 each, may not be sufficient as per the Capital raising plans of the Company.

Hence, the Board of Directors of the Company at their meeting held on September 3, 2013 has decided to increase the Authorised Capital to ₹ 40,00,00,000 (Rupees Forty Crores) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 2 each by creation of additional 10,00,00,000 (Ten Crores) Equity Shares of ₹ 2 each ranking pari-passu with the existing Equity Shares of the Company. As per the provisions of Section 94 and any other applicable provisions, if any, of the Companies Act, 1956, the approval of the Members is required for increasing the Authorised Share Capital of the Company, by passing Ordinary Resolution at General Meeting of the members of the Company.

Accordingly, Directors recommend the Ordinary Resolution as set out in the accompanying notice for approval of the Members of the Company.

None of the Directors of the Company are interested or deemed to be concerned or interested in the said Resolution.

9. Consequent to the Increase in the Authorised Share Capital of the Company as per Item No. 8 of this notice, the existing clause V of Memorandum of Association needs to be altered. As per the provisions of Section 16 and any other applicable provisions, if any, of the Companies Act, 1956, the approval of the Members is required in the General Meeting by passing an Special Resolution for alteration of the Capital Clause in the Memorandum of Association of the Company.

Accordingly, Directors recommend the Special Resolution as set out in the accompanying notice for approval of the Members of the Company.

None of the Directors of the company are interested or deemed to be concerned or interested in the said Resolution.

10. Consequent to the Increase in the Authorised Share Capital of the Company as per Item No. 8 of this notice, the existing article 4 of the Articles of Association needs to be altered. As per the provisions of Section 31 and any other applicable provisions, if any, of the Companies Act, 1956, the approval of the Members is required in the General Meeting by passing a Special Resolution for alteration of the Article of Association of the Company.

Accordingly, Directors recommend the Special Resolution as set out in the accompanying notice for approval of the Members of the Company.

None of the Directors of the company are interested or deemed to be concerned or interested in the said Resolution.

- 11.** The Company needs to raise funds for normal Capital Expenditure, Expansion, Acquisition/s, General Corporate purposes, Working Capital Requirements etc. The Board of Directors have proposed that it would be necessary for the Company to raise funds not exceeding ₹ 150,00,00,000 (Rupees One Hundred Fifty Crores only) in the manner as set out in the Resolution under Item no. 11 of the Notice.

The resolution set out in Item No.11 is an enabling resolution conferring authority on the Board to do all the acts and deeds which may be required to issue/offer securities of appropriate nature at an opportune time, including the size, structure, price and timing of the issue/offer at the appropriate time(s).The detailed terms and conditions for the international and/or domestic offering will be determined in consultation with the Lead Managers, Consultants, Advisors, Underwriters and/or other such Intermediaries as may be appointed for the issue/offer. Wherever necessary and applicable, the pricing of the issue/offer will be finalized in accordance with the applicable Guidelines in force of the GOI, RBI, SEBI and other relevant authorities. Since the pricing of the offering can be decided only at a later stage, it's not possible to state the price or the exact number of Securities or Instruments to be issued. Section 81 of the Companies Act, 1956 and the Listing Agreements provide, inter alia, that whenever it is proposed to increase the Subscribed Capital of the Company by further issue/offer and allotment of Shares, such Shares shall be offered to existing members of the Company in the manner laid down in the Section, unless the members decide otherwise in the General Meeting. Accordingly, the consent of the members is being sought pursuant to the provisions of Section 81(1A) and all other provisions of the Companies Act, 1956 and in terms of provisions of the Listing Agreements executed by the Company with the Stock Exchanges, authorizing the Board to issue Securities, as stated in the Resolution which would result in issuance of Further Securities of the Company to persons other than existing members of the Company in accordance with the terms and nature of the Securities.

The Resolution in the accompanying Notice being proposed as a Special Resolution is essentially an enabling one and relates to a proposal to create, issue, offer and allot Equity Shares/Depository Receipts/Foreign Currency Convertible Bonds and/or other appropriate Securities upto an amount not exceeding ₹ 150 Crores inclusive of premium in the course of Domestic/International Offerings. Such Securities are proposed to be issued to any eligible person including but not limited to resident Investors and Foreign Investors (whether Individuals, Mutual Funds, Incorporated Bodies, Institutions or otherwise), Foreign Financial Institutions and Qualified Institutional Buyers, etc.

The Special Resolution also seeks to empower the Board of Directors to undertake a Qualified Institutional Placement with Qualified Institutional Buyers as defined by Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulation, 2009 ('ICDR Regulations') The Board of Directors may in its discretion adopt this mechanism as prescribed under Chapter VIII of ICDR Regulations without the need for fresh approval from the members.

The 'Relevant Date' on the basis of which price of the resultant Shares shall be determined as specified under applicable law, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decided to open the proposed issue of Securities.

Your Directors commend the resolution for your approval as a Special Resolution.

None of the Directors of the Company is in any way concerned or interested in the proposed Resolution at Item No. 11 except to the extent of their holding of Equity Shares in the Company and/or of their relatives and/ or Companies/ Concerns in which they may be interested.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Date : September 3, 2013

CHETAN KOTHARI
CHAIRMAN AND MANAGING DIRECTOR

Reg off:
Tricom House, Gandhi Estate
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai - 400 072

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty First Annual Report together with the Audited Statements of Accounts for the year ended March 31, 2013.

FINANCIAL RESULTS

(₹ In lacs)

Particulars	Consolidated		Standalone	
	2013	2012	2013	2012
Total Income from Operations	8,173.95	13,750.67	4,414.89	8,007.34
Profit before Interest, Depreciation and Taxes	2,102.55	4,349.40	1,343.33	3,467.29
Interest	2,457.91	1,813.27	2,214.65	1,520.98
Depreciation	983.04	944.02	551.99	535.62
Profit before Taxation	(1,338.39)	1,592.11	(1,423.30)	1,410.69
Provisions for Taxes	141.83	579.35	116.71	503.14
Exceptional Items	272.25	-	-	-
Profit after Taxes	(1,752.48)	1,012.76	(1,540.02)	907.55
Balance brought forward	8,226.47	7,212.96	7,585.33	6,677.77
Prior Period Income	-	(0.74)	-	-
Appropriations	-	-	-	-
Profit carried to Balance Sheet	6,473.99	8,226.47	6,045.31	7,585.33
Earnings per share	(2.30)	1.55	(2.02)	1.39

OPERATIONAL PERFORMANCE

During the year the consolidated income from operations was ₹ 8173.95 lacs as compared to income from operations of ₹ 13750.67 Lacs during the previous financial year. The consolidated Loss after Tax was ₹ 1752.48 Lacs as compared to profit after tax of ₹ 1012.76 Lacs during the previous financial year.

The standalone total income from operations was ₹ 4414.89 Lacs as compared to total income from operations of ₹ 8007.34 Lacs during e previous financial year. The standalone Loss after tax was ₹ 1540.02 Lacs as compared to profit after tax of ₹ 907.55 Lacs during the previous financial year.

The financial year was a year of consolidation of the acquisitions made during the earlier years and the Company was able to maintain the grow momentum despite dismal export market scenario and increasing financial cost.

Your Company is providing services for the back office work to overseas customers in different verticals such as Healthcare, Litigation Support, Title Insurance, Indexing, E-Publishing and Software Development.

Considering the market potential for the existing services which your Company is providing, your Company is in the process of augmenting resources for long term grow, both in operations and marketing. Company is also providing services for prestigious set of clients in the government and public enterprises in sectors such as Finance and Banking, IT & Software, Legal, Title Insurance, General Insurance, Pharmaceutical and Logistics.

DIVIDEND

Due to the loss incurred during the year, the Board of Directors of your Company does not recommend any dividend for the Financial Year 2012-13.

CONVERSION OF WARRANTS INTO EQUITY SHARES OF ₹ 2 EACH

Your company had allotted 50,00,000 Equity shares of ₹ 2 each against conversion of Fully Convertible warrants of ₹ 13.50 each.

The above shares on conversion were listed on Bombay Stock Exchange Limited ('BSE') on October 30, 2012 and National Stock Exchange of India Limited ('NSE') on October 12, 2012 and the same were permitted for trading over BSE from November 6, 2012 and on NSE from November 6, 2012.

FIXED DEPOSITS

Total amount of deposits outstanding as on March 31, 2013 was ₹ 16,49,70,068. There were ₹ 5,95,000 claimed but not paid deposits as on March 31, 2013.

AUDITORS REPORT

Qualification mentioned in the auditors' report regarding non compliance of Section 205(1A) of the Company's Act, 1956. Due to the liquidity crunch faced by the company, there has been a delay in payment of dividend to some shareholders which is being paid in the current financial year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors state that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
2. That appropriate accounting policies have been selected and applied consistently, and that the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of your company as at the end of the financial year and of the Loss of your Company for the said period;
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
4. That the annual accounts have been prepared on a going concern basis.

SUBSIDIARY COMPANIES

As on March 31, 2013, the Company has the following subsidiaries:

Domestic subsidiaries

1. Tricom I.T. Services Private Limited (formerly known as Mastiff Internet Media Solutions Private Limited)
2. Tricom Infotech Solutions Limited
3. Mastiff Tech Private Limited
4. Tricom LPO Private Limited

Foreign subsidiaries

1. Tricom Document Management, Inc., USA
2. Pacific Data Centers, Inc., USA
3. Tricom Infotech Solutions, Inc., USA

4. Tricom Infotech Solutions (Cyprus) Limited
5. Tricom Data Services Inc.; USA
6. Tricom Litigation Coding Services, Inc. USA
7. Tricom Software Services Inc. USA
8. Grand Imaging & Technology Inc.
9. Tricom Search Services Inc.

PARTICULARS IN TERMS OF SECTION 212 OF THE COMPANIES ACT

As per section 212 of the Companies Act, 1956, the Company is required to attach the Report of Board of Directors and Auditors, Balance Sheet and Statement of Profit and Loss (financial statements) of its subsidiaries. In view of the general exemption granted by the Ministry of Corporate Affairs, Central Government vide General Circular No. 2 and 3 dated February 8, 2011 and February 21, 2011 the said reports and financial statements of the subsidiaries are not attached. However, the financial data of the subsidiaries have been furnished under 'Details of Subsidiaries' forming part of the Annual Report. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements of the Company and its subsidiaries for the year ended March 31, 2013, together with reports of Auditors thereon and the statement pursuant to Section 212 of the Companies Act, 1956, are attached.

The financial statements of subsidiaries will be available on a request made by any member of the Company and will also be available for inspection by any member at the registered office of the Company.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Reports on Corporate Governance and Management Discussion and Analysis, Managing Director's & Auditors Certificate as stipulated under Clause 49 of the Listing Agreement are separately given and form part of this Annual Report.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Paresh Pathak, Director of the Company will retire by rotation at the forthcoming 21 Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Baldev Boolani who retires by rotation being eligible, not offering himself for reappointment.

Further Mr. Gaurav Bhatia and Mr. Gautam Berry, Directors have resigned w.e.f. May 14, 2012, Mr. Vijay Bhatia has resigned w.e.f. September 4, 2012 and Mr. Hiren Kothari has resigned w.e.f. October 31, 2012. Mr. Rasik Chaturvedi has resigned w.e.f. December 10, 2012. The Board places on record its appreciation for the valuable services rendered by all the directors during their tenure.

Further Mr. Rajesh Panamburkar appointed as an additional Director of the company on January 7, 2013 has now been regularized as a Director of the company in ensuing Annual General Meeting.

AUDITORS

M/s Koshal and Associates, Chartered Accountants, Mumbai, retire as auditors and have given their consent for re-appointment. The Shareholders are requested to elect auditors for the current year and to authorize your Directors to fix their remuneration as per item No.4 of the Notice. As required under the provisions of Section 224(1B) of the Companies Act, 1956, your Company has obtained written confirmation from the above auditors proposed to be re-appointed that the re-appointment, if made, would be in conformity with in the limits specified in the said section.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information as prescribed under Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1998 is as follows:

A. CONSERVATION OF ENERGY

The operations of your Company are not energy-intensive. However, adequate measures have been taken to ensure that there is optimum utilization of energy with no wastage, as far as possible.

B. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT

Your Company develops software to provide efficient Business Process Outsourcing services to its customers. The systems team of your Company does continuous research and development for upgradation of the software, in order to provide better services to its clientele. Your Company also develops software products to process the data required for providing services to its customers.

Your Company takes efforts to adapt latest technology and techniques, which helps it to be in competition.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings of your Company during the year under review amounted to ₹ 3,943.07 Lacs. The foreign exchange outflow during the year was ₹ 3,214.08 Lacs

HUMAN RESOURCES

Your Company regards human capital as the most valuable asset. At the end of March, 2013, your Company had approx 2037 employees.

However, none of the employees throughout the financial year were in receipt of remuneration in excess of the limits as prescribed under Section 217(2A) of the Companies Act, 1956 ('Act'), read with the amended Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation extended by the banks and Government agencies giving support to your company. Your Directors also thank all the shareholders for their continued support and all the employees and vendors of your company for their valuable services during the year.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai

Date : September 3, 2013

CHETAN KOTHARI
CHAIRMAN & MANAGING DIRECTOR

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY ENVIRONMENT

The Soft global economic and financial conditions contributed to the sluggish industry.

According to the National Association of Software and Services Companies (NASSCOM), export revenues from the IT and Business Process Management industry are projected at USD 84-87 billion for 2012-13, a growth of 12-14%.

Opportunities created through adoption of technologies such as social media, mobility, analytics and cloud computing are also expected to spur growth.

INDUSTRY OVERVIEW

The information technology (IT) and information technology enabled services (ITeS) industry has been one of the key driving forces fuelling India's economic growth.

India is one of the fastest-growing IT services markets in the world, with three-quarters of large Indian enterprises planning to increase IT spending in 2013, with an average IT budget of US\$ 12.2 million, according to a survey by Gartner.

Indian ITeS BPO sector including domestic and exports segments continue to grow from strength to strength, witnessing high levels of activity both onshore as well as offshore. It is not only enabling the economy to grow but also creating a lot of employment potential through both direct and indirect means.

Our operating environment continues to be challenging as our clients confront an uncertain economic and demand outlook thus leading to increased scrutiny of any new spending proposals. On the other hand, there are also opportunities created for offshore vendors as clients attempt to restructure their cost base to align with reduced revenue levels.

SWOT ANALYSIS

Strengths

- Skilled and well trained workforce
- Abundant manpower
- Cheaper workforce than Western counterparts. According to Nasscom, The wage difference is as high as 70-80 percent when compared to their Western counterparts.
- Lower attrition rates than in the West.
- Dedicated workforce aiming at making a long-term career in the field.
- Round-the-clock advantage for Western companies due to the huge time difference.
- Lower response time with efficient and effective service.
- Operational excellence
- Conducive business environment

Weaknesses

- Recent months have seen a rise in the level of attrition rates among ITeS workers who are quitting their jobs to pursue higher studies. Of late workers have shown a tendency not to pursue ITeS as a full-time career.
- The cost of telecom and network infrastructure is much higher in India than in the US.
- Local infrastructure
- Political opposition from developed countries
- Rising input cost in India caused due to inflationary Pressures.

Opportunities

- To work closely with associations like Nasscom to portray India as the most favoured ITES destination in the world.
- Indian ITES companies should work closely with Western governments and assuage their concerns and issues.
- India can be branded as a quality ITES destination rather than a low-cost destination.

Threats

- The anti-outsourcing legislation in the US state of New Jersey. Three more states in the United States are planning legislation against outsourcing Connecticut, Missouri and Wisconsin.
- Other ITES destinations such as China, Philippines and South Africa could have an edge on the cost factor.
- Data Security breach is a major concern for Companies Outsourcing their jobs to India.
- Risk of competition from other ITES units due to evolving technology. Tricom has mitigated this by having most cost effective processes.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion Analysis contain the views and analysis of the management regarding the Company and industry. These are in context of the environment and in relation to the parameters such as the Indian economy, the global economy and forecast regarding the industry which are available from NASSCOM & Gartner. This report also contains forward looking statements which are based on certain assumptions and expectations of future events. We shall not be liable for any loss or damage that may arise as a result of any action taken based on the said.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance means achievement of excellence in business by increasing the shareholders value in the long run. This aim can be achieved by keeping in mind the needs and interests of all its stakeholders and comply with all the rules, regulations and laws. Corporate Governance lays strong emphasis on transparency, accountability and integrity. Corporate Governance and also Audit disclosures and reporting in Tricom India Limited is practiced through a well structured delegation in organizational and regulatory framework involving the Board of Directors, Committee of the Board, the Managing Director.

1. BOARD OF DIRECTORS

a. Composition:

The Board of Directors consists of professionals drawn from diverse fields. The Chairman of the Board is an Executive Director. The majority of Directors on the Board are Non Executive Directors. The day-to-day management is conducted by the Managing Director. The office of the Managing Director is subject to the supervision and control of the Board of Directors of the Company. As on March 31, 2013, the Board comprises of 5 Directors whose composition is given below:

Sr. No.	Name of the Director	Category of Directorship	Directorship in other Companies (*)	No. of Committee positions held (Other than Tricom India Limited)	
				Chairman	Member
1	Mr. Chetan Kothari	Promoter, Executive	2	1	2
2	Mr. Baldev Boolani	Independent, Non-Executive	1	-	-
3	Mr. Jayant Tanksale	Non-Promoter, Non-Executive	1	0	1
4	Mr. Pares Pathak	Independent Non-Executive	2	0	1
5	Mr. Hiren Kothari****	Promoter, Non-Executive	3	-	1
6	Mr. Gautam Berry**	Independent, Non-Executive	-	-	-
7	Mr. Gaurav Bhatia**	Independent, Non-Executive	-	-	-
8	Mr. Vijay Bhatia***	Non-Independent, Non-Executive	1	-	-
9	Mr. Rasik Chaturvedi*****	Independent, Non-Executive	1	-	-
10	Mr. Rajesh Panamburkar #	Independent, Non-Executive	1	0	0

None of the Directors on the Board is a Member of more than ten committees and Chairman of more than five committees across all Companies in which they are Directors.

Only Memberships of Audit Committee and Shareholders' & Investors' Grievance Committees are considered.

* Excludes Alternate Directorships, Directorship in Indian Private Limited Companies and Foreign Companies and Membership of Managing Committees of various bodies.

** Ceased to be a Director w.e.f. May 14, 2012.

*** Ceased to be a Director w.e.f. September 4, 2012.

**** Ceased to be a Director w.e.f. October 31, 2012.

***** Ceased to be a Director w.e.f. December 10, 2012.

Appointed as Additional Director w.e.f. January 7, 2013.

b. Details of Meetings Held:

During the financial year 2012-2013 8 (Eight) Board Meetings were held viz May 14, 2012, August 14, 2012, August 30, 2012, October 16, 2012, November 14, 2012, November 24, 2012, January 7, 2013, February 14, 2013. The 20th Annual General Meeting (AGM) was held on December 31, 2012. The attendances of the Directors as required by the Listing Agreement at these meetings are given below:

Name of the Director	Designation	Attendance in Board Meetings during 2012 - 2013	Presence in last Annual General Meeting
Mr. Chetan Kothari	Managing Director	8	Yes
Mr. Baldev Boolani	Director	7	No
Mr. Jayant Tanksale	Non Executive Director	3	No
Mr. Hiren Kothari****	Director	3	No
Mr. Gaurav Bhatia**	Director	Nil	No
Mr. Gautam Berry**	Director	Nil	No
Mr. Vijay Bhatia***	Director	0	No
Mr. Rasik Chaturvedi *****	Director	0	No
Mr. Paresh Pathak	Director	8	Yes
Mr. Rajesh Panamburkar #	Additional Director	1	No

** Ceased to be a Director w.e.f. May 14, 2012.

*** Ceased to be a Director w.e.f. September 4, 2012.

**** Ceased to be a Director w.e.f. October 31, 2012.

***** Ceased to be a Director w.e.f. December 10, 2012.

Appointed as Additional Director on January 7, 2013.

C. Board Procedure :

A detailed agenda is sent to each Director in advance of Board Meetings. The Board members are free to recommend inclusion of any matter in the agenda for discussion. To enable the Board to discharge its responsibilities effectively, the Managing Director apprises the Board at every meeting of the overall performance of the Company.

2. AUDIT COMMITTEE**a. Composition:**

As on March 31, 2013 Audit Committee comprises of Three Directors, all of whom are Non Executive and Independent Directors except one Director who is Promoter and Executive Director. All the Directors possess knowledge of corporate finance, accounts and company law. An Independent, Non Executive Director acts as Chairman of the Committee Meetings. The Statutory Auditors are also invited to the meetings. The quorum of the Audit Committee is two members. The Company Secretary acts as Secretary to the Committee.

The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

Details of Audit Committee:

Name of the Director	Position	Category
Mr.Rajesh Panamburkar	Chairman	Independent, Non Executive
Mr.Chetan Kothari	Member	Promoter, Executive
Mr. Paresh Pathak	Member	Independent, Non Executive

b. Details of Meetings held:

During the year, five Audit Committee meetings were held viz; May 14, 2012, August 14, 2012, November 14, 2012, November 24, 2012 and February 14, 2013.

c. Terms of Reference:

The terms of reference of the Audit Committee are extensive and include all that is mandated in Clause 49 (II) of the Listing Agreement with Stock Exchanges and Section 292A of the Companies Act, 1956. The Committee oversees the financial reporting processes, reviewing the financial results including the quarterly results, major accounting entries, accounting policies and practices, fixation of auditors remuneration, discussions with internal auditors on any significant findings and follow up thereon, statement of related party transactions. The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) issued by the Institute of Chartered Accountants of India. Compliance of the as applicable to the Company has been ensured in the Financial Statements for the year ended March 31, 2013.

3. REMUNERATION COMMITTEE
a. Composition:

As on March 31, 2013 Remuneration Committee comprises of Three (3) Directors, whose composition is given below:

Name of the Director	Position	Category
Mr. Paresh Pathak	Chairman	Independent, Non Executive
Mr. Jayant Tanksale	Member	Non-Promoter, Non Executive
Mr. Baldev Boolani	Member	Independent, Non-Executive

One Committee meeting was held on January 1, 2013.

b. Terms of Reference:

The Committee reviews and recommends the payment of annual salaries, commission, service agreements and other employment conditions of Managing / Executive Director. It also reviews the HR initiatives and increment policy.

c. Remuneration to the Executive Director:

The remuneration paid to Executive Director is recommended by the Remuneration Committee and approved by the Board of Directors, in the Board meeting and subject to the subsequent approval by the shareholders at the General Meeting and such other authorities, if necessary. The remuneration is fixed considering various factors such as qualifications, experience, expertise, prevailing remuneration in the corporate world and the financial position of the Company. The remuneration comprises of basic salary, perquisites and allowances, contribution to provident fund and other funds.

d. Remuneration to Non-Executive Directors :

Non Executive Directors were paid sitting fees of ₹ 5,000 for every Board Meeting and ₹ 5000 for every Audit Committee attended by them. The Members of the Company have approved payment of remuneration of a sum up to 1% of the Net Profits of the Company calculated as per Section 349 & 350 of the Companies Act, 1956 to the Non-Executive Directors vide resolution on September 25, 2006.

e. Remuneration to the Executive Director for the year ended March 31, 2013:

The total salary, commission and allowance paid to the Managing Director during the year is given below:

Name of the Director	Designation	Salary (₹)	No. of Options Granted	No. of Options Exercised	No. of Options Pending
Mr. Chetan Kothari	Managing Director	2370000	Nil	Nil	Nil

Period of Contract:

Managing Director - Three Years

Notice Period:

The contract may be terminated by either party giving the other party three calendar months notice.

Severance Fees:

Severance Fees would be paid subject to the provisions of Section 318 of the Companies Act, 1956, for the unexpired period or three/two years, whichever is shorter.

f. Shares held by Non Executive Directors as on March 31, 2013:

The details of shares held by Non Executive Directors as on March 31, 2013 are given below:

Name of the Director	No. of Equity Shares held as on March 31, 2013
Mr. Baldev Boolani	50000
Mr. Jayant Tanksale	750
Mr. Paresh Pathak	23510

4. SHAREHOLDERS' & INVESTORS' GRIEVANCE COMMITTEE**a. Composition**

The Shareholders' & Investors' Grievance Committee of the Company as on March 31, 2013 comprises of Three (3) members chaired by Mr. Baldev Boolani Independent, Non Executive Director and Mr. G. T. Shenoy, Company Secretary and Compliance Officer of the company. The Committee normally deals with various matters relating to:

- Transfer or transmission of shares.
- Issue of Duplicate, Consolidated and Split Share Certificate.
- Investor grievances and redressal thereof and improvement of Investors Relations
- Attending to the queries /complaints relating to shareholders forwarded by the Stock Exchanges, Securities & Exchange Board of India, Ministry of Corporate Affairs.

Five meetings of Shareholders' and Investors' grievance Committee were held during financial year 2012-2013 viz. May 14, 2012, August 14, 2012, September 15, 2012, November 14, 2012, February 14, 2013, all the members were present in the meeting.

As on March 31, 2013 the committee comprises of the following members:

Name of the Director	Position	Category
Mr. Baldev Boolani	Chairman	Independent, Non Executive
Mr. Paresh Pathak	Member - Promoter	Non Executive
Mr. Jayant Tanksale	Member	Non Promoter, Executive

b. Status of Investor Complaints

The Company had received 3 (Three) complaints during the year from the shareholders and all complaints were resolved to the satisfaction of the shareholders

5. SHAREHOLDER INFORMATION

a. Next Annual General Meeting

21st Annual General Meeting of the company will be held on September 30, 2013, at 11.00 a.m. at Damodar Thakarsi Mulji Hall, Dr. Ambedkar Marg, Parel Naka, Mumbai 400 012

b Financial Calendar of the Board Meetings to adopt the Accounts for the Financial Year 2013-2014 (Tentative and subject to changes) :

For the year ending 31st March 2014, quarterly un-audited/annual audited results shall be announced by:

For the quarter ending June 30, 2013	:	August 14, 2013
For the quarter ending September 30, 2013	:	November 14, 2013.
For the quarter ending December 31, 2013	:	February 14, 2014.
For the year ended March 31, 2014	:	May 30, 2014 (Audited).

c. Book Closure:

The dates of Book Closure are from September 25, 2013 to September 30, 2013 (both days Inclusive).

d. Listing on Stock Exchanges:

The Equity shares of the Company are presently listed at Bombay Stock Exchange Limited, National Stock Exchange Limited, Luxembourg Stock Exchange and Ahmedabad Stock Exchange Limited. The Company is in process for delisting at the Ahmedabad Stock Exchange all the formalities pertaining to the delisting have been already compiled with and the approval for the same is awaited.

e. Stock Code:

STOCK EXCHANGE	STOCK CODE
Bombay Stock Exchange Limited	531675
National Stock Exchange Limited	TRICOM
Luxembourg Stock Exchange	Cusip No.896120102
Ahmedabad Stock Exchange Limited	61444

ISIN number: INE771B01032.

f. General Body Meetings

Annual General Meetings

Details of the last Three (3) Annual General Meetings of the Company are as below:

Financial Year	AGM No.	Location	Date	Time	No. of Special Resolutions passed
2011-2012	20 th	School Hall, Damodar Hall Educational Campus, Dr. Ambedkar Marg, Parel Naka, Mumbai – 400 012	December 31, 2012	11.00 A.M.	03
2010-2011	19 th	School Hall, Damodar Hall Educational Campus, Dr. Ambedkar Marg, Parel Naka, Mumbai – 400 012	December 31, 2012	11.00 A.M.	01
2009-10	18 th	Damodar Thakarsi Mulji Hall, Dr. Ambedkar Marg, Parel Naka, Mumbai 400 012.	September 30, 2010	11.00 A.M.	06

All the Special Resolutions placed before the shareholders at the Meetings were approved.

ii No Extra Ordinary General Meetings were held during year.

g. Shares in Physical / Demat form as on March 31, 2013:

Particulars	No. of shares held	% of shares held
Physical Form	50454000	99.54
Demat Form	360450	0.46

h. Market Price Data:

Monthly high and low quotations as well as volume of shares traded at Bombay Stock Exchange Limited (BSE), National Stock Exchange Limited (NSE) compared to BSE SENSEX during the financial year 2012-2013 were:

	BSE		NSE		SENSEX		GDR(USD)	
	High	Low	High	Low	High	Low	High	Low
	(Rs.)	(Rs.)	(Rs.)	(Rs.)				
Apr'12	11.95	10.70	13.25	10.65	17,664.10	17,010.16	0.41	0.46
May'12	11.85	7.55	12.35	7.60	17,432.33	15,809.71	0.29	0.43
Jun'12	9.65	5.10	10.25	5.05	17,448.48	15,748.98	0.22	0.33
Jul'12	7.10	5.25	7.25	5.25	17,631.19	16,598.48	0.20	0.25
Aug'12	6.70	3.99	6.70	3.95	17972.54	17026.97	0.15	0.24
Sep'12	4.99	4.05	5.20	3.90	18,869.94	17,250.80	0.15	0.18
Oct'12	4.85	4.35	5.00	4.25	19,137.29	18,393.42	0.16	0.18
Nov'12	4.80	3.20	5.05	3.25	19,372.70	18,255.69	0.12	0.17
Dec'12	5.00	3.02	5.00	3.00	19,612.18	19,149.03	0.13	0.16
Jan'13	4.00	2.60	4.00	2.60	20,203.66	19,508.93	0.10	0.14
Feb'13	3.09	2.20	3.00	2.15	19,966.69	18,793.97	0.08	0.11
Mar'13	2.50	1.37	2.45	1.40	19754.66	18568.43	0.06	0.08

i Distribution of Shareholding as on March 31, 2013:

No. of Shares	No. of shareholders	% of Shareholders	No. of shares	% of Shareholding
1	2	3	4	5
Upto - 100	1390	20.93	81758	0.10
101 - 200	608	9.16	108427	0.14
201 - 500	1518	22.86	624464	0.79
501 - 1000	1100	16.57	997144	1.26
1001 - 5000	1210	18.22	3126022	3.95
5001 - 10000	253	3.81	1985750	2.51
10001 - 100000	450	6.78	15078742	19.04
100001 and above	111	1.67	57203143	72.22
TOTAL	6640	100.00	79205450	100.00

j. Share Transfer Procedure:

Your Company has constituted a Shareholder's & Investors Grievances Committee to look after the proper administration of all the work and approve matters in relation to the Share Transfer Procedure. The Committee has been constituted to work in the best interest of the Shareholders of the Company along with The Registrar and Share Transfer Agents of the Company, M/s Sharex Dynamic (India) Pvt. Ltd. and recommends measures for the overall improvement in the quality of investor services.

k. Registrar and Transfer Agents:

M/s. Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Ind.Premises,
Andheri Kurla Road, Safed Pool,
Andheri (East), Mumbai 400 072.
Ph.Nos.: (91-22) 2851 5606/2851 5644;
Fax No.: (91-22)28512885.
Website: www.sharexindia.com and
e-mail id: sharexindia@vsnl.com & sd_india@rediffmail.com

l. Means of Communication:

Information like quarterly results and press releases on significant developments in the Company is submitted to the Stock Exchanges on which the Company's Equity shares are listed, to enable them to put on their websites and are also posted on the Company's website (www.tricominfo.com). The quarterly financial results are published in Free Press Journal (Mumbai Edition) and Navshakti/ Maharashtra Times (Mumbai Edition- Marathi).

m. Compliance with other Mandatory requirements
i. Management Discussion and Analysis:

Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters as specified under clause 49 (IV) (F) of the Listing Agreement.

ii. Subsidiaries:

The minutes of the Subsidiary Companies are periodically placed before the Board of Directors of the Company and the attention of the directors is drawn to all significant transactions and arrangements entered into by the Subsidiary Companies. The Audit Committee reviews the financial statements of the Subsidiary Companies.

iii. Other Disclosures
a. Related Party Transactions

The Company has entered into related party transactions as set out in the notes to accounts, which are not likely to have conflict with the interest of the Company. The details of all significant transactions with related parties are placed before the Audit Committee.

b. No Penalty or Strictures

No penalty or stricture has been imposed on the Company by the Stock Exchange or SEBI or any other Statutory Authority, on any matter related to the capital markets during the last 3 years.

c. Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in the Annexure to Notes to the Accounts.

d. Risk Management

Business risk evaluation and management is an ongoing process with the Company. The Audit Committee and the members of the Board are informed about the risk assessment and minimization procedures.

e. CEO/CFO Certification

Pursuant to the provisions of Sub-Clause V of Clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director has issued a certificate to the Board, for the year ended March 31, 2013.

f. Code of Conduct

The Company has adopted the code of conduct and ethics for Directors and Senior Management. The code has been circulated to all the members of the Board and Senior Management and the same has been put on the Company's website www.tricominfo.com. The Board members and senior management have affirmed their compliance with the code of conduct and a declaration signed by the Managing Director is given below:

"It is hereby declared that the Company has obtained from all members of the Board and senior management affirmation that they have complied with the code of conduct for directors and senior management of the Company for the year 2012-2013".

CHETAN KOTHARI
CHAIRMAN & MANAGING DIRECTOR

g. Outstanding GDRs/Convertible Instruments, conversion date and its likely impact on equity

The Company has 29, 75,000 Global Depository Receipts (GDRs) outstanding as on March 31, 2013. Each GDR represents one underlying share in the Company. GDR is not a specific time bound instrument and can be surrendered any time and converted into the underlying equity shares in the Company.

h. Compliance with Non- Mandatory Requirements:**i Remuneration Committee:**

The Board has set up a Remuneration Committee details whereof are furnished in Sr. No. 3 of this Report.

ii Shareholder Rights:

The quarterly and half yearly results are not being sent to the personal address of the Shareholders as the quarterly results of the Company are published in the press and the results are posted on the website of BSE (www.bseindia.com); NSE (www.nseindia.com).

iii Whistle Blower Policy:

The Company has no whistle Blower policy as of today.

iv. Other Non Mandatory requirements:

Adoptions of other non-mandatory requirements of the Listing Agreement are being reviewed by the Board from time to time.

n. Registered Office of the Company

Tricom House, Gandhi Estate,
Andheri Kurla Road, Safed Pool,
Andheri (East), Mumbai 400 072,
Maharashtra, India.

Tel : (91-22) 6690 7800, 28523437, 28561756

Fax : 66907810; Website: www.tricominfo.com

Designated E-mail address for investor services: investor@tricommail.com

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Tricom India Limited

We have read the Report of Directors on Corporate Governance and have examined the relevant records relating to compliance of condition of Corporate Governance by **TRICOM INDIA LIMITED** for the year ended on 31st March, 2013, as stipulated in Clause-49 of the Listing Agreement executed by the Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the condition of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor complaints are pending for a period exceeding for 30 days against the Company as per records maintained by the Share Transfer and Investors Grievance Committee.

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

FOR KOSHAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No. 121233W

KOSHAL MAHESHWARI
Proprietor
Membership No. 043746

Place : Mumbai
Date : 30th May, 2013

INDEPENDENT AUDITORS' REPORT

To the Members of
Tricom India Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and Cash Flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

As per section 205A(1) of the Companies Act, 1956, if the dividend has not been paid within the prescribed time then unpaid dividend has to be transfer to special account with schedule bank. The Company has declared dividend of ₹ 131.39 Lacs in its Annual General Meeting held on 31st December, 2011. Due to paucity of funds, the amount of ₹ 78.42 Lacs as on 31.03.2013 has not been transferred to special account as per Section 205A(1) of the Companies Act, 1956.

Qualified Opinion

In our opinion, and to the best of our information and according to the explanations given to us except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph, the said 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:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2013;
- ii) in the case of the Statement Profit and Loss of the **Loss** of the Company for the year ended on that date; and
- ii) in the case of Cash Flow Statements, of the cash flows for the year ended on that date.

Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we give in the annexure a statements on the matters specified in the paragraphs 4 and 5 of the said Order to the extent applicable to the Company.

2. As required by section 227(3) of the Act, we report that:
- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those Books.
 - c) The Balance Sheet and the Statement of Profit and Loss dealt with by this report are in the agreement with the books of accounts.
 - d) In our opinion, the Statement of Profit and Loss and the Balance Sheet dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - e) "On the basis of the written representation received from Directors, as on 31st March 2013, and taken on record by the Board of Directors, we report that none of the Director of the Company is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of Ss.(1) of S. 274.

FOR KOSHAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No. 121233W

Place : Mumbai
Date : 30th May, 2013

KOSHAL MAHESHWARI
Proprietor
Membership No. 043746

ANNEXURE TO AUDITOR'S REPORT

Referred to in paragraph 1 under "Report on Other Legal & Regulatory Requirements" in the Independent Auditors' Report of even date to the members of Tricom India Limited on the financial statements of for the year ended March 31, 2013

- 1) (a) The Company has maintained proper records showing full particulars including quantitative detail and situation of fixed assets.

(b) As explained to us, the physical verification of a major portion of fixed asset as on March 31, 2013 was conducted by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company. No material discrepancies were noticed on such verification.

(c) Based on our scrutiny of records of the Company and the information and explanations received by us, we report that the Company has not disposed off any major part of the fixed assets, so as to affect its going concern.
- 2) The nature of activities of the companies is such that Para 4 (ii) (a), (b), (c) of the order are not applicable.
- 3) In respect of unsecured loans granted to/taken from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956 and according to the information and explanation given to us:
 - (A) (a) The Company has granted unsecured loans aggregating to ₹ 468.51 Lacs (including ₹ 319.06 Lacs granted during the year) to its three wholly owned subsidiary companies repayable on demand. At the year end the loans granted to them aggregates to ₹ 442.90 Lacs. The maximum amount outstanding during the year was ₹ 468.51 Lacs.

(b) The rate of interest, where applicable, and other terms and conditions are not *prima facie* prejudicial to the interest of the Company having regards to the business relationship with the companies to whom loans have been granted.

(c) There are no overdue interest (wherever applicable) on the above loans granted.
 - B) (a) The Company has taken interest free unsecured loans from three parties and interest bearing loans from two parties listed in the register maintained under Section 301 of the Companies Act, 1956 aggregating to ₹ 180.50 Lacs received during the year of which ₹ Nil is outstanding at the year end. The maximum amount outstanding at any time during the year was ₹ 180.50 Lacs.

(b) The Company is maintaining current account with one other party and the year end balance as per the books of accounts is ₹ NIL.

(c) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of loans taken are *prima facie* not prejudicial to the interest of the Company

(d) The Company is generally regular in paying principal amount and interest wherever applicable.
- 4) Having regard to the nature of the Company's business and based on our scrutiny of the Company's record we report that the activity of Company does not include purchase of inventory and sale of goods. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets. During the course of our audit, no major weakness has been noticed in the internal controls regarding purchase of fixed assets.
- 5) (a) Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that the transactions that need to be entered in to the register maintained under section 301 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contract or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

- 6) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regards to the deposits accepted from the public.
- 7) In our opinion, the internal audit functions carried during the year, by a firm of Chartered Accountants appointed by the management, have been commensurate with the size of the Company and nature of its business.
- 8) According to the information and explanations provided by the management, the Company is not engaged in production, processing, manufacturing and mining activities. Hence provisions of section 209(1)(d) do not apply to the Company.
- 9) (a) In respect of Statutory dues, according to the records of the Company, the Company is generally depositing with some delay with appropriate authorities undisputed statutory dues including, Investor Education Protection Fund, Custom Duty, Excise-Duty, Cess and any other statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed statutory dues including Provident fund, Investor Education & Protection Fund, Employee State Insurance, Tax under Income-tax Act, 1961, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities except, ₹ 1093.20 Lacs under Tax under Income-Tax Act, 1961, ESIC of ₹ 96.82 Lacs and Provident Fund of ₹ 52.47 Lacs, Maharashtra Labour Welfare Fund of ₹ 2.38 Lacs, Value Added Tax of ₹ 17.80 Lacs and Professional Tax of ₹ 64.06 Lacs were outstanding, as at March 31, 2013 for a period of more than six months from the date they became payable.

(c) According to the records of the Company, there are no dues of Sales Tax, Customs Duty, Wealth-Tax, Excise Duty, Cess which have not been deposited on account of any dispute except Income Tax dues as under. The Company has filed appeal against the disputed Income Tax.

Forum where Dispute is pending	Assessment year	Disputed Amount (₹ In Lacs)
Mumbai High Court	2006-2007	28.25
Income Tax Appellate Tribunal-Mumbai	2007-2008	157.70
Commissioner of Income Tax (Appeals)	2007-2008	101.45
Commissioner of Income Tax (Appeals)	2008-2009	183.38
Commissioner of Income Tax (Appeals)	2009-2010	210.75
		681.73

- 10) The Company does not have accumulated losses as at March 31, 2013 and the Company has not incurred cash losses during the current year after considering the interest reversal as stated in note no 2.23 nor it has incurred any cash loss in the immediately preceding financial year.
- 11) Based on our audit procedures and on the informations and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks except as stated in note no. 2.3(b).
- 12) Based on our examination of documents and records, we are of the opinion that the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to it.

- 14) As per the records of the Company and information and explanations given to us by the management, Company is not dealing or trading in shares, securities, and debentures and other investments.
- 15) According to the information and explanation given to us the Company has given guarantee for loans taken by its subsidiary Company from banks or financial institutions. The terms of such guarantees are not prejudicial to the interest of the Company.
- 16) The term loans have been applied for the purpose for which they were raised.
- 17) According to the information and explanations given to us, and on an overall examinations of the Balance Sheet of the Company we report that no funds raised on short-term basis have been prima-facie used for long-term investment. No long term funds have been used to finance short term assets.
- 18) According to the records of the Company, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956.
- 19) As informed to us, the Company has not raised any money by public issue during the period covered by our audit report. However, during the year the Company has allotted 1,35,10,000/- Equity Shares of ₹ 2/- each fully paid up amounting to ₹ 1,823.85 Lacs including premium of ₹ 1553.65 Lacs.
- 20) During the course of our examination of books and records of the Company, carried out in accordance with auditing standard generally accepted in India, we have neither come across any instance of fraud by the Company, noticed or reported during the year, nor have we been informed of such cases by the management.

FOR KOSHAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN -121233W

KOSHAL MAHESHWARI
PROPRIETOR
Membership No. 043746

Place : Mumbai

Date : 30th May, 2013

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2013		Amount (₹)	
PARTICULARS	Note No.	As at 31 March, 2013	As at 31 March, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	15,84,10,900	13,13,90,900
(b) Reserves and Surplus	2.2	1,15,89,57,100	1,15,75,94,061
(c) Money received against share warrants		-	6,75,00,000
(2) Share Application money pending allotment		-	11,48,85,000
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	2.3	42,55,35,778	17,60,80,797
(b) Deferred Tax Liabilities (Net)	2.4	2,16,01,425	99,29,945
(c) Long Term Provisions	2.5	51,80,276	45,79,258
(4) Current Liabilities			
(a) Short-Term Borrowings	2.6	33,26,87,681	45,01,23,900
(b) Trade Payables	2.7	3,23,38,432	84,50,860
(c) Other Current Liabilities	2.8	23,02,53,470	13,90,92,789
(d) Short-Term Provisions	2.9	4,37,42,727	1,47,00,026
Total Equity & Liabilities		<u>2,40,87,07,789</u>	<u>2,27,43,27,536</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	2.10		
(i) Tangible assets		6,77,15,944	8,08,23,000
(ii) Intangible assets		40,17,51,740	15,72,19,042
(b) Non-Current Investments	2.11	1,07,30,44,603	92,89,54,066
(c) Long Term Loans and Advances	2.12	2,30,52,108	3,64,50,033
(d) Other Non-Current Assets	2.13	23,15,320	30,58,045
(2) Current Assets			
(a) Inventories	2.14	16,70,69,518	23,57,81,862
(b) Trade Receivables	2.15	46,47,16,056	62,13,28,245
(c) Cash and Cash Equivalents	2.16	25,09,477	37,75,842
(d) Short-Term Loans and Advances	2.17	20,58,27,843	20,62,32,221
(e) Other Current Assets	2.18	7,05,180	7,05,180
Total Assets		<u>2,40,87,07,789</u>	<u>2,27,43,27,536</u>

SIGNIFICANT ACCOUNTING POLICIES 1

NOTES TO ACCOUNTS 3

Notes referred to above and notes attached there to form an integral part of Balance Sheet

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR **KOSHAL & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Reg. No. 121233W

CHETAN KOTHARI
MANAGING DIRECTOR

PARESH PATHAK
DIRECTOR

KOSHAL MAHESHWARI

Proprietor

Membership No. 043746

Place : Mumbai

Date : 30th May, 2013

G. T. SHENOY
COMPANY SECRETARY

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2013		Amount (₹)	
PARTICULARS	Note No.	For the year	For the year
		31 March, 2013	31 March, 2012
I Revenue from Operations	2.19	44,14,89,210	80,07,33,912
II Other Income	2.20	5,01,71,394	7,52,43,504
Total Revenue		49,16,60,604	87,59,77,416
III Expenses			
Purchase of Stock-In-Trade		-	13,76,30,862
Changes in inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	2.21	6,87,12,344	(5,33,50,437)
Employee Benefits Expense	2.22	16,20,72,113	22,47,81,636
Finance Costs	2.23	22,14,64,923	15,20,97,780
Depreciation and Amortization Expense	2.10	5,51,98,961	5,35,61,766
Other Administrative Expenses	2.24	12,65,42,744	22,01,86,458
Total Expenses		63,39,91,085	73,49,08,065
IV Profit before exceptional and extraordinary items and tax		(14,23,30,481)	14,10,69,351
V Exceptional Items		-	-
VI Profit before extraordinary items and tax		(14,23,30,481)	14,10,69,351
VII Extraordinary Items		-	-
VIII Profit before tax		(14,23,30,481)	14,10,69,351
IX Tax expense			
(1) Current tax		-	5,42,55,200
(2) Deferred tax		1,16,71,480	(39,40,997)
X Profit/(Loss) for the period (VIII - IX)		(15,40,01,961)	9,07,55,148
XI Earning per Equity share (Face value ₹ 2/-)			
(1) Basic		(2.02)	1.39
(2) Diluted		(2.02)	1.15

SIGNIFICANT ACCOUNTING POLICIES 1

NOTES TO ACCOUNTS 3

Notes referred to above and notes attached there to form an integral part of Statement of Profit & Loss

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR KOSHAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No. 121233W

CHETAN KOTHARI
MANAGING DIRECTORPARESH PATHAK
DIRECTOR**KOSHAL MAHESHWARI**

Proprietor

Membership No. 043746

Place : Mumbai

Date : 30th May, 2013

G. T. SHENOY
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013
Amount (₹)

PARTICULARS	For the year ended 31 March, 2013	For the year ended 31 March, 2012
A - Cash flow from Operating activities		
Profit Before Tax	(14,23,30,481)	14,10,69,351
Adjustment for:		
Depreciation	5,51,98,961	5,35,61,766
Interest Expenses	13,09,55,705	19,25,79,391
Interest Reversal/(Received)	9,05,09,218	(4,04,81,611)
Miscellaneous Expenses Written off	7,05,180	7,05,180
Loss on Sale of Fixed Assets	1,32,811	3,76,601
Assets written-off	-	98,70,969
Operating Profit before Working capital changes	13,51,71,394	35,76,81,647
Adjustment for:		
Inventory	6,87,12,344	(5,33,50,437)
Trade and other receivable	24,21,21,241	(30,82,72,191)
Trade and other payables	10,00,00,157	3,30,81,959
Cash generated from Operating activities	54,60,05,136	2,91,40,978
Direct Taxes (paid) / refund	(71,57,581)	(3,66,60,212)
Operating Cash flow before prior period item	53,88,47,555	(75,19,234)
Prior period income / (expenses)	-	-
Net cash from Operating activities	53,88,47,555	(75,19,234)
B - Cash flow from Investing activities		
Purchase/Sale of Fixed Assets (net)	(28,67,52,176)	(6,92,22,841)
Purchase of Investments	(14,40,90,537)	(13,61,83,429)
Interest Received/(Reversal)	(9,05,09,218)	4,04,81,611
Inter Corporate Deposit placed	(6,45,16,862)	9,29,20,314
Net cash used in Investing activities	(58,58,68,793)	(7,20,04,345)
C - Cash Flow from Financing activities		
Proceeds of borrowings	24,89,82,952	16,32,14,600
Repayment of borrowings	(7,16,22,174)	(23,11,58,676)
Interest paid	(13,09,55,705)	(19,25,79,391)
Dividend paid	(6,50,200)	(46,47,000)
Proceeds from Issue of Share Capital	-	12,09,00,000
Share Application	-	18,23,85,000
Net Cash from Financing activities	4,57,54,872	3,81,14,533
Net Increase/Decrease in Cash and cash equivalents (A+B+C)	(12,66,366)	(4,14,09,047)
Cash and cash equivalents at the beginning of the year	37,75,842	4,51,84,889
Cash and cash equivalents at the end of the year	25,09,477	37,75,842

Previous year's figures have been regrouped wherever necessary to confirm to this year's classification.

AUDITOR'S CERTIFICATE

We have verified the attached Cash Flow Statement of Tricom India Limited, derived from the audited financial statements and books and records maintained by the company for the year ended 31st March, 2013 and found the same in agreement therewith.

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR KOSHAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No. 121233W

CHETAN KOTHARI
MANAGING DIRECTOR

PARESH PATHAK
DIRECTOR

KOSHAL MAHESHWARI

Proprietor

Membership No. 043746

Place : Mumbai

Date : 30th May, 2013

G. T. SHENOY
COMPANY SECRETARY

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2013

1- SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of Financial Statements :

The financial statements have been prepared under the historical cost convention, on the basis of going concern and on accrual method of accounting, in accordance with Normally Accepted Accounting Principles and provisions of the Companies Act, 1956 as adopted consistently by the Company. All incomes and expenditures having material bearing on financial statements are recognized on accrual basis. The Company has complied with all the mandatory Accounting Standards (AS) to the extent applicable as prescribed by the Company's (Accounting Standards) Rules, 2006, the provisions of the Companies Act 1956. The Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto in use.

1.2 Use of Estimates :

The preparation of the financial statements in conformity with Normally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of the assets and liabilities on the date of financial statements and the report amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which it gets materialized.

1.3 Revenue Recognition :

Revenue from services is recognized based on time and material and billed to the clients as per the terms of the contract. In the case of fixed price contracts, revenue is recognized on periodical basis based on units executed and delivered.

Revenue from sale of software is recognized on delivery and transfer of ownership of the software to the clients.

Revenue from sale of software licenses are recognized upon delivery where there is no customization required. In case of customization the same is recognized over the life of the contract using the proportionate completion method.

Other Income: Interest Income is accounted on accrual basis. Dividend income is accounted for when right to receive is established.

1.4 Fixed Asset, Depreciation and Amortisation :

a) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. For this purpose cost comprises of cost of acquisition and all costs directly attributable to bringing the asset to the present condition for its intended use. Capital work in progress comprises advance paid to acquire fixed assets and the cost of fixed assets that are not ready for their intended use at the balance sheet date.

b) Method of Depreciation:

Depreciation is provided during the year under Straight Line method, on pro-rata basis on assets put to use at the rates prescribed under Schedule XIV of the Companies Act, 1956. Individual low cost assets (acquired for less than ₹ 5,000/-) are entirely depreciated in the year of acquisition.

1.5 Investments :

Investments are valued at cost inclusive of all expenses incidental to their acquisition. All the investments are intended to be held for a period of more than one year from the date on which investments are made are classified as long term investments. All long term investments are carried at cost. No provision for diminution in value of long term investments is made. Overseas Investments are carried at their original rupee cost of acquisition.

1.6 Foreign Currency Transactions :

Transactions in foreign currency are recorded at the rates of exchange prevailing on the date of transactions. Exchange differences are recorded when the amount actually received on sales or actually paid when expenditure is incurred, is converted into Indian Rupees. The exchange differences arising on foreign currency transactions are recognized as income or expense in the year in which they arise.

Forward premia / discount in respect of forward exchange contracts are recognized over the life of the contract.

Fixed assets purchased are recorded at cost, based on the exchange rate as of the date of purchase.

Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevailing at the date of balance sheet. In case of items which are covered by forward exchange contracts, the difference between the exchange rate prevailing at the Balance Sheet date and the rate on the day of contract is recognized as exchange difference. The resulting difference is also recorded in the Statement of Profit and Loss.

1.7 Retiring Benefits :

The Company has Defined Contribution Plan for its Employees' Retirement Benefits comprising of Provident Fund, Employees' State Insurance Fund which are recognized by the Income Tax Authorities. The Company and eligible employees make monthly contributions to the Provident Fund equal to specified percentage of the covered employees' salary. The Company also contributes to Employees' State Insurance Fund and has no further obligation to the plan beyond its monthly contribution.

The Company has Defined Benefit Plan comprising of Gratuity. The benefits are based on final salary and cost of the benefit is entirely borne by the Company. The benefits of the scheme are paid in accordance with the Payment of Gratuity Act, 1972 without any monetary limit. The liability for Gratuity is determined on the basis of an independent actuarial valuation done at the year end. The liability is computed based on current salary levels projected to the probable due date. The method employed is projected unit credit method.

As per Company Policy the unused accumulated leave balance lapses at the year end and no employee is entitled to cash compensation for unused accumulated leave balance at the end of the year , hence, no provision is required to be made.

1.8 Income Tax :

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 after complying with the various provisions of the Act.

Provision for deferred tax is made using the applicable rate of taxation, for all timing differences which arise during the year and are reversed in subsequent periods.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset when there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly MAT is recognized as asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

1.9 Inventory :

Work-In-Progress is valued at cost. Traded goods are valued at lower of cost or net realizable value.

1.10 Software :

The Company has internally generated software for its captive use for the various long term projects received. The direct cost of this software is capitalized and shown as Intangible assets under the Group Fixed Assets. This amount would be amortized beginning from the year subsequent to the year in which the said is put to use. The amortization period would be the project period or three equal yearly installments whichever is less.

1.11 Earning Per Share :

In determining earnings per share, the Company considers the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

1.12 Contingent Liability :

Claims against the Company are recognized when Board of Directors determine that it is probable that the liability will be payable. Claims made by the Company are recognized when formal intimation of the agreement of the Claim is received from the counter parties. Contingent Liabilities are not recognized but are disclosed in the notes (Refer note 3.1).

1.13 Leases :

In respect of Operating leases, lease rentals are expensed with reference to the terms of lease.

1.14 Miscellaneous Expenditure (To the extent not written off or adjusted) :

Expenses incurred would be amortized over a period of ten years beginning from the date of incurrence.

1.15 Accounting policies not specifically referred to are consistent with the Indian Normally Accepted Accounting Principles.

Notes Forming Integral Part of the Balance Sheet as at 31st March 2013

Note : 2.1 Share Capital

PARTICULARS	As at 31 March, 2013		As at 31 March, 2012	
	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
I AUTHORISED CAPITAL				
1 Equity Shares of ₹ 2/- each.	8,75,00,000	17,50,00,000	8,75,00,000	17,50,00,000
2 Preference Shares of ₹ 100/- each.	2,50,000	2,50,00,000	2,50,000	2,50,00,000
TOTAL	8,77,50,000	20,00,00,000	8,77,50,000	20,00,00,000
II ISSUED, SUBSCRIBED & PAID UP CAPITAL				
1 Equity Shares of ₹ 2/- each.	7,92,05,450	15,84,10,900	6,56,95,450	13,13,90,900
TOTAL	7,92,05,450	15,84,10,900	6,56,95,450	13,13,90,900

a - Rights of the Shareholders:

1- The Company has only one class of equity shareholders. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting.

2 - In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

PARTICULARS	As at 31 March, 2013		As at 31 March, 2012	
	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
Equity Shares				
Shares outstanding at the beginning of the year	6,56,95,450	13,13,90,900	5,96,50,450	11,93,00,900
Shares issued during the year/period	1,35,10,000	2,70,20,000	60,45,000	1,20,90,000
Shares outstanding at the end of the year	7,92,05,450	15,84,10,900	6,56,95,450	13,13,90,900

c - Share application money:

As at 31 March 2012, the Company had received an amount of ₹ 11,48,85,000/- towards share application money towards 85,10,000/- equity shares of ₹ 2/- each at a premium of ₹ 11.50 per equity share. The share application money was received pursuant to an invitation to offer shares and in terms of such invitation, the Company has allotted these shares on 14th May, 2012. The Company has sufficient authorised capital to cover the allotment of these shares.

d - Monies received against share warrants:

The Board of Directors of the Company at their meeting held on 9th January, 2012 and as approved at its Meeting held on 17th February, 2012 have resolved to create, offer, issue and allot up to 50,00,000/- warrants, convertible into 50,00,000/- equity shares of ₹ 2/- each on a preferential allotment basis, pursuant to Section 81(1A) of the Companies Act, 1956, at a conversion price of ₹ 13.50 per equity share of the Company, arrived at in accordance with the SEBI Guidelines in this regard and subsequently these warrants were allotted on 14th May, 2012. The warrants have been converted into equivalent number of shares on 14th August, 2012.

PARTICULARS	Amount (₹)	
	As at 31 March, 2013	As at 31 March, 2012
Note : 2.2 Reserves & Surplus		
1 Capital Reserve		
Opening balance	31,995	31,995
Additions during the year	-	-
Closing balance	31,995	31,995
2 Securities Premium Reserve		
Opening balance	35,15,78,130	24,27,68,130
Add: Amount received on Shares issued during the year	15,53,65,000	-
Add: Amount arising on conversion of Fully Convertible Debentures to Equity Shares	-	10,88,10,000
Closing balance	50,69,43,130	35,15,78,130
3 General Reserve		
Opening balance	4,74,51,296	4,74,51,296
Add: For the year	-	-
Closing balance	4,74,51,296	4,74,51,296
4 Surplus in the Statement of Profit & Loss		
Opening balance	75,85,32,640	66,77,77,492
Add: Profit for the year	(15,40,01,961)	9,07,55,148
Closing balance	60,45,30,679	75,85,32,640
TOTAL	1,15,89,57,100	1,15,75,94,061

Note : 2.3 Long Term Borrowings
Secured (refer note a & b below)

1 Term Loans		
- From Banks		
Indian rupee loan	27,05,20,313	12,50,76,981
2 Vehicle Loans from Banks & FIs	14,41,680	31,35,137
Unsecured		
1 Public Deposits		
Others	15,29,49,068	4,61,85,000
2 Inter-corporate Deposits	6,24,717	16,83,679
TOTAL	42,55,35,778	17,60,80,797

a - Security for Long Term - Secured Loans

(i) Loan from Banks are secured by way of hypothecation of fixed assets (except vehicles) of the Company, book debts, pledge of shares of subsidiaries and pledge of fixed deposits with a Bank and further secured by personal guarantee of a Director.

(ii) Vehicle Loans from Banks are secured against the specific vehicle financed by respective banks.

b - Details of terms of repayment for the long-term borrowings :

Amount (₹)

PARTICULARS	TERMS OF PAYMENT	As at 31 March, 2013		As at 31 March, 2012	
		Long Term	Current Maturity	Long Term	Current Maturity
Term loans from banks:	Capital Repayment				
Bank 1 - Term Loan 1	Repayable in 33 monthly installments starting from Jan 2010 and repayable by Sep 2012. (15 installments of ₹ 0.2733 crores payable on monthly basis upto March 2011 and 18 installments of ₹ 0.6058 crores payable from April 2011 to Sep 2012).	-	-	-	4,83,82,602
Bank 1 - Term Loan 2	Repayable in 60 monthly installments of ₹ 0.0416 crores each commencing from April 2009 and repayable by March 2014.	-	-	49,12,920	55,56,319
Bank 1 - Term Loan 3	Repayable in 57 monthly installments commencing from October 2012 and repayable by June 2017.	3,31,00,000	1,35,47,998	-	-
	The Company has defaulted in paying the installments for the month of Jan, Feb and Mar 2013 (Jan and Feb since paid).				
Bank 1 - Term Loan 4	Repayable in 54 monthly installments commencing from January 2013 and repayable by June 2017.	14,93,00,000	4,06,83,857	-	-
	The Company has defaulted in paying the installments for the month of Jan, Feb and Mar 2013 (Jan since paid).				
Bank 2 - Term Loan 5	Repayable in 48 monthly installments of ₹ 0.2670 crores each commencing from Jan 2013 and repayable by Dec 2016.	8,81,20,313	4,50,02,656	12,01,64,061	80,10,939
	The Company has defaulted in paying the installments for the month of Jan, Feb and Mar 2013.				
Vehicle loans from banks:					
Loan 1	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	4,04,999	3,45,505	3,42,768
Loan 2	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	19,780	15,656	19,977
Loan 3	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	43,617	34,525	44,040
Loan 4	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	54,622	43,238	55,141
Loan 5	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	35,751	28,301	36,087
Loan 6	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	1,433	41,587	53,052
Loan 7	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	53,091	42,025	53,605
Loan 8	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	1,99,100	1,61,438	1,84,437
Loan 9	Repayable monthly in 36 installments from Feb 10 to Jan 13	-	21,798	-	2,03,641
Loan 10	Repayable monthly in 36 installments from Feb 10 to Jan 13	-	9,560	-	90,506
Loan 11	Repayable monthly in 36 installments from Feb 10 to Jan 13	-	23,012	-	2,14,696
Loan 12	Repayable monthly in 36 installments from Feb 10 to Jan 13	-	-	-	1,35,700
Loan 13	Repayable monthly in 36 installments from Mar 10 to Feb 13	-	8,493	-	86,855
Loan 14	Repayable monthly in 36 installments from Mar 10 to Feb 13	-	16,951	-	86,855
Loan 15	Repayable monthly in 60 installments from Apr 11 to Mar 16	5,17,087	2,28,007	7,45,093	2,03,365
Loan 16	Repayable monthly in 60 installments from Nov 10 to Sep 14	2,96,441	2,19,999	4,80,440	1,62,700
Loan 17	Repayable monthly in 60 installments from Sep 10 to Jul 15	3,95,080	4,06,822	6,66,964	2,49,324
Loan 18	Repayable monthly in 60 installments from Feb 10 to Dec 14	2,33,073	3,52,493	5,30,365	2,72,991

PARTICULARS	Amount (₹)	
	As at 31 March, 2013	As at 31 March, 2012
Note : 2.4 Deferred Tax Liability(Net)		
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting.	2,16,01,425	99,29,945
TOTAL	2,16,01,425	99,29,945
Note : 2.5 Long Term Provisions		
Provision for Employee Benefits		
Gratuity Provision	51,80,276	45,79,258
TOTAL	51,80,276	45,79,258
Note : 2.6 Short Term Borrowings		
I Unsecured		
Fixed Deposits	33,00,000	56,71,000
Inter-corporate Deposits	18,43,32,162	16,99,02,790
II Secured		
1 Loan Repayable on Demand		
- From Bank (Refer note a below)	10,10,50,007	21,31,58,110
- From other	4,40,05,512	-
2 Buyers credit from Bank	-	6,13,92,000
TOTAL	33,26,87,681	45,01,23,900
a - Loan from Banks are secured by way of hypothecation of fixed assets (except vehicles) of the Company, book debts, pledge of shares of subsidiaries and pledge of fixed deposits with a Bank and further secured by personal guarantee of a Director.		
Note : 2.7 Trade Payable		
Due to Micro Small and Medium Enterprise (Refer note 3.3)	-	-
Others	3,23,38,432	84,50,860
TOTAL	3,23,38,432	84,50,860
Note : 2.8 Other Current Liabilities		
Current maturities of long term debt		
I Secured		
1 Term Loans		
- From Banks	9,92,34,511	6,19,49,860
2 Vehicle Loans from Banks & FIs	20,99,527	24,95,739
II Unsecured		
1 Fixed Deposits	81,26,000	3,00,000
2 Inter-corporate Deposits	11,89,972	8,99,372
3 Interest accrued but not due on borrowings	12,63,085	10,12,580
4 Interest accrued and due on borrowings	65,98,583	17,85,676
5 Unpaid matured deposits and interest accrued thereon	5,95,000	1,00,000
6 Unclaimed Dividends	14,04,868	11,02,814
7 Payable for Capital goods	56,52,616	1,31,57,336
8 Advance from customers	-	82,007
9 Provision for expenses	1,77,87,968	36,41,550
10 Statutory liabilities	8,63,01,339	5,25,65,855
TOTAL	23,02,53,470	13,90,92,789
Note :2.9 Short Term Provisions		
I Provision For Employees Benefit	4,00,56,154	1,10,13,453
II Provisions-Others		
Provision for Fringe Benefit Tax	36,86,573	36,86,573
TOTAL	4,37,42,727	1,47,00,026

Note : 2.10 Fixed Asset

Amount (₹)

Sr. No	Particulars	Gross Block			Depreciation			Net Block			
		Balance as at 1 April 2012	Addition during the year	Deduction during the year	Balance as at 31 March 2013	Balance as at 1 April 2012	Addition during the year	Deduction during the year	Balance as at 31 March 2013	Balance as at 31 March 2013	
I	Tangible Assets										
1	Air-conditioners	64,93,805	-	-	64,93,805	11,52,268	3,08,457	-	14,60,725	50,33,080	53,41,537
2	Computers	11,51,13,552	6,25,562	2,35,429	11,55,03,685	9,11,42,751	82,66,340	-	9,94,09,091	1,60,94,594	2,39,70,801
3	Electrical Installations	1,18,61,148	-	-	1,18,61,148	29,65,462	5,63,400	-	35,28,862	83,32,286	88,95,686
4	Fax machine	11,055	-	-	11,055	4,031	525	-	4,556	6,499	7,024
5	Furnitures & Fixtures	4,38,16,883	-	-	4,38,16,883	1,32,63,015	27,73,595	-	1,60,36,610	2,77,80,273	3,05,53,868
6	Office Equipments	37,06,894	1,46,258	-	38,53,152	9,14,628	1,76,461	-	10,91,089	27,62,063	27,92,266
7	Vehicles (Cars)	1,34,50,198	-	5,30,190	1,29,20,008	44,94,845	12,62,865	2,58,050	54,99,660	74,20,348	89,55,353
8	Telephone Installations	4,13,908	-	-	4,13,908	1,07,442	19,664	-	1,27,106	2,86,802	3,06,466
	TOTAL (I)	19,48,67,443	7,71,820	7,65,619	19,48,73,644	11,40,44,443	1,33,71,307	2,58,050	12,71,57,700	6,77,15,944	8,08,23,000
II	Intangible Assets										
1	Software Purchased	19,46,13,924	27,87,87,631	-	47,34,01,555	5,32,92,312	3,40,94,761	-	8,73,87,073	38,60,14,482	14,13,21,612
2	Software Development	7,07,14,059	75,72,721	-	7,82,86,780	5,48,16,629	77,32,893	-	6,25,49,522	1,57,37,258	1,58,97,430
	TOTAL (II)	26,53,27,983	28,63,60,352	-	55,16,88,335	10,81,08,941	4,18,27,654	-	14,99,36,595	40,17,51,740	15,72,19,042
	TOTAL (I+II)	46,01,95,426	28,71,32,172	7,65,619	74,65,61,979	22,21,53,383	5,51,98,961	2,58,050	27,70,94,294	46,94,67,684	23,80,42,042
	Previous Year	39,36,43,994	8,49,36,650	1,83,84,319	46,01,95,426	17,40,05,857	5,35,61,766	54,14,240	22,21,53,383	23,80,42,042	21,96,37,237

PARTICULARS	Amount (₹)	
	As at 31 March, 2013	As at 31 March, 2012
Note : 2.11 Non Current Investment (at cost)		
I Trade Investments (Un-quoted)		
Investment in Subsidiaries:		
1 1,80,45,877/- (Previous year 1,56,70,877/-) shares of common stock of Tricom Document Management Inc., USA, no par value.	83,55,88,917	70,64,12,667
2 1,36,30,606/- (Previous year 86,59,177/-) Equity Shares of Tricom Infotech Solutions Limited of ₹ 10/- each fully paid up.	21,23,06,686	14,08,62,213
3 NIL (Previous year 49,71,429/-) Equity Shares of Tricom Infotech Solutions Limited of ₹ 10/- , ₹ 7/- each paid up.	-	5,65,30,186
4 10,000/- (Previous year 10,000/-) Equity shares of Tricom I.T. Services Private Limited (formerly known as Mastiff Internet Media Solutions (P) Limited) of ₹ 10/- each fully paid up.	1,22,14,000	1,22,14,000
5 1,60,000/- (Previous year 1,60,000/-) Equity shares of Mastiff Tech Private Limited of ₹ 10/- each fully paid up.	1,27,86,000	1,27,86,000
6 10,000/- (Previous year 10,000/-) Equity shares of Tricom LPO Private Limited of ₹ 10/- each fully paid up.	1,00,000	1,00,000
II Non-trade Investments (Others - Un-quoted)		
4,900/- Equity Shares of Malad Sahakari Bank Ltd. of ₹ 10 each fully paid up.	49,000	49,000
TOTAL	1,07,30,44,603	92,89,54,066
Note : 2.12 Long Term Loans and Advances		
Unsecured, Considered Good :		
Security Deposit	2,30,52,108	3,64,50,033
TOTAL	2,30,52,108	3,64,50,033
Note: 2.13 Other Non Current Asset		
1 Prepaid Expenses	8,26,007	8,63,552
2 Miscellaneous Expenditure	14,89,313	21,94,493
TOTAL	23,15,320	30,58,045
Note : 2.14 Inventories		
(Valued at lower of the cost and net realizable value)		
1 Work-In-Progress	-	8,85,000
2 Stock-In-Trade	16,70,69,518	23,48,96,862
TOTAL	16,70,69,518	23,57,81,862
Note: 2.15 Trade Receivables		
Unsecured, Considered good		
1 Receivables outstanding for a period exceeding six months from the date they are due for payment	22,34,35,244	4,64,49,273
2 Others	24,12,80,812	57,48,78,972
TOTAL	46,47,16,056	62,13,28,245

PARTICULARS	Amount (₹)	
	As at 31 March, 2013	As at 31 March, 2012
Note: 2.16 Cash & Cash Equivalents		
I Cash-on-Hand		
Cash Balance	(A) 6,38,796	5,96,871
II Balances with Banks		
1 Unclaimed dividend accounts	14,04,774	11,02,720
2 Balances with banks in EEFC accounts	41,617	1,78,493
3 Other Bank Balances including balances in Current accounts	1,94,785	2,12,789
4 Fixed deposit with banks	2,29,505	16,84,969
	(B) 18,70,681	31,78,971
TOTAL (A+B)	25,09,477	37,75,842

Note: 2.17 Short Terms Loans and Advances

I Unsecured , considered good		
1 Loan to Companies & Other parties	7,74,15,571	4,22,43,380
2 Loans & Advances to Related parties	4,42,89,907	1,49,45,236
3 Advance Income Tax (net of provision for taxation)	1,96,45,549	5,46,80,245
4 Advance Recoverable in cash or in kind or for value to be considered good	5,33,89,895	8,19,42,405
5 Prepaid Expenses	1,10,86,922	1,24,20,956
TOTAL	20,58,27,843	20,62,32,221

Note: 2.18 Other Current Assets

Miscellaneous Expenditure	7,05,180	7,05,180
TOTAL	7,05,180	7,05,180

Notes Forming Part of the Statement of Profit & Loss

PARTICULARS	Amount (₹)	
	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Note : 2.19 Revenue from Operations		
Income from Services	44,14,89,210	80,07,33,912
TOTAL	44,14,89,210	80,07,33,912

Note : 2.20 Other Income

1 Miscellaneous Income	13,42,830	1,31,200
2 Net gain on foreign currency transactions/translation	4,88,28,564	7,51,12,304
TOTAL	5,01,71,394	7,52,43,504

Note : 2.21 Change in Inventories of Finished Goods,**Work-In-Progress and Stock-In-Trade**

1 Opening Stock of Stock-In-Trade and Work-In-Progress		
Work-In-Progress	8,85,000	10,22,500
Stock-In-Trade	23,48,96,862	18,14,08,925
2 Closing Stock of Stock-In-Trade and Work-In-Progress		
Work-In-Progress	-	8,85,000
Stock-In-Trade	16,70,69,518	23,48,96,862
TOTAL	6,87,12,344	(5,33,50,437)

PARTICULARS	Amount (₹)	
	For the year 31 March, 2013	For the year 31 March, 2012
Note : 2.22 Employee Benefits Expense		
1 Salaries & Incentives	15,26,99,404	21,33,98,055
2 Directors Remuneration	4,80,000	30,00,000
3 Contribution to Provident and Other Funds	93,38,129	80,27,166
4 Staff Welfare expenses	27,38,005	34,80,137
	16,52,55,538	22,79,05,358
Less: Capitalised	31,83,425	31,23,722
TOTAL	16,20,72,113	22,47,81,636
Note :2.23 Finance Costs		
1 Interest Expenses	11,14,52,359	15,23,09,437
2 Finance Charges	1,95,03,346	3,91,63,575
3 Other Borrowing Costs	-	11,06,379
	13,09,55,705	19,25,79,391
Less: Interest Earned / (Reversal)	(9,05,09,218)	4,04,81,611
TOTAL	22,14,64,923	15,20,97,780
Note : 2.24 Other Administrative Expenses		
1 Advertisement and Sales Promotion	12,37,353	25,68,401
2 Fixed Assets Written-off	-	98,70,969
3 Auditors Remuneration (Refer note 'a' below)	11,80,000	8,09,500
4 Bad debts Written-off	51,17,924	7,08,523
5 Bank Charges	8,70,056	6,19,473
6 Commission Expenses	4,77,79,859	4,43,87,617
7 Communication Expenses	48,13,187	51,51,947
8 Directors' Sitting Fees	15,000	90,000
9 Donation	46,01,000	94,91,000
10 Electricity Expenses	1,33,99,491	1,71,89,686
11 Foreign travel	13,81,551	15,15,631
12 Insurance Expenses	1,44,644	2,76,529
13 Legal & Professional Fees	44,33,348	32,24,134
14 Loss on sale of Assets	1,32,811	3,76,601
15 Miscellaneous Expenses	11,25,432	15,32,040
16 Motor Car Expenses	6,33,002	6,22,898
17 Miscellaneous Expenditure Written-off	7,05,180	7,05,180
18 Printing & Stationery Expenses	7,05,144	13,67,229
19 Rent Rates & Taxes	1,89,86,084	3,07,76,717
20 Repair & Maintenance	42,55,627	62,43,035
21 Security Expenses	11,66,477	17,61,673
22 Service charges	1,17,31,978	7,99,70,679
23 Service Tax Refund Rejection	49,20,034	-
24 Travelling & Conveyance Expenses	10,92,351	54,80,764
25 Water Charges	5,04,507	6,15,255
	13,09,32,040	22,53,55,480
26 Less: Expenses Capitalised	(43,89,296)	(51,69,022)
TOTAL	12,65,42,744	22,01,86,458
a - Payments to the auditors		
1 As auditors - statutory audit	7,50,000	7,50,000
2 For taxation matters	75,000	-
3 For other services -Certification	3,55,000	59,500
TOTAL	11,80,000	8,09,500

Additional information to the Financial Statements**Note : 3.1 Contingent liabilities and commitments (to the extent not provided for) (₹ in Lacs)**

PARTICULARS	As at 31 March, 2013	As at 31 March, 2012
i) Bank Guarantees issued to Custom authorities & others	8.31	8.31
ii) Appeals filed at different forums/authorities in respect of disputed demands:		
Income Tax	681.73	369.33
iii) Corporate Guarantee given by the Company in respect of credit limits sanctioned by a bank to a Subsidiary company	869.00	996.25
iv) Uncalled liability on partly paid shares	-	149.14

Note : Future cash outflows in respect of (ii) above are determinable only on receipt of judgments / decisions pending with the respective forums/authorities.

Note : 3.2 In the opinion of the Board, the Current Assets, Loans and Advances have been stated at a value realizable in the ordinary course of business.

Note : 3.3 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act,

The Company has not received any information from all its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006. However, as per the information available there are no amounts outstanding for a period beyond the stipulated period as specified under Micro, Small and Medium Enterprises Development Act, 2006.

Note : 3.4 Intangible Assets

During the year the company has internally generated software for its captive use for the various long term projects received and also developed software for sale of its licenses. The cost of ₹ 75.73 Lacs (Previous Year ₹ 82.93 Lacs) is capitalized and shown as Intangible assets under the Group Fixed Assets.

Note : 3.5 Few debtors, creditors and loans and advances are subject to confirmation and reconciliation if any.

Note : 3.6 Financial Instruments

The Company uses Foreign Currency Forward Contracts to hedge its risks associated with Foreign Currency Fluctuations. The Company does not use Forward Contracts for speculative purposes. The outstanding Foreign Exchange Forward Contract (4 Nos.) as on 31st March, 2013 in US \$ 5,00,000 amounting to ₹ 280.03 Lacs.

Note : 3.7 Operating lease

The company's significant leasing agreements are in respect of operating lease for office premises. These leasing agreements are cancelable and renewable by mutual consent on mutually acceptable terms. The aggregate lease rentals payable by the company are charged to Statement of Profit and Loss as a rent amounting to ₹ 188 Lacs (Previous year ₹ 303.33 Lacs). The future minimum lease payments under non-cancelable operating leases due within a period of one year are estimated at ₹ NIL (Previous year ₹ NIL) and due later than one year but not later than five years are estimated at ₹ NIL. (Previous year ₹ NIL Lacs).

Note : 3.8 Employee Benefits:

The disclosure required as per the revised AS-15 are as under :

Brief description of the Plan :

The Company has schemes for long term benefits such as Provident Fund and Gratuity. The Company's defined contribution plans are Provident Fund and Employees' State Insurance Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions. The Company has Defined Benefit Plan comprising of Gratuity. The benefits are based on final salary and cost of the benefit is entirely borne by the company. The benefits of the scheme are paid in accordance with the Payment of Gratuity Act, 1972 without any monetary limit. The liability for Gratuity is determined on the basis of an independent actuarial valuation done at the year end. As per the Company's Policy the unused accumulated leave balance lapses at the year end and no employee is entitled to cash compensation for unused accumulated leave balance at the end of the year and no provision is required to be made.

I. Charge to the Statement of Profit and Loss based on contributions

PARTICULARS	(₹ in Lacs)	
	As at 31 March, 2013	As at 31 March, 2012
Employer's contribution to Provident Fund	28.43	27.45
Employer's contribution to Employees' State Insurance	40.91	42.57

II. Disclosures for Defined Benefit Plans based on actuarial report as on 31st March, 2013

A. Change in Defined Benefit Obligation	(Non-Funded) Gratuity	
Projected benefit obligations as at the beginning of the year	46.38	43.55
Service cost	8.16	9.40
Interest cost	3.94	3.70
Past service cost	-	-
Actuarial (gain)/loss on obligation	9.44	(5.95)
Benefit Paid	(15.24)	(4.33)
Projected benefit obligations as at the end of the year	<u>52.68</u>	<u>46.38</u>

B. Charge to the Statement of Profit and Loss based on Actuarial valuation

Current service cost	8.16	9.40
Interest cost	3.94	3.70
Expected Return on Plan Assets	-	-
Net Actuarial gain	9.44	(5.95)
Net Periodic cost	<u>21.54</u>	<u>7.16</u>

C. Amount recognized in the Balance Sheet

Present Value of obligation	52.68	46.38
Present value of Assets	-	-
Liability recognised in Balance Sheet	<u>52.68</u>	<u>46.38</u>

D. Movement in net liability recognized & Disclosed in Balance Sheet

Net Liability as at the beginning of the year	46.38	43.55
Expenses as above	21.54	7.16
Contributions Paid	(15.24)	(4.33)
Net Liability as at the end of the year	<u>52.68</u>	<u>46.38</u>

E. Principal actuarial assumptions used

Discount Rate	8.50%
Salary Increment Rate	6.00%
Retirement Age	58 years
Attrition rate till the age of 30	2.00%

I - The estimates of future salary increase, considered in actuarial valuation, takes account of inflation.

II - The latest compiled Table LIC a(1994-96) is considered for the purpose of valuation.

Note : 3.9 Earning per share

PARTICULARS	Amount in (₹)	
	As at 31 March, 2013	As at 31 March, 2012
Basic Earning Per Share		
Net profit / (loss) for the year	(15,40,01,961)	9,07,55,148
Less: Dividend on Preference Shares	-	-
Profit / (loss) for the year attributable to the equity shareholders	A (15,40,01,961)	9,07,55,148
Weighted average number of equity shares for basic EPS	B 7,63,39,888	6,54,47,025
Basic Earnings per share - (₹)	A/B (2.02)	1.39
Diluted Earning Per Share		
Net profit / (loss) for the year	A (15,40,01,961)	9,07,55,148
Weighted average number of equity shares for diluted EPS	B 7,63,39,888	6,54,47,025
Add: Weighted average number of potential equity shares on account of convertible debentures/fresh issue	C -	1,35,10,000
Weighted average number of shares for diluted EPS	D= (B+C) 7,63,39,888	7,89,57,025
Diluted Earning per share - (₹)	A/D (2.02)	1.15
Face value per share (₹ 2/- each)		

Note : 3.10 Related party transactions

Description of relationship	Names of related parties
Subsidiary companies	Tricom Document Management Inc. Tricom Infotech Solutions Limited Mastiff Tech Private Limited Tricom I.T. Services Private Limited Tricom LPO Private Limited Pacific Data Centers, Inc. * Tricom Data Services, Inc. * Tricom Software Services, Inc. * Tricom Litigation Coding Services, Inc. * Tricom Search Services, Inc. * Tricom Infotech Solutions, Inc. # Tricom Infotech Solutions (Cyprus) Limited # Grand Imaging Technology Inc. (formerly known as GTESS- Tricom Corporation) ##
	* - Held through Tricom Document Management Inc. # - Held through Tricom Infotech Solutions Limited ## - Held through Tricom Infotech Solutions Inc.
Executive Directors	Mr. Chetan S. Kothari - Managing Director
Non-Executive Directors	Mr. Jayant B. Tanksale Mr. Hiren Kothari *** Mr. Gautam Berry* Mr. Baldev Boolani Mr. Vijay Bhatia** Mr. Rasik Chaturvedi**** Mr. Gaurav Bhatia* Mr. Paresh Pathak Mr. Rajesh Panamburkar #
Entities having significant influence over the company	Tricom Fruit Products Limited Adilnath Finance Private Limited Trio Mercantile & Trading Limited Manshanti Enterprises Kothari Financial Services

- * Ceased to be Director w.e.f. 15th May, 2012.
- ** Ceased to be Director w.e.f. 4th September, 2012.
- *** Ceased to be a Director w.e.f. October 31, 2012.
- **** Ceased to be a Director w.e.f. December 10, 2012
- # Appointed as Additional Director w.e.f. January 7, 2013

Details of related party transactions and balances outstanding as at 31 March, 2013: (₹ in Lacs)

Particulars	Subsidiaries	Key Management Personnel	Other related parties/Entities having significant influence over the company	Total
Transaction during the year				
Sale	3,661.48	-	-	3,661.48
	(3,827.48)	-	-	(3,827.48)
Service charges paid	113.97	-	-	113.97
	(345.00)	-	-	(345.00)
Software purchased	2,736.28	-	-	2,736.28
	(619.90)	-	-	(619.90)
Commission paid	477.80	-	-	477.80
	(443.88)	-	-	(443.88)
Loans & advances given	468.51	-	295.03	763.55
	(151.65)	-	-	(151.65)
Loans & deposits taken	-	93.45	87.05	180.50
	(0.90)	(187.90)	(214.07)	(402.86)
Loans & deposits repaid	-	93.45	87.05	180.50
	(0.90)	(187.90)	(214.07)	(402.86)
Receipt of interest on loan	-	-	-	-
	(64.07)	-	-	(64.07)
Payment of interest on loans & deposits	-	-	8.13	8.13
	-	-	(8.58)	(8.58)
Balances outstanding at the end of the year				
Trade receivables	3,680.00	-	-	3,680.00
	(3,444.20)	-	-	(3,444.20)
Trade payables	91.60	-	-	91.60
	(100.00)	-	-	(100.00)
Investment in Shares	10,729.96	-	-	10,729.96
	(9,289.05)	-	-	(9,289.05)
Loans and Advances given	442.90	-	13.57	456.47
	(149.45)	-	-	(149.45)

(Note: Previous year figures are in brackets)

Note : 3.11 Additional Information pursuant to the provision of Paragraph B Part II Schedule VI (As applicable)

Value of imports calculated on CIF basis	(₹ in lacs)	
PARTICULARS	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Raw materials, Packing Material, Components, Spare parts & Capital Goods	2,736.28	1,405.10
Expenditure in foreign currency		
Travelling & other Expenses	477.80	490.56
Earnings in foreign exchange:		
Export Sales	3,943.07	5,899.58

Note : 3.12 Payment of Dividend

The Company had declared dividend of ₹ 131.39 Lacs in its Annual General Meeting held on 31st December, 2011. Due to paucity of funds, the amount could not be transferred to separate Dividend Account within the time limit prescribed u/s 205A(1) of the Companies Act, 1956. However, the Company has transferred ₹ 52.97 Lacs upto 30th May 2013.

Note : 3.13 Segment Reporting

Since the Company's activities fall within a single geographical and business segment (ITES-BPO) it has no other primary reportable segment.

Note : 3.14 Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

AS PER OUR REPORT OF EVEN DATE

FOR KOSHAL & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Reg. No. 121233W

KOSHAL MAHESHWARI
 Proprietor
 Membership No. 043746

Place : Mumbai
 Date : 30th May, 2013

FOR AND ON BEHALF OF THE BOARD

CHETAN KOTHARI **PARESH PATHAK**
 MANAGING DIRECTOR DIRECTOR

G. T. SHENOY
 COMPANY SECRETARY

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Sr. No.	Name of the Subsidiary Company	* Tricom Document Management Inc.		# Pacific Data Centers Inc.		* Tricom Data Services Inc.		* Tricom Software Services Inc.		* Tricom Litigation Coding Services Inc.		* Tricom Search Services Inc.		Tricom Infotech Solutions Limited		Tricom Infotech Solutions (Cyprus) Limited		Tricom Infotech Solutions Inc.		Grand Imaging & Technology Inc.		Tricom LPO Private Limited		Tricom IT Services Private Limited		Mastiff Tech Private Limited			
		31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013		
1	Capital	9,815.15	8.84	155.83	2,898.45	1,705.62	-	1,363.06	1,803.03	2,629.52	524.86	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
2	Reserves	(1,367.64)	(1,445.73)	644.69	1,254.07	(289.69)	7.74	1,333.19	89.51	132.58	-	(0.21)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	(39.61)	
3	Total Assets	10,504.41	141.05	2,986.65	8,094.06	2,094.24	159.39	4,797.36	1,900.99	4,578.86	2,108.64	0.90	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	
4	Total Liabilities	10,504.41	141.05	2,986.65	8,094.06	2,094.24	159.39	4,797.36	1,900.99	4,578.86	2,108.64	0.90	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86	551.86
5	Details of Investment (except in case of investment in subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Turnover	129.76	-	2,561.70	1,853.14	-	89.50	2,209.62	-	2,026.32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Profit/(Loss) before taxation	(339.15)	(399.51)	150.74	310.27	(50.74)	4.35	(4.66)	2.92	38.94	-	(0.11)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	(34.75)	
8	Provision for taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Profit after taxation	(339.15)	(399.51)	150.74	310.27	(50.74)	4.35	(20.71)	2.92	38.94	-	(0.11)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	(43.30)	
10	Proposed/Interim Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Exchange Rate Used	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39	54.39
	Local Currency	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	INR	USD	USD	USD	USD	USD	USD	USD	INR	INR	INR	INR	INR	INR	INR

We undertake to make available the audited annual accounts and related information of subsidiaries, where applicable, upon request by any of our shareholders.

* The financial year of this company ends on 31st December 2012. However, the results given are as of 31st March, 2013.

The financial year of this company ends on 30th June 2012. However, the results given are as of 31st March, 2013.

AS PER OUR REPORT OF EVEN DATE
FOR KOSHAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No. 121233W

FOR AND ON BEHALF OF THE BOARD

CHETAN KOTHARI MANAGING DIRECTOR
PARESH PATHAK DIRECTOR

KOSHAL MAHESHWARI
Proprietor
Membership No. 043746
Place : Mumbai
Date : 30th May, 2013

G. T. SHENOY
COMPANY SECRETARY

INDEPENDENT AUDITORS' REPORT

To The Board of Directors of
Tricom India Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial Statements of Tricom India Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprises the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 control relevant to the Group's preparation and presentation of the consolidated financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

As per section 205A(1) of the Companies Act, 1956, if the dividend has not been paid within the prescribed time then unpaid dividend has to be transfer to special account with schedule bank. The Company has declared dividend of ₹ 131.39 Lacs in its Annual General Meeting held on 31st December, 2011. Due to paucity of funds, the amount of ₹ 78.42 Lacs as on 31.03.2013 has not been transferred to special account as per Section 205A(1) of the Companies Act, 1956.

Qualified Opinion

In our opinion, and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph, the said 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:

- i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
- ii) in the case of the Consolidated Statement Profit and Loss, of the **Loss** of the Company for the year ended on that date; and
- ii) in the case of Consolidated Cash Flow Statements, of the cash flows for the year ended on that date.

Other Matters

Financial statements / consolidated financial statements of certain subsidiaries which reflect total assets of ₹ 21,471.93 Lacs as at 31st March, 2013 and total revenue of ₹ 6,667.77 Lacs and net cash inflows amounting to ₹ 44.93 Lacs for the year then ended, have been audited by us.

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of ₹ 5,483.51 Lacs as at 31st March, 2013 and total revenue of ₹ 2,288.33 Lacs and net cash outflow amounting to ₹ 28.62 Lacs for the year then ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of other matters.

FOR KOSHAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No. 121233W

Place : Mumbai
Date : 30th May, 2013

KOSHAL MAHESHWARI
Proprietor
Membership No. 043746

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

PARTICULARS	Note No.	Amount (₹)	
		As at 31 March, 2013	As at 31 March, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
(a) Share Capital	2.1	15,84,10,900	13,13,90,900
(b) Reserves and Surplus	2.2	1,20,18,25,297	1,22,17,08,011
(c) Money received against share warrants		-	6,75,00,000
(2) Share Application money pending allotment		-	11,48,85,000
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	2.3	47,83,35,778	17,63,39,059
(b) Deferred Tax Liabilities (Net)	2.4	2,39,55,227	97,25,329
(c) Long Term Provisions	2.5	67,37,403	59,42,727
(4) Current Liabilities			
(a) Short-Term Borrowings	2.6	38,78,99,979	55,72,63,270
(b) Trade Payables	2.7	16,34,87,198	16,65,98,235
(c) Other Current Liabilities	2.8	31,52,98,516	15,48,92,394
(d) Short-Term Provisions	2.9	6,11,78,107	2,77,20,873
Total Equity and Liabilities		2,79,71,28,405	2,63,39,65,798
II.ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	2.10		
(i) Tangible assets		7,96,32,451	9,82,03,712
(ii) Intangible assets		1,13,24,23,920	1,02,15,16,822
(b) Non-Current Investments	2.11	49,000	49,000
(c) Long-Term Loans and Advances	2.12	2,88,83,313	4,22,97,262
(d) Other Non-Current Assets	2.13	1,55,29,950	1,91,95,801
(2) Current Assets			
(a) Inventories	2.14	16,70,69,518	26,42,30,200
(b) Trade Receivables	2.15	77,25,65,196	75,17,68,562
(c) Cash and Cash Equivalents	2.16	1,32,11,988	87,64,388
(d) Short-Term Loans and Advances	2.17	58,70,57,889	42,72,34,871
(e) Other Current Assets	2.18	7,05,180	7,05,180
Total Assets		2,79,71,28,405	2,63,39,65,798
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES TO ACCOUNTS	3		

Notes referred to above and notes attached there to form an integral part of Balance Sheet

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR KOSHAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No. 121233W

CHETAN KOTHARI
 MANAGING DIRECTOR

PARESH PATHAK
 DIRECTOR

KOSHAL MAHESHWARI

Proprietor

Membership No. 043746

Place : Mumbai

Date : 30th May, 2013

G. T. SHENOY
 COMPANY SECRETARY

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2013			Amount (₹)
PARTICULARS	Note No.	For the year ended 31 March, 2013	For the year ended 31 March, 2012
I Revenue from Operations	2.19	81,73,94,746	1,37,50,67,460
II Other Income	2.20	8,34,01,815	8,02,47,537
Total Revenue		90,07,96,561	1,45,53,14,997
III Expenses:			
Purchase of Stock-In-Trade		-	26,60,79,200
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	2.21	6,87,12,344	(8,07,27,775)
Employee Benefits Expense	2.22	29,02,44,441	40,37,72,198
Finance Costs	2.23	24,57,90,613	18,13,26,532
Depreciation and Amortization Expense	2.10	9,83,04,048	9,44,02,291
Other Administrative Expenses	2.24	33,15,84,335	43,12,51,634
Total Expenses		1,03,46,35,780	1,29,61,04,080
IV Profit before exceptional and extraordinary items and tax		(13,38,39,218)	15,92,10,917
V Exceptional Items			
Settlement charges payable		2,72,25,000	-
VI Profit before extraordinary items and		(16,10,64,218)	15,92,10,917
VII Extraordinary Items		-	-
VIII Profit before tax		(16,10,64,218)	15,92,10,917
IX Tax expense:			
(1) Current tax		-	6,06,45,200
(2) Prior year tax		1,22,737	-
(3) MAT credit		-	(23,100)
(4) Deferred tax		1,40,60,759	(26,87,548)
X Profit/(Loss) for the period (VIII-IX)		(17,52,47,714)	10,12,76,365
Prior Period Item		-	73,864
		(17,52,47,714)	10,13,50,229
XI Earning per Equity share (Face value ₹ 2/-)			
(1) Basic		(2.30)	1.55
(2) Diluted		(2.30)	1.28

SIGNIFICANT ACCOUNTING POLICIES 1

NOTES TO ACCOUNTS 3

Notes referred to above and notes attached there to form an integral part of Statement of Profit & Loss

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR KOSHAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No. 121233W

CHETAN KOTHARI
MANAGING DIRECTORPARESH PATHAK
DIRECTOR**KOSHAL MAHESHWARI**

Proprietor

Membership No. 043746

Place : Mumbai

Date : 30th May, 2013

G. T. SHENOY
COMPANY SECRETARY

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 Amount (₹)

PARTICULARS	For the year ended 31 March, 2013	For the year ended 31 March, 2012
A - Cash flow from Operating activities		
Profit Before Tax	(16,10,64,218)	15,92,10,917
Adjustment for:		
Depreciation	9,83,04,048	9,44,02,291
Interest Expenses	15,53,35,985	21,57,52,297
Interest Reversal/(Received)	9,04,54,628	(3,44,25,765)
Forex Fluctuation	1,69,139	3,40,899
Miscellaneous Expenses Written off	7,05,180	7,05,180
Loss on Sale of Fixed Assets	1,32,811	3,76,601
Assets written-off	-	98,70,969
Operating Profit before Working capital changes	18,40,37,573	44,62,33,390
Adjustment for:		
Inventory	6,87,12,344	(8,07,27,775)
Trade and other receivable	6,48,02,098	(32,47,76,980)
Trade and other payables	14,99,72,827	12,75,72,136
Cash generated from Operating activities	46,75,24,842	16,83,00,771
Direct Taxes (paid) / refund	38,71,679	(5,54,44,791)
Operating Cash flow before prior period item	47,13,96,521	11,28,55,980
Prior period income / (expenses)	-	73,864
Net cash from Operating activities	47,13,96,521	11,29,29,844
B - Cash flow from Investing activities		
Purchase/Sale of Fixed Assets (net)	(16,23,24,356)	(14,63,12,482)
Interest Received/(Reversal)	(9,04,54,628)	3,44,25,765
Inter Corporate Deposit placed	(23,59,28,613)	(7,08,04,908)
Net cash used in Investing activities	(48,87,07,597)	(18,26,91,626)
C - Cash Flow from Financing activities		
Proceeds of borrowings	36,47,67,018	18,88,32,867
Repayment of borrowings	(18,99,09,220)	(25,09,91,894)
Interest paid	(15,53,35,985)	(21,57,52,297)
Dividend paid	(6,50,200)	(46,47,000)
Proceeds from Issue of Share Capital	-	12,09,00,000
Share Application	-	18,23,85,000
Preliminary Expenses incurred	(11,95,416)	(17,31,866)
Net Cash from Financing activities	1,76,76,197	1,89,94,811
Net Increase/Decrease in Cash and cash equivalents (A+B+C)	3,65,121	(5,07,66,971)
Cash and Cash equivalents at the beginning of the year	1,28,46,867	6,36,13,838
Cash and Cash equivalents at the end of the year	1,32,11,988	1,28,46,867

* Balance with banks in deposit accounts includes ₹ NIL (Previous Year ₹40.82 Lacs) shown under head other non-current assets (Note no. 2.13)

Previous year's figures have been regrouped wherever necessary to confirm to this year's classification.

AUDITOR'S CERTIFICATE

We have verified the attached Cash Flow Statement of Tricom India Limited, derived from the audited financial statements and books and records maintained by the company for the year ended 31st March, 2013 and found the same in agreement therewith.

AS PER OUR REPORT OF EVEN DATE

FOR KOSHAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No. 121233W

KOSHAL MAHESHWARI

Proprietor

Membership No. 043746

Place : Mumbai

Date : 30th May, 2013

FOR AND ON BEHALF OF THE BOARD

CHETAN KOTHARI
MANAGING DIRECTOR

PARESH PATHAK
DIRECTOR

G. T. SHENOY
COMPANY SECRETARY

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2013

1- SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention, on the basis of going concern and on accrual method of accounting, in accordance with Normally Accepted Accounting Principles and provisions of the Companies Act, 1956 as adopted consistently by the company. All incomes and expenditures having material bearing on financial statements are recognized on accrual basis. The Company has complied with all the mandatory Accounting Standards ('AS') to the extent applicable as prescribed by the Company's (Accounting Standards) Rules, 2006, the provisions of the Companies Act 1956. The Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto in use. The preparation of the financial statements in conformity with Normally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of the assets and liabilities on the date of financial statements and the report amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which it gets materialized.

1.2 Basis of Consolidation

- a) The financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, and the Accounting Standards issued by the Institute of Chartered Accountants of India. (ICAI).
- b) Tricom Document Management Inc. and its Subsidiaries Tricom Data Services Inc., USA, Tricom Software Services, Inc., USA, Tricom Litigation Coding Services, Inc., USA and Tricom Search Services, Inc., USA follows calendar year as their accounting year. However, the accounts for April 1, 2012 to March 31, 2013 are also audited and are considered for the purpose of consolidation.
- c) Pacific Data Centers Inc., USA. follows July to June year as their accounting year. However, the accounts for April 1, 2012 to March 31, 2013 are also audited and are considered for the purpose of consolidation.
- d) Tricom Infotech Solutions Limited (formerly Godrej Global Solutions Limited) and its subsidiaries Tricom Infotech Solutions (Cyprus) Limited, Tricom Infotech Solutions, Inc. and Grand Imaging & Technology Inc.(formerly GTESS Tricom Corporation) follow the financial year as their accounting year.
- e) Mastiff Tech Private Limited , Tricom IT Services Private Ltd (formerly known as Mastiff Internet Media Solutions Private Limited) and Tricom LPO Private Limited follow the financial year as their accounting year.
- f) Consolidated financial statements relates to Tricom India Limited, the Parent Company and its Wholly Owned Subsidiaries , Tricom IT Services Private Limited, Mastiff Tech Private Limited, Tricom LPO Private Limited, Tricom Document Management Inc., USA., and its subsidiaries Pacific Data Centers Inc., USA. ,Tricom Data Services Inc., USA, Tricom Software Services, Inc., USA, Tricom Litigation Coding Services, Inc. ,USA, Tricom Search Services, Inc., USA and Tricom Infotech Solutions Limited (formerly Godrej Global Solutions Limited) and its subsidiaries Tricom Infotech Solutions (Cyprus) Limited, Tricom Infotech Solutions, Inc. & Grand Imaging & Technology Inc.(formerly GTESS Tricom Corporation). The consolidated financial statements are in conformity with the AS-21 issued by the ICAI and are prepared on the following:
 - (i) The financial statements of the Company and its subsidiaries have been combined on line by line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits and losses.

- (ii) 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 the same manner as the Company's separate financial statements.
- (iii) The excess of cost to the Company of its investment in the subsidiary is recognized in the financial statements as Goodwill and will be tested for impairment on an annual basis as referred in para (1.5)(a) below.
- (iv) The accounting policies of certain subsidiaries especially regarding the method of depreciation, amortization of technical knowhow and accounting for retirement benefits are not in consonance with the group accounting policies. No effect has been given in the consolidated financial statements on account of such differing accounting policies, where the impact is not expected to be material.

1.3 Use of Estimates:

The preparation of the financial statements in conformity with Normally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of the assets and liabilities on the date of financial statements and the report amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which it gets materialized.

1.4 Revenue Recognition

Revenue from services is recognized based on time and material and billed to the clients as per the terms of the contract. In the case of fixed price contracts, revenue is recognized on periodical basis based on units executed and delivered.

Revenue from sale of software is recognized on delivery and transfer of ownership of the software to the clients.

Revenue from sale of software licenses are recognized upon delivery where there is no customization required. In case of customization the same is recognized over the life of the contract using the proportionate completion method.

Other Income: Interest Income is accounted on accrual basis. Dividend income is accounted for when right to receive is established.

1.5 Fixed Asset including goodwill, intangible assets and Capital work-in-progress

a) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. For this purpose cost comprises of cost of acquisition and all costs directly attributable to bringing the asset to the present condition for its intended use. Capital work in progress comprises advance paid to acquire fixed assets and the cost of fixed assets that are not ready for their intended use at the Balance Sheet date. Goodwill comprises the excess of purchase consideration over the fair value of the net assets of the acquired enterprise. Impairment of goodwill is evaluated annually, unless it indicates a more frequent evaluation. Impairment is recorded in the Statement of Profit and Loss to the extent the net discounted cash flows from the continuance of the acquisition are lower than its carrying value.

b) Method of Depreciation:

Depreciation is provided during the year under Straight Line method, on pro-rata basis on assets put to use at the rates prescribed under Schedule XIV of the Companies Act, 1956. Individual low cost assets (acquired for less than ₹ 5,000/-) are entirely depreciated in the year of acquisition.

1.6 Investments :

Investments are valued at cost inclusive of all expenses incidental to their acquisition. All the investments are intended to be held for a period of more than one year from the date on which investments are made are classified as long term investments. All long term investments are carried at cost. No provision for diminution in value of long term investments is made. Overseas Investments are carried at their original rupee cost of acquisition.

1.7 Foreign Currency Transactions:

Transactions in foreign currency are recorded at the rates of exchange prevailing on the date of transactions. Exchange differences are recorded when the amount actually received on sales or actually paid when expenditure is incurred, is converted into Indian Rupees. The exchange differences arising on foreign currency transactions are recognized as income or expense in the year in which they arise.

Forward premium / discount in respect of forward exchange contracts are recognized over the life of the contract.

Fixed assets purchased are recorded at cost, based on the exchange rate as of the date of purchase.

Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevailing at the date of Balance Sheet. In case of items which are covered by forward exchange contracts, the difference between the exchange rate prevailing at the Balance Sheet date and the rate on the day of contract is recognized as exchange difference. The resulting difference is also recorded in the Statement of Profit and Loss.

1.8 Foreign Subsidiary Translation:

Translation of foreign subsidiaries is done in accordance with AS-11 (Revised) "The Effects of Changes in Foreign Exchange Rates". In the case of subsidiaries, the operation of which are considered as integral, the Balance Sheet items have been translated at closing rate except share capital and fixed assets, which have been translated at the transaction date. The income and expenditure items have been translated at the average rate for the year. Exchange gain/(loss) are recognized in the Statement of Profit and Loss.

1.9 Retiring Benefits:

The Company has Defined Contribution Plan for its Employees' Retirement Benefits comprising of Provident Fund, Employees' State Insurance Fund which are recognized by the Income Tax Authorities. The Company and eligible employees make monthly contributions to the Provident Fund equal to specified percentage of the covered employees' salary. The Company also contributes to Employees' State Insurance Fund and has no further obligation to the plan beyond its monthly contribution.

The Company has Defined Benefit Plan comprising of Gratuity. The benefits are based on final salary and cost of the benefit is entirely borne by the company. The benefits of the scheme are paid in accordance with the Payment of Gratuity Act, 1972 without any monetary limit. The liability for Gratuity is determined on the basis of an independent actuarial valuation done at the year end. The liability is computed based on current salary levels projected to the probable due date. The method employed is projected unit credit method.

As per Company Policy the unused accumulated leave balance lapses at the year end and no employee is entitled to cash compensation for unused accumulated leave balance at the end of the year, hence, no provision is required to be made.

1.10 Income Tax

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 after complying with the various provisions of the Act.

Provision for deferred tax is made using the applicable rate of taxation, for all timing differences which arise during the year and are reversed in subsequent periods.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset when there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly MAT is recognized as asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

1.11 Inventory:

Work in Progress is valued at cost. Traded goods are valued at lower of cost or net realizable value.

1.12 Software:

The company has internally generated software for its captive use for the various long term projects received. The direct cost of this software is capitalized and shown as Intangible assets under the Group Fixed Assets. This amount would be amortized beginning from the year subsequent to the year in which the said is put to use. The amortization period would be the project period or three equal yearly installments whichever is less.

1.13 Earning per share:

In determining earnings per share, the company considers the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

1.14 Contingent liability:

Claims against the Company are recognized when Board of Directors determine that it is probable that the liability will be payable. Claims made by the Company are recognized when formal intimation of the agreement of the Claim is received from the counter parties. Contingent Liabilities are not recognized but are disclosed in the notes (Refer note 3.1).

1.15 Leases:

In respect of Operating leases, lease rentals are expensed with reference to the terms of lease.

1.16 Miscellaneous Expenditure (To the extent not written off or adjusted):

Expenses incurred would be amortized over a period of ten years beginning from the date of incurrence.

1.17 The Company is exempted from attaching the Balance Sheet and other details required under section 212(8) of the Companies Act, 1956 of the subsidiaries of the Company, vide Circular No.2 and 3 dated 8th February 2011 and 21st February, 2011 respectively issued by the Ministry of Corporate Affairs.

1.18 Accounting policies not specifically referred to are consistent with the Indian Normally Accepted Accounting Principles.

Notes Forming Integral Part of the Balance Sheet as at 31st March 2013

Note : 2.1 Share Capital

PARTICULARS	As at 31 March, 2013		As at 31 March, 2012	
	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
I AUTHORISED CAPITAL				
1 Equity Shares of ₹ 2/- each.	8,75,00,000	17,50,00,000	8,75,00,000	17,50,00,000
2 Preference Shares of ₹ 100/- each.	2,50,000	2,50,00,000	2,50,000	2,50,00,000
TOTAL	8,77,50,000	20,00,00,000	8,77,50,000	20,00,00,000
II ISSUED, SUBSCRIBED & PAID UP CAPITAL				
1 Equity Shares of ₹ 2/- each.	7,92,05,450	15,84,10,900	6,56,95,450	13,13,90,900
TOTAL	7,92,05,450	15,84,10,900	6,56,95,450	13,13,90,900

a - Rights of the shareholders

1- The Company has only one class of equity shareholders. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting.

2 - In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

PARTICULARS	As at 31 March, 2013		As at 31 March, 2012	
	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
Equity Shares				
Shares outstanding at the beginning of the year	6,56,95,450	13,13,90,900	5,96,50,450	11,93,00,900
Shares issued during the year/period	1,35,10,000	2,70,20,000	60,45,000	1,20,90,000
Shares outstanding at the end of the year	7,92,05,450	15,84,10,900	6,56,95,450	13,13,90,900

c - Share application money

As at 31 March 2012, the Company had received an amount of ₹ 11,48,85,000/- towards share application money towards 85,10,000/- equity shares of ₹ 2/- each at a premium of ₹ 11.50 per equity share. The share application money was received pursuant to an invitation to offer shares and in terms of such invitation, the Company has allotted these shares on 14th May, 2012. The Company has sufficient authorised capital to cover the allotment of these shares.

d - Monies received against share warrants

The Board of Directors of the Company at their meeting held on 9th January, 2012 and as approved at its Meeting held on 17th February, 2012 have resolved to create, offer, issue and allot up to 50,00,000/- warrants, convertible into 50,00,000/- equity shares of ₹ 2/- each on a preferential allotment basis, pursuant to Section 81(1A) of the Companies Act, 1956, at a conversion price of ₹ 13.50 per equity share of the Company, arrived at in accordance with the SEBI Guidelines in this regard and subsequently these warrants were allotted on 14th May, 2012. The warrants have been converted into equivalent number of shares on 14th August, 2012.

PARTICULARS	As at 31 March, 2013	As at 31 March, 2012
Note : 2.2 Reserves & Surplus		
1 Capital Reserve		
Opening balance	31,995	31,995
Additions during the year	-	-
Closing balance	31,995	31,995
2 Securities Premium Reserve		
Opening balance	35,15,78,130	24,27,68,130
Add: Amount received on Shares issued during the year	15,53,65,000	-
Add: Amount arising on conversion of Fully Convertible Debentures to Equity Shares	-	10,88,10,000
Closing balance	50,69,43,130	35,15,78,130
3 General Reserve		
Opening balance	4,74,51,296	4,74,51,296
Add: For the year	-	-
Closing balance	4,74,51,296	4,74,51,296
4 Surplus in the Statement of Profit & Loss		
Opening balance	82,26,46,590	72,12,96,361
Add: Profit for the year	(17,52,47,714)	10,12,76,365
Prior period item	-	73,864
Closing balance	64,73,98,876	82,26,46,590
TOTAL	1,20,18,25,297	1,22,17,08,011
Note : 2.3 Long Term Borrowings		
Secured (refer note a & b below)		
1 Term Loans		
- From Banks		
Indian rupee loan	32,33,20,313	12,50,76,981
2 Vehicle Loans from Banks & FIs	14,41,680	31,35,137
Unsecured		
1 Public Deposits		
Others	15,29,49,068	4,61,85,000
2 Inter-corporate Deposits	6,24,717	19,41,940
TOTAL	47,83,35,778	17,63,39,059

a - Security for Long Term - Secured Loans

(i) Loan from Banks are secured by way of hypothecation of fixed assets (except vehicles) of the Company, book debts, pledge of shares of subsidiaries and pledge of fixed and recurring deposits with a Bank and further secured by personal guarantee of a Director.

(ii) Vehicle Loans from Banks are secured against the specific vehicle financed by respective banks.

b - Details of terms of repayment for the long-term borrowings :

Amount (₹)

PARTICULARS		TERMS OF PAYMENT	As at 31 March, 2013		As at 31 March, 2012	
			Long Term	Current Maturity	Long Term	Current Maturity
Term loans from banks:		Capital Repayment				
Bank 1 - Term Loan 1	₹ 15 Crores	Repayable in 33 monthly installments starting from Jan 2010 and repayable by Sep 2012. (15 Installments of ₹ 0.2733 crores payable on monthly basis upto March 2011 and 18 installments of ₹ 0.6058 crores payable from April 2011 to Sep 2012).	-	-	-	4,83,82,602
Bank 1 - Term Loan 2	₹ 2.50 Crores	Repayable in 60 monthly installments of ₹ 0.0416 crores each commencing from April 2009 and repayable by March 2014.	-	-	49,12,920	55,56,319
Bank 1 - Term Loan 3	₹ 4.75 Crores	Repayable in 57 monthly installments commencing from October 2012 and repayable by June 2017.	3,31,00,000	1,35,47,998	-	-
		The Company has defaulted in paying the installments for the month of Jan, Feb and Mar 2013 (Jan and Feb since paid).				
Bank 1 - Term Loan 4	₹ 18.32 Crores	Repayable in 54 monthly installments commencing from January 2013 and repayable by June 2017.	14,93,00,000	4,06,83,857	-	-
		The Company has defaulted in paying the installments for the month of Jan, Feb and Mar 2013 (Jan since paid).				
Bank 2 - Term Loan 5	₹ 12.82 Crores	Repayable in 48 monthly installments of ₹ 0.2670 crores each commencing from Jan 2013 and repayable by Dec 2016.	8,81,20,313	4,50,02,656	12,01,64,061	80,10,939
		The Company has defaulted in paying the installments for the month of Jan, Feb and Mar 2013.				
Bank 3 - Term Loan 7	₹ 1.65 Crores	Tenor - 3 years. Repayable in 12 equal quarterly installments of ₹ 13.75 lacs each. First installment will start after 3 months from the date of disbursement.	-	27,84,060		71,42,439
Bank 3 - Term Loan 8	₹ 5.28 Crores	Tenor - 58 months. Repayable in monthly installments of starting from June 2014 and repayable by Mar 2019.	5,28,00,000	-	-	-
Vehicle loans from banks:						
Loan 1	₹ 0.11 crores	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	4,04,999	3,45,505	3,42,768
Loan 2	₹ 0.01 crores	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	19,780	15,656	19,977
Loan 3	₹ 0.01 crores	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	43,617	34,525	44,040
Loan 4	₹ 0.02 crores	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	54,622	43,238	55,141
Loan 5	₹ 0.01 crores	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	35,751	28,301	36,087
Loan 6	₹ 0.02 crores	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	1,433	41,587	53,052
Loan 7	₹ 0.02 crores	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	53,091	42,025	53,605
Loan 8	₹ 0.06 crores	Repayable monthly in 36 installments from Apr 11 to Mar 14	-	1,99,100	1,61,438	1,84,437
Loan 9	₹ 0.09 crores	Repayable monthly in 36 installments from Feb 10 to Jan 13	-	21,798	-	2,03,641
Loan 10	₹ 0.04 crores	Repayable monthly in 36 installments from Feb 10 to Jan 13	-	9,560	-	90,506
Loan 11	₹ 0.10 crores	Repayable monthly in 36 installments from Feb 10 to Jan 13	-	23,012	-	2,14,696
Loan 12	₹ 0.06 crores	Repayable monthly in 36 installments from Feb 10 to Jan 13	-	-	-	1,35,700
Loan 13	₹ 0.04 crores	Repayable monthly in 36 installments from Mar 10 to Feb 13	-	8,493	-	86,855
Loan 14	₹ 0.04 crores	Repayable monthly in 36 installments from Mar 10 to Feb 13	-	16,951	-	86,855
Loan 15	₹ 0.12 crores	Repayable monthly in 60 installments from Apr 11 to Mar 16	5,17,087	2,28,007	7,45,093	2,03,365
Loan 16	₹ 0.09 crores	Repayable monthly in 60 installments from Nov 10 to Sep 14	2,96,441	2,19,999	4,80,440	1,62,700
Loan 17	₹ 0.13 crores	Repayable monthly in 60 installments from Sep 10 to Jul 15	3,95,080	4,06,822	6,66,964	2,49,324
Loan 18	₹ 0.14 crores	Repayable monthly in 60 installments from Feb 10 to Dec 14	2,33,073	3,52,493	5,30,365	2,72,991

PARTICULARS	Amount (₹)	
	As at 31 March, 2013	As at 31 March, 2012
Note : 2.4 Deferred Tax Liability(Net)		
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting.	2,39,55,227	97,25,329
TOTAL	2,39,55,227	97,25,329
Note : 2.5 Long Term Provisions		
Provision for Employee Benefits		
Gratuity Provision	67,37,403	59,42,727
TOTAL	67,37,403	59,42,727
Note : 2.6 Short Term Borrowings		
I Unsecured		
Fixed Deposits	33,00,000	56,71,000
Inter-corporate Deposits	21,42,38,893	20,10,54,803
II Secured		
1 Loan Repayable on Demand		
- From Bank (Refer note a below)	12,63,55,574	28,91,45,467
- From other	4,40,05,512	-
2 Buyers credit from Bank	-	6,13,92,000
TOTAL	38,78,99,979	55,72,63,270
a - Loan from Banks are secured by way of hypothecation of fixed assets (except vehicles) of the Company, book debts, pledge of shares of subsidiaries and pledge of fixed and recurring deposits with a Bank and further secured by personal guarantee of a Director.		
Note : 2.7 Trade Payable		
Due to Micro Small and Medium Enterprise (Refer Note 3.3)	-	-
Others	16,34,87,198	16,65,98,235
TOTAL	16,34,87,198	16,65,98,235
Note :2.8 Other Current Liabilities		
Current maturities of long term debt		
I Secured		
1 Term Loans		
- From Banks	10,20,18,572	6,90,92,299
2 Vehicle Loans from Banks & FIs	20,99,527	24,95,739
II Unsecured		
1 Fixed Deposits	81,26,000	3,00,000
2 Inter-corporate Deposits	18,14,669	23,77,791
3 Interest accrued but not due on borrowings	33,57,539	10,12,580
4 Interest accrued and due on borrowings	65,98,583	17,85,676
5 Unpaid matured deposits and interest accrued thereon	5,95,000	1,00,000
6 Unclaimed Dividends	14,04,868	11,02,814
7 Payable for Capital goods	62,17,900	41,51,767
8 Advance from customers	-	1,11,629
9 Provision for expenses	3,08,00,907	1,77,50,547
10 Statutory liabilities	15,22,64,950	5,46,11,552
TOTAL	31,52,98,516	15,48,92,394
Note :2.9 Short Term Provisions		
I Provision For Employees Benefit	5,74,91,534	2,40,34,300
II Provisions-Others		
Provision for Fringe Benefit Tax	36,86,573	36,86,573
TOTAL	6,11,78,107	2,77,20,873

Note : 2.10 Fixed Asset

(Amt in ₹)

Sr. No	Particulars	Gross Block			Depreciation			Net Block			
		Balance as at 1st April 2012	Addition during the year	Deduction during the year	Balance as at 31st March 2013	Balance as at 1st April 2012	Addition during the year	Deduction during the year	Balance as at 31st March 2013	Balance as at 31st March 2012	
I	Tangible Assets										
1	Air-conditioners	64,93,805	-	-	64,93,805	11,52,267	3,08,457	-	14,60,724	50,33,081	53,41,538
2	Computers	12,75,32,845	8,68,535	2,35,429	12,81,65,952	10,17,89,750	92,32,083	-	11,10,21,833	1,71,44,419	2,57,43,095
3	Electrical Installations	1,23,40,638	-	-	1,23,40,638	30,85,933	5,86,435	-	36,72,368	86,68,270	92,54,705
4	Fax machine	11,055	-	-	11,055	4,031	525	-	4,556	6,499	7,024
5	Furnitures & Fixtures	6,53,12,015	-	-	6,53,12,015	2,21,43,978	63,96,607	-	2,85,40,586	3,67,71,429	4,31,68,037
6	Office Equipments	1,79,92,064	1,46,258	-	1,81,38,322	1,28,25,490	11,51,365	-	1,39,76,855	41,61,467	51,66,574
7	Vehicles (Cars)	1,57,25,246	-	5,30,190	1,51,95,056	65,09,670	13,82,653	2,58,050	76,34,273	75,60,783	92,15,576
8	Telephone installations	4,13,908	-	-	4,13,908	1,07,441	19,664	-	1,27,105	2,86,803	3,06,467
9	Storage Bins	95,649	-	-	95,649	94,953	695	-	95,649	-	696
	TOTAL (I)	24,59,17,225	10,14,793	7,65,619	24,61,66,399	14,77,13,513	1,90,78,485	2,58,050	16,65,33,948	7,96,32,451	9,82,03,712
II	Intangible Assets										
1	Goodwill* Customer Related	67,60,23,204	-	-	67,60,23,204	18,59,218	-	-	18,59,218	67,41,63,986	67,41,63,986
2	Intangibles	2,84,87,029	-	-	2,84,87,029	2,84,87,029	-	-	2,84,87,029	-	-
3	Software Purchased**	45,96,58,605	18,25,59,938	-	64,22,18,544	12,82,03,198	7,14,92,670	-	19,96,95,868	44,25,22,675	33,14,55,407
4	Software Development	7,07,14,059	75,72,721	-	7,82,86,780	5,48,16,630	77,32,893	-	6,25,49,523	1,57,37,257	1,58,97,428
	TOTAL (II)	1,23,48,82,897	19,01,32,659	-	1,42,50,15,556	21,33,66,075	7,92,25,563	-	29,25,91,638	1,13,24,23,920	1,02,15,16,822
	TOTAL (I+II)	1,48,08,00,122	19,11,47,452	7,65,619	1,67,11,81,955	36,10,79,588	9,83,04,048	2,58,050	45,91,25,586	1,21,20,56,370	1,11,97,20,534
	Previous Year	1,33,71,49,449	16,20,34,991	1,83,84,319	1,48,08,00,122	27,20,91,537	9,44,02,291	54,14,240	36,10,79,588	1,11,97,20,534	1,06,50,57,913

* Goodwill includes on consolidation ₹ 17,07,61,641/-

** Software Purchased during the year includes ₹ 2,54,75,934/- due to Foreign exchange rate fluctuation.

PARTICULARS	Amount (₹)	
	As at 31 March, 2013	As at 31 March, 2012
Note : 2.11 Non Current Investment (at cost)		
Non-trade Investments (Others - Un-quoted)		
4,900 Equity Shares of Malad Sahakari Bank Ltd. of ₹ 10 each fully paid up	49,000	49,000
TOTAL	49,000	49,000
Note : 2.12 Long Term Loans and Advances		
Unsecured, Considered Good		
Security Deposit	2,88,83,313	4,22,97,262
TOTAL	2,88,83,313	4,22,97,262
Note: 2.13 Other Non Current Asset		
1 Unsecured, Considered Good		
Deposits with Bank	-	40,82,479
2 Others		
Prepaid Expenses	8,29,482	9,03,090
Miscellaneous Expenditure	1,47,00,468	1,42,10,232
TOTAL	1,55,29,950	1,91,95,801
Note : 2.14 Inventories		
(Valued at lower of the cost and net realizable value)		
1 Work-In-Progress	-	8,85,000
2 Stock-In-Trade	16,70,69,518	26,33,45,200
TOTAL	16,70,69,518	26,42,30,200
Note: 2.15 Trade Receivables		
Unsecured, Considered good		
1 Receivables outstanding for a period exceeding six months from the date they are due for payment:		
a) Considered Good	45,52,80,286	22,19,43,756
b) Considered Doubtful	1,49,38,769	1,42,94,095
	47,02,19,055	23,62,37,851
Less: Provision for Doubtful Debts	1,49,38,769	1,42,94,095
	45,52,80,286	22,19,43,756
2 Others	31,72,84,910	52,98,24,806
TOTAL	77,25,65,196	75,17,68,562
Note: 2.16 Cash & Cash Equivalent		
I Cash-on-Hand		
Cash Balance (A)	12,92,761	12,36,545
II Balances with Banks		
1 Unclaimed dividend accounts	14,04,774	11,02,720
2 Balances with banks in EEFC accounts	41,617	1,78,493
3 Other Bank Balances including balances in Current accounts	92,59,733	44,22,907
4 Fixed deposit with banks	12,13,103	18,23,723
	1,19,19,227	75,27,843
TOTAL (A+B)	1,32,11,988	87,64,388
Note: 2.17 Short Terms Loans and Advances		
I Unsecured , considered good		
1 Loan to Companies & Other parties	48,40,41,537	24,81,12,924
2 Advance Income Tax (net of provision for taxation)	3,27,44,554	7,89,31,247
3 Advance Recoverable in cash or in kind or for value to be considered good	5,80,15,458	8,50,38,197
4 Prepaid Expenses	1,22,56,339	1,51,52,502
TOTAL	58,70,57,889	42,72,34,871
Note: 2.18 Other Current Assets		
Miscellaneous Expenditure	7,05,180	7,05,180
TOTAL	7,05,180	7,05,180

Notes Forming Part of the Statement of Profit & Loss

PARTICULARS	Amount (₹)	
	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Note : 2.19 Revenue from Operations		
Income from Services	81,73,94,746	1,37,50,67,460
TOTAL	81,73,94,746	1,37,50,67,460
Note : 2.20 Other Income		
1 Miscellaneous Income	48,11,870	25,72,910
2 Net gain on foreign currency transactions/translation	7,85,89,945	7,76,74,627
TOTAL	8,34,01,815	8,02,47,537
Note : 2.21 Change in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade		
1 Opening Stock of Stock-In-Trade and Work-In-Progress		
Work-In-Progress	8,85,000	20,93,500
Stock-In-Trade	26,33,45,200	18,14,08,925
Less: Capitalised to Fixed Assets	2,84,48,338	-
2 Closing Stock of Stock-In-Trade and Work-In-Progress		
Work-In-Progress	-	8,85,000
Stock-In-Trade	16,70,69,518	26,33,45,200
TOTAL	6,87,12,344	(8,07,27,775)
Note : 2.22 Employee Benefits Expense		
1 Salaries & Incentives	27,36,43,072	38,33,45,562
2 Directors Remuneration	4,80,000	30,00,000
3 Contribution to Provident and Other Funds	1,45,74,566	1,39,87,643
4 Staff Welfare expenses	47,30,228	65,62,715
	29,34,27,866	40,68,95,920
Less: Capitalised	31,83,425	31,23,722
TOTAL	29,02,44,441	40,37,72,198
Note : 2.23 Financial Cost		
1 Interest Expense	13,47,95,798	17,54,82,343
2 Finance Charges	1,87,68,382	3,91,63,575
3 Other Borrowing Costs	17,71,805	11,06,379
	15,53,35,985	21,57,52,297
4 Less: Interest Earned / (Reversal)	(9,04,54,628)	3,44,25,765
TOTAL	24,57,90,613	18,13,26,532

PARTICULARS	Amount (₹)	
	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Note : 2.24 Other Administrative Expenses		
1 Advertisement and Sales Promotion	13,90,186	31,58,870
2 Fixed Assets written-off	-	98,70,969
3 Auditors Remuneration (refer note 'a' below)	22,35,843	14,10,706
4 Bad debts Written-off	2,19,92,707	11,77,361
5 Bank Charges	20,14,184	26,26,640
6 Commission Expenses	39,63,086	35,64,654
7 Communication Expenses	83,11,708	1,08,13,294
8 Directors' Sitting Fees	15,000	90,000
9 Donation	51,26,000	1,16,91,000
10 Electricity Expenses	3,18,87,900	3,19,96,248
11 Foreign travel	13,81,551	15,15,631
12 Insurance Expenses	61,29,356	96,55,791
13 Legal & Professional Fees	2,49,01,966	2,50,04,677
14 Loss on sale of Assets	1,32,811	3,76,601
15 Miscellaneous Expenses	59,40,608	70,04,877
16 Motor Car Expenses	6,33,002	6,22,898
17 Miscellaneous Expenditure Written off	7,05,180	7,05,180
18 Printing & Stationery Expenses	10,27,465	20,59,928
19 Rent Rates & Taxes	5,00,85,413	6,64,44,030
20 Repair & Maintenance	72,82,714	84,33,470
21 Security Expenses	19,83,717	26,47,717
22 Service Charges	14,60,49,714	22,04,58,375
23 Service Tax Refund Rejection	49,20,034	-
24 Travelling & Conveyance Expenses	56,23,219	1,24,46,290
25 Water Charges	9,03,299	13,35,648
26 Taxes	10,86,968	13,09,803
27 Income Tax Penalty	2,50,000	-
	33,59,73,631	43,64,20,656
28 Less: Expenses Capitalised	43,89,296	51,69,022
TOTAL	33,15,84,335	43,12,51,634
a - Payments to the auditors		
1 As auditors - Statutory Audit	17,55,843	13,51,206
2 For taxation matters	75,000	-
3 For other services -Certification	4,05,000	59,500
TOTAL	22,35,843	14,10,706

Additional information to the financial statements**Note : 3.1 Contingent liabilities and commitments (to the extent not provided for)** (₹ in Lacs)

<u>PARTICULARS</u>	<u>As at 31 March, 2013</u>	<u>As at 31 March, 2012</u>
i) Bank Guarantees issued to Custom authorities & others	8.66	8.66
ii) Appeals filed at different forums/authorities in respect of disputed demands:		
Income Tax	681.73	369.33
iii) Corporate Guarantee given by the Company in respect of credit limits sanctioned by a bank to a Subsidiary company	869.00	996.25
iv) Uncalled liability on partly paid shares	-	149.14

Note : Future cash outflows in respect of (ii) above are determinable only on receipt of judgments/decisions pending with the respective forums/authorities.

Note : 3.2 In the opinion of the Board, the Current Assets, Loans and Advances have been stated at a value realizable in the ordinary course of business.

Note : 3.3 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Company has not received any information from all its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006. However, as per the information available there are no amounts outstanding for a period beyond the stipulated period as specified under Micro, Small and Medium Enterprises Development Act, 2006

Note : 3.4 Intangible Assets

During the year the company has internally generated software for its captive use for the various long term projects received and also developed software for sale of its licenses. The cost of ₹ 75.73 Lacs (Previous Year ₹ 82.93 Lacs) is capitalized and shown as Intangible assets under the Group Fixed Assets.

Note : 3.5 Few debtors, creditors and loans and advances are subject to confirmation and reconciliation if any.

Note : 3.6 Financial Instruments

The Company uses Foreign Currency Forward Contracts to hedge its risks associated with Foreign Currency Fluctuations. The Company does not use Forward Contracts for speculative purposes.

The outstanding Foreign Exchange Forward Contract (4 Nos.) as on 31st March, 2013 in US \$ 5,00,000 amounting to ₹ 280.03 Lacs.

Note : 3.7 Operating lease

The company's significant leasing agreements are in respect of operating lease for office premises. These leasing agreements are cancelable and renewable by mutual consent on mutually acceptable terms. The aggregate lease rentals payable by the company are charged to Statement of Profit and Loss as a rent amounting to ₹ 498.80 Lacs (Previous year ₹ 660.00 Lacs). The future minimum lease payments under non-cancelable operating leases due within a period of one year are estimated at ₹ 98.28 (Previous year NIL) and due later than one year but not later than five years are estimated at ₹ NIL (Previous year ₹ 109.20 Lacs).

Note : 3.8 Employee Benefits:

The disclosure required as per the revised AS-15 are as under :

Brief description of the Plan :

The Company has schemes for long term benefits such as Provident Fund and Gratuity. The Company's defined contribution plans are Provident Fund and Employees' State Insurance Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions. The Company has Defined Benefit Plan comprising of Gratuity. The benefits are based on final salary and cost of the benefit is entirely borne by the company. The benefits of the scheme are paid in accordance with the Payment of Gratuity Act, 1972 without any monetary limit. The liability for Gratuity is determined on the basis of an independent actuarial valuation done at the year end. As per the Company's Policy the unused accumulated leave balance lapses at the year end and no employee is entitled to cash compensation for unused accumulated leave balance at the end of the year and no provision is required to be made.

I. Charge to the Statement of Profit and Loss based on contributions
(₹ in Lacs)

PARTICULARS	As at 31 March, 2013	As at 31 March, 2012
Employer's contribution to Provident Fund and other funds	116.02	127.64

II. Disclosures for Defined Benefit Plans based on actuarial report as on 31st March, 2013

A. Change in Defined Benefit Obligation	(Non-Funded)	Gratuity
Projected benefit obligations as at the beginning of the year	60.20	56.04
Service cost	11.18	13.09
Interest cost	5.12	4.71
Past service cost	-	-
Actuarial (gain)/loss on obligation	10.92	(7.51)
Benefit Paid	(18.98)	(6.13)
Projected benefit obligations as at the end of the year	68.44	60.20

B. Charge to the Statement of Profit and Loss based on Actuarial valuation

Current service cost	11.18	13.09
Interest cost	5.12	4.71
Expected Return on Plan Assets	-	-
Net Actuarial gain	10.92	(7.51)
Net Periodic cost	27.22	10.29

C. Amount recognized in the Balance Sheet

Present Value of obligation	68.44	60.20
Present value of Assets	-	-
Liability recognised in Balance Sheet	68.44	60.20

D. Movement in net liability recognized & Disclosed in Balance Sheet

Net Liability as at the beginning of the year	60.20	56.04
Expenses as above	27.22	10.29
Contributions Paid	(18.98)	(6.13)
Net Liability as at the end of the year	68.44	60.20

E. Principal actuarial assumptions used

Discount Rate	8.50%
Salary Increment Rate	6.00%
Retirement Age	58 years
Attrition rate till the age of 30	2.00%

I - The estimates of future salary increase, considered in actuarial valuation, takes account of inflation.

II - The latest compiled Table LIC a(1994-96) is considered for the purpose of valuation.

Note : 3.9 Earning per share
Basic Earning Per Share

Net profit / (loss) for the year		(17,52,47,714)	10,13,50,229
Add: Prior Period Items		-	73,864
Adjusted net profit for the year	A	(17,52,47,714)	10,12,76,365
Weighted average number of equity shares for basic EPS	B	7,63,39,888	6,54,47,025
Basic Earnings per share - (₹)	A/B	(2.30)	1.55

Diluted Earning Per Share

Net profit / (loss) for the year	A	(17,52,47,714)	10,12,76,365
Weighted average number of equity shares for diluted EPS	B	7,63,39,888	6,54,47,025
Add: Weighted average number of potential equity shares on account of convertible debentures/fresh issue	C	-	1,35,10,000
Weighted average number of shares for diluted EPS	D= (B+C)	7,63,39,888	7,89,57,025
Diluted Earning per share - (₹)	A/D	(2.30)	1.28

Face value per share (₹ 2/- each)

Note : 3.10 Related party transactions

Description of relationship	Names of related parties
Executive Directors	Mr. Chetan S. Kothari - Managing Director
Non-Executive Directors	Mr. Jayant B. Tanksale Mr. Hiren Kothari *** Mr. Gautam Berry* Mr. Baldev Boolani Mr. Vijay Bhatia** Mr. Rasik Chaturvedi**** Mr. Gaurav Bhatia* Mr. Paresh Pathak Mr. Rajesh Panamburkar #
Entities having significant influence over the	Tricom Fruit Products Limited Adilnath Finance Private Limited Trio Mercantile & Trading Limited Manshanti Enterprises Kothari Financial Services

* Ceased to be Director w.e.f. 15th May, 2012.

** Ceased to be Director w.e.f. 4th September, 2012.

*** Ceased to be a Director w.e.f. October 31, 2012.

**** Ceased to be a Director w.e.f. December 10, 2012

Appointed as Additional Director w.e.f. January 7, 2013

Details of related party transactions and balances outstanding as at 31 March, 2013: (₹ in Lacs)

Particulars	Key Management Personnel	Other related parties/Entities having significant influence over the company	Total
Transaction during the year			
Loans & advances given	-	295.03	295.03
	-	-	-
Loans & deposits taken	93.45	87.05	180.50
	(187.90)	(214.07)	(401.96)
Loans & deposits repaid	93.45	87.05	180.50
	(187.90)	(214.07)	(401.96)
Payment of interest on loans & deposits	-	8.13	8.13
	-	(8.58)	(8.58)
Balances outstanding at the end of the year			
Loans and Advances given	-	13.57	13.57
	-	-	-

(Note: Previous year figures are in brackets)

Note : 3.11 Additional Information pursuant to the provision of Paragraph B Part II Schedule VI (As Applicable)

Value of imports calculated on CIF basis	(₹ in Lacs)	
	For the year ended 31 March, 2013	For the year ended 31 March, 2012
PARTICULARS		
Raw materials, Packing Material, Components, Spare parts & Capital Goods	2,736.28	1,405.10
Expenditure in foreign currency		
Travelling & other Expenses	1,048.04	1,326.98
Earnings in foreign exchange		
Export Sales	6,156.40	9,575.91

Note : 3.12 Payment of Dividend

The Company had declared dividend of ₹ 131.39 Lacs in its Annual General Meeting held on 31st December, 2011. Due to paucity of funds, the amount could not be transferred to separate Dividend Account within the time limit prescribed u/s 205A(1) of the Companies Act, 1956. However, the Company has transferred ₹ 52.97 Lacs upto 30th May, 2013

Note : 3.13 Segment Reporting

Since the Company's activities fall within a single geographical and business segment (ITES-BPO) it has no other primary reportable segment.

Note : 3.14 Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

AS PER OUR REPORT OF EVEN DATE

FOR KOSHAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No. 121233W

KOSHAL MAHESHWARI
Proprietor
Membership No. 043746

Place : Mumbai
Date : 30th May, 2013

FOR AND ON BEHALF OF THE BOARD

CHETAN KOTHARI **PARESH PATHAK**
MANAGING DIRECTOR DIRECTOR

G. T. SHENOY
COMPANY SECRETARY



TRICOM INDIA LIMITED

Regd. Office: Tricom House, Gandhi Estate, Safed Pool, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai-400 072.

ATTENDANCE SLIP

21st Annual General Meeting

(To be handed over at the entrance of the Meeting Hall)

I/We hereby record my presence at the Annual General Meeting held at Damodar Thakarsi Mulji Hall, Dr. Ambedkar Marg, Parel Naka, Mumbai 400 012 on September 30, 2013 at 11.00 a.m.

Reg. Folio No.....DP ID*Client ID*

No. of Shares: _____

Full Name of the Shareholder
(in block letters)

Signature

**Full Name of Proxy
(in block letters)

Signature

* Applicable for investors holding shares in electronic (dematerialized) form.

** (To be filled in if the Proxy attends instead of the Member)



TRICOM INDIA LIMITED

Regd. Office: Tricom House, Gandhi Estate, Safed Pool, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai-400 072.

PROXY FORM

21st Annual General Meeting

StampReg. Folio No.....

DP ID*

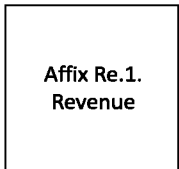
Client ID*

I/We.....of..... in the district of being a Member/Members of TRICOM INDIA LIMITED hereby appoint of in the district of or failing him of in the district of as my/our Proxy to attend and vote for me/ us on my/our behalf at the Annual General Meeting of Tricom India Limited to be held on September 30, 2013 at 11.00 a.m. and at any adjournment thereof.

Signed this.....day of.....2013.

Signature(s) of the Shareholder(s).....

Signature of Proxy.....



NOTE: This form must be deposited at the Registered Office of the Company not later than 48 hours before the time of the Meeting.

* Applicable for investors holding shares in electronic (dematerialized) form.

Book Post

If undelivered please return to :
Sharex Dynamic (India) Pvt. Ltd.
Unit : Tricom India limited
Unit 1, Luthra Ind. Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai - 400 072.

Form B

Format of covering Letter of the Annual Audit report to be filed with the Stock Exchange

1.	Name of the Company	Tricom India Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit qualification	As per section 205(1) of the Companies Act, 1956, if the dividend has not been paid within the prescribed time then unpaid dividend has to be transfer to special account with schedule Bank. The Company has declared dividend of ₹ 131.39 Lacs in its annual general Meeting held on 31st December, 2011. Due to paucity of funds, the amount of ₹ 78.42 Lacs as on 31.03.2013 has not been transferred to special account as per section 205A (1) of the Companies Act, 1956.
4.	Frequency of Qualification	Repetitive since more than one year
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	The Auditors have made the above qualification in Independent Auditor's Report under Basis for Qualified Opinion for the year 2012-2013. Management's Response: Qualification mentioned in the auditors' report regarding non compliance of Section 205A (1) of the Company's Act, 1956. Due to the liquidity crunch faced by the company, there has been a delay in payment of dividend to some shareholders which is being paid in the current financial year.
	Additional Comments from the board/audit committee chair:	It is same as Management Response.
5.	To be signed by – <ul style="list-style-type: none"> • Managing Director (Mr. Chetan Kothari) • Auditor of the Company (Mr. Koshal Maheshwari) • Audit Committee Chairman (Mr. Rajesh Panamburkar) 	