

IDEA MOBILE COMMERCE SERVICES LIMITED
ANNUAL REPORT 2014-15



IDEA MOBILE COMMERCE SERVICES LIMITED

Independent Auditors' Report

To the Members of
Idea Mobile Commerce Services Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Khurshed Pastakia
(Partner)
(Membership No. 31544)

Place : Mumbai
Date : 24th April, 2015

Annexure to the Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

1. Having regard to the nature of the Company’s business/ activities/results, clauses (i), (ii), (v), (vi), (ix) and (xi) of the paragraph 3 of the Order are not applicable to the company.

2. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013.

3. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the rendering of services and during the course of our audit, we have not observed any major weakness in such internal control system. During the current year, the company has no transactions of purchase of fixed assets, inventory and sale of goods.

4. According to information and explanations given to us, in respect of statutory dues:

a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Service Tax and other material statutory dues applicable to it with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees’ State Insurance, Wealth Tax, Value Added Tax, Excise Duty and Cess.

b) There were no undisputed amount payable in respect of Provident Fund, Income Tax, Service Tax and other material statutory dues in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.

c) There are no amounts that are due to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

d) There are no dues of Income Tax and Service Tax which have not been deposited on account of any dispute.

5. The accumulated losses of the company at the end of the financial year are not less than fifty per cent of its net worth and the Company has incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.

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

7. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)
- Khurshed Pastakia
Partner
(Membership No. 31544)
- Place : Mumbai
Date : 24th April, 2015
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IDEA MOBILE COMMERCE SERVICES LIMITED

Balance Sheet as at March 31, 2015

₹ in '000

Particulars	Note	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	99,000	45,000
Reserves and Surplus	4	(59,036)	(28,819)
		39,964	16,181
Non-Current Liabilities			
Long-Term Provisions	5	429	480
		429	480
Current Liabilities			
Inter Corporate Deposit from Holding Company (Refer Note 23)		-	10,200
Trade Payables		10,106	6,812
Other Current Liabilities	6	18,695	2,791
Short-Term Provision for Leave Encashment		88	66
		28,889	19,869
TOTAL		69,282	36,530
ASSETS			
Non-Current Assets			
Long-Term Loans and Advances	7	955	3,878
		955	3,878
Current Assets			
Current Investments	8	29,999	-
Trade Receivables	9	10,500	4,334
Cash and Cash Equivalents	10	16,720	18,904
Short-Term Loans and Advances	11	11,108	8,851
Interest Receivable		-	563
		68,327	32,652
TOTAL		69,282	36,530
Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Khurshed Pastakia
Partner
Membership No.: 31544

Place : Mumbai
Date : April 24, 2015

For and on behalf of the Board

Akshaya Moondra
Director

Tarjani Vakil
Director

Vineet Choraria
Company Secretary

IDEA MOBILE COMMERCE SERVICES LIMITED

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

₹ in '000

Particulars	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
INCOME			
Service Revenue		21,038	10,629
Miscellaneous Receipts		40	-
Revenue from Operations		21,078	10,629
Other Income	12	3,057	772
TOTAL		24,135	11,401
OPERATING EXPENDITURE			
Personnel Expenditure	13	15,279	13,072
IT Outsourcing Cost		8,409	-
Customer Acquisition & Servicing Expenses	14	22,064	8,646
Advertisement and Business Promotion Expenditure		934	2,010
Administration & Other Expenses	15	6,860	2,761
		53,546	26,489
PROFIT/(LOSS) BEFORE FINANCE CHARGES AND TAXES		(29,411)	(15,088)
Interest and Finance Charges	16	806	772
PROFIT/(LOSS) BEFORE TAX		(30,217)	(15,860)
Provision for Taxation		-	-
PROFIT/(LOSS) AFTER TAX		(30,217)	(15,860)
Earnings Per Share of ₹ 10/- each fully paid up (in ₹)	21		
Basic		(3.65)	(6.45)
Diluted		(3.65)	(6.45)
Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Khurshed Pastakia
Partner
Membership No.: 31544

Place : Mumbai
Date : April 24, 2015

For and on behalf of the Board

Akshaya Moondra
Director

Tarjani Vakil
Director

Vineet Choraria
Company Secretary

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

The Company provides Mobile Commerce services as a business correspondent of reputed bank, which includes basic banking services such as cash deposit, withdrawal, fund transfers, etc. and prepaid recharges. The Company also issues and operates Prepaid Payment Instruments (PPI) under authorization of Reserve Bank of India under Section 18 of the Payment and Settlement Systems Act, 2007. The Company is a 100% subsidiary of Idea Cellular Limited

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of Financial Statements:

The Financial Statements have been prepared on accrual basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 and relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the Schedule III to the Companies Act, 2013.

b) 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 amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Differences between actual results and estimates are recognised in the periods in which the results are known/materialised.

c) Revenue Recognition and Receivables:

Revenue on account of providing of services is recognised net of rebates, discount, service tax, etc. on rendering of service.

Unbilled receivables represent revenues recognised from the last billed date to the end of each month. These are billed in the subsequent periods as per the agreed terms.

Debts (net of security deposits outstanding there against) which remain unpaid for more than 180 days from the date of bill and/or other debts which are otherwise considered doubtful, are provided for.

d) Retirement Benefits:

Contributions to Provident and Pension funds are

funded with the appropriate authorities and charged to the Statement of Profit and Loss.

Contributions to Superannuation are funded with the Life Insurance Corporation of India and charged to the Statement of Profit and Loss.

Provision in accounts for leave benefits to employees is based on actuarial valuation done by projected accrued benefit method at the period end.

Liability for gratuity as at the period end is provided on the basis of actuarial valuation.

e) Interest Income:

Interest Income is recognised on accrual basis on the outstanding amount and applicable interest rate.

f) Taxation:

i) **Current Tax:** Provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.

ii) **Deferred Tax:** Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is virtual certainty with respect to the reversal of the same in future years.

g) Earnings Per Share:

The earnings considered in ascertaining the Company's Earnings Per Share (EPS) comprise of the Net Profit after Tax, as per Accounting Standard 20 on "Earnings Per Share". The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

h) Provisions & Contingent liabilities:

Provisions are recognised when the Company has a present obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

IDEA MOBILE COMMERCE SERVICES LIMITED

Notes forming part of the Financial Statements

3. SHARE CAPITAL

a) Authorised, Issued, Subscribed and Paid-up Share Capital:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Numbers	₹ in '000	Numbers	₹ in '000
Authorised				
Equity Shares of ₹ 10 each	25,000,000	250,000	5,000,000	50,000
	25,000,000	250,000	5,000,000	50,000
Issued, Subscribed and Paid-Up				
Equity Share Capital				
Equity Shares of ₹ 10 each fully Paid-up	9,900,000	99,000	4,500,000	45,000
	9,900,000	99,000	4,500,000	45,000

- (i) All the shares are held by the holding company - Idea Cellular Limited along with nominee share holders.
(ii) At the Extraordinary General Meeting held on May 30, 2014, the members of the company have approved to increase the Authorised Equity Share Capital from ₹ 50,000 Thousands to ₹ 250,000 Thousands.

b) Reconciliation of the number of Shares outstanding:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Numbers	₹ in '000	Numbers	₹ in '000
Equity shares outstanding at the beginning of the year	4,500,000	45,000	1,000,000	10,000
Equity shares issued to Idea Cellular Limited	5,400,000	54,000	3,500,000	35,000
Equity shares outstanding at the end of the year	9,900,000	99,000	4,500,000	45,000

c) Rights attached to Equity Shareholders:

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

4. RESERVES AND SURPLUS

Particulars	₹ in '000	
	As at March 31, 2015	As at March 31, 2014
Surplus/(Deficit) in Statement of Profit and Loss		
Balance at the beginning of the year	(28,819)	(12,959)
Add: Profit/(Loss) during the year	(30,217)	(15,860)
Balance at the end of the year	(59,036)	(28,819)
Total	(59,036)	(28,819)

5. LONG-TERM PROVISIONS

Particulars	₹ in '000	
	As at March 31, 2015	As at March 31, 2014
a) Provision for Gratuity (Refer Note 22)	-	177
b) Provision for Leave Encashment	429	303
Total	429	480

IDEA MOBILE COMMERCE SERVICES LIMITED

Notes forming part of the Financial Statements

6. OTHER CURRENT LIABILITIES

₹ in '000		
Particulars	As at March 31, 2015	As at March 31, 2014
Interest accrued but not due on Borrowings (Refer Note 23)	-	724
Advance from Customers and Others	16,956	953
Deposits from Customers and Others	1,020	495
Other Liabilities	719	619
Total	18,695	2,791

7. LONG-TERM LOANS AND ADVANCES

(Unsecured, considered good unless otherwise stated)

₹ in '000		
Particulars	As at March 31, 2015	As at March 31, 2014
a) Advance Income Tax	867	3,736
b) Other Loans and Advances	88	142
Total	955	3,878

8. CURRENT INVESTMENTS

₹ in '000		
Particulars	As at March 31, 2015	As at March 31, 2014
Investment in units of Liquid Mutual Funds (Unquoted) (Refer Note 18)	29,999	-
Total	29,999	-

9. TRADE RECEIVABLES (Unsecured, considered good)

₹ in '000		
Particulars	As at March 31, 2015	As at March 31, 2014
a) Billed Receivables		
Outstanding for a period exceeding six months from due date	2,508	-
Other Receivables	4,945	3,363
	7,453	3,363
b) Unbilled Receivables	3,047	971
Total	10,500	4,334

10. CASH AND CASH EQUIVALENTS

₹ in '000		
Particulars	As at March 31, 2015	As at March 31, 2014
Cheques on Hand	-	19
Balances with Banks		
- In Current Accounts	16,720	2,885
- In Deposit Accounts	-	16,000
Total	16,720	18,904

Balance with Banks in Current Account includes ₹ 3,207 Thousands (Previous year ₹ Nil) in escrow account of which ₹ 3,206 Thousands (Previous year ₹ Nil) is towards the liability for unutilised balances in customer accounts and ₹ 1 Thousand (Previous year ₹ Nil) is towards the liability for amount payable to merchants on account of transactions by customers as required under the Reserve Bank of India ('RBI') guidelines.

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Notes forming part of the Financial Statements

11. SHORT-TERM LOANS AND ADVANCES

(Unsecured, considered good unless otherwise stated)

Particulars	₹ in '000	
	As at March 31, 2015	As at March 31, 2014
a) Security Deposits	100	-
b) Cenvat Credit	584	347
c) Other Loans and Advances (includes amount referred in Note 22)	10,424	8,504
Total	11,108	8,851

12. OTHER INCOME

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest Income	661	772
Profit on Sale of Mutual Funds	2,396	-
Total	3,057	772

13. PERSONNEL EXPENDITURE

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and Allowances etc.	13,889	11,646
Contribution to Provident and Other Funds	602	563
Staff Welfare	788	833
Recruitment and Training	-	30
Total	15,279	13,072

14. CUSTOMER ACQUISITION & SERVICING EXPENSES

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Commission to Dealers	21,825	8,158
Customer Verification Expenses	221	484
Collection, Telecalling & Servicing Expenses	18	4
Total	22,064	8,646

15. ADMINISTRATION & OTHER EXPENSES

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Rates and Taxes	4	6
Printing and Stationery	54	39
Communication Expenses	263	224
Travelling and Conveyance	1,273	1,576
Bank Charges	30	18
Directors Sitting Fees	20	-
Legal and Professional Charges	5,043	842
Audit Fees (Refer Note 17)	50	50
Miscellaneous expenses	123	6
Total	6,860	2,761

IDEA MOBILE COMMERCE SERVICES LIMITED

Notes forming part of the Financial Statements

16. INTEREST AND FINANCE CHARGES

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest Expenses on ICD (Refer Note 23)	721	770
Interest Expenses on Others	85	2
Total	806	772

17. AUDITORS' REMUNERATION (excluding Service tax)

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Statutory Audit Fee	50	50
Total	50	50

18. DETAILS OF CURRENT INVESTMENTS

Particulars	As at March 31, 2015		As at March 31, 2014	
	Qty in '000	₹ in '000	Qty in '000	₹ in '000
	Units	Value	Units	Value
Birla Sun Life Savings Fund – Growth – Direct	111	29,999	-	-
Total	111	29,999	-	-

19. No amounts are payable to Micro, Small and Medium Enterprises (MSMEs) within the meaning of the Micro, Small and Medium Enterprises Development Act, 2006.

20. SEGMENT REPORTING

As Company operates only in one business segment, hence there is no separate reportable segment as per Accounting Standard - 17 on "Segment Reporting".

21. BASIC AND DILUTED EARNINGS PER SHARE

Particulars	₹ in '000	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Nominal value of Equity Share (₹)	10/-	10/-
Profit/(Loss) attributable to Equity Shareholders (₹ in '000)	(30,216)	(15,860)
Weighted average number of Equity Shares outstanding during the period (Nos.)	8,287,397	2,457,534
Basic and Diluted Earnings Per Share (₹)	(3.65)	(6.45)

22. EMPLOYEE BENEFITS

a) **Defined Benefit Plan:** The Company provides for its liability towards gratuity as per the actuarial valuation. The present value of the accrued gratuity minus fund value is provided in the books of accounts.

Particulars	₹ in '000	
	As at March 31, 2015	As at March 31, 2014
1 Assumptions		
Discount Rate	8.00%	9.00%
Salary Escalation	7.00%	7.00%
2 Table showing changes in Present Value of Obligations		
Present Value of Obligations as at beginning of the year	177	61
Interest Cost	16	5
Current Service Cost	137	117
Actuarial (Gain)/Loss	(17)	(6)
Present Value of Obligations at end of the year	312	177

IDEA MOBILE COMMERCE SERVICES LIMITED

Notes forming part of the Financial Statements

₹ in '000

Particulars	As at March 31, 2015	As at March 31, 2014
3 Table showing changes in the Fair Value of Plan Assets		
Fair Value of Plan Assets at beginning of the year	-	-
Contributions	316	-
Actuarial Gain on Plan Assets	-	-
Fair Value of Plan Assets at end of the year	316	-
4 Actuarial Gain/Loss recognised		
Actuarial (Gain)/Loss for the year-Obligation	(17)	(6)
Actuarial (Gain)/Loss for the year-Plan Assets	-	-
Total (Gain)/Loss for the year	(17)	(6)
Actuarial (Gain)/Loss recognised in the year	(17)	(6)
5 Amounts to be recognised in Balance Sheet		
Present Value of Obligations as at end of the year	312	177
Fair Value on Plan Assets as at the end of the year	316	-
Surplus/(Deficit)	4	(177)
Net Asset/(Liability) recognised in Balance Sheet	4	(177)
6 Expenses recognised in Statement of Profit & Loss		
Current Service Cost	137	117
Interest Cost	16	5
Net Actuarial (Gain)/Loss recognised in the year	(17)	(6)
Expenses recognised in the Statement of Profit & Loss Account	136	116
7 Experience Adjustments		
Present Value of Obligation	312	177
Plan Assets	316	-
Surplus/(Deficit)	4	(177)
Experience (Gain) or Loss on Plan Liabilities	(38)	6
Experience (Gain) or Loss on Plan Assets	-	-

- b) **Defined Contribution Plan:** During the year, the Company has recognised ₹ 423 Thousands (Previous year ₹ 353 Thousands) in the Statement of Profit & Loss towards Employers' Contribution to Provident & Pension Fund.

23. RELATED PARTY TRANSACTIONS

As per Accounting Standard-18 on "Related Party Disclosures", related parties of the Company are disclosed below:

A. List of Related Parties

Promoters of Holding Company

Hindalco Industries Limited
Grasim Industries Limited
Aditya Birla Nuvo Limited
Birla TMT Holdings Pvt. Limited

Holding Company

Idea Cellular Limited (ICL)

Fellow Subsidiaries

Idea Telesystems Limited (ITL)
Aditya Birla Telecom Limited (ABTL)
Idea Cellular Services Limited (ICSL)
Idea Cellular Infrastructure Services Limited (ICISL)

Joint Venture of Fellow Subsidiary

Indus Towers Limited (INDUS)

IDEA MOBILE COMMERCE SERVICES LIMITED

Notes forming part of the Financial Statements

B. Transactions with Related Party:

		₹ in '000
Nature of Transaction	ICL	
Expenditure incurred on Company's behalf by	-	(2,663)
Purchase of Services	303	(227)
Unsecured Loan Taken	-	(1,290)
Sale of Service	202	(247)
Unsecured Loan Repaid	-	(10,061)
ICD Repaid	10,200	(-)
ICD Taken	-	(7,700)
Interest on ICD	721	(770)
Issue of Shares	54,000	(35,000)

(Figures in brackets are for the year ended March 31, 2014)

C. Outstanding as on March 31, 2015:

		₹ in '000
Particulars	ICL	
ICD Taken	-	(10,200)
Interest Accrued but not due on ICD	-	(724)
Trade Receivable	-	(7)

(Figures in brackets are as of March 31, 2014)

24. Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year grouping.

For and on behalf of the Board

Akshaya Moondra
Director

Tarjani Vakil
Director

Vineet Choraria
Company Secretary

Place : Mumbai
Date : April 24, 2015

IDEA MOBILE COMMERCE SERVICES LIMITED

Cash Flow Statement for the year ended March 31, 2015

₹ in '000

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
A) Cash Flow from Operating Activities		
Net Profit/(Loss) after Tax	(30,217)	(15,860)
Adjustments For		
Profit on sale of Current Investment Mutual Funds	(2,396)	-
Interest and Financing Charges	806	772
Provision for Gratuity and Leave Encashment	(29)	402
Interest Income	(661)	(772)
Operating Profit/(Loss) before Working Capital Changes	(32,497)	(15,458)
Adjustments for Changes in Working Capital		
(Increase)/Decrease in Trade Receivables	(6,166)	(2,883)
(Increase)/Decrease in Long Term & Short Term Loans and Advances	(2,203)	1,096
Increase/(Decrease) in Trade Payables & Other Current Liabilities	19,922	3,096
Cash generated from Operations	(20,944)	(14,149)
Tax (Paid)/Refund received including TDS and Interest on Refund (net)	3,064	(3,268)
Net Cash from/(used in) Operating Activities	(17,880)	(17,417)
B) Cash Flow from Investing Activities		
Interest Received	1,029	209
Profit on sale of Current Investment	2,396	-
Net cash from/(used in) Investing Activities	3,425	209
C) Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital	54,000	35,000
Repayment of Long Term Borrowings	-	(8,771)
Proceeds from Inter Corporate Deposits	-	7,700
Repayment of Inter Corporate Deposit	(10,200)	-
Interest Paid	(1,530)	(79)
Net Cash from/(used in) Financing Activities	42,270	33,850
Net Increase/(Decrease) in Cash and Cash Equivalents	27,815	16,642
Cash and Cash Equivalents at the beginning	18,904	2,262
Cash and Cash Equivalents at the end	46,719	18,904

Notes to Cash Flow Statement for the year ended March 31, 2015

- Cash and Cash Equivalents Include following Balance Sheet amounts

Cheques on Hand	-	19
Balances with Banks		
- in Current Accounts	16,720	2,885
- in Deposit Accounts	-	16,000
Current Investments	29,999	-
	46,719	18,904
- The above Cash Flow Statement has been prepared under the Indirect method as set out in Accounting Standard 3 on Cashflow Statement
- Cash and Cash Equivalents above includes ₹ 3,207 Thousands (Previous year ₹ Nil) in escrow account of which ₹ 3,206 Thousands (Previous year ₹ Nil) is towards the liability for unutilised balances in customer accounts and ₹ 1 Thousand (Previous year ₹ Nil) is towards the liability for amount payable to merchants on account of transactions by customers as required under the Reserve Bank of India ('RBI') guidelines.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Khurshed Pastakia
Partner
Membership No.: 31544

Place : Mumbai
Date : April 24, 2015

For and on behalf of the Board

Akshaya Moondra
Director

Tarjani Vakil
Director

Vineet Choraria
Company Secretary

