



Annual Report
2014-15

A photograph showing a close-up of a person's hand pointing at a tablet screen. The screen is white and displays the website address. The background is slightly blurred, showing the edge of the tablet and the person's hand.

www.ienergizer.com

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iEnergizer Ltd.

(“iEnergizer” or the “Company” or the “Group”)

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

iEnergizer, the technology services and media solutions leader for the digital age, reports annual results for the year ended March 31st 2015.

Financial Highlights:

- Revenue down 9.4% at \$138.9m (2014: \$153.7m)
- EBITDA down 22.5% at \$25.5m (2014: \$37.8m)
- Adjusted EBITDA \$29.1m¹ (see note below)
- Profit before tax (PBT) down 58% at \$8.6m (2014: \$20.7m)
- Profit before tax margin down to 6.1% (2014: 13.3%)
- Reduced Net Debt to \$95.5m (2014: \$110.0m)
- Earnings per share of \$0.04 (2014 \$0.12)
- PBT significantly impacted by a number of restructuring measures (see * note below)

Operational Highlights:

- Real Time Processing revenue grew 19% year on year (Y/Y) and now accounts for 13% of revenues (10% in 2014)
- Back Office Services revenues grew 12% Y/Y and now accounts for 28% of revenues (22% in 2014)
- Back Office Services segment Operating Profit Margin increased by 880bps.

Board changes:

- With immediate effect, the Company announces the following changes to its Board:
 - Sara Latham moving from Non-executive Chairperson to Executive Director;
 - Marc Vassanelli becoming the new Non-executive Chairman of the Company; and
 - Neil Campling, Chief Financial Officer, leaving the Company

¹ Non-recurring expenses relate to one off costs of US\$ 3.6mn including a) Employee Severance and related legal/professional cost \$1.67mn, b) Facility relocation costs \$ 1.18mn, c) Aborted bond issue transaction costs \$0.47mn and d) Software Development costs of \$0.29mn.

Marc Vassanelli, Chairman of iEnergizer, commented:

“We have spent the year reorganising the business from the ground-up and focusing on a go-to-market sales and services delivery model. The emphasis on profitable growth and targets is at the forefront of these changes and has taken time to implement. Combined with a number of industry and company specific headwinds the effect is a clear short-term drag on financial performance. Despite this I am convinced we have the investments, technologies and people to capitalise on the progress and opportunities we have in each of our key strategic areas”.

“As expected fiscal 2015 has been a transitional year. While maintaining our focus on retaining and growing share with key customers the efforts have centred on ensuring both existing and new business will add to operating profits. The Company’s focus is on higher margin work in non-voice based processes including legal process outsourcing, digital solutions, financials, entertainment gaming support and content technology. A significant reorganization of lower margin work and rolling off of unprofitable contracts, together with the winding down of two high margin projects has hit profits over the year. Our new global sales initiative in the content delivery division has been established with a clear focus on delivering multi-year, recurring revenue contracts complimentary to our existing business services. This has reached critical mass and will continue to accelerate over the years to come. Fiscal 2016 will be a year in which our new, leaner structure, together with executing on significant opportunities in enterprise and continuing momentum in Back Office Services and Real Time Processing can set the company back on a path of renewed revenue growth and operating profit leverage. The foundations have been laid to expand our offering profitably and, in turn, deliver long-term value for our shareholders.”

Company Overview

iEnergizer is an AIM listed independent, integrated software and service pioneer. iEnergizer is a digital age publishing and technology leader set to benefit from the dual disruptive waves of big data and the cloud. The shift to the digital world is at a tipping point. iEnergizer has a unique position with cutting edge technology to serve as an enabler to its clients to help facilitate this transformation.

iEnergizer provides services across the entire customer lifecycle and offers a comprehensive suite of Content & Publishing Process Outsourcing Solutions (Content Services) and Customer Management Services (Back Office Services and Real Time Processing) that include Transaction Processing, customer acquisition, customer care, technical support, billing & collections, dispute handling and market research & analytics using various platforms including voice – inbound and outbound, back-office support, online chat, mail room and other business support services.

Our award-winning content and publishing services provide complete, end-to-end solutions for information providers and all businesses involved in content production. Our differentiation is in focusing on solutions and services that enable customers to find new ways to monetize their content assets, measurably improve performance, and increase revenues across their entire operation. From digital product conception, content creation and multichannel distribution, to post-delivery customer and IT support, we align ourselves with our customers as they streamline their operations to maximise cost-efficiencies and improve their ROI while connecting them with new, digitally savvy audiences.

Chairman's Statement

The financial performance of iEnergizer in 2015 is reflective of a number of challenges which escalated through the year. A number of significant and very profitable projects came to a natural end which could not be replaced quickly. However, we have made significant progress in realigning costs, for which the benefits will be reaped in future financial performance and a refocused strategy on differentiated services is designed to ensure long-term value creation for our shareholders.

The underlying businesses in two of our three divisions have performed exceptionally well. Unfortunately the Content services division, which has historically contributed significantly to group profits has borne a number of project conclusions during the financial year. This, in turn, had a significant bearing on financial results. First project conclusion was the rapid decline of the highly profitable XBRL project as announced at the time of interim results. In addition, revenues from smaller shared service customers in BFSI didn't grow at the pace anticipated or at a rate able to soften the decline. Second, a digital solution customer in Content services was the subject of a takeover, which led to the movement of business to their own captive solution. Third, a highly promising legal process outsourcing customer, again within our Content services business, decided to exit the legal deposition summary industry. All told, the decline in revenues and reduction in volumes of workload has had a significant impact on profits. While the company has been able to replace some of the revenues in the short term with other contracts, it has been at a lower margin, and not of the magnitude to prevent a year on year revenue decline. In particular, the XBRL customer has contributed significantly in the latter stages of the financial year historically. Unfortunately, for the reasons cited above, this didn't transpire in FY 2015.

The RTP (Real Time Processing) division posted revenue growth of 19%, outperforming our own expectations as key clients continued to increase workload volumes throughout the year. This growth accelerated from the 17% achieved in 2014, which in itself was above expectations. The BOS division continued to post best-in-class margins enjoying 880bps of margin expansion, and returned to growth with top line growth of 12%.

The management team has simplified reporting structures and streamlined management positions. There is now one group COO and one Head of Sales having eliminated duplicated functions across divisions. The year has been spent investing in technology differentiation, identifying significant opportunities in complimentary processes and diversifying into new verticals (e.g. healthcare) to drive future, profitable growth.

The overall outsourcing global market continues to expand, but increasingly the functions of outsourcing are changing dramatically. The number of preferred vendors in any given contract is consolidating and the functions outsourced are becoming increasingly sophisticated. iEnergizer is well positioned to benefit from this trend as an essential long-term-partner that delivers high quality, complex processes. The Company has developed end-to-end Lifecycle Management (LCM) solutions, so that as companies streamline and consolidate their operations, iEnergizer can act as a preferred vendor and single partner who can meet all of these needs while providing maximum cost-efficiencies.

People

I would like to thank each and every one of our colleagues for their hard work and commitment to iEnergizer. It has been a tough year but the focus on execution remains outstanding.

The Board

Neil Campling has resigned from the Board, Executive and company in order to return to a position in the investment community. We would like to thank Neil for his efforts in restructuring the company and taking out the necessary costs to position the company to return to profitable growth strategies of the future.

I would like to thank our management team for their strength of leadership who have helped iEnergizer grow over the last decade. The entrepreneurial approach of the management team has been a true asset to the Company. It has enabled us to identify new markets in addition to providing high quality service to our existing clients.

Marc Vassanelli
Chairman of the Board

Executive Director's Statement

Despite a number of challenges, which emerged towards the end of the 2014 financial year and continued through 2015 we feel the investments made and restructuring completed will position iEnergizer for a prosperous future.

Financial Overview

Revenues were \$138.9 million (2014: \$153.7 million). Profit before taxation was \$8.6 million (2014: \$20.7 million).

The reduction in profits was due to a number of factors in the content service division. First, a reduction in revenue from the Company's previous largest client to \$7.4 million (FY 2014 \$24.5 million) in the Banking, Financial Services and Insurance (BFSI) vertical. To put the scope of this contract reduction in context, the business from this client has reduced by 77% from its peak revenue year of FY2013. Revenue lost from this key account has a disproportionate effect on profit as this is the highest margin workflow in the highest margin vertical. In addition, revenues from smaller shared service customers in BFSI didn't grow at the pace anticipated or at a rate able to soften the decline. Headcount in BFSI has been reduced substantially from 1,152 at the beginning of fiscal 2015 to 676 at the end of fiscal 2015. Second, a digital solution customer in Content services was the subject of a takeover and, in turn, resulted in the movement of business to their own captive solution. Third, a highly promising legal process outsourcing (LPO) customer in Content services decided to exit the legal deposition summary industry. Fourth, our second largest customer in FY 2015, yet another in Content services segment, contributing \$10 million of revenues (FY 2014 \$11.3 million), saw some decline in H2 momentum relative to H1 and expectations. The industry was subject to some significant price reductions in the face of competitive pressures but the main reason for the decline is due to delays on projects and programs which we now expect to begin in FY 2016.

Despite these tough company and industry conditions in content services progress has been made with respect to internal initiatives to capitalise on future opportunities. Cost rationalization across the subsectors in content services has been completed and there is now a leaner delivery organization able to capitalise on new opportunities in a dynamic, profitable fashion. Automation of services has been aggressively ramped to help improve margins and overcome declining price pressures from customers. New technologies include PXE (fast publishing platform), digital production work, and upstream multi-channel digital publishing.

Following the provision taken (\$3,989,292) for bad debts taken against receivables in Fiscal 2014 much

efforts were made to increase collection efforts and reduce the absolute and relative levels of accounts receivables. The result is a decrease of \$11.4m in trade and other receivables in Fiscal 2015 compared to a \$12.7m increase in Fiscal 2014. Receivables as a percentage of booked revenues declined to 16.3% as at the end of Fiscal 2015, an improvement of 580bps from 22.1% recorded at the end of Fiscal 2014.

By service line, the RTP (Real Time Processing) division posted revenue growth of 19%, outperforming our own expectations as key clients continued to increase volumes throughout the year. The Back Office Service division continued to post best-in-class margins rising 880bps versus fiscal 2014. The division returned to growth, delivering 12% revenue growth over 2014 and segment operating profit grew 36% from fiscal 2014 to \$19.2 million. The top five customers across the RTP and BOS divisions together grew revenues 24.2% over fiscal 2014, reflective of both retaining key clients and growing wallet share within key accounts.

Business Review

We have reorganised the business from the ground-up and focus clearly now on a go-to-market sales and services delivery model. A more proactive structure of roles and responsibilities, with an emphasis on profitable growth and targets is at the forefront of these changes.

We have made significant changes to fully align the company with the market opportunity and position us to take advantage of digital's rapid evolution. New business segments include rights and permissions of digital publishing in Content services and the nascent market in the healthcare vertical enjoyed triple digit revenue growth. Volumes processed for healthcare clients doubled, without the need for any additional manpower, reflective of the opportunity to port expertise from one discipline to another and utilising technology solutions. The digital age presents both unprecedented opportunities and challenges to enterprises. It requires that companies adapt the way that they do business. iEnergizer's focus is to provide enterprises with an integrated suite of solutions.

Digital-first production is a way to produce exciting and more effective new content products—and forge new revenue streams. It's an opportunity to streamline workflows while generating revenue and eliminating expenses. iEnergizer's expertise helps companies in any industry apply digital technology to monetize legacy content, produce valuable new product offerings, and increase revenues across their entire operation.

From digital product conception, content creation and multichannel distribution, to post-delivery customer and IT support, we are positioned to work alongside our customers as they streamline their operations to maximise their cost-efficiencies and improve their ROI while connecting them with new, digitally savvy

audiences. Our customers include direct relationships with the world's largest publishers, Fortune 500 corporations and professional service providers.

We feel comfortable with our differentiated offering and market positioning. Enterprise continues to offer the greatest long-term opportunity for the company and this is across the group segments. In anticipation of the same we launched professional services in Content services during fiscal 2015, added over 50 customers to the pipeline and the cost structure has been re-aligned to match the current sales and production plan. The sales focus has three clear, concise strategies: to protect and grow key accounts, identify and win new business within identified target accounts and cross sell and generate leads for additional services.

The Company's outsourcing services continue to be structured around industry-focused BPO services, across all three segments and the verticals served include BFSI, Publishing, Entertainment and Online Video Gaming, Information Technology, Legal, Healthcare and Pharmaceuticals.

Outlook

When I look back to this time last year we foresaw the need to take hard decisions and focus on investments to position the company for the future. As suggested, there will be a lag before the restructuring and investments take full effect. The unforeseen, additional complication came in the size and impact of specific projects maturing and competitive displacement. As we look into fiscal 2016 and beyond we see a sizeable project pipeline in both enterprise solutions across the group and a recovery in the content services segment, combined with continued solid momentum in both Real Time Processing and Back Office Service segments. We expect the business to return to revenue and profit momentum as the new structure and initiatives take effect in the content delivery segment. With a solid foundation, strong operational execution, new sales initiatives, and focused differentiated offerings, we have the opportunity and confidence we can reach the levels of profitability and growth we had in the past.

Finally I would like to thank all of our staff, clients and shareholders for their continuing support.

Sara Latham

Executive Director

01 July 2015

BOARD AND EXECUTIVE MANAGEMENT**Marc Vassanelli (44) – Chairman**

Mr. Vassanelli brings extensive industry knowledge and success in growing businesses from established business services (while CFO of ConvergeOne) to media start ups (during his time as CEO and President of MV3 Ltd). He brings comprehensive experience in change management, having successfully managed the integration of Equiniti and Xafinity to form Equiniti Group (a \$510m+ revenue UK BPO firm). He also led the turnaround of the \$1.5bn EMEA region of Marsh (a portfolio company of Marsh & McLennan) ahead of becoming the Marsh EMEA CFO. Mr. Vassanelli's previous strategic, operational and financial roles spanning private equity, consulting and banking across multiple industries, will bring invaluable insight and knowledge to the iEnergizer Board. Mr. Vassanelli sits on the audit, remuneration and nomination committees of the Company.

Mr Vassanelli has agreed to become Non-executive Chairman of the Company effective from 1 July 2015. He has been a Non-executive Director of the Company since January 2014.

Sara Latham (44) –Executive Director

Sara Latham is a former communications adviser to former President Clinton and former Prime Minister Tony Blair with over a decade of experience in strategic communications and public affairs. She worked in the White House as Special Assistant to the Chief of Staff, John Podesta and as Deputy Assistant to the President and Deputy Director of Presidential Scheduling from 1996-2000. Following the Clinton Administration, Ms. Latham moved to Brussels as a government affairs adviser for Microsoft Europe, Middle East and Africa. In 2001 she moved to London as Managing Director for Philip Gould Associates. Ms. Latham has worked as Public Affairs Director at Freud Communications and in 2005 worked for Tony Blair on his re-election campaign, travelling with him and producing his campaign events and speeches. Following the 2005 UK General Election, she served as Special Adviser to the Secretary of State for Culture, Media and Sport. Ms. Latham founded Latham Group in 2006, which has worked for Tony Blair Associates, the British Documentary Film Foundation, the Clinton Foundation, Coke, Dow, the Nelson Mandela Foundation, PhrRMA and TIME magazine.

Ms Latham has agreed to become Executive Director of the Company effective from 1 July, 2015. She was earlier Non-Executive Director and Chairperson of the Board.

Anil Aggarwal (54) – Founder & Non Executive Director

Anil Aggarwal is a first generation entrepreneur and is founder and promoter of iEnergizer. He has promoted and managed several successful businesses in various territories including Barker Shoes Limited in the UK.

Mr. Aggarwal is primarily responsible for business development, strategy and overall growth for the company.

Neil Campling (44) – Chief Financial Officer (resigned)

Neil Campling is a financial services professional with over 20 years experience spanning the investment, technology and research industries. He joins the Company from Aviate Global LLP, a boutique, thematic global equity financial services firm where he served as a partner and head of Global Tech & Media research for five years. Previously he held senior Portfolio Manager positions at leading investment firms dating back to 1994. Mr. Campling has been a TMT fund manager at New Star Asset Mgmt, Aberdeen Asset Mgmt and Prolific Asset Mgmt in Europe and the US. Mr. Campling is focused on the future EBITDA growth of the Company, increasing investor relations and stakeholder and communication, while working alongside the Executive to focus on the new corporate strategy.

Mr. Campling will be leaving the Board and the Company effective from 1 July, 2015

Christopher de Putron (41) – Non Executive Director

Mr. de Putron is a financial services professional with over 17 years experience in the fiduciary industry in both Guernsey and Bermuda. He is the managing director of Jupiter Trustees Limited a Guernsey based independent fiduciary firm and a director of Capita Registrars (Guernsey) Limited. Previously he has worked at fiduciary companies in both Guernsey and Bermuda including Rothschild, Bank of Bermuda and HSBC. Mr. de Putron has a business economics degree from the University of Wales and is a member of the Society of Trust and Estate Practitioners. Mr. Putron has replaced Ms Sara Latham on the audit, remuneration and nomination committees of the Company.

Mark De La Rue (46) - Non-Executive Director

Mr. De La Rue is a Fellow of the Association of Chartered Certified Accounts (ACCA) and a financial services professional with over 20 years experience in the accounting and fiduciary industries in Guernsey. He is a director of Jupiter Trustees Limited, a Guernsey based independent fiduciary firm.

DIRECTORS' REPORT

The Directors present their report and the financial statements of iEnergizer Limited (“the Company”) and its Subsidiaries (collectively the “Group”), which covers the year from 1 April 2014 to 31 March 2015.

Principal activity and review of the business

The principal activity of the Company is that of providing Content Transformation Services and Business Process Outsourcing Services.

Results and dividends

The trading results for the year and the Group’s financial position at the end of the year are shown in the attached financial statements. The Directors have recommended payment of a dividend of nil p per share (FY2014 nil p).

Review of business and future developments

A review of the business and expected future developments of the Company are contained in the Chairman’s statement attached to this report.

Directors and Directors’ interests

The Directors of the Company during the year are attached to this report.

Directors remuneration

The Director’s remuneration for the year ended 31 March 2015 was:

Particulars	31 March 2015	31 March 2014
Transactions during the year		
<i>Remuneration paid to directors</i>		
Sara Latham	48,095	48,111
John Behar	-	47,936
Chris de Putron	15,889	16,158
Mark De La Rue	15,889	16,158
Marc Vassanelli	56,744	-
Neil Campling	276,878	-

Directors share option

During the year ended 31 March 2015, no key management personnel have exercised options granted to them.

Details of the use of financial instruments by the Company are contained in note 29 to the financial statements.

Related party contract of significance

The related party transactions are noted in the financial statement.

Internal control

The Directors acknowledge their responsibility for the Company's system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage the risk of failure to achieve the Company's strategic objectives. It cannot totally eliminate the risk of failure but will provide reasonable, although not absolute, assurance against material misstatement or loss.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Directors' responsibilities

The Directors are responsible for preparing the Directors' reports and consolidated financial statements for each financial year, which give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. In preparing those financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether International Financial Reporting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors confirm that the financial statements comply with the above requirements.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Company and of the Group to enable them to ensure that

the financial statements comply with the requirements of the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website.

Legislation in the Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

To the best of our knowledge and belief:

- The financial statements have been prepared in accordance with International Financial Reporting Standards;
- The financial statements give a true and fair view of the financial position and results of the Group; and
- The financial statements include an analysis of the principal risks and uncertainties faced by the Group. There has not been any material change in business risks and uncertainties as described in the Admission Document dated 27 August 2010.

Auditors

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's Auditors for the purposes of their audit and to establish that the Auditors are aware of that information. The Directors are not aware of any relevant audit information of which the Auditors are unaware.

On behalf of the board

Director

01 July 2015

CORPORATE GOVERNANCE

The Directors recognise the importance of sound corporate governance and intend for the Company to comply with the main provisions of the QCA Guidelines insofar as they are appropriate given the Company's size and stage of development. In maintaining a corporate governance regime, the Company is prepared beyond that required by law for Guernsey companies, again in keeping with the Company's size and stage of development.

Board of Directors

The Board is responsible for the proper management of the Company. The Board comprises of one Executive Director, Sara Latham, and four Non-Executive Directors, Anil Aggarwal, , Chris de Putron, Mark De La Rue and Marc Vassanelli (Chairman). The resume of the board members is as outlined in the statement attached to this report.

The Executive Director brings knowledge of the Business Process Outsourcing industry, the investment industry and a range of general business skills. The Non-Executive Directors form a number of committees to assist in the governance of the Company. Details are below.

All Directors have access to independent professional advice, at the Company's expense, if and when required.

Sub-Committees

The Board has appointed the three sub-committees outlined below. The sub-committees will meet at least once each year.

Audit Committee

The Audit committee comprises of Marc Vassanelli as chairman and Chris de Putron. The committee is responsible for ensuring that the financial performance of the Company is properly monitored and reported on. The committee is also responsible for meeting with the auditors and reviewing findings of the audit with the external auditor. It is authorised to seek any information it properly requires from any employee and may ask questions of any employee. It will meet the auditors once per year without any members of management being present and is also responsible for considering and making recommendations regarding the identity and remuneration of such auditors.

Remuneration Committee

The Remuneration committee comprises of Marc Vassanelli as chairman and Chris de Putron. The

committee will consider and recommend to the Board the framework for the remuneration of the executive directors of the Company and any other senior management. It will further consider and recommend to the Board the total individual package of each executive director including bonuses, incentive payments and share options or other share awards. In addition, subject to existing contractual obligations, it will review the design of all share incentive plans for approval by the Board and the Company's shareholders and, for each such plan, will recommend whether awards are made and, if so, the overall amount of such awards, the individual awards to executive directors and performance targets to be used. No director will be involved in decisions concerning his own remuneration.

Nomination Committee

The Nomination committee comprises Chris de Putron as chairman and Marc Vassanelli. The committee will consider the selection and re-appointment of Directors. It will identify and nominate candidates to all board vacancies and will regularly review the structure, size and composition of the board (including the skills, knowledge and experience) and will make recommendations to the Board with regard to any changes.

Share Dealing

The Company has adopted a share dealing code (based on the Model Code), and the Company will take all proper and reasonable steps to ensure compliance by Directors and relevant employees.

The City Code on Takeovers and Mergers

The Code applies to offers for all listed and unlisted public companies considered by the Panel resident in the UK, the Channel Islands or the Isle of Man. The Panel will normally consider a company to be resident only if it is incorporated in the United Kingdom, the Channel Islands or the Isle of Man and has its place of central management in one of those jurisdictions. Although the Company is incorporated in Guernsey and its place of management is in Guernsey, the Panel considers that the code does not apply to the Company. It is emphasised that although the Ordinary Shares will trade on AIM, the company will not be subject to takeover regulations in the UK; however, certain provisions analogous to parts of the Code in particular the making of mandatory offers have been incorporated into the Articles, which are available on the Company website, www.ienergizer.com.

Disclosure and Transparency Rules

As a company incorporated in Guernsey, Shareholders are not obliged to disclose their interests in the Company in the same way as shareholders of certain companies incorporated in the UK. In particular, the relevant provisions of chapter 5 of the DTR do not apply. While the Articles contain provisions requiring

disclosure of voting rights in Ordinary Shares, which are similar to the provisions of the DTR, this may not always ensure compliance with the requirements of Rule 17 of the AIM Rules. Furthermore, the Articles may be amended in the future by a special resolution of the Shareholders.

Control by Significant Shareholder

Mr. Anil Aggarwal, through private companies-mainly Geophysical Substrata Ltd. (GSL) and EICR (Cyprus) Limited (EICR), owns a significant percentage of the Company. Mr. Aggarwal could exercise significant influence over certain corporate governance matters requiring shareholder approval, including the election of directors and the approval of significant corporate transactions and other transactions requiring a majority vote.

The Company, Arden Partners (Broker & Nomad), GSL, EICR and Mr. Anil Aggarwal have entered into a relationship agreement to regulate the arrangements between them. The relationship agreement applies for as long as GSL/EICR directly or indirectly holds in excess of thirty per cent of the issued share capital of the Company and the Company's shares remain admitted to trading on AIM. The relationship agreement includes provisions to ensure that:

- i. the Board and its committees are able to carry on their business independently of the individual interests of EICR;
- ii. the constitutional documents of the Company are not changed in such a way which would be inconsistent with the Relationship Agreement;
- iii. all transactions between the Group and EICR (or its affiliates) are on a normal commercial basis and concluded at arm's length;
- iv. EICR shall not:
 - (i) exercise the voting rights attaching to its Ordinary Shares; or
 - (ii) procure that the voting rights attaching to its Ordinary Shares be exercised, so as (a) to appoint any person who is connected to EICR to the Board if, as a direct consequence of such appointment, the number of persons connected to EICR appointed to the Board would exceed the number of independent Directors appointed to the Board, unless such appointment(s) has been previously approved by the nomination committee of the Board constituted by a majority of independent Directors; or (b) to remove any independent Director from the Board, unless such removal has previously been recommended by a majority of the independent Directors, excluding the independent Director in question; or (c) to cancel the Admission, unless the cancellation has previously been recommended by a majority of the independent Directors; and

- v. certain restrictions are put in place to prevent interference by the Shareholder with the business of the Company.

Independent auditors' report

To the members of iEnergizer Limited

We have audited the consolidated financial statements of iEnergizer Limited for the year ended 31 March 2015 which comprise the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flow, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Article Section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities on page 13, the directors are responsible for the preparation of the consolidated financial statements which give a true and fair view.

Our responsibility is to audit and express an opinion on the consolidated financial statements in accordance with applicable legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the consolidated financial statements

An audit involves obtaining evidence about the amounts and disclosures in the consolidated financial statements sufficient to give reasonable assurance that the consolidated financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the consolidated financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited consolidated

financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the consolidated financial statements

In our opinion the consolidated financial statements:

- give a true and fair view of the state of the group's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- comply with The Companies (Guernsey) Law, 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under The Companies (Guernsey) Law, 2008 we are required to report to you, if in our opinion:

- proper accounting records have not been kept by the Company; or
- the consolidated financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Grant Thornton Limited
Chartered Accountants
St Peter Port, Guernsey, Channel Islands

01 July 2015

Consolidated Statement of Financial Position

(All amounts in United States Dollars, unless otherwise stated)

	Notes	As at 31 March 2015	As at 31 March 2014 (Restated)
ASSETS			
Non-current			
Goodwill	7	102,270,059	102,276,420
Other intangible assets	8	23,128,832	27,461,845
Property, plant and equipment	9	7,010,891	5,800,324
Long- term financial assets	10	711,788	1,014,221
Deferred tax asset	11	12,560,373	10,311,226
Non-current assets		145,681,943	146,864,036
Current			
Trade and other receivables	12	22,646,535	34,027,675
Cash and cash equivalents	13	13,447,099	12,513,110
Short- term financial assets	14	4,941,742	5,337,639
Current tax asset		1,288,348	685,100
Other current assets	15	1,646,115	1,746,830
Current assets		43,969,839	54,310,354
Total assets		189,651,782	201,174,390
EQUITY AND LIABILITIES			
Equity			
Share capital		3,195,334	3,195,334
Share compensation reserve		63,986	63,986
Additional paid in capital		11,009,480	11,009,480
Merger reserve		(1,049,386)	(1,049,386)
Retained earnings		47,894,372	42,285,625
Other components of equity		(7,830,475)	(5,738,256)
Total equity attributable to equity holders of the parent		53,283,311	49,766,783

(All amounts in United States Dollars, unless otherwise stated)

	Notes	As at 31 March 2015	As at 31 March 2014 (Restated)
Liabilities			
Non-current			
Long term borrowings	16	95,044,847	106,909,652
Employee benefit obligations	18	4,685,707	4,769,922
Other non-current liabilities		547,185	475,535
Deferred tax liability	11	3,743,192	2,127,710
Non-current liabilities		104,020,931	114,282,819
Current			
Trade and other payables	17	9,151,102	10,065,974
Employee benefit obligations	18	1,012,248	748,267
Current tax liabilities		22,950	619,930
Current portion of long term borrowings	16	13,947,982	15,616,847
Other current liabilities	19	8,213,258	10,073,770
Current liabilities		32,347,540	37,124,788
Total equity and liabilities		189,651,782	201,174,390

(The accompanying notes are an integral part of the Consolidated Financial Statements)

The Consolidated Financial Statements have been approved and authorized for issue by the Board of Directors on 1 July 2015.

Director

Consolidated Income Statement

(All amounts in United States Dollars, unless otherwise stated)

	Notes	For the year ended 31 March 2015	For the year ended 31 March 2014 (Restated)
Revenue from services		138,949,190	153,687,075
Other income	20	1,890,076	1,758,372
		140,839,266	155,445,447
Cost and expenses			
Outsourced service cost		37,956,226	35,651,754
Employee benefits expense		61,750,980	59,464,114
Depreciation and amortisation		7,107,669	6,650,637
Other expenses		15,620,908	22,481,036
		122,435,783	124,247,541
Operating profit		18,403,483	31,197,906
Finance income	21	444,963	515,549
Finance cost	22	(10,232,302)	(11,013,338)
Profit before tax		8,616,144	20,700,117
Income tax expense	23	3,007,397	1,595,250
Profit for the year attributable to equity holders of the parent		5,608,747	19,104,867
Earnings per share			
	24		
<i>Basic</i>		0.04	0.12
<i>Diluted</i>		0.04	0.12
<i>Par value of each share in GBP</i>		0.01	0.01

(The accompanying notes are an integral part of the Consolidated Financial Statements)

Consolidated Statement of Comprehensive Income

(All amounts in United States Dollars, unless otherwise stated)

	For the year ended 31 March 2015	For the year ended 31 March 2014 (Restated)
Profit after tax for the year	5,608,747	19,104,867
Other comprehensive income		
<i>Items that will be reclassified subsequently to consolidated income statement</i>		
Exchange differences on translating foreign operations	(2,260,100)	(2,705,472)
Net other comprehensive (loss) that will be reclassified subsequently to consolidated income statement	(2,260,100)	(2,705,472)
<i>Items that will not be reclassified subsequently to consolidated income statement</i>		
Remeasurement of the net defined benefit liability	258,279	(208,375)
Income tax relating to items that will not be reclassified	(90,398)	73,371
Net other comprehensive income/ (loss) that will be not be reclassified subsequently to consolidated income statement	167,881	(135,004)
Other comprehensive (loss) for the year	(2,092,219)	(2,840,476)
Total comprehensive income attributable to equity holders	3,516,528	16,264,391

(The accompanying notes are an integral part of the Consolidated Financial Statements)

Consolidated Statement of Changes in Equity (Restated)

(All amounts in United States Dollars, unless otherwise stated)

	Share capital	Additional Paid in Capital	Share compensation reserve	Merger reserve	Other components of equity		Retained earnings	Total equity
					Foreign currency translation reserve	Net defined benefit liability		
Balance as at 01 April 2013	3,195,334	11,009,480	63,986	(1,049,386)	(2,897,780)	-	23,180,758	33,502,392
Profit for the year	-	-	-	-	-	-	19,104,867	19,104,867
Other comprehensive income	-	-	-	-	(2,705,472)	(135,004)	-	(2,840,476)
Total comprehensive income for the year	-	-	-	-	(2,705,472)	(135,004)	19,104,867	16,264,391
Balance as at 31 March 2014	3,195,334	11,009,480	63,986	(1,049,386)	(5,603,252)	(135,004)	42,285,625	49,766,783

(The accompanying notes are an integral part of the Consolidated Financial Statements)

Consolidated Statement of Changes in Equity

(All amounts in United States Dollars, unless otherwise stated)

	Share capital	Additional Paid in Capital	Share compensation reserve	Merger reserve	Other components of equity		Retained earnings	Total equity
					Foreign currency translation reserve	Net defined benefit liability		
Balance as at 01 April 2014 (Restated)	3,195,334	11,009,480	63,986	(1,049,386)	(5,603,252)	(135,004)	42,285,625	49,766,783
Profit for the year	-	-	-	-	-	-	5,608,747	5,608,747
Other comprehensive income	-	-	-	-	(2,260,100)	167,881	-	(2,092,219)
Total comprehensive income for the period	-	-	-	-	(2,260,100)	167,881	5,608,747	3,516,529
Balance as at 31 March 2015	3,195,334	11,009,480	63,986	(1,049,386)	(7,863,352)	32,877	47,894,372	53,283,312

The accompanying notes are an integral part of the Consolidated Financial Statements)

Consolidated Statement of Cash Flows

(All amounts in United States Dollars, unless otherwise stated)

	For the year ended 31 March 2015	For the year ended 31 March 2014 (Restated)
(A) Cash flow from operating activities		
Profit before tax	8,616,144	20,700,117
Adjustments		
Depreciation and amortisation	7,107,669	6,650,637
Loss / (Profit) on disposal of property, plant and equipment	(36,216)	18,025
Trade receivables written-off	107,370	-
Provision for other receivables	-	3,944,396
Amortization of loan processing fee	1,084,619	1,040,068
Sundry balances written back	(21,854)	(88,917)
Unrealised Foreign exchange loss/ (gain)	(1,456)	138,220
Finance Income	(444,963)	(515,549)
Finance Cost	9,147,683	9,973,270
	25,558,996	41,860,267
Changes in operating assets and liabilities		
Decrease / (Increase) in trade and other receivables	9,350,411	(12,704,332)
Decrease/ (Increase) in other assets (current and non-current)	680,997	1,341,513
(Decrease) in non-current liabilities, trade payables and other current liabilities	(1,314,019)	(7,248,029)
Increase / (Decrease) in employee benefit obligations	363,265	(205,927)
Cash generated from operations	34,639,650	23,043,492
Income taxes paid	(4,931,688)	(5,839,021)
Net cash generated from operating activities	29,707,962	17,204,471

	For the year ended 31 March 2015	For the year ended 31 March 2014 (Restated)
(B) Cash flow for investing activities		
Payments for purchase of property plant and equipment	(4,074,580)	(3,959,453)
Proceeds from disposal of property, plant & equipment	294,988	35,599
Payments for purchase of other intangible assets	(413,100)	(866,439)
Interest received	444,675	515,549
Net cash used in investing activities	(3,748,017)	(4,274,744)
(C) Cash flow from financing activities		
Interest paid	(10,266,902)	(8,854,051)
Proceeds from long-term borrowings	1,866	135,000,000
Repayment of short-term borrowings	-	(132,500,000)
Payment of loan processing fee	-	(5,725,000)
(Repayment) of long-term borrowings	(14,620,155)	(9,078,758)
Net cash used in financing activities	(24,885,191)	(21,157,809)
Net decrease in cash and cash equivalents	1,074,754	(8,228,082)
Cash and cash equivalents at the beginning of the period	12,513,110	20,903,133
Effect of exchange rate changes on cash	(140,765)	(161,941)
Cash and cash equivalents at the end of the period	13,447,099	12,513,110
Cash and cash equivalents comprise		
Cash in hand	36,584	13,970
Balances with banks in current account	13,089,754	12,499,140
Balances with banks in deposit account	320,761	-
	13,447,099	12,513,110

(The accompanying notes are an integral part of these Consolidated Financial Statements)

Notes to the Consolidated Financial Statements

(All amounts in United States Dollars, unless otherwise stated)

1. INTRODUCTION

iEnergizer Limited (the 'Company' or 'iEnergizer') was incorporated in Guernsey on 12 May 2010.

iEnergizer Limited is a 'Company limited by shares' and is domiciled in Guernsey. The registered office of the Company is located at Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4 LH. iEnergizer was listed on the Alternative Investment Market ('AIM') of London Stock Exchange on 14 September 2010.

iEnergizer through its subsidiaries iEnergizer Holdings Limited, iEnergizer IT Services Private Limited, iEnergizer Management Services Limited, iEnergizer BPO Limited, iEnergizer Aptara Limited and Aptara Inc. and subsidiaries. (together the 'Group') is engaged in the business of call centre operations, providing business process outsourcing (BPO) and content delivery services, and back office services to their customers, who are primarily based in the United States of America and India, from its operating offices in Mauritius and India.

2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

The consolidated financial statements of the Group for the year ended 31 March 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by European Union under the historical cost convention on the accrual basis except for certain financial instruments and prepaid gratuity benefits which have been measured at fair values.

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. The consolidated financial statements have been prepared on a going concern basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF CONSOLIDATION

The Group's consolidated financial statements include financial statements of iEnergizer Limited, the parent company and all of its subsidiaries for the year ended 31 March 2015. Subsidiaries are all entities over which the Group has the power to control. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. iEnergizer obtains and exercises control through more than half of the voting rights of the entity.

All intra-group balances, transactions, income and expenses including unrealized income or expenses are eliminated in full on consolidation. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

3.2 FOREIGN CURRENCY TRANSLATION

These consolidated financial statements are presented in USD (“United States Dollar”), which is also the Company’s functional currency. Each entity in the Group determines its own functional currency and items included in the financial statement of each entity are measured using that functional currency. The functional currency of each entity has been determined on the basis of the primary economic environment in which each entity of the Group operates.

a. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date and the resultant foreign exchange gain or loss on re-measurement of monetary item or settlement of such transactions are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

b. Group companies

In the Group’s consolidated financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than USD (the Group’s presentation currency) are translated into USD upon consolidation. The functional currencies of the entities in the Group have remained unchanged during the reporting period.

The assets and liabilities of foreign operations are translated into USD at the rate of exchange prevailing at the reporting date and their consolidated statements of comprehensive income are translated at average exchange rates where this is a reasonable approximation to actual rates during the year. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into USD at the closing rate.

3.3 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognised.

Rendering of services

Revenue comprises revenue from call center operations, business process outsourcing and also content process outsourcing solutions. These services are rendered through contractual arrangements entered into with customers by the Group companies.

Revenue from call center operations and business process outsourcing is primarily recognised by reference to hours/ daily basis as the time is incurred.

Content process outsourcing solutions are primarily on fixed price contract basis. In such cases, revenue is recognized when the services have been fully rendered and accepted by the customers as the outcome of the related transactions cannot be estimated reliably and it is not probable that the costs incurred will be recovered until accepted by the customer. The associated costs, in this case, are recognized as and when incurred.

Amounts billed, where revenue recognition criteria have not been met are recorded as deferred revenue and are recognized when all the recognition criteria have been met.

Finance income

Finance income consists of interest income on funds invested. Finance income is recognised as it accrues in profit or loss, using the effective interest rate method.

3.4 PROPERTY, PLANT AND EQUIPMENT

Items of plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Assets acquired under finance leases are capitalised as assets by the Group at the lower of the fair value of the leased property or the present value of the related lease payments or where applicable, the estimated fair value of such assets at the inception of the lease. Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Asset	Useful Life
Computers and data equipment	3 to 6 years
Office equipment	5 years
Furniture and fixtures	10 years
Plant and machinery	6 to 15 years
Air conditioners and generators	6 to 15 years
Vehicles	8 to 10 years

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate. (Refer note 9)

Advances paid for the acquisition of property, plant and equipment outstanding at the statement of financial position date and the cost of property, plant and equipment not put to use before such date are disclosed as 'Capital work-in-progress'.

3.5 GOODWILL

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses. The impairment analysis of goodwill is carried out annually at cash generating unit (CGU) level to evaluate whether events or changes have occurred that would suggest an impairment of carrying value.

3.6 OTHER INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is initially recorded at its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised over their useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangibles with definite useful lives are amortised on a straight line basis. The amortisation period and the amortisation method for an intangible asset are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Residual values and useful lives are reviewed at each reporting date. In addition, intangibles with indefinite useful lives are subject to impairment testing annually. Amortisation has been included within 'depreciation and amortisation'. The following useful lives are applied:

- Software: 2-5 years
- Customer contracts and relationships: 2-7 years
- Trademark and patents (having indefinite life): Tested for impairment annually

3.7 LEASES

Determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Group as a lessee

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance

of the liability. Finance charges are recognised in the consolidated income statement.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term. Rent abatements and escalations are considered in the calculation of minimum lease payments in the Group's capital lease testing and in determining straight line rent expense for operating leases.

3.8 ACCOUNTING FOR INCOME TAXES

Income tax expense recognised in profit or loss comprise of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred income tax is not recognised for the following temporary differences:

- (i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and
- (ii) Differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

In addition, deferred tax is not recognised for taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates and laws that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

3.9 POST EMPLOYMENT BENEFITS, SHORT-TERM AND LONG TERM EMPLOYEE BENEFITS AND EMPLOYEE COSTS

The Group provides post-employment benefits through defined contribution plans as well as defined benefit plans.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognised provident funds, approved superannuation schemes and other social securities which are defined contribution plans are recognised as an employee benefit expense in profit or loss when they are incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group.

Liabilities with regard to the defined benefit plans are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profits in the statement of comprehensive income. The net interest cost, past service cost and current service cost is recognised in profit or loss.

Short-term benefits

Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Group's policy and receive cash in lieu thereof. The Group measures the expected cost of accumulating compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary.

3.10 IMPAIRMENT TESTING OF FINANCIAL ASSETS, GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

An impairment loss, in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination and represent the lowest level within the Group at which management monitors goodwill.

An impairment loss is recognised if the carrying amount of an asset or the cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.11 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transaction costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value. Financial assets and financial liabilities are measured subsequently as described below.

Financial assets

Non-derivative financial assets consist of investments in equity, trade receivables, certain other assets, cash and cash equivalents.

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at fair value through profit or loss

The category determines subsequent measurement and whether any resulting income and expense is recognised in profit or loss.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within 'finance costs', 'finance income' or 'other financial items, as applicable.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position and consolidated statement of cash flow comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from inception and which are subject to an insignificant risk of changes in value.

Restricted deposits

Restricted deposits consist of deposits pledged with government authorities for the Group's Indian subsidiaries and deposits restricted as to usage under lien to banks for guarantees given by the Company.

Others

Other non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less any impairment losses.

The Group holds derivative financial instruments to hedge its foreign currency exposure. The Group does not apply hedge accounting to these instruments.

Derivatives are recognised initially at fair value; transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in profit or loss.

Financial liabilities

The Group's financial liabilities include trade and other payables, borrowings and derivative financial instruments. Trade and other payables and borrowings are initially measured at fair value and subsequently measured at amortised cost using effective interest rate method. They are included in the consolidated statement of financial position line items 'long-term liabilities' and 'trade and other payables'.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges is recognised as an expense in "finance cost" in profit or loss.

3.12 OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset against each other and the net amount reported in the consolidated statement of financial position only if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when present obligations as a result of past events will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the statement of financial position date, including the risks and uncertainties associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the consolidated statement of financial position.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However this asset may not exceed the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.14 BUSINESS COMBINATIONS

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquirer's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of a) fair value of consideration transferred, b) the recognised amount of any non-controlling interest in the acquiree and c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

For common control transactions, not covered under IFRS 3 (revised), the Group applies pooling of interest method. Under a pooling of interests-type method, the acquirer accounts for the combination as follows:

- The assets and liabilities of the acquiree are recorded at book value not fair value (although adjustments should be recorded to achieve uniform accounting policies);
- Intangible assets and contingent liabilities are recognised only to the extent that they were recognised by the acquiree in accordance with applicable IFRS (in particular IAS 38);
- No goodwill is recorded. The difference between the acquirer's cost of investment and the acquiree's equity is presented as a separate reserve within equity on consolidation;
- Any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities (as adjusted to achieve uniform accounting policies);
- Any expenses of the combination are written off immediately in the income statement;
- Comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented.

3.15 EQUITY

Share capital is determined using the nominal value of shares that have been issued.

Additional paid-in capital includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from additional paid-in capital, net of any related income tax benefits.

Foreign currency translation differences on translation of foreign operations are included in the currency translation reserve.

Other components of equity include the following:

- Re-measurement of net defined benefit liability – comprises the actuarial losses from changes in actuarial assumptions and the return on plan assets
- translation reserve – comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into USD

Retained earnings include all current and prior period earnings, as disclosed in the consolidated income statement.

Share compensation reserve includes cumulative share-based remuneration recognised as an expense in consolidated income statement.

The balance on the merger reserve represents excess of the fair value of the consideration paid over the book value of net assets acquired in a common control transaction accounted for using pooling of interest method.

All transactions with owners of the parent are recorded separately within equity.

3.16 SHARE BASED PAYMENTS

The Group operates equity-settled share based plans for one of its directors and a consultant. Where persons are rewarded using share based payments, the fair values of services rendered by director and others are determined indirectly by reference to the fair value of the equity instruments granted, where the fair value of the services received cannot be reliably measured. This fair value is calculated using the Black Scholes model at the respective measurement date. In the case of employees and others providing services, the fair value is measured at the grant date. The fair value excludes the impact of non-market vesting conditions. All share-based remuneration is recognised as an expense in profit or loss with a corresponding credit to share compensation reserve.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates and any impact of the change is recorded in the year in which that change occurs.

3.17 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these judgments, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

In the process of applying the Group's accounting policies, management has made the following judgments, estimates and assumptions which have the most significant effect on the amounts recognised in the consolidated financial information:

Determination of functional currency of individual entities

Following the guidance in IAS 21 "The effects of changes in foreign exchange rates" the functional currency of each individual entity is determined by the management based on the currency of the primary economic environment in which the entity operates. The management believes that each of the individual entity's functional currency reflects the transactions, events and conditions under which the entity conducts its business.

Goodwill impairment review

In assessing goodwill impairment, management makes judgment in identifying the cash-generating units (CGU) to which the goodwill pertains. Management then estimates the recoverable amount of each asset based on expected future cash flows. The recoverable amount of the CGU is determined based on the value-

in-use calculations. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable growth and discount rate (see note 7).

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions (see note 11)

Post-employment benefits

The cost of defined employee benefit obligations and the present value of these obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, expected return on plan assets, mortality rates and attrition rates. Due to the complexity of the valuation, the underlying assumptions and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of high quality government bonds denominated in the respective currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases are based on expected future inflation rates for the respective countries and expected future salary increases for the respective entities. Attrition rate is based on expected future attrition rate for the respective entities. (see note 18)

Useful lives of various assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Group. The carrying amounts are analysed in notes 8 and 9. Actual results, however, may vary due to technical obsolescence.

Impairment of trade receivables

As at each reporting date, management makes an estimate of the bad and doubtful trade receivables and records a loss for impairment against the receivables for amounts determined. Though there is a concentration of credit risk with respect to top customers of the Group, management doesn't consider the risk arising from this concentration to be significant considering the credit worthiness of customers. The impairment loss is based solely on an estimate made by management with respect to the recoverability of past due trade receivable. (see note 12)

4. NEW AND REVISED STANDARDS THOSE ARE EFFECTIVE FOR ANNUAL PERIODS BEGINNING ON OR AFTER 1 JANUARY 2014

A number of new and revised standards are effective for annual periods beginning on or after 1 January 2014, Information on these new standards is presented below.

- **IFRS 10 Consolidated Financial Statements**

IFRS 10 supersedes IAS 27 'Consolidated and Separate Financial Statements' (IAS 27) and SIC12 'Consolidation-Special Purpose Entities'. IFRS 10 revises the definition of control and provides extensive new guidance on its application. These new requirements have the potential to affect which of the Group's investees are considered to be subsidiaries and therefore to change the scope of consolidation. The

requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary are unchanged.

Management has reviewed its control assessments in accordance with IFRS 10 and has concluded that there is no effect on the classification (as subsidiaries or otherwise) of any of the Group's investees held during the period or comparative periods covered by these financial statements

- **IFRS 12 Disclosure of interests in other entities**

IFRS 12 combines the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities within a comprehensive disclosure standard.

It aims to provide more transparency on 'borderline' consolidation decisions and enhance disclosures about unconsolidated structured entities in which an investor or sponsor has involvement.

Subsequent to issuing the new standards the IASB made some changes to the transitional provisions in IFRS 10, IFRS 11, and IFRS 12. The guidance confirms that the entity is not required to apply IFRS 10 retrospectively in certain circumstances and clarifies the requirements to present adjusted comparatives. The guidance also makes changes to IFRS 11 and IFRS 12 which provide similar relief from the presentation or adjustment of comparative information for periods prior to the immediately preceding period. Further, it provides additional relief by removing the requirement to present comparatives for the disclosures relating to unconsolidated structured entities for any periods before the first annual period for which IFRS 12 is applied.

The management has concluded that application of this standard will not have any impact on the disclosures or on amounts recognized in consolidated financial statements.

5. STANDARDS, AMENDMENTS AND INTERPRETATIONS TO EXISTING STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED BY THE GROUP

Summarised in the paragraphs below are standards, interpretations or amendments that have been issued prior to the date of approval of these consolidated financial statements and will be applicable for transactions in the Group but are not yet effective. These have not been adopted early by the Group and accordingly, have not been considered in the preparation of the consolidated financial statements of the Group.

Management anticipates that all of these pronouncements will be adopted by the Group in the first accounting period beginning after the effective date of each of the pronouncements. Information on the new standards, interpretations and amendments that are expected to be relevant to the Group's consolidated financial statements is provided below.

- **IFRS 9 *Financial Instruments Classification and Measurement***

In July 2014, the International Accounting Standards Board issued the final version of IFRS 9, Financial Instruments. The standard reduces the complexity of the current rules on financial instruments as mandated in IAS 39. IFRS 9 has fewer classification and measurement categories as compared to IAS 39 and has eliminated the categories of held to maturity, available for sale and loans and receivables. Further it eliminates the rule-based requirement of segregating embedded derivatives and tainting rules pertaining to held to maturity investments. For an investment in an equity instrument which is not held for trading, IFRS

9 permits an irrevocable election, on initial recognition, on an individual share-by-share basis, to present all fair value changes from the investment in other comprehensive income. No amount recognized in other comprehensive income would ever be reclassified to profit or loss. It requires the entity, which chooses to measure a liability at fair value, to present the portion of the fair value change attributable to the entity's own credit risk in the other comprehensive income.

IFRS 9 replaces the 'incurred loss model' in IAS 39 with an 'expected credit loss' model. The measurement uses a dual measurement approach, under which the loss allowance is measured as either 12 month expected credit losses or lifetime expected credit losses. The standard also introduces new presentation and disclosure requirements.

The management is currently evaluating the impact that this new standard will have on its consolidated financial statements.

- **IFRS 15 *Revenue from contracts with customers***

The International Accounting Standards Board (IASB) has published a new standard, IFRS 15 Revenue from Contracts with customers. This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers, and SIC-31 Revenue- Barter Transactions involving advertising services. It sets out the requirements for recognising revenue that apply to contracts with customers, except for those covered by standards on leases, insurance contracts and financial instruments.

The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities.

This standard is effective for reporting periods beginning on or after 1 January 2017 with early adoption permitted. It applies to new contracts created on or after the effective date and to the existing contracts that are not yet complete as of the effective date.

The Group is currently evaluating the impact of this new standard on the Group's consolidated financial statements.

6. BASIS OF CONSOLIDATION

Composition of the Group

Details of the entities, which as of 31 March 2015 form part of the Group and are consolidated under iEnergizer are as follows:

Name of the entity	Holding company	Country of incorporation	Effective group shareholding (%) as of 31 March 2015
iEnergizer Holdings Limited ('IHL')	iEnergizer	Mauritius	100
iEnergizer IT Services Private Limited ('IITS')	IHL	India	100
iEnergizer BPO Limited	IHL	Mauritius	100
iEnergizer Management Services Limited	IHL	Hong Kong	100
Aptara Inc.	iEnergizer	USA	100
Techbooks International Private Limited	Aptara Inc.	India	100
Techbooks Electronic Services Private Limited	Aptara Inc.	India	100
Global Content Transformation Private Limited	Aptara Inc.	India	100
Aptara Learning Private Limited	Aptara Inc.	India	100
Aptara New Media Private Limited	Aptara Inc.	India	100
Aptara Technologies Private Limited	Aptara Inc.	India	100
iEnergizer Aptara Limited	iEnergizer	Mauritius	100

7. GOODWILL

The net carrying amount of goodwill can be analysed as follows:

Particulars	Amount
Balance as at 01 April 2013	102,289,911
Impairment loss recognised	-
Translation adjustment	(13,491)
Balance as at 31 March 2014	102,276,420

Particulars	Amount
Balance as at 01 April 2014	102,276,420
Impairment loss recognised	-
Translation adjustment	(6,361)
Balance as at 31 March 2015	102,270,059

For the purpose of annual impairment testing goodwill is allocated to the following CGU, which are expected to benefit from the synergies of the business combinations in which the goodwill arises.

Particulars	Amount
Real time processing - India business unit	135,222
Content delivery – USA business unit	102,134,837
Goodwill allocation as at 31 March 2015	102,270,059

The recoverable amounts of the CGU was determined based on value-in-use calculations, by applying Free Cash Flow to Firm ('FCFF') method, covering a four year forecast of expected cash flows and the terminal value for the unit's remaining useful lives using the growth rates stated below:

Particulars	Growth rate 31 March 2015	Discount rate 31 March 2015
Real time processing - India business unit	15.00%	14.13%
Content delivery – USA business unit	11.00%	15.71%

The key assumptions for Content delivery-USA business unit are as follows:

Management considers 'Content Delivery' business as one product line/services and therefore as one group of similar assets for internal management reporting purposes. It is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. The goodwill is therefore allocated to this unit and accordingly tested for impairment.

Growth rates

The forecasted growth rates are based on management estimation derived from past experience, comparable company data and external sources of information available. The Group is expected to continue to grow at above rates for the foreseeable future as it is getting work from customers on a continued basis rather than a one-time work.

Discount rates

Discount rates reflect management's estimates of the risks specific to the business. The pre-tax discount rates used are based on the weighted average cost of capital of the relevant underlying cash-generating unit.

Cash flow assumptions

Estimated cash flows for 4 years based on internal management budgets prepared using past experience. Management's key assumptions include stable profit margins, based on past experience in this market. The Group's management believes that this is the best available input for forecasting this mature market. Cash flow projections reflect stable profit margins going forward and prices and wages reflect publicly available forecasts of inflation for the industry.

Terminal value

Terminal value for the USA business unit is arrived by applying 10.2x multiple to the EBITDA in the last year of the explicit forecast period. This long-term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.

These assumptions are based on past experience and are consistent with market information.

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8. OTHER INTANGIBLE ASSETS

The other intangible assets comprise of the following:

Particulars	Customer* contracts	Computer softwares	Patent	Trade mark	Intangibles under development	Total
Cost						
Balance as at 01 April 2013	24,149,998	1,471,358	100,000	12,000,000	165,220	37,886,576
Additions	-	866,439	-	-	-	866,439
Disposals	-	-	-	-	(7,885)	(7,885)
Translation adjustment	(15,088)	(102,234)	-	-	(24,845)	(142,167)
Balance as at 31 March 2014	24,134,910	2,235,563	100,000	12,000,000	132,490	38,602,963
Accumulated amortisation						
Balance as at 01 April 2013	5,289,308	919,298	-	-	-	6,208,606
Amortisation for the period	4,216,187	781,265	-	-	-	4,997,452
Disposals	-	-	-	-	-	-
Translation adjustment	(7,786)	(57,154)	-	-	-	(64,940)
Balance as at 31 March 2014	9,497,709	1,643,409	-	-	-	11,141,118
Carrying values as at 31 March 2014	14,637,201	592,154	100,000	12,000,000	132,490	27,461,845

*Customer contracts are basically intangible assets created for long standing customer relationships in content delivery segment. The relationships are in existence from last 7-10 years and continuing. Once the relationship is established the work continues to flow on a year to year basis. The carrying amount of such contracts is USD 14,637,201 and remaining amortisation period is 5.8 years.

Particulars	Customer contracts*	Computer softwares	Patent	Trade mark	Intangibles under development	Total
Cost						
Balance as at 01 April 2014	24,134,910	2,235,563	100,000	12,000,000	132,490	38,602,963
Additions	-	413,124				413,124
Disposals	-	(23,032)	-	-	-	(23,032)
Translation adjustment	(7,114)	(109,406)	-	-	-	(116,520)
Balance as at 31 March 2015	24,127,796	2,516,249	100,000	12,000,000	132,490	38,876,535
Accumulated amortization						
Balance as at 01 April 2014	9,497,709	1,643,409	-	-	-	11,141,118
Amortisation/ impairment for the period	3,982,805	607,340	-	-	132,490	4,722,635
Disposals	-	(23,008)	-	-	-	(23,008)
Translation adjustment	(7,114)	(85,928)	-	-	-	(93,042)
Balance as at 31 March 2015	13,473,400	2,141,813	-	-	132,490	15,747,703
Carrying values as at 31 March 2015	10,654,396	374,436	100,000	12,000,000	-	23,128,832

*Customer contracts are basically intangible assets created for long standing customer relationships in content delivery segment. The relationships are in existence from last many years and continuing. Once the relationship is established the work continues to flow on a year to year basis. The carrying amount of such contracts is USD 10,654,396 and remaining amortisation period is 4.8 years.

Intangible assets with indefinite useful lives

Trademark relate to Group's branding in publishing industry and are associated with its long standing history in the trade and its working relationship with big publishing houses in the world. It distinguishes the Group in Content delivery segment from competition. The management believes that the Group's branding would continue to contribute towards revenue growth in perpetuity and the value is not expected to diminish in foreseeable future. Accordingly, the useful lives have been determined to be indefinite.

For the purpose of annual impairment testing trademark and patent is allocated to the 'Content delivery' business of the Company with respect to the US business unit.

The net carrying amount of intangible assets with indefinite lives can be analysed as follows:

Particulars	Amount
Balance as at 01 April 2013	12,100,000
Impairment loss recognised	-
Translation adjustment	-
Balance as at 31 March 2014	12,100,000
Particulars	Amount
Balance as at 01 April 2014	12,100,000
Impairment loss recognised	-
Translation adjustment	-
Balance as at 31 March 2015	12,100,000

The recoverable amounts of the CGU was determined based on value-in-use calculations, by applying Free Cash Flow to Firm ('FCFF') method, covering a four year forecast, followed by an extrapolation of expected cash flows for the unit's remaining useful lives. For assumptions used refer Note-7 on Goodwill.

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9. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise of the following:

Particulars	Computer and data equipment	Office Equipment	Furniture and fixtures	Air conditioner and generator	Vehicle	Leasehold improvements	Plant and machinery	Capital work in progress	Total
Cost									
Balance as at 01 April 2013	3,173,228	214,801	514,876	141,674	33,043	1,247,816	881,975	-	6,207,413
Additions	1,237,049	70,137	221,568	34,644	-	242,673	334,182	1,821,205	3,961,458
Disposals	(78,278)	(1,631)	(4,002)	-	-	-	(33,873)	-	(117,784)
Translation adjustment	(283,028)	(14,679)	(26,196)	(12,310)	(1,580)	(88,880)	(67,851)	-	(494,524)
Balance as at 31 March 2014	4,048,971	268,628	706,246	164,008	31,463	1,401,609	1,114,433	1,821,205	9,556,563
Accumulated depreciation									
Balance as at 01 April 2013	1,160,285	64,799	299,891	31,325	10,752	384,656	388,404	-	2,340,112
Depreciation for the year	924,514	56,584	107,368	12,778	6,990	278,201	266,750	-	1,653,185
Disposals	(36,607)	(814)	(1,484)	-	-	-	(31,135)	-	(70,040)
Translation adjustment	(88,873)	(4,593)	(15,992)	(2,605)	(894)	(26,291)	(27,770)	-	(167,018)
Balance as at 31 March 2014	1,959,319	115,976	389,783	41,498	16,848	636,566	596,249	-	3,756,239
Net carrying values as at 31 March 2014	2,089,652	152,652	316,463	122,510	14,615	765,043	518,184	1,821,205	5,800,324

Particulars	Computer and data equipment	Office Equipment	Furniture and fixtures	Air conditioner and generator	Vehicle	Leasehold improvements	Plant and machinery	Capital work in progress	Total
Cost									
Balance as at 01 April 2014	4,048,971	268,628	706,246	164,008	31,463	1,401,609	1,114,433	1,821,205	9,556,563
Additions	653,689	546,884	500,287	25,220	-	3,472,832	696,873	1,672,176	7,567,961
Capitalisation from capital work in progress	-	-	-	-	-	-	-	(3,493,381)	(3,493,381)
Disposals	(24,307)	(24,231)	(66,938)	-	-	(362,941)	(32,485)	-	(510,902)
Translation adjustment	(149,956)	(31,144)	(35,856)	(7,316)	(744)	(156,974)	(45,417)	-	(427,407)
Balance as at 31 March 2015	4,528,397	760,137	1,103,739	181,912	30,719	4,354,526	1,733,404	-	12,692,834
Accumulated depreciation									
Balance as at 01 April 2014	1,959,319	115,976	389,783	41,498	16,848	636,566	596,249	-	3,756,239
Depreciation for the year	1,178,757	179,050	223,377	53,773	4,569	511,649	233,859	-	2,385,034
Disposals	(20,212)	(13,333)	(63,661)	-	-	(128,932)	(25,992)	-	(252,130)
Translation adjustment	(69,805)	(17,084)	(21,602)	(3,154)	(604)	(67,820)	(27,131)	-	(207,200)
Balance as at 31 March 2015	3,048,059	264,609	527,897	92,117	20,813	951,463	776,985	-	5,681,943
Carrying values as at 31 March 2015	1,480,338	495,528	575,842	89,795	9,906	3,403,063	956,419	-	7,010,891

During the year ended 31 March 2015, management conducted an internal evaluation and reassessed the remaining useful life of assets with effect from 1 April 2014. Accordingly, the useful lives of certain assets required a change from the previous estimates.

The existing and revised useful lives are as below :-

Category of assets	Existing useful lives (Years)	Revised useful lives (Years)
Computers & data equipment	2-7	3-6
Office equipment	5	5
Furniture & fixtures	7	10
Plant and machinery	4-10	6-15
Air conditioners and generators	10	6-15
Vehicles	5	8-10

Had the group continued with the previously assessed useful lives, charge for depreciation for the year ended March 31, 2015 would have been lower by USD 416,799 on assets held at 1 April 2014. The revision of the useful lives will result in the following changes in the depreciation expense as compared to the original useful life of the assets.

Particulars	2015-16	After 2015-16
Decrease in depreciation expense	214,760	202,039

10 LONG TERM FINANCIAL ASSETS

Particulars	31 March 2015	31 March 2014
Security deposits	627,000	854,256
Restricted cash	84,788	85,226
Deposits with banks	-	74,739
	711,788	1,014,221

Security deposits are interest free unsecured deposits placed with owners of the property leased to the Group for operations in operating centres. The above security deposits have been discounted to arrive at their fair values at initial recognition using market interest rates applicable in India which approximates 8% per annum. These security deposits have maturity terms of 1-5 years. The management estimates the fair value of these deposits to be not materially different from the amounts recognised in the financial statements at amortised cost at each reporting date.

Restricted cash represents deposits that have been pledged with banks against guarantees issued to tax and other local authorities as security to meet contractual obligations towards other parties along with accrued interest on these deposits which is also inaccessible for use by the Group. These deposits have an average maturity period of more than 12 months from the end of the financial year.

11 DEFERRED TAX ASSETS AND LIABILITIES

Particulars	31 March 2014	Exchange difference on translation of foreign operations	Other amounts recognised in consolidated statement of other comprehensive income	Recognised in consolidated income statement	31 March 2015
<i>Deferred tax assets on account of</i>					
Property, plant and equipment and intangibles	722,562	(10,915)	-	126,992	838,639
Employee benefits	817,353	(37,245)	(90,398)	172,980	862,690
Net operating losses	10,282,115	-	-	1,778,852	12,060,967
Accruals for expenses	989,307	(30,938)	-	(144,092)	814,277
Unrealised (loss) on derivatives	417	-	-	7,943	8,360
Minimum alternate tax	1,363,494	(60,174)	-	(47,471)	1,255,849
Others	3,067,029	(8,486)	-	310,750	3,369,293
	17,242,277	(147,758)	(90,398)	2,205,954	19,210,075
<i>Deferred tax liabilities on account of</i>					
Intangibles acquired during business combination	(1,363,521)	-	-	195,077	(1,168,444)
Undistributed earnings of the subsidiaries	(7,695,240)	250,753	-	(1,779,963)	(9,224,450)
	(9,058,761)	250,753	-	(1,584,886)	(10,392,894)
Total	8,183,516	102,995	(90,398)	621,068	8,817,181
Amounts presented in consolidated statement of financial position					
Deferred tax assets	10,311,226	-	-	-	12,560,373
Deferred tax liabilities	(2,127,710)	-	-	-	(3,743,192)

The amounts recognised in other comprehensive income relate to exchange differences on translating foreign operations and the remeasurement of net defined benefit liability. Refer consolidated statement of comprehensive income for the amount of the income tax relating to these components of other comprehensive income.

In assessing the realisability of deferred tax assets, the Company considers the extent to which, it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Based on this, the Company believes that it is probable that the Company will realize the benefits of these deductible differences. The amount of the deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

The Company has recognized deferred tax assets of USD 12,060,968 in respect of carry forward losses of its various subsidiaries as at 31 March 2015. Management's projections of future taxable income and tax planning strategies support the assumption that it is probable that sufficient taxable income will be available to utilize these deferred tax assets.

12 TRADE AND OTHER RECEIVABLES

Particulars	31 March 2015	31 March 2014
Trade receivables		
Gross value	25,024,927	36,452,588
Less: Provision for bad and doubtful debts	(584,193)	(568,511)
Less: Rebate accruals	(1,795,156)	(1,856,402)
Net value	22,645,578	34,027,675
Other receivables		
Gross value	4,060,799	3,989,292
Less: Provision for bad and doubtful receivables	(4,059,842)	(3,989,292)
Net value	957	-
	22,646,535	34,027,675

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a short period from the reporting dates. All of the Group's trade and other receivables have been reviewed for indicators of impairment.

Top five customers balances for the year ended 31 March 2015 amounts to USD 6,427,309 which constitutes 28.38 % (31 March 2014: USD 13,102,299 being 34.46 %) of net trade receivables.

All of the Group's trade and other receivables have been reviewed for indicators of impairment. Certain receivables were found to be impaired and an allowance for credit losses of USD 318,491 (31 March 2014: USD 3,944,396) has been recorded accordingly within other expenses. The impaired receivables are mostly due from parties that are experiencing financial difficulties.

The analysis of provision for bad and doubtful debts is as follows:

Particulars	31 March 2015	31 March 2014
Opening balance	568,511	613,407
Provision made during the year	38,620	-
Provision reversed	(22,938)	(44,896)
Closing balance	584,193	568,511

The analysis for provision for other receivables is as follows:

Particulars	31 March 2015	31 March 2014
Opening balance	3,989,292	-
Provision made during the year	70,550	3,989,292
Provision reversed	-	-
Closing balance	4,059,842	3,989,292

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 34.

The analysis of rebate accruals is as follows:-

Particulars	31 March 2015	31 March 2014
Opening balance	1,856,402	1,353,615
Less: Rebates utilised during the period	(1,164,449)	(1,875,272)
Add: Rebates provided to customers during the year	1,103,203	2,378,059
Closing balance	1,795,156	1,856,402

13 CASH AND CASH EQUIVALENTS

Particulars	31 March 2015	31 March 2014
Cash in hand	36,584	13,970
Cash in current accounts	13,089,754	12,499,140
Fixed deposit accounts	320,761	-
	13,447,099	12,513,110

14 SHORT TERM FINANCIAL ASSETS

Particulars	31 March 2015	31 March 2014
Security deposits	171,610	212,869
Restricted cash	2,928,406	2,894,057
Short term investments (fixed deposits with maturity less than 12 months)	1,833,141	942,904
Derivative financial instruments	-	1,166,654
Due from officers and employees	7,983	120,841
Others	602	314
	4,941,742	5,337,639

Short term investments comprise of investment through banks in deposits denominated in various currency units bearing fixed rate of interest.

15 OTHER CURRENT ASSETS

Particulars	31 March 2015	31 March 2014
Prepayments	1,437,717	1,525,227
Statutory dues recoverable	56,245	40,216
Others	152,153	181,387
	1,646,115	1,746,830

16 LONG TERM BORROWINGS*Non-current portion of borrowings*

Particulars	31 March 2015	31 March 2014 (Restated)
Finance lease obligation	971,266	756,296
Term loan*	108,021,563	121,770,203
Total borrowings	108,992,829	122,526,499
Less: Current portion of borrowings		
Finance lease obligation	370,070	491,847
Term loan*	13,577,912	15,125,000
	13,947,982	15,616,847
Non-current portion of borrowings	95,044,847	106,909,652

* The term loan bears interest at a rate per annum equal to Alternate Base Rate currently at 2.25% plus 5% per annum.

The term loan is secured by all the assets of iEnergizer Limited and its subsidiaries Aptara Inc., iEnergizer Holdings Ltd, iEnergizer Aptara Ltd and iEnergizer BPO Ltd.

17 TRADE AND OTHER PAYABLES

Particulars	31 March 2015	31 March 2014
Due to trade creditors	5,317,631	5,543,517
Other payables	3,833,471	4,522,457
	9,151,102	10,065,974

18 EMPLOYEE BENEFIT OBLIGATIONS

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Group. Employee benefit obligations include the components as follows:

Particulars	31 March 2015			31 March 2014		
	Current	Non-current	Total	Current	Non-current	Total
Provision for gratuity	505,717	1,902,442	2,408,159	300,330	2,155,499	2,455,829
Provision for compensated absences	352,308	1,920,925	2,273,233	301,536	2,111,786	2,413,322
Accrued pension liability	154,223	862,340	1,016,563	146,401	502,637	649,038
	1,012,248	4,685,707	5,697,955	748,267	4,769,922	5,518,189

Gratuity

The Group provides gratuity benefit to its employees working in India. The gratuity plan is a defined benefit plan that, at retirement or termination of employment, provides eligible employees with a lump sum payment, which is a function of the last drawn salary and completed years of service.

Compensated absences

The Group has accumulating compensated absences policy. The Group measures the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the date of statement of financial position.

Accrued pension

The Group sponsors a non-contributory defined benefit pension plan (the "DB Plan") covering all full-time employees of one of its subsidiaries meeting specified entry-age requirements. Pension benefits were based upon a formula contained in the DB Plan documents that takes into consideration years of service. The Company's funding policy is based on actuarial recommended contribution. The actuarial cost method utilised to calculate the present value of benefit obligations is the projected unit credit cost method. The DB Plan assets are held by a bank, as trustee, principally in the form of mutual fund units, money market securities, corporate bonds, and U.S. government securities. The DB Plan has no liabilities.

The defined benefit obligation is calculated annually by an independent actuary using projected unit credit method. Changes in the present value of the defined benefit obligation with respect to gratuity and accrued pension liability are as follows:

Particulars	31 March 2015	
	Gratuity	Accrued pension
Change in benefit obligation		
Opening value of obligation	2,631,356	2,632,843
Interest expense	205,599	115,931
Current service cost	357,531	-
Benefits paid	(174,300)	(145,993)
Remeasurement - actuarial (gains)/ losses from changes in assumptions	(360,879)	544,477
Translation adjustment	(119,363)	-
Defined benefit obligation at the year end	2,539,944	3,147,258
Fair value of planned assets	(131,785)	(2,130,695)
Defined benefit obligation at the year end (net)	2,408,159	1,016,563

Expenses related to the Company's defined benefit plans are as follows:

Particulars	31 March 2015	
	Gratuity	Accrued pension
Net benefit obligation		
Amounts recognised in consolidated income statement		
Current service cost	357,531	-
Net interest expense	205,599	115,931
Expense recognised in consolidated income statement	563,130	115,931

Particulars	31 March 2014	
	Gratuity	Accrued pension
Change in benefit obligation		
Opening value of obligation	2,278,631	2,756,877
Interest expense	164,894	115,602
Current service cost	401,958	-
Benefits paid	(145,320)	(145,084)
Remeasurement - actuarial losses/(gains) from changes in assumptions	124,103	(94,552)
Translation adjustment	(192,910)	-
Defined benefit obligation at the year end	2,631,356	2,632,843
Fair value of plan assets	(175,527)	(1,983,805)
Defined benefit obligation at the year end (net)	2,455,829	649,038

Expenses related to the Company's defined benefit plans are as follows:

Particulars	31 March 2014	
	Gratuity	Accrued pension
Net benefit obligation		
Amounts recognised in consolidated income statement		
Current service cost	401,958	-
Net interest expense	157,925	(19,471)
Expense recognised in consolidated income statement	559,883	(19,471)

Particulars	31 March 2015	31 March 2014
	Current portion of obligation as at the end of the year	1,012,248
Non-current portion of obligation as at the end of the year	4,685,707	4,769,922
	5,697,955	5,518,189

The assumptions used in calculation of gratuity obligation are as follows:

Particulars	31 March 2015	31 March 2014
Discount rate	8.0%	8.0%
Expected rate of increase in compensation levels	8.0%	8.0%
Expected rate of return on plan assets	8.25%	8.25%
Retirement age	58 years	58 years
Mortality table	IALM (2006-08)	IALM (2006-08)
Withdrawal rates		
Up to 30 years	44.01%	29.58%
From 31 to 44 years	18.51%	11.76%
Above 44 years	16.33%	2.97%

Enterprise's best estimate of contribution during the next year amounts to USD 786,560.

Plan assets

Gratuity

Particulars	31 March 2015	31 March 2014
Opening balance of fair value of plan assets	175,527	93,370
Expected return on plan assets	14,160	6,968
Employer contribution	122,506	213,294
Benefits paid	(166,102)	(127,863)
Actuarial gain/(loss) on plan assets	(7,272)	(2,969)
Exchange fluctuation	(7,034)	(7,273)
Closing balance of fair value of plan assets	131,785	175,527

Accrued pension

Particulars	31 March 2015	31 March 2014
Opening balance of fair value of plan assets	1,983,805	1,752,230
Fair value of asset on acquisition date	-	-
Actual return on plan assets	180,491	175,941
Employer contributions	(145,993)	200,718
Benefits paid	112,392	(145,084)
Closing balance of fair value of plan assets	2,130,695	1,983,805

Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group companies. The gratuity plan of the Company is administered by Life Insurance Company ("LIC"). Plan assets for gratuity and pension plans are invested in below category of investments.

Particulars	31 March 2015	31 March 2014
Gratuity:		
Quoted		
-Government bonds	32,963	63,765
- Infrastructure bonds	25,001	41,100
-Corporate bonds	9,556	21,641
Unquoted		
-Fixed deposits	-	2,390
-Commercial paper and deposits	18,187	19,533
-Cash and cash equivalents	46,078	27,098
Accrued Pension:		
Quoted		
- Equity mutual funds	1,183,924	1,148,849
- Fixed income	876,246	788,332
Unquoted		
- Cash and cash equivalents	70,525	44,291

The plans expose the Group to actuarial risks such as interest rate risk, investment risk and longevity risk.

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields on high quality corporate bonds and government bonds where there is no deep market for high quality corporate bonds. The estimated term of the bonds is consistent with the estimated term of the defined benefit obligation and it is denominated in functional currencies of respective subsidiaries. A decrease in market yield on high quality corporate bonds will increase the Group's defined benefit liability, although it is expected that this would be offset partially by an increase in the fair value of certain of the plan assets.

Investment risk

The plan assets at 31 March 2015 are predominantly risk free government securities, money market and mutual funds. The mutual funds are significantly weighted towards international market funds.

Longevity risk

The Group is required to provide benefits for life for the members of the defined benefit liability. Increase in the life expectancy of the members will increase the defined benefit liability.

The defined benefit obligation and plan assets are composed by geographical locations as follows:

Particulars	31 March 2015		
	US	India	Total
Defined benefit obligation	3,147,258	2,539,944	5,687,202
Fair value of plan assets	(2,130,695)	(131,785)	(2,262,480)
	1,016,563	2,408,159	3,424,722

Particulars	31 March 2014		
	US	India	Total
Defined benefit obligation	2,632,843	2,631,356	5,264,199
Fair value of plan assets	(1,983,805)	(175,527)	(2,159,332)
	649,038	2,455,829	3,104,867

Amounts recognised in other comprehensive income related to the Group's defined benefit plans are as follows:

Particulars	31 March 2015
Actuarial loss from changes in demographic assumptions	68,974
Actuarial gain from changes in financial assumptions	(52,029)
Actuarial loss from changes in experience adjustments	399,085
Return on plan assets (excluding amounts included in net interest)	(157,751)
Total expenses recognised in other comprehensive income	258,279

Particulars	31 March 2014
Actuarial loss from changes in financial assumptions	183,928
Actuarial loss from changes in demographic assumptions	21,478
Return on plan assets (excluding amounts included in net interest)	2,969
Total expenses recognised in other comprehensive income	208,375

All the expenses summarised above were included within items that will not be reclassified subsequently to profit or loss in the statement of other comprehensive income.

Other defined benefit plan information

The contributions to the defined plans are funded by the Group's subsidiaries. The funding requirements are based on the pension fund's actuarial measurement framework as set out in the funding policies.

Based on historical data, the Group expects contributions of USD 786,560 to be paid for the financial year 2015-2016.

The weighted average duration of the defined benefit obligation at 31 March 2015 is 3.5 years (31 March 2014: 5.8 years)

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the withdrawal rate. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability:

	As at 31 March 2015		As at 31 March 2014	
	Increase by 0.5%	Decrease by 0.5 %	Increase by 0.5%	Decrease by 0.5 %
Discount rate				
Increase (decrease) in the defined benefit liability	(53,323)	87,032	(115,157)	120,830

	As at 31 March 2015		As at 31 March 2014	
	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5 %
Salary growth rate				
Increase (decrease) in the defined benefit liability	86,370	(53,338)	120,252	(51,592)

	As at 31 March 2015		As at 31 March 2014	
	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5 %
Withdrawal rate				
Increase (decrease) in the defined benefit liability	855	(1,423)	3,456	(3,568)

The present value of the defined benefit obligation calculated with the same method (project unit credit) as the defined benefit obligation recognised in the statement of financial position. The sensitivity analyses are based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Defined contribution plans

Apart from being covered under the Gratuity Plan described earlier, employees of the Group also participate in a Provident Fund Plan in India. Contributions paid or payable are recognised as expense in the period in which they are due. During the year ended 31 March 2015, the Group contributed USD 1,481,628 (31 March 2014: 1,408,691) towards the Provident Fund Plan in India.

19 OTHER CURRENT LIABILITIES

Particulars	31 March 2015	31 March 2014
Employee dues	3,519,568	3,657,963
Statutory dues payable	559,962	575,754
Unearned revenue	1,808,642	2,093,575
Advance from customers	1,553,536	1,355,665
Interest accrued and due on loans	-	1,119,219
Book overdraft	599,756	1,202,378
Derivative financial instruments	88,275	-
Others	83,519	69,216

Particulars	31 March 2015	31 March 2014
	8,213,258	10,073,770

20 OTHER INCOME

Particulars	31 March 2015	31 March 2014
Foreign exchange gain	1,645,780	1,597,338
Profit on sale of fixed assets	42,462	10,499
Miscellaneous income	201,834	150,535
	1,890,076	1,758,372

21 FINANCE INCOME

Particulars	31 March 2015	31 March 2014
Interest income on deposit accounts	436,226	507,359
Others	8,737	8,190
	444,963	515,549

22 FINANCE COST

Particulars	31 March 2015	31 March 2014 (Restated)
Interest on borrowings	10,155,535	10,758,326
Interest on finance lease	51,767	114,489
Others	25,000	140,523
	10,232,302	11,013,338

23 INCOME TAXES

Income tax is based on tax rate applicable on profit or loss in various jurisdictions in which the Group operates. The effective tax at the domestic rates applicable to profits in the country concerned as shown in the reconciliation below have been computed by multiplying the accounting profit with effective tax rate in each jurisdiction in which the Group operates. The entity at Guernsey is zero tax entity.

Tax expense reported in the Consolidated Income Statement for the year ended 31 March 2015 and 31 March 2014 is as follows:

Particulars	31 March 2015	31 March 2014
Current tax expense	2,926,427	4,360,059
Deferred tax expense/ (credit)	80,970	(2,764,809)
Income tax expense included in consolidated income statement	3,007,397	1,595,250

The relationship between the expected tax expense based on the domestic tax rates for each of the legal entities within the Group and the reported tax expense in profit or loss is reconciled as follows:

Particulars	31 March 2015	31 March 2014 (Restated)
Accounting profit for the year before tax	8,616,144	20,700,117
Re-measurements in Other comprehensive income	258,279	(208,375)
Effective tax at the domestic rates applicable to profits in the country concerned	(970,777)	4,446,965
Deferred tax on undistributed earnings	1,617,975	2,334,304
Recognition of deferred tax assets on carry forward losses	2,137,405	(4,145,724)
Dividend distribution tax	-	201,167
Income not taxable/ expenses not allowed	278,420	105,557
Change in tax rate	81,983	(434,856)
Others	(137,609)	(912,163)
Tax expense	3,007,397	1,595,250

24 EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

Calculation of basic and diluted earnings per share for the year ended 31 March 2015 is as follows:

Basic earnings per share

Particulars	31 March 2015	31 March 2014 (Restated)
Profit attributable to shareholders	5,608,747	19,104,867
Weighted average numbers shares outstanding	153,010,000	153,010,000
Basic earnings per share (USD)	0.04	0.12

Diluted earnings per share

Particulars	31 March 2015	31 March 2014 (Restated)
Profit attributable to shareholders	5,608,747	19,104,867
Potential ordinary shares*	76,713	126,518
Weighted average numbers shares outstanding	153,086,713	153,136,158
Diluted earnings per share (USD)	0.04	0.12

* Shares to be issued under share options granted

25 CORRECTION OF AN ERROR

In May 2013, the Company obtained a loan from a financial institution for which it paid upfront fees. The same was reduced from the loan amount in accordance with the treatment as per IAS 39. However the amortisation cost for the year ending March 2014 was not accounted. As a consequence, the finance cost and the loan balance was understated. During the current year the Company discovered the error. The error has been corrected by restating each of the affected financial statement line items for the prior period, as follows:

	31 March 2014
Impact on equity ((decrease) in equity)	
Non-current portion of borrowings	1,040,068
Total liabilities	1,040,068
Net impact on equity	(1,040,068)
Impact on statement of profit or loss ((decrease) in profit)	
Finance cost	(1,040,068)
Net impact on the profit for the year	(1,040,068)
Attributable to:	
Equity holders of the parent	(1,040,068)

Impact on basic and diluted earnings per share (EPS) ((decrease) in EPS)	
Earnings per share	
Basic, profit for the year attributable to ordinary equity holders of the parent	(0.007)
Diluted, profit for the year attributable to ordinary equity holders of the parent	(0.007)

The third statement of consolidated financial position has not been presented since the error pertains to year ended 31 March 2014 and does not impact the year(s) prior to that.

26 LEASES

The Group's finance lease payments are due on assets taken on lease for operating activities. The net carrying value of computers and plant and machinery taken on lease as at 31 March 2015 is USD 411,540 (31 March 2014: 567,508).

Particulars	31 March 2015	31 March 2014
Computers and peripherals	166,135	327,637
Office equipment	58,070	87,294
Plant and machinery	59,696	94,073
Furniture and fixtures	54,354	58,504
Leasehold improvement	73,285	-
	411,540	567,508

The minimum lease rent payable for the assets taken on finance leases (included under current and non-current borrowings) are as under:

Payments falling due	Future minimum lease payments outstanding		Interest Implicit		Present value of future lease payments	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Within 1 year	463,101	556,744	92,966	66,261	370,135	490,482
Later than 1 year but less than 5 years	697,185	296,080	95,942	30,267	601,243	265,813
More than 5 years	-	-	-	-	-	-

The Group's approximate future minimum lease payments under non-cancellable operating leases are as follows:

Payments falling due	Future minimum lease payments outstanding	
	31 March 2015	31 March 2014
Within 1 year	751,270	998,828

Payments falling due	Future minimum lease payments outstanding	
	31 March 2015	31 March 2014
Later than 1 year but less than 5 years	1,180,569	2,195,335
More than 5 years	-	31,157

Lease expense for premises taken on lease, recognised as expense in the consolidated income statement for the year ended 31 March 2015 is USD 2,644,689 (31 March 2014: USD 3,118,622). There were no sublease payments or contingent rent payments. Assets held under lease agreements are used exclusively by the Group and sublease of premises are not allowed as a part of the agreements.

27 FAIR VALUATION GAIN/ (LOSS) ON DERIVATIVES

The fair valuation gain on derivate financial instrument amount to USD 1,254,929 during the year ended 31 March 2015 (31 March 2014: USD (768,942)).

28 EQUITY

The share capital of iEnergizer consists only of fully paid ordinary shares with a par value of GBP 0.01 per share (previous year GBP 0.01 per share). All shares represent one vote at the shareholder's meeting of iEnergizer Limited and are equally eligible to receive dividends and the repayment of capital. The total number of shares issued and fully paid up of the company as on each reporting date is summarised as follows:

Particulars	31 March 2015	31 March 2014
Opening number of shares	153,010,000	153,010,000
Number of shares issued during the year	-	-
Closing number of shares	153,010,000	153,010,000

29 SHARE BASED PAYMENTS

On 27 August 2010, the Company entered into an option agreement with Arden Partners and Sara Latham. Under agreement with Arden Partners, they were granted the right to subscribe at the Placing Price for 159,654 Ordinary Shares (equivalent to 0.5 per cent. in number of the number of Placing Shares). Such right may be exercised at any time during the period starting on the date of Admission and ending on the third anniversary of Admission. Under agreement with Sara Latham, Ms. Latham was granted the right to subscribe at the placing price for 10,000 ordinary shares. Such right may be exercised between the first anniversary of admission and the fifth anniversary of admission, after which it will lapse to the extent it has not been exercised. During the year Nil (previous year: Nil) options were exercised.

30 RELATED PARTY TRANSACTIONS

The related parties for each of the entities in the Group have been summarised in the table below:

Nature of the relationship	Related Party's Name
I. Ultimate controlling party	Mr. Anil Aggarwal
II. Entities directly or indirectly through one or more intermediaries, control, are controlled by, or are under common control with, the reported enterprises	EICR Limited (<i>Parent of iEnergizer Limited</i>)
III. Key management personnel and significant shareholders :	Mr. Anil Aggarwal (<i>Ultimate Shareholder, EICR Limited</i>)
	Ms. Sara Latham (<i>Director, iEnergizer Limited</i>)
	Mr. John Behar (<i>Director, iEnergizer Limited</i>)- up to 30 April 2014
	Mr. Chris de Putron (<i>Director, iEnergizer Limited</i>)
	Mr. Marc Vassanelli (<i>Director, iEnergizer Limited</i>)-w.e.f 27 January 2014
	Mr. Neil Campling (<i>Director, iEnergizer Limited</i>)-w.e.f 1 April 2014

Disclosure of transactions between the Group and related parties and the outstanding balances is as under:

Transactions with parent company

Particulars	31 March 2015	31 March 2014
Transactions during the year		
Repayment of loan	-	20,000,000
Interest paid	-	2,586,927

Above payables from related parties bears an interest rate of 10% p.a and are repayable on demand. Hence, the management is of the view that fair values of such receivables and payable closely approximates their carrying values.

Transactions with key managerial personnel and their relative

Particulars	31 March 2015	31 March 2014
Transactions during the year		
Short term employee benefits		
<i>Remuneration paid to directors</i>		
Sara Latham	48,095	48,111
John Behar	-	47,936
Chris de Putron	15,889	16,158
Mark De La Rue	15,889	16,158
Marc Vassanelli	56,744 ²	-
Neil Campling	276,878	-

² Accrued @ GBP 30,000 per annum and includes previous year fees from date of appointment 27.1.2014 to 31.03.2014.

Balances at the end of the year

Total remuneration payable to key managerial personnel	49,449	16,698
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Key management personnel also participate in post-employment benefit plans and other long term benefits provided by the Group. The amounts in respect of these towards the key management personnel cannot be segregated as these are based on actuarial valuation for all employees of the Group. During the year ended 31 March 2015 no key management personnel has exercised options granted to them.

31 SEGMENT REPORTING

Management currently identifies the Group's three service lines real time processing, back office services and content delivery as operating segments on the basis of operations. These operating segments are monitored and operating and strategic decisions are made on the basis of operating segment results.

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The Group's reportable segments are as follows:

1. Real time processing
2. Back office services
3. Content delivery
4. Others

The measurement of each operating segment's revenues, expenses, assets and is consistent with the accounting policies that are used in preparation of the consolidated financial statements. In addition, two minor operating segments, for which the quantitative thresholds have not been met, are currently combined below under 'Others'.

Segment information can be analysed as follows for the reporting years under review:

	31 March 2015				
	Real time processing	Back office services	Content delivery	Others	Total
Revenue from external customers	18,495,644	39,264,432	81,189,114	-	138,949,190
Segment revenue	18,495,644	39,264,432	81,189,114	-	138,949,190
Other income	129,825	8,659	1,751,592	-	1,890,076
Cost of outsourced Services	-	19,458,502	18,497,724	-	37,956,226
Employee benefit expense	13,601,256	73,032	47,960,584	116,108	61,750,980
Depreciation and amortisation	532,931	-	6,574,738	-	7,107,669
Other expenses	1,292,601	558,406	12,187,230	1,582,672	15,620,909
Segment operating profit	3,198,681	19,183,151	(2,279,570)	(1,698,780)	18,403,482
Segment assets	10,264,378	13,799,942	87,262,764	78,324,699	189,651,782
Capital expenditure	-	1,203,753	6,777,332	-	7,981,085

	31 March 2014 (Restated)				
	Real time processing	Back office services	Content delivery	Others	Total
Revenue from external customers	15,547,582	35,041,368	103,075,547	22,578	153,687,075
Segment revenue	15,547,582	35,041,368	103,075,547	22,578	153,687,075
Other income	90,411	777	1,645,503	21,681	1,758,372
Cost of outsourced Services	-	16,102,925	19,548,829	-	35,651,754
Employee benefit expense	10,453,771	5,625	48,756,025	248,693	59,464,114
Depreciation and amortization	436,282	-	6,208,378	5,977	6,650,637
Other expenses	1,155,167	4,824,475	15,304,653	1,196,741	22,481,036
Segment operating profit/ (loss)	3,592,773	14,109,120	1,4903,165	(1,407,152)	31,197,906
Segment assets	7,420,167	11,317,959	178,729,554	3,706,709	201,174,390
Capital expenditure	-	791,650	4,034,242	-	4,825,892

The Group's revenues from external customers and its non-current assets (other than financial instruments, investments accounted for using the equity method, deferred tax assets and post-employment benefit assets) are divided into the following geographical areas:

Location	Revenue		Non-current assets	
	31 March 2015	31 March 2015	31 March 2014	31 March 2014
United Kingdom	5,433,099	-	6,588,310	-
India	20,359,606	10,503,834	16,290,613	10,043,275
USA	105,456,930	114,695,827	116,153,304	115,318,093
Rest of the world	7,699,555	7,921,897	14,654,848	11,191,442
Total	138,949,190	133,121,558	153,687,075	136,552,810

Revenues from external customers in United Kingdom, as well as its major markets, India and the USA have been identified on the basis of the internal reporting systems.

In year ended 31 March 2015, revenue from two customer (31 March 2014: one customer) amounted to more than 10% of consolidated revenue during the year presented (31 March 2014: one customer).

		31 March 2015
Revenue from	Segment	Amount
Customer 1	Back office services	10,960,901
Customer 2	Content delivery	10,022,379

		31 March 2014
Revenue from	Segment	Amount

Customer 1	Content delivery	24,501,696
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32 FINANCIAL ASSETS AND LIABILITIES

Carrying amounts of assets and liabilities presented in the statement of financial position relates to the following categories of assets and liabilities:

Financial assets	31 March 2015	31 March 2014
Non-current assets		
<i>Loans and receivables</i>		
Security deposits	627,000	854,256
Restricted cash	84,788	85,226
Deposits with banks	-	74,739
Current assets		
<i>Loans and receivables</i>		
Trade receivables	22,646,535	34,027,675
Cash and cash equivalents	13,447,099	12,513,110
Restricted cash	2,928,406	2,894,057
Security deposits	171,610	212,869
Short term investments	1,833,141	942,904
Due from officers and employees	7,983	120,841
Other short term financial assets	602	314
<i>Fair value through profit and loss:</i>		
Derivative financial instruments	-	1,166,654
	41,747,164	52,892,645
Financial liabilities	31 March 2015	31 March 2014
		(Restated)
Non-current liabilities		
<i>Financial liabilities measured at amortised cost:</i>		
Long term borrowings	95,044,840	106,909,652
Current liabilities		
<i>Financial liabilities measured at amortised cost:</i>		
Trade payables	9,151,157	10,065,974
Current portion of long term borrowings	13,947,982	15,616,847
Other current liabilities	4,119,324	6,048,777
<i>Fair value through profit and loss:</i>		
Derivative financial instruments	88,275	-
	122,351,578	138,641,250

These non-current financial assets and liabilities, current financial assets and liabilities have been recorded at their respective carrying amounts as the management considers the fair values to be not materially different from their carrying amounts recognised in the statement of financial positions. Derivative financial instruments, recorded at fair value through profit and loss, are recorded at their respective fair values on the reporting dates.

33 COMMITMENT AND CONTINGENCIES

At 31 March 2015 and 31 March 2014, the Group had capital commitment of USD 96,671 and USD 2,016,326 respectively for acquisition of property, plant and equipment.

The contingent liability in respect of claims filed by erstwhile employees against the group companies amounts to USD 74,869 and USD 129,907 as on 31 March 2015 and 31 March 2014 respectively and in respect of interest on VAT amounts to USD 11,166 as on 31 March 2015 (USD 11,692 as on 31 March 2014).

Guarantees: As at 31 March 2015 and 31 March 2014, guarantees provided by banks on behalf of the group companies to the revenue authorities and certain other agencies, amount to approximately USD 126,516 and USD 78,680 respectively.

34 RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to raise finances for the Group's operations. The Group has trade and other receivables, other financial assets and cash and bank balances.

The Group is exposed to market risk, credit risk and liquidity risk.

MARKET RISK

Market risk is the risk that changes in market prices will have an effect on Group's income or value of the financial assets and liabilities. The Group's financial instruments affected by market risk include trade and other receivables, other financial assets, borrowings and trade and other payables.

The sensitivity analyses in the following sections relate to the position as at 31 March 2015. The analyses exclude the impact of movements in market variables on the carrying value of assets and liabilities other than financial assets and liabilities. The sensitivity of the relevant consolidated income statement is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2015.

Interest rate sensitivity

The Group does not have any exposure to interest rate risk as there are no borrowings with floating interest rates.

Price risk sensitivity

The Group does not have any financial asset or liability exposed to price risk as at reporting date.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group renders services primarily to customers located in United States including those rendered by its Indian entities. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the trades receivable in USD on account of contracts for rendering the services. The Group entity has fixed rate forward contracts that are obtained to manage the foreign currency risk in USD denominated trade receivables. Such contracts are taken considering overall receivable position and related expense and are not speculative in nature.

Net short term exposure in USD equivalents of foreign currency denominated financial assets and liabilities at each reporting date are as follows:

Currency	USD	USD	USD	USD
Foreign currency	AUD	GBP	EURO	SGD
31 March 2015				
Financial assets	51,370	725,741	159,924	65,664
Financial liabilities	31,920	58,543	7,861	-
Net short term exposure	19,450	667,198	152,063	65,664

Currency	USD	USD	USD	USD
Foreign currency	AUD	GBP	EURO	SGD
31 March 2014				
Financial assets	92,842	335,224	124,645	-
Financial liabilities	37,974	44,657	18,324	-
Net short term exposure	54,868	290,567	106,321	-

In computing the below sensitivity analysis, the management has assumed the following % movement between various foreign currencies and the underlying functional currency:

Functional currency	31 March 2015	31 March 2014
AUD	+ -6.00%	+ -11.00%
GBP	+ -11.00%	+ -9.00%
EUR	+ -21.00%	+ -7.00%
SGD	+ -8.00%	-

The following table details Group's sensitivity to appreciation or depreciation in functional currency vis-a-vis the currency in which the foreign currency financial assets and liabilities are denominated:

Currency	USD	USD	USD	USD
Foreign currency	AUD	GBP	EURO	SGD
31 March 2015	1,150	66,497	26,464	4,864
31 March 2014	(12,219)	52,729	14,958	-

If the functional currency of the Company had weakened with respect to various currencies by the percentages mentioned above, for years ended 31 March 2015 and 2014 then the effect will be change in profit and equity for the year by USD 98,975 (31 March 2014: USD 55,468). If the functional currency had strengthened with respect to the various currencies, there would be an equal and opposite impact on profit and equity for each year.

CREDIT RISK

Credit risk arises from debtors' inability to make payment of their obligations to the Group as they become due; and by non-compliance by the counterparties in transactions in cash, which is limited, to balances deposited in banks and accounts receivable at the respective reporting dates. The Group is not exposed to any significant credit risk on other financial assets and balances with banks. Further analysis for each category is detailed below:

Trade receivables

In case of trade receivables, its customers are given a small credit period of 30 to 75 days and the customers do not generally default and make payments on time. and other receivables are immediately recoverable.

Top five customers for the year ended 31 March 2015 are USD 6,427,309 being 28.38% (31 March 2014 USD 13,102,299 being 34.46 %) of net trade receivables. An analysis of age of trade receivables at each reporting date is summarised as follows:

Particulars	31 March 2015	
	Amount	Impairment
Not past due	14,487,576	-
Past due less than three months	6,962,632	-
Past due more than three months but not more than six months	1,009,072	-
Past due more than six months but not more than one year	187,255	-
More than one year	-	-
Total	22,646,535	-

Particulars	31 March 2014	
	Amount	Impairment
Not past due	14,775,744	-
Past due less than three months	17,312,422	-
Past due more than three months but not more than six months	1,939,509	-
Past due more than six months but not more than one year	-	-
More than one year	-	-
Total	34,027,675	-

Other financial assets

In case of other financial assets, all the current balances are recoverable on demand while the non-current balances are primarily on account of security deposits given for buildings take on lease. The maximum exposure to the Group in case of security deposits paid under long-term arrangements is given in note below.

The maximum exposure to credit risk in other financial assets is summarised as follows:

	31 March 2015	31 March 2014
Security deposits	798,610	1,067,125
Restricted cash	3,013,194	2,979,283
Cash and cash equivalents	13,447,099	12,513,110
Short term investments	1,733,133	942,904
Due from officers and employees	7,983	120,841
Deposits with banks	100,073	74,739
Derivative financial instruments	-	1,166,654
Other current assets	601	314
Total	19,100,693	18,864,970

Cash and cash equivalents are held with reputable banks. The maximum exposure to credit risk is in the items stated in note 13. The management considers the credit quality of deposits with such banks to be good and reviews the banking relationships on an ongoing basis.

The Group's maximum exposure to credit risk arising from the Group's trade and other receivables and other financial assets at the respective reporting dates is represented by the carrying value of each of these assets.

Credit risk concentrations exist when changes in economic, industrial or geographic factors take place, affecting in the same manner the Group's counterparties whose added risk exposure is significant to the Group's total credit exposure.

LIQUIDITY RISK

Liquidity needs of the Group are monitored on the basis of future cash flow projections. The Group manages its liquidity needs by continuously monitoring cash flows from customers and by maintaining adequate cash and cash equivalents and short term investments. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short terms liquidity requirements comprise mainly of sundry creditors, expense payable, and employee dues arising during normal course of business as on each reporting date. The Group maintains a minimum of sixty days of short term liquidity requirements in cash and cash equivalents. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals and through the management's ability to negotiate borrowing facilities. Derivative financial instruments reflect forward exchange contracts that will be settled on a gross basis.

As at 31 March 2015, the Group's financial liabilities having contractual maturities (including interest payments where applicable) are summarised as follows:

31 March 2015	Current		Non- current
Financial liabilities	Due within 60 days	Due in 61 days to 365 days	Due in more than 1 year but not later than 5 years
Trade payables	5,264,282	53,404	-
Expenses payable	2,999,572	425,494	408,404
Borrowings	154,588	22,770,611	115,597,198
Derivative financial instrument	88,275	-	-
Employee dues	2,907,799	611,769	-
Bank overdraft	599,756	-	-
Total	12,014,272	23,861,278	116,005,602

As at 31 March 2014, the Group's financial liabilities having contractual maturities (including interest payments where applicable) are summarised as follows:

31 March 2014	Current		Non- current
Financial liabilities	Due within 60 days	Due in 61 days to 365 days	Due in more than 1 year but not later than 5 years
Trade payables	4,720,754	804,324	-
Expenses payable	3,220,781	1,320,116	-
Borrowings	6,347,091	20,347,925	135,176,037
Other liabilities	3,612,959	2,435,817	-
- Employee dues	2,424,523	1,233,439	-
- Capital lease liability	12,300	-	-
- Others	56,917	1,202,378	-
Total	20,395,325	27,343,999	135,176,037

35 FAIR VALUE HIERARCHY

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 and 3 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

31 March 2015	Total	Fair value measurements at reporting date using Level 2
	(Notional amount)	
Liabilities		
<i>Derivative instruments</i>		
Forward contracts (currency – USD/INR)	29,600,000	88,275

31 March 2014	Total	Fair value measurements at reporting date using Level 2
	(Notional amount)	
Assets		
<i>Derivative instruments</i>		
Forward contracts (currency – USD/INR)	29,200,000	1,166,654

The Group's foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates and interest rates corresponding to the maturity of the contract. The effects of non-observable inputs are not significant for foreign currency forward contracts.

36 CAPITAL RISK MANAGEMENT

The Group's capital comprises of equity attributable to the equity holder of the parent.

The Group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total equity comprises of all the components of equity (i.e., share capital, additional paid in capital, retained earnings etc.). Total debt comprises of all liabilities of the Group. The management of the Group regularly reviews the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the Group.

	31 March 2015	31 March 2014 (Restated)
Total equity	53,283,311	49,766,783
Total debts	136,368,471	151,407,607
Overall financing	189,651,782	201,174,390
Gearing ratio	0.72	0.75

The current gearing ratio of the Group is very high and the primary objective of the Group's capital management is to reduce net debt over next one year whilst investing in business and maximizing shareholder value. In order to meet this objective, the Group may repay debt, adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

37 POST REPORTING DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the 31 March reporting date and the date of authorization.

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Marc Vassanelli Non-Executive Director, Chairman	Sara Latham Executive Director	Anil Aggarwal Non Executive Director
Chris de Putron Non-Executive Director	Mark De La Rue Non-Executive Director	

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