

Vakrangee Limited

(Formerly known as Vakrangee Softwares Limited)

Consolidated Balance Sheet as at March 31, 2015

(Amount in ₹)

Particulars	Note No.	As at March 31, 2015		As at March 31, 2014	
I Equity & Liabilities					
1. Shareholders' funds					
(a) Share Capital	2	503,482,240		503,482,240	
(b) Reserves and Surplus	3	9,069,887,643		6,269,964,621	
(c) Money received against Share Warrant	4	2,500,000,000		1,021,505,000	
			12,073,369,883		7,794,951,861
2. Share application money pending allotment			-		-
3. Minority Interest			-		-
4. Non - Current Liabilities					
(a) Long - Term Borrowings	5	374,059,994		862,101,685	
(b) Deferred Tax Liabilities (Net)	6	425,307,571		711,592,086	
(c) Other Long - Term Liabilities	7	15,716,946		33,205,586	
			815,084,511		1,606,899,356
J. Current Liabilities					
(a) Short - Term Borrowings	8	3,155,739,561		3,216,262,034	
(b) Trade Payables	9	2,131,320,998		2,524,314,763	
(c) Other Current Liabilities	10	830,307,052		1,026,558,523	
(d) Short - Term Provisions	11	1,366,541,624		1,077,204,434	
			7,483,909,236		7,844,339,754
TOTAL			20,372,363,629		17,246,190,972
II Assets					
1. Non - Current Assets					
(a) Fixed Assets	12				
(i) Tangible Assets		2,728,307,325		4,364,167,799	
(ii) Intangible Assets		-		-	
(iii) Capital Work-in-Progress		100,911,176		481,134,269	
(b) Non - Current Investments	13	15,999,700		25,499,700	
(c) Long - Term Loans and Advances	14	49,335,258		553,070,054	
(d) Other Non - Current Assets	15	54,842,091		89,916,958	
			2,949,395,550		5,513,788,780
2. Current Assets					
(a) Inventories	16	1,693,627,572		1,624,853,330	
(b) Trade Receivables	17	11,993,239,780		7,682,982,936	
(c) Cash and Cash equivalents	18	382,047,920		293,429,356	
(d) Short - Term Loans and Advances	19	157,933,801		149,004,268	
(e) Other Current Assets	20	3,116,548,650		1,920,148,426	
			17,343,397,723		11,670,418,315
3. Foreign Currency Translation Reserve			79,570,356		61,983,877
TOTAL			20,372,363,629		17,246,190,972

As per our report of even date

For S. K. Patodia & Associates

Chartered Accountants

FRN : 112723W

Arun Poddar

Partner

Mem. No. 134572

Place : Mumbai

Date : May 30, 2015



For & on behalf of the Board

Dinesh Nandwana

Chairman & Managing Director

DIN : 00062532

Dr. Nishikant Hayatnagarkar

Director

DIN : 00062638



Darshi Shah

Company Secretary

Vakrangee Limited
(Formerly known as Vakrangee Softwares Limited)

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2015		For the year ended March 31, 2014	
I Revenue from Operations	21	27,804,793,489		19,519,017,405	
II Other Income	22	59,117,824		61,607,823	
III Total Revenue (I + II)			27,863,911,314		19,580,625,228
IV Expenses					
Operating Expenses	23	20,226,403,775		13,549,823,974	
Changes in Inventories	24	(46,095,373)		136,580,105	
Employee Benefits Expenses	25	195,923,136		314,118,415	
Finance Costs	26	749,475,751		778,942,433	
Depreciation and Amortization Expense	12	1,648,560,910		1,808,728,075	
Other Expenses	27	196,366,982		172,504,206	
Total Expense			22,970,635,180		16,760,697,209
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)			4,893,276,133		2,819,928,019
VI Exceptional Items					
VII Profit before Extraordinary Items and Tax (V-VI)			4,893,276,133		2,819,928,019
VIII Extraordinary Items					
IX Profit Before Tax (VII-VIII)			4,893,276,133		2,819,928,019
X Tax Expense:					
(a) Current Tax		1,826,088,691		1,229,481,339	
(b) Deferred Tax		(150,033,224)		(117,232,704)	
(c) Tax of Earlier Year		78,651		8,198,975	
(d) MAT Credit Entitlement		(1,287,352)		(50,324,838)	
			1,674,846,766		1,070,122,773
XI Profit for the Period from Continuing Operations (IX - X)			3,218,429,367		1,749,805,246
XII Profit/(Loss) for the Period from Discontinuing Operations					
XIII Tax Expense of Discontinuing Operations					
XIV Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII)					
XV Minority Interest					(619,451)
XVI Profit for the Period (XI + XIV - XV)			3,218,429,367		1,750,424,697
XVII No. of equity shares for computing EPS					
(1) Basic			503,482,240		502,979,292
(2) Diluted			531,103,578		509,232,604
XVIII Earnings Per Equity Share (Face Value Re. 1/- Per Share):	30				
(1) Basic (₹)			6.39		3.48
(2) Diluted (₹)			6.06		3.44

As per our report of even date

For S. K. Patodia & Associates
Chartered Accountants
FRN : 112723W

Arun Poddar
Partner
Mem. No. 134572

Place : Mumbai
Date : May 30, 2015



For and on behalf of the Board

Dinesh Nandwani
Chairman & Managing Director
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Director
DIN : 00062638



Darshi Shah
Company Secretary

Vakrangee Limited
(Formerly known as Vakrangee Softwares Limited)

Consolidated Cash flow statement for the year ended March 31, 2015

(Amount in `)

S.No	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
I	Cash flow from operating activities		
	Profit before tax from continuing operations	4,893,276,133	2,819,928,019
	Profit before tax from discontinuing operations	-	-
	Profit before tax	4,893,276,133	2,819,928,019
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation/ amortization on continuing operation	1,648,560,910	1,808,728,075
	Depreciation/ amortization on discontinuing operation	-	-
	Loss/(profit) on sale of fixed assets	(1,840,785)	287,531
	Employee stock compensation expense	911,625	22,769,835
	Net gain on sale of non-current investments	(6,623,792)	(33,350)
	Net gain on disposal of Subsidiary	-	2,795,755
	Interest expense	676,873,208	718,023,804
	Interest income	(30,527,523)	(24,645,258)
	Dividend income	-	(96,952)
	Operating profit before working capital changes	7,180,629,775	5,347,757,460
	Movements in working capital :		
	Increase / (decrease) in trade payables	(392,993,765)	769,556,956
	Increase / (decrease) in short-term provisions	(120,606,931)	632,088,901
	Increase / (decrease) in other current liabilities	(196,251,471)	(254,723,814)
	Increase / (decrease) in other long-term liabilities	(17,488,640)	(45,166,879)
	Decrease / (increase) in trade receivables	(4,310,256,844)	(1,155,612,212)
	Decrease / (increase) in inventories	(68,774,242)	(1,087,177,073)
	Decrease / (increase) in long-term loans and advances	505,022,148	(503,811,882)
	Decrease / (increase) in short-term loans and advances	(6,977,198)	32,971,576
	Decrease / (increase) in other current assets	(1,196,400,224)	(494,776,153)
	Decrease / (increase) in other non-current assets	35,074,867	8,043,497
	Cash generated from / (used in) operations	1,410,977,475	3,249,150,376
	Direct taxes paid (net of refunds)	(1,421,950,561)	(974,618,735)
	Net cash flow from / used in operating activities (A)	(10,973,086)	2,274,531,641
II	Cash flow from investing activities		
	Purchase of fixed assets, including intangible assets, CWIP and capital advances	(43,610,534)	(2,283,888,337)
	Proceeds from sale of fixed assets	12,116,988	762,349
	Decrease in liability of minority interests	-	(28,502,776)
	Proceeds on disposal of Subsidiary	-	81,499,990
	Proceeds of non-current investments	23,623,692	2,663,350
	Purchase of non-current investments	(7,499,900)	(4,999,900)
	Interest received	30,527,523	24,645,258
	Dividends received	-	96,952
	Foreign Currency Translation Reserve	(17,586,480)	(53,448,199)
	Net cash flow from/(used in) investing activities (B)	(2,428,710)	(2,261,171,314)
III	Cash flow from financing activities		
	Proceeds from issuance of share capital	-	982,920
	Proceeds from Warrant & Share Application Money	1,478,495,000	1,021,505,000
	Proceeds from securities premium on issuance of share capital	-	6,289,930
	Proceeds from long-term borrowings	(488,041,691)	(594,752,147)
	Proceeds from short-term borrowings	(60,522,473)	364,079,008
	Interest paid	(676,873,208)	(718,023,804)
	Dividends paid on equity shares	(125,870,560)	(100,593,064)
	Tax on equity dividend paid	(25,166,708)	(18,292,497)
	Net cash flow from/(used in) in financing activities (C)	102,020,360	(38,804,655)



Net increase / (decrease) in cash and cash equivalents (A + B + C)	88,618,564	(25,444,328)
Cash and cash equivalents at the beginning of the year	293,429,356	318,873,683
Cash and cash equivalents at the end of the year	382,047,920	293,429,356

Components of cash and cash equivalents

Cash on hand	664,238	539,835
Cheques/ drafts on hand		
With banks - on current account	67,549,011	25,264,712
on deposit account	310,452,575	264,862,969
unpaid dividend accounts*	3,382,097	2,761,840
Total cash and cash equivalents (Note 18)	382,047,920	293,429,356

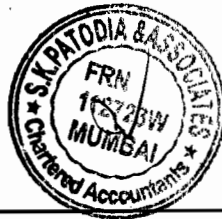
* The company can utilize these balances only toward settlement of the respective unpaid dividend.

For S. K. Patodia & Associates
Chartered Accountants
FRN : 112723W

Arun Poddar

Arun Poddar
Partner
Mem. No. 134572

Place : Mumbai
Date : May 30, 2015



For & on behalf of the Board

Dinesh Nandwana

Dinesh Nandwana
Chairman & Managing Director
DIN : 00062532

N. K. Hazetnagar

Dr. Nishikant Hayatnagarkar
Director
DIN : 00062638

Darshi Shah

Darshi Shah
Company Secretary



Vakrangee Limited
(Formerly known as Vakrangee Softwares Limited)

Notes to Consolidated financial statements for the year ended March 31, 2015

Note 1 - Significant Accounting Policies

A. Basis of Consolidation:

The Consolidated financial results comprise of the results of Vakrangee Limited (hereinafter referred to as "the Company" and its subsidiaries, Vakrangee e-Solutions Inc., Philippines and Vakrangee Finserve Limited which are consolidated in accordance with Accounting Standard 21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India (ICAI).

The Financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the balances of like items of assets, -liabilities, income and expenditure after fully eliminating the intra-group balances and intra-group transactions resulting in unrealized profit or loss.

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.

The excess of cost to the Company of its investments in the subsidiaries over its portion of equity of subsidiaries at the dates they become subsidiaries is recognized in the financial statements as goodwill. When the cost to the parent of its investment in subsidiaries is less than the parent's portion of equity, the difference is recognized in the financial statements as capital reserve.

B. Basis of Accounting

These financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 read with the Rule 7 of Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 (the "Act") and Accounting Standard-30 'Financial Instruments: Recognition and Measurement' issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in section 133 of the Act. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amounts of revenues



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Notes to Consolidated financial statements for the year ended March 31, 2015

and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialised.

D. Recognition of Income

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered.

The Company follows the accrual basis of accounting except in the following cases, where the same are recorded on cash basis on ascertainment of right and obligation.

- i. Insurance Claim
- ii. Dividend Income, if any.

E. Fixed Assets and Intangible Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use. Own manufactured assets are capitalized inclusive of all direct costs and attributable overheads. Capital work-in-progress comprises of advances paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use as at the balance sheet date. In the case of new undertaking, preoperative expenses are capitalized upon the commencement of commercial production.

Intangible assets are recorded at the consideration paid for their acquisition. Cost of an internally generated asset comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to creating, producing and making the asset ready for its intended use.

The carrying amounts of the assets belonging to each cash generating unit (CGU) are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts and where carrying amounts exceed the recoverable amount of the assets belonging to CGU, assets are written down to their recoverable amount. Further, assets held for disposal are stated at the lower of the net book value or the estimated net realizable value.

F. Impairment of Fixed Assets

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets". Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made.

G. Depreciation / Amortisation

- i. Till the end of previous financial year i.e. upto March 31, 2014, depreciation / amortisation was provided on the Straight Line Method (SLM) unless otherwise mentioned, pro-rata to the period of use of assets and is based on management's estimate of useful lives of the fixed assets or at rates specified in Schedule XIV to the Companies Act, 1956, whichever is higher:



Vakrangee Limited
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Notes to Consolidated financial statements for the year ended March 31, 2015

Description of Asset	Rate of Depreciation
Building	1.63%
Computers including Computer Peripherals & Software	16.21%
Office Equipments	4.75%
Furniture & Fixture	6.33%
Motor Car	9.50%
Plant & Machinery	4.75%
Project Assets	25.00% – 33.33%
Leased Project Assets	33.33%

- ii. With the applicability of Companies Act, 2013 with effect from April 1, 2014, depreciation / amortisation is provided on the Straight Line Method (SLM) unless otherwise mentioned, pro-rata to the period of use of assets and is based on management's estimate of useful lives of the fixed assets or the useful lives as specified in Part C of Schedule II to the Companies Act, 2013, and accordingly the depreciation rates have been taken as follows :

Description of Asset	Rate of Depreciation
Building	1.67%
Computers including Computer Peripherals & Software	33.33%
Office Equipments	20.00%
Furniture & Fixture	10.00%
Motor Car	12.50%
Plant & Machinery	6.67%
Project Assets*	25.00% – 33.33%
Leased Project Assets*	33.33%

* The useful lives of these assets have been taken as per estimation of the management since their purchase and has been amortised accordingly, which resulted into acceleration of the depreciation at higher rate as compared to the depreciation rate given under the Schedule XIV of the Companies Act, 1956 (i.e. before the applicability of the Companies Act, 2013) and has continued with the earlier useful lives in the current year.

- iii. As per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the carrying amount of the existing assets as on April 1, 2014 :
- will be depreciated over the remaining useful life of the asset as per this Schedule
 - in cases where the remaining useful life of an asset is nil, the residual value has been transferred to the retained earnings.
- iv. Depreciation on assets acquired/sold during the year is provided on prorata basis.

H. Investments

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investment and are carried at cost less any provision for permanent diminution in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.



Vakrangee Limited
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Notes to Consolidated financial statements for the year ended March 31, 2015

I. Valuation of inventories

Inventories are valued at lower of cost or net realizable value.

J. Lease

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor, are recognised as operating leases. The lease agreements contain rent escalation clause. Lease rental expenses including escalations for operating leases are recognised in the Profit and Loss Account on a straight-line basis over the minimum lease term.

Assets leased by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

K. Miscellaneous Expenditure

Preliminary expenses are amortised in the year in which they are incurred.

L. Foreign Currency Transactions

- i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Profit and Loss Account.
- iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Profit and Loss Account.

M. Treatment of Contingent Liabilities

Contingent liabilities are disclosed by way of notes to accounts. Disputed demands in respect of income tax and other proceeding are disclosed as contingent liabilities. Payments in respect of such demands, if any are shown as advances.

N. Accounting for Taxation of Income

Current taxes

Income Tax is accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowance or other matters is probable. MAT paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future tax liability, is recognised as an asset in the Balance sheet if there is convincing evidence that the group will pay normal tax after the tax holiday period and the resultant assets can be measured reliably. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it is its legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. The effect of a change in tax rates on deferred tax and assets or liabilities are recognized in the period that includes the enactment date. Deferred tax Assets are recognized only to the extent there is virtual



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Notes to Consolidated financial statements for the year ended March 31, 2015

certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

O. Retirement benefits of the Employee:

The Company has both defined contribution and defined benefit plans of which some have assets in special funds or similar securities. The plans are financed by the Company and in case of some defined contribution plans, by the Company along with its employees.

• **Gratuity**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the company. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Company's gratuity benefit scheme is a defined benefit plan. The company's obligation in respect of the gratuity plan is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method. The Company recognises actuarial gains and losses immediately in the profit and loss account.

• **Provident fund, State Insurance, Labour Welfare Fund, Professional Tax**

These are the defined contribution plans in which the Company pays pre-defined amounts to separate funds. The Company's contributions to these funds are reported as an expense during the period in which the employees perform services that the payment covers.

• **Compensated Absences**

The employees of the Company are entitled to compensate absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The company follows the cash basis of accounting for recording the obligation of leave encashment. In other words, the company records an obligation for compensated absences in the period in which it has been encashed by the employees.

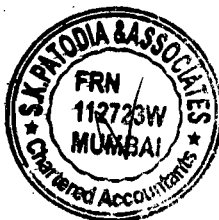
• **Employee Stock Option Plan (ESOP)**

In respect of employee's stock options, the excess of market price on the date of grant over the exercise price is recognised as deferred employee compensation expense amortised over vesting period.

As per our report of even date attached.

For S. K. Patodia & Associates
Chartered Accountants
FRN : 112723W

Arun Poddar
Arun Poddar
Partner
Mem. No. : 134572



Dinesh Nandwana
Dinesh Nandwana
Chairman & Managing Director

Dr. Nishikant Hayatnagarkar
Dr. Nishikant Hayatnagarkar
Director



Vakrangee Limited
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Notes to Consolidated financial statements for the year ended March 31, 2015

Place : Mumbai
Date : May 30, 2015


Darshi Shah
Company Secretary



Vakrangee Limited
(Formerly known as Vakrangee Softwares Limited)

Notes to Consolidated Financial Statements as on March 31, 2015

Note 2 - Share Capital

(Amount in ₹)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
Authorised :		
75,00,00,000 (Previous Year 75,00,00,000) Equity Shares of Rs. 1/- each	750,000,000	750,000,000
TOTAL	<u>750,000,000</u>	<u>750,000,000</u>
Issued, Subscribed and Paid-up :		
50,34,82,240 (Previous Year 50,34,82,240) Equity Shares of ₹1/- each fully paid up	503,482,240	503,482,240
TOTAL	<u>503,482,240</u>	<u>503,482,240</u>

Note 3 - Reserves & Surplus

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
(i) Securities Premium Account		
As per last Balance Sheet	1,699,711,327	1,689,433,464
Add: On shares issued during the year	-	6,289,930
Add : Transferred from Shares Options outstanding account	-	3,987,933
Less: Capitalised on issue of shares	-	-
Less: Share issue expenses	-	-
	<u>1,699,711,327</u>	<u>1,699,711,327</u>
(ii) a) Shares Options Outstanding Account		
As per last Balance Sheet	95,941,157	107,861,538
Add : On further grant of options	69,170,770	-
Less: Reversal due to lapsation of options	(40,271,027)	(7,932,448)
Less: Transferred to Securities Premium Account	-	(3,987,933)
	<u>124,840,900</u>	<u>95,941,157</u>
b) Deferred Employee Compensation Expense		
As per last Balance Sheet	(38,936,468)	(69,638,751)
Add : On further grant of options	(69,170,770)	-
Less : Amortised during the year	41,182,652	30,702,283
	<u>(66,924,586)</u>	<u>(38,936,468)</u>
(iii) General Reserve		
As per last Balance Sheet	458,594,851	259,594,501
Add: Transferred from Profit and Loss Account	320,573,024	199,000,350
Less: Transferred to Profit and Loss Account	-	-
	<u>779,167,875</u>	<u>458,594,850</u>
(iv) Surplus in the Profit & Loss Account		
As per last Balance Sheet	4,054,653,755	2,648,424,403
Add: Profit for the year	3,218,429,368	1,750,424,697
Amount available for appropriations	7,273,083,123	4,398,849,101
Appropriations:		
Add: Transferred from reserves	-	-
Add: Profit on disposal of investment in subsidiary	-	2,176,304
Less : Amounts transferred from block of Fixed Assets (net of taxes) (Refer Note I below)	(264,605,698)	-
Less: Transferred to general reserve	(320,573,024)	(199,000,350)
Proposed dividend	(125,870,560)	(125,870,560)
Corporate Dividend Tax	(25,166,708)	(21,391,702)
Short Provision for Dividend of previous year	-	(93,200)
Short Provision for Dividend Tax Payable	(3,775,006)	(15,839)
	<u>(739,990,996)</u>	<u>(344,195,346)</u>
	<u>6,533,092,127</u>	<u>4,054,653,755</u>
TOTAL	<u>9,069,887,643</u>	<u>6,269,964,621</u>

Note I : With the applicability of Companies Act, 2013 with effect from April 1, 2014, and as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the carrying amount of the existing assets as on April 1, 2014 where the remaining useful life of an asset is nil, the residual value has been transferred to the retained earnings. The block-wise break up of the amounts transferred are as follows :

Furnitures & Fixtures	8,291,048
Office Equipments	22,269,899
Computers & Printers	370,296,041
	<u>400,856,988</u>

The tax impact amounting to Rs. 13,62,51,290/- on the above amounts has been reduced from the amounts transferred from block of fixed assets.



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Notes to Consolidated Financial Statements as on March 31, 2015

Note 4 - Money Received against Share Warrant

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Warrant Application money	2,500,000,000	1,021,505,000
Total	2,500,000,000	1,021,505,000

Note :

The Company has issued 250.00 lacs fully convertible warrants to M/s. Vakrangee Capital Private Limited at Rs. 100/- per warrant in the previous year. The warrants issued are convertible into equal no. of equity shares having face value of Rs. 1/- with premium of Rs. 99/- per share. Amount payable at time of issue is 40.56% i.e. Rs. 101.40 Cr, and rest at the time of conversion of warrants, conversion can happen anytime from the date of allotment but before the expiry of 18 months from the date of allotment. Convertible warrants are subject to lock-in-period of three years from date of allotment of the equity shares or such reduced period as may be permitted under the SEBI Issue of Capital & Disclosure Requirements (ICDR) Regulations, 2009 as amended time to time.

Note 5 - Long-Term Borrowings

(Amount in ₹)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
(A) Secured Loans		
(i) Term Loans		
- From Banks	374,059,994	740,266,293
- From Others	374,059,994	120,000,000
(ii) Long-term maturities of finance lease obligations		1,835,392
(iii) Deposits		
(A)	<u>374,059,994</u>	<u>862,101,685</u>
(B) Unsecured Loans		
(i) Term Loans		
- From Bank		
- From Others		
(iii) Deposits		
(B)		
TOTAL (A + B)	<u><u>374,059,994</u></u>	<u><u>862,101,685</u></u>

Note 6 - Deferred Tax Liabilities (Net)

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Liabilities		
(i) On account of difference in depreciation on Fixed Assets	427,188,766	713,324,850
(ii) Timing differences on Tax Provisions		
(A)	<u>427,188,766</u>	<u>713,324,850</u>
Assets		
(i) Provision for Leave Encashment	1,881,195	1,732,764
(iii) Timing differences on Tax Provisions		
(B)	<u>1,881,195</u>	<u>1,732,764</u>
TOTAL (A - B)	<u><u>425,307,571</u></u>	<u><u>711,592,086</u></u>

Note 7 - Other Long-Term Liabilities

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Trade payables	15,716,946	33,205,586
Others		
TOTAL	<u><u>15,716,946</u></u>	<u><u>33,205,586</u></u>



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Notes to Consolidated Financial Statements as on March 31, 2015

Note 8 - Short-Term Borrowings

(Amount in ₹)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
(A) Secured Loans		
(i) Loans repayable on demand		
- From Banks	2,996,879,561	3,063,902,034
(ii) Loans & Advances from Related Parties	-	-
(iii) Inter Corporate Deposits	-	-
(A)	<u>2,996,879,561</u>	<u>3,063,902,034</u>
(B) Unsecured Loans		
(i) Loans & Advances from Related Parties	158,860,000	152,360,000
(ii) Inter Corporate Deposits	-	-
(iii) Other Loans & Advances	-	-
(B)	<u>158,860,000</u>	<u>152,360,000</u>
TOTAL (A + B)	<u><u>3,155,739,561</u></u>	<u><u>3,216,262,034</u></u>

Note 9 - Trade Payables

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Current payables (including acceptances) outstanding for less than 12 months	2,131,320,998	2,524,314,763
	<u>2,131,320,998</u>	<u>2,524,314,763</u>

Note 10 - Other Current Liabilities

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Current maturities of long-term debts	628,761,435	824,298,572
Current maturities of finance lease obligations	1,835,391	20,441,430
Interest accrued and due on borrowings	17,180,586	6,823,578
Unpaid Dividend	3,382,097	2,761,840
Other Payables		
PF, ESIC & LWF Payable	6,228,818	849,522
Service Tax Payable	4,554,848	5,827,243
Sales Tax Payable	401,702	1,112,595
TDS Payable	18,804,891	32,366,319
Staff Emoluments Payable	36,997,764	58,916,195
Security Deposit	-	395,000
Advance from customers	32,052,720	-
Other Liabilities	80,106,801	72,766,230
TOTAL	<u><u>830,307,052</u></u>	<u><u>1,026,558,523</u></u>

Note 11 - Short-Term Provisions

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for Expenses for Goods & services	670,877,405	798,041,746
Provisions for Employees' benefits	11,784,769	5,212,470
Provision for Wealth Tax	1,522	16,411
Provision for Taxation (net of taxes paid)	532,840,660	126,671,545
Provision for Proposed Dividend	125,870,560	125,870,560
Provision for Tax on Proposed Dividend	25,166,708	21,391,702
TOTAL	<u><u>1,356,541,624</u></u>	<u><u>1,077,204,434</u></u>



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Note 12 - Fixed Assets

(a)	Description	Gross Block				Depreciation Block				Net Block			(Amount in ₹)		
		Beginning of Current Period	Additions	Acquisitions through Business Combinations	Deductions/ Adjustments	End of Current Period	Upto Beginning of Current Period	For the Period	Transfer to retained Earnings	Deductions/ Adjustments	Upto End of Current Period	Before Impairment		Impairment	End of Current Period
	(i) Tangible Assets														
	Buildings	99,181,264	4,520,939	-	-	103,702,203	1,646,688	-	-	13,266,672	-	-	-	90,435,531	87,561,280
	Plant and Machinery	75,553,312	24,322,697	-	-	99,876,009	6,178,428	-	-	32,575,749	-	-	-	67,300,261	49,155,992
	Furnitures and Fixtures	60,545,596	86,765	-	-	60,632,361	3,617,876	8,291,048	-	50,646,491	-	-	-	9,985,870	21,808,029
	Vehicles	6,119,833	-	-	844,804	5,275,029	848,647	-	204,546	2,061,364	-	-	-	3,213,675	4,702,580
	Office Equipments	57,642,543	370,885	-	-	58,013,428	2,137,349	22,269,899	-	55,584,747	-	-	-	2,428,681	26,465,044
	Computers and Printers	3,251,886,087	2,597,269	-	-	3,254,483,355	2,769,041	370,296,041	-	3,250,118,559	-	-	-	4,364,797	374,851,610
	Project Assets														
	- Computers and Printers														
	- Owned	5,799,069,356	391,682,684	-	16,166,833	6,174,585,207	1,466,412,275	-	6,530,888	3,731,432,753	-	-	-	2,443,152,454	3,527,517,990
	- Leased	59,664,359	-	-	-	59,664,359	19,886,131	-	-	58,296,329	-	-	-	1,368,030	21,254,161
	- Office Equipments														
	- Owned	90,770,254	227,075	-	-	90,997,329	23,060,790	-	-	75,929,872	-	-	-	15,067,457	37,901,172
	- Leased	1,924,925	-	-	-	1,924,925	641,578	-	-	1,880,769	-	-	-	44,136	685,714
	- Furniture & Fixtures														
	- Owned	482,250,784	25,313	-	-	482,276,097	120,567,983	-	-	391,382,985	-	-	-	90,693,111	211,435,782
	- Leased	2,325,600	-	-	-	2,325,600	775,124	-	-	2,272,278	-	-	-	53,322	828,446
	TOTAL	9,986,933,913	423,833,626	-	17,011,637.00	10,393,755,902	1,648,560,910	400,856,988	6,735,434	7,565,448,578	-	-	2,728,307,325	4,364,167,799	-
	(ii) Intangible Assets (Other than Internally Generated)														
	TOTAL														
	(iii) Capital Work-in-Progress (excluding Capital Advances)														
	TOTAL	481,134,269	-	-	380,223,093	100,911,176	-	-	-	-	-	-	-	100,911,176	481,134,269
	GRAND TOTAL	10,468,068,182	423,833,626	-	397,234,730	10,494,687,078	1,648,560,910	400,856,988	6,735,434	7,665,448,578	-	-	2,829,218,501	4,845,302,088	-
	PREVIOUS YEAR	8,187,865,365	2,451,595,586	-	171,382,770	10,468,068,182	1,808,728,075	-	2,635,639,811	5,622,766,114	-	-	4,845,302,088	-	-

Note :

(b) Details of Capital Work-in-Progress

Capital Work-in-Progress represents cost incurred towards advance for purchase of ATM Machine for White Label ATM (WLA) project and other project assets.

(c) Detailed note on Fixed Assets taken on Lease

The Company has taken certain assets on finance lease. The assets taken on finance lease have been classified as leased assets under the project assets above. The finance lease is for the period of three years from the date of its commencement. Hence the depreciation on these assets will be amortised over a period of three years on straight line basis. For details on finance lease, please refer Note No. 35.



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Notes to Consolidated Financial Statements as on March 31, 2015

Note 13 - Non-Current Investments

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Trade Investments		
(i) Investment in Equity Instruments		
Unquoted Investments		
- In Others		
2500 Equity Shares of CSC e-Governance Services India Ltd. of Rs. 1000/- each fully paid up (Previous Year Nil)	2,500,000	-
(A)	2,500,000	-
(ii) Investment in Mutual Funds		
Nil units of Axis Hybrid Fund Series - I of Rs. 10/- each fully paid up (Previous Year 12,00,000)	-	12,000,000
24,9375 units of Aditya Birla Real Estate Fund - I of Rs. 1,00,000/- each partly paid up Rs. 60,000/- per unit (Previous Year Rs. 60,000/- per unit, 24.9375 units)	1,500,000	1,500,000
Nil units of Union KBC Capital Protection Oriented Fund - Series 7 of Rs. 10/- each fully paid up (Previous Year 2,50,000)	-	2,500,000
Nil units of Union KBC Trigger Fund Series 1 - Regular Plan of Rs. 10/- each fully paid up (Previous Year 99,990)	-	999,900
99,990 units of Union KBC Asset Allocation Fund - Moderate of Rs. 10/- each fully paid up (Previous Year 99,990)	999,900	999,900
2,99,990 units of Union KBC Capital Protection Oriented Fund - Series 1 of Rs. 10/- each fully paid up (Previous Year 2,99,990)	2,999,900	2,999,900
2,00,000 units of Union KBC Capital Protection Oriented Fund - Series 2 of Rs. 10/- each fully paid up (Previous Year 2,00,000)	2,000,000	2,000,000
1,00,000 units of Union KBC Capital Protection Oriented Fund - Series 5 of Rs. 10/- each fully paid up (Previous Year 1,00,000)	1,000,000	1,000,000
4,99,990 units of Union KBC Trigger Fund Series 2 - Regular Plan of Rs. 10/- each fully paid up (Previous Year Nil)	4,999,900	-
Nil units of Union KBC Equity Fund - Growth of Rs. 10/- each fully paid up (Previous Year 1,50,000)	-	1,500,000
(B)	13,499,700	25,499,700
TOTAL (A + B)	15,999,700	25,499,700

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
(b) Aggregate value of:		
Quoted investments - Mutual Funds (Market Value : Rs.156.19 lakhs, P.Y. Rs. 301.30 lakhs)	13,499,700	25,499,700
Unquoted investments	2,500,000	-
	15,999,700	25,499,700



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Notes to Consolidated Financial Statements as on March 31, 2015

Note 14 - Long-Term Loans & Advances

(Amount in ₹)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
(i) Capital Advances		
(Unsecured, considered good)		
Advance against property	45,852,300	49,952,300
Advance against capital goods	-	500,500,000
	<u>45,852,300</u>	<u>550,452,300</u>
(ii) Security Deposits		
(Unsecured, considered good)		
Security Deposit	2,195,606	2,617,754
(iii) Other Loans and Advances		
(Unsecured, considered good)		
MAT Credit Entitlement	1,287,352	-
Balances with statutory / revenue authorities :		
- Income Tax (net of provision for taxation)	-	-
- Sales Tax	-	-
	<u>1,287,352</u>	<u>-</u>
TOTAL	<u><u>49,335,258</u></u>	<u><u>553,070,054</u></u>

Note 15 - Other Non-Current Assets

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
(i) Long Term Trade Receivables		
- Unsecured, considered good	13,836,281	13,548,742
- Doubtful	-	-
Less: Provision for Doubtful Debts	<u>4,450,184</u>	<u>4,450,184</u>
	9,386,097	9,098,558
(ii) Others		
- Non-Current Bank Balances (Note No. 18)	45,314,292	80,794,362
- Prepaid Expenses	<u>141,703</u>	<u>24,038</u>
	45,455,995	80,818,400
TOTAL	<u><u>54,842,091</u></u>	<u><u>89,916,958</u></u>

Note 16 - Inventories

(Amount in ₹)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
(i) Raw Material	1,250,502,783	1,229,342,340
(ii) Work in Progress	374,516,896	324,125,890
(iii) Finished Goods	46,570,660	50,866,293
(iv) Consumables	20,901,694	19,904,515
(v) Stores & Spares	<u>1,135,539</u>	<u>614,292</u>
TOTAL	<u><u>1,693,627,572</u></u>	<u><u>1,624,853,330</u></u>

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with AS 2 as issued by the ICAI.



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Notes to Consolidated Financial Statements as on March 31, 2015

Note 17 - Trade Receivables

(Amount in ₹)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
(i) Due for a period exceeding six months		
- Unsecured, considered good	1,246,560,193	259,572,960
- Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
(ii) Others		
- Unsecured, considered good	10,746,679,587	7,423,409,975
- Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
TOTAL	<u>11,993,239,780</u>	<u>7,682,982,936</u>

Note 18 - Cash & Cash equivalents

(Amount in ₹)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
(A) Cash & Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	67,549,011	25,264,712
(ii) Cash-in-hand	664,238	539,835
(iii) Cheques & Drafts in-hand	-	-
	<u>68,213,248</u>	<u>25,804,547</u>
(B) Other Bank Balances		
(i) Earmarked balances	3,382,097	2,761,840
(ii) Amount held as margin money or security against borrowings, guarantee, other commitments	354,691,936	345,657,332
(iii) Deposits with Banks :		
- with original maturity period of more than 3 months but less than 12 months	1,074,930	-
- with original maturity period of more than 12 months	-	-
	<u>359,148,963</u>	<u>348,419,171</u>
	<u>427,362,212</u>	<u>374,223,718</u>
Less : Non-Current Other Bank Balances, disclosed under Other Non-Current Assets (Note No. 15)		
(i) Amount held as margin money or security against borrowings, guarantee, other commitments	45,314,292	80,794,362
(ii) Deposits with Banks :		
- with original maturity period more than 12 months	-	-
	<u>45,314,292</u>	<u>80,794,362</u>
TOTAL	<u>382,047,920</u>	<u>293,429,356</u>



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Notes to Consolidated Financial Statements as on March 31, 2015

Note 19 - Short-Term Loans and Advances

(Amount in ₹)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
(i) Security Deposits		
(Unsecured, considered good)		
Security Deposit	113,568,882	113,568,882
(ii) Loans and Advances to Related Parties		
(Unsecured, considered good)		
Dues from subsidiaries	-	-
Dues from associate companies	-	-
Dues from companies in which the company's managing director is a director	-	-
(iii) Other Loans and Advances		
(Unsecured, considered good)		
Loans to others	-	-
Earnest Money Deposit	15,035,000	6,835,000
Other Deposit	4,500	4,500
Balances with statutory / revenue authorities :		
- Sales Tax	2,802,725	2,785,516
- Income Tax (net of provision for taxation)	25,038,914	23,086,579
- CENVAT Credit receivable	1,483,780	2,723,791
	<u>44,364,919</u>	<u>35,435,386</u>
TOTAL	<u><u>157,933,801</u></u>	<u><u>149,004,268</u></u>

Note 20 - Other Current Assets

(Amount in ₹)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
(i) Interest accrued on Investments and deposits		
Interest Accrued on FDRs	-	-
(ii) Other advances receivable in cash or kind or for value to be received		
Staff Loans	1,858,747	3,094,725
Advances for Expenses	490,041	7,873,891
Advances for Purchases	3,036,641,181	1,805,595,933
Other Receivables	57,543,864	91,467,277
Prepaid Expenses	20,014,817	12,116,600
	<u>3,116,548,650</u>	<u>1,920,148,426</u>
(iii) Other Assets		
Share Application Money		
- In Other Body Corporates	-	-
TOTAL	<u><u>3,116,548,650</u></u>	<u><u>1,920,148,426</u></u>



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Notes to Consolidated Financial Statements for the year ended March 31, 2015

Note 21 - Revenue from Operations

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Income from e-governance activities	27,733,414,757	19,377,574,898
(b) Sale of Products		
- Computer consumables & peripherals	2,225,257	75,080,057
- Others	-	-
	<u>2,225,257</u>	<u>75,080,057</u>
(c) Sale of Services		
- Information Technology-enabled Services (ITeS)	67,934,250	65,214,217
- Others	880,074	1,059,880
	<u>68,814,325</u>	<u>66,274,097</u>
(d) Other Operating Revenues		
- Commission	293,633	-
- Scrap Sale	45,517	88,354
	<u>339,150</u>	<u>88,354</u>
TOTAL	<u><u>27,804,793,489</u></u>	<u><u>19,519,017,405</u></u>

Note 22 - Other Income

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(i) Interest Income on		
- Bank Deposits	28,957,380	23,593,540
- Others	1,570,142	1,051,718
	<u>30,527,522</u>	<u>24,645,258</u>
(ii) Dividend Income on		
- Investment in Other Long-Term Instruments	-	96,952
	<u>-</u>	<u>96,952</u>
(iii) Net gain/ (Loss) on sale of Fixed Assets	1,840,785	-
(iv) Net gain on sale of Investments	6,623,792	-
(v) Gain on Foreign Exchange Fluctuation (net)	19,758,186	33,350
(vii) Other Non-Operating Income (net of expenses directly attributable to such income)	-	33,779,588
(vi) Other Non-Operating Income (net of expenses directly attributable to such income)		
- Rent Received	150,000	150,000
- Sundry Balances written back	15,324	-
- Miscellaneous Income	202,214	-
	<u>367,538</u>	<u>2,902,675</u>
TOTAL	<u><u>59,117,824</u></u>	<u><u>61,607,823</u></u>



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Notes to Consolidated Financial Statements for the year ended March 31, 2015

Note 23 - Operating Expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Cost for Sales		
- Opening Stock	1,249,861,147	26,103,969
- Add : Purchases during the year	20,018,551,609	14,135,003,797
	<u>21,268,412,756</u>	<u>14,161,107,766</u>
- Less : Closing Stock	<u>1,272,540,016</u>	<u>1,249,861,147</u>
	19,995,872,740	12,911,246,619
Lease Rent		338,291,039
Procurement of Manpower	21,975,403	179,933,814
Project Expenses	113,908,596	55,371,337
Image Processing Expenses	12,179,561	6,584,132
Printing Charges	1,577,504	7,112,990
Communication Costs	17,591,680	21,371,084
Conveyance & Travelling Expenses	3,413,108	7,107,779
Transportation, Octroi and Loading / Unloading Charges	1,635,995	2,190,373
Rent, Rates and Taxes	4,530,380	5,214,100
Refurbishment Charges		12,588,150
Commission Expenses	53,718,809	2,812,556
TOTAL	<u><u>20,226,403,775</u></u>	<u><u>13,549,823,974</u></u>

Note 24 - Changes in Inventories

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) At the beginning of the period		
(i) Finished Goods	50,866,293	43,883,930
(ii) Work-in-Progress	<u>324,125,890</u>	<u>467,688,358</u>
	374,992,183	511,572,288
Less : (b) At the end of the period		
(i) Finished Goods	46,570,660	50,866,293
(ii) Work-in-Progress	<u>374,516,896</u>	<u>324,125,890</u>
	421,087,556	374,992,183
TOTAL	<u><u>(46,095,373)</u></u>	<u><u>136,580,105</u></u>

Note 25 - Employee Benefits Expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) (i) Salaries & Wages	180,395,644	282,010,877
(ii) Contribution to Provident & Other Funds	9,991,996	4,176,388
(iii) Employee Compensation Expenses	911,625	22,769,835
(iv) Staff Welfare Expenses	<u>4,623,871</u>	<u>5,161,316</u>
TOTAL	<u><u>195,923,136</u></u>	<u><u>314,118,415</u></u>

(b) Detailed note on disclosure as required by AS-15
For details, refer Note No. 37.



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Note 26 - Finance Costs

	(Amount in ₹)	
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest Expenses		
- Banks	663,165,340	644,624,968
- Others	13,707,869	73,398,836
Bank Charges & Commission	72,602,542	60,918,629
TOTAL	749,475,751	778,942,433

Note 27 - Other Expenses

	(Amount in ₹)	
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Repairs & Maintenance :		
- Building	3,975,279	216,612
- Vehicle	184,839	343,211
- Others	2,906,819	2,816,228
Loss on Foreign Exchange Fluctuation (net)		287,531
Advertisement and Publicity Expenses	19,132,667	26,901,753
Business Promotion Expenses	7,846,187	6,734,937
Sponsorship Fees	4,633,710	4,891,000
Commission & Brokerage	98,250	165,297
Rates & Taxes	6,281,693	1,102,402
Insurance	2,417,625	1,483,507
Electricity Expenses	3,616,990	3,707,007
Printing and Stationery	2,570,818	1,831,753
Communication Costs	10,009,991	11,703,372
Fees & Subscriptions	2,659,572	2,934,206
Listing, Registrar & Share Issue/Transfer Expenses	2,759,843	594,946
Directors' Remuneration	8,214,498	8,604,871
Directors' Sitting Fees	386,944	280,000
Legal & Professional Fees - Other than payments to Auditor :		
- Consultancy Charges	17,703,382	16,235,691
- Legal & Professional Fees	47,187,245	47,030,424
- Filing Stamp Duty and Franking Charges	2,407,785	11,408,420
- Registration charges	1,530	1,000
Payments to Auditors :		
- Audit fees	1,432,590	1,278,090
- Tax Audit fees	297,754	250,000
- For Other Services	381,499	300,101
- For Reimbursement of Expenses	2,111,843	1,828,191
Conveyance & Travelling	8,830,173	7,102,123
Vehicle Expenses	665,130	660,502
Corporate Social Responsibility Expenditure	32,125,000	-
Office & General Expenses	3,584,149	6,654,209
Donation	3,200,000	-
Provision for Doubtful Debts	-	4,450,184
Miscellaneous Expenses	855,019	1,437,241
Sundry Balances written off	-	1,097,588
TOTAL	196,366,982	172,504,206



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Notes to Consolidated Financial Statements for the year ended March 31, 2015

Note 28 - Companies considered in the consolidated financial statement are :

Name of the Company	Date of becoming subsidiary	Country of Incorporation	% voting power held	
			As at 31st March, 2015	As at 31st March, 2014
Vakrangee e-Solutions Inc.	8-May-09	Philippines	100.00	100.00
Vakrangee Finserve Limited	7-Sep-11	India	100.00	100.00

The audited financial statements of the Company and its subsidiaries are drawn for the twelve-month period ending on 31st March, 2015, except for the subsidiary Company, M/s Vakrangee e-Solutions Inc., Philippines, whose audited accounts are for the period from 1st January, 2014 to 31st December, 2014. For the purpose of consolidation, unaudited financial statements for the period from 1st April, 2014 to 31st March, 2015 have been considered so as to incorporate adjustments for the effect of transactions or other events that occurred between 1st January, 2015 to 31st March, 2015.

Note 29 - Contingent Liabilities and Commitments (to the extent not provided for)

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(A) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts	2,722,684	-
(ii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	208,990,149	213,044,124
(iii) Other contingent liabilities (Refer Note 1 below)	-	-
(A)	211,712,833	213,044,124
(B) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account not provided for	2,500,000	2,500,000
(ii) Uncalled liabilities on share and other investments partly paid up	1,000,000	1,000,000
(iii) Others commitments	-	-
(B)	3,500,000	3,500,000
TOTAL (A + B)	215,212,833	216,544,124

Note :

1. The amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

Note 30 - Segment Reporting

The Company's activities predominantly revolve around providing the e-governance related activities of Mission Mode Projects covered under "National e-Governance Plan" (NeGP). Considering the nature of Company's business and operations, there is only one reportable segment (business and / or geographical) in accordance with the requirements of the Accounting Standard 17 - "Segment Reporting" notified in the Companies (Accounting Standards) Rules 2006. However, on the basis of delivery modes, the Company's business operations has been classified into two business segments, viz. e-Governance Projects and Vakrangee Kendra, for the year.

Revenue and identifiable operating expenses in relation to these segments are categorised based on items that are individually identifiable to those segments. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably to utilise the resources optimally. The management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as 'unallocated' and adjusted against the total income of the Company. Fixed assets or liabilities contracted have not been identified to any of the segments as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities are made.

(Amount in ₹)

Particulars	e-Governance	Vakrangee Kendra	Total
Revenue from Operations	15,869,999,628	11,934,793,862	27,804,793,489
Segmental Results (Profit before Depreciation, Interest and	3,584,850,687	3,607,790,370	7,192,641,057
Less :			



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Depreciation		1,648,553,534
Finance Costs		749,755,267
Unallocable expenses (net of unallocable income)		(98,943,877)
Profit before exceptional and extra-ordinary item		4,893,276,133
Less : Exceptional and extra-ordinary item		-
Profit Before Tax		4,893,276,133
Less : Tax Expense		1,674,846,766
Profit After Tax		3,218,429,367

Note 31 - Earnings Per Equity Share

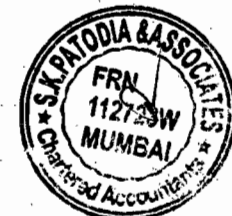
(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Net profit after tax attributable to equity shareholders for Basic EPS	3,218,429,367	1,750,424,697
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	3,218,429,367	1,750,424,697
(b) Weighted average no. of equity shares outstanding during the year		
For Basic EPS	503,482,240	502,979,292
For Diluted EPS	531,103,578	509,232,604
(c) Face Value per Equity Share (Rs.)	1.00	1.00
Basic EPS	6.39	3.48
Diluted EPS	6.06	3.44
(d) Reconciliation between no. of shares used for calculating basic and diluted EPS		
No. of shares used for calculating Basic EPS	503,482,240	502,979,292
Add: Potential equity shares	27,621,338	6,253,312
No. of shares used for calculating Diluted EPS	531,103,578	509,232,604

Note 32 - Prior Period Items

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Prior Period Expenses		
Purchases	2,696,930	594,597
Professional Fees	83,719	435,801
Salary & Wages	100,088	47,224
Rent	-	50,000
Rates & Taxes	-	38,299
Repair & Maintenance	290,741	3,000
Society Charges	-	81,026
TOTAL	3,171,478	1,249,947
(b) Prior Period Incomes		
Salary & Wages	12,700	4,568,073
Other Income	2,372	-
TOTAL	15,072	4,568,073



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Notes to Consolidated Financial Statements for the year ended March 31, 2015

Note 33 - Related Party Details

(a) Key Management Personnel

Mr. Dinesh Nandwana	Chairman & Managing Director
Dr. Nishikant Hayatnagarkar	Whole-Time Director
Mr. Ramesh Mulchand Joshi	Director
Mr. Sunil Agarwal	Director
Mr. Babulal Meena	Director
Ms. Darshi Shah	Company Secretary

(b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Company has entered into transactions during the year

Vakrangee Holdings Private Limited
Vakrangee Lacteus & Hortus Limited
Vakrangee Capital Private Limited
Vakrangee Technologies Limited
Vakrangee Infraprojects Limited
Mr. Manoj Nandwana

Related Party Transactions

- In relation to (a)

(Amount in ₹)

Nature of Transactions	For the year ended March 31, 2015	For the year ended March 31, 2014
Director Remuneration	8,214,498	8,604,871
ESOP Perquisites	-	-
Directors' Sitting Fees	386,944	280,000
Rent received	490,132	-
Balance outstanding as on 31 March	NIL	NIL

- In relation to (b)

(Amount in ₹)

Nature of Transactions	For the year ended March 31, 2015	For the year ended March 31, 2014
Reimbursement of Expenses	1,415,231	1,744,968
Salary Paid	510,496	512,483
Realisation from Debtors	7,213,144	42,500,000
Warrant Application Money Received	1,478,495,000	1,021,505,000
Sale of investments	-	130,000
Loans Granted	-	12,000,000
Loans received back	-	12,000,000
Loans Taken	7,900,000	66,650,000
Loans Repaid	1,400,000	70,975,000
Balance Outstanding as on 31 March:		
Sundry Debtors	-	7,213,144
Short Term Borrowings	158,860,000	152,360,000
Warrant Application Money Received	2,500,000,000	1,021,505,000



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Notes to Consolidated Financial Statements for the year ended March 31, 2015

Note 34 - Gratuity & Leave encashment

The Company has provided for Gratuity and leave encashment, in

a) Gratuity

Actuarial assumptions:

Particulars	(Amount in ₹)	
	As at March 31, 2015	As at March 31, 2014
Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age
Discount rate	8% per annum	8% per annum
Salary Escalation	5%	5%

The estimates of future salary increase, considered in actuarial

Amount recognized in the Profit and Loss account

Particulars	(Amount in ₹)	
	As at March 31, 2015	As at March 31, 2014
PV of Past Service Benefit	10,458,559	5,423,813
Current Service Cost	3,513,434	2,009,082
Actuarial (gains)/losses for the period	7,656,082	1,827,497
Obligation at the end of the year.	17,882,586	9,176,822

b) Leave encashment

Actuarial assumptions:

Particulars	(Amount in ₹)	
	As at March 31, 2015	As at March 31, 2014
Period	From 1st April, 2014 to 31st March, 2015	From 1st April, 2013 to 31st March, 2014
Discount rate	8.00% per annum	9.00% per annum
Salary growth rate	5.00% per annum	5.00% per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected rate of return		
Withdrawal rate (per annum)	2.00 % per annum (18 - 60 years)	2.00 % per annum (18 - 60 years)

Amount recognized in the Profit and Loss account

Particulars	(Amount in ₹)	
	As at March 31, 2015	As at March 31, 2014
Current Liability	178,305	145,568
Non current liability	4,350,382	3,806,250
Total	4,528,687	3,951,818

Note 35 - Leases

ii. Finance Leases

The Company has taken Computer Equipments & other Fixed Assets on finance lease during the year. Future minimum lease payments & present value of minimum lease payments towards the finance lease are as below :

Particulars	(Amount in ₹)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
i) Minimum lease payments		
Not later than one year	1,856,790	22,281,480
Later than one year and not later than five years		1,856,790
Total	1,856,790	24,138,270
ii) Present value of minimum lease payments		
Not later than one year	1,835,377	20,441,430
Later than one year and not later than five years		1,835,377
	1,835,377	22,276,807
Add : Future finance charges	21,413	1,861,463
Total	1,856,790	24,138,270

Note 36 - Previous year figures

The figures of the previous year have been re-arranged, re-grouped and re-classified wherever necessary.

