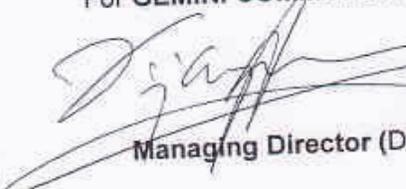


**FORM A**

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	GEMINI COMMUNICATION LIMITED
2.	Annual financial statements for the year ended	March 31, 2015
3.	Type of Audit observation	Un-qualified / Matter of Emphasis
4.	Frequency of observation	Not Applicable
5.	To be signed by- <ul style="list-style-type: none"> <li>• CEO/Managing Director</li> <li>• CFO</li> <li>• Auditor of the company</li> <li>• Audit Committee Chairman</li> </ul>	<p align="center">For GEMINI COMMUNICATION LIMITED</p>  <p align="right">R. Vijaykumar Managing Director (DIN - 00158328)</p>   <p align="right">V. Viswanathan Chartered Accountant Membership: No: 228990</p>  <p align="center">For GEMINI COMMUNICATION LIMITED</p>  <p align="right">V. J. Chandran Director (Chairman of Audit Committee) DIN - 06523768</p> 

**Extract of the Matter of Emphasis mentioned by the Statutory Auditors in their report, with respect to the financial year ended on March 31, 2015:-**

Notes to the financial statements:

- a) Note 22 to the financial statements which, describes the uncertainty related to the outcome of the lawsuit filed against the Company.
- b) Note 21 in the financial statement which indicates that the Company has accumulated losses and its Net worth has been fully/substantially eroded, the Company has incurred a net cash loss during the current year and previous year(s) and, the Company current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 21, indicate the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

**Reply by the Management of the Company for the emphasis of matters stated in the Auditors Report:-**

- a) The on-going law suits are expected to end in favorable for the Company.
- b) The general economic slowdown has affected the telecom industry. The late auction of spectrum by government and the slowdown of 3G and 4G technologies have not brought cheer to the telecom industry. The non payment of government receivables has resulted into substantial erosion of the Company's net worth and the Company has incurred cash losses. The Company continues to take various measures such as cost optimisation, improving operating efficiency, renegotiation of contracts with customers to improve Company's operating results and cash flows. Further the management believes that new spectrum auction will result in exponential growth in 3G 4G & LTE which are expected to generate incremental cash flows to the Company. Therefore, the financial statements are prepared on going concern basis.

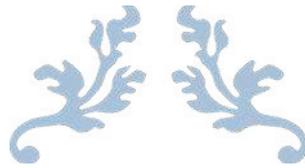
For GEMINI COMMUNICATION LIMITED

  
  
V. J. Chandran  
Director (Chairman of Audit Committee)  
DIN - 06523768

For GEMINI COMMUNICATION LIMITED

  
  
R. Vijaykumar  
Managing Director  
DIN - 00158328

  
V. Viswanathan  
Chartered Accountant  
Membership: No: 228990



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# GEMINI COMMUNICATION LIMITED

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ANNUAL REPORT  
2014 - 2015



CIN - L32301TN1995PLC030087  
No: 01, Dr. Ranga Road, Alwarpet, Chennai – 600 018, Tamil Nadu, India

## GREEN INITIATIVE

The Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by companies and has issued circulars stating that service of notice / other documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their e-mail id to the Company at the following e-mail id or to the Registrar at the following address, quoting their folio reference.

**sharedept@gcl.in**

### **Integrated Enterprises (India) Limited**

Unit: Gemini Communication Ltd

2nd Floor, “Kences Towers”

#1, Ramakrishna Street,

T. Nagar, Chennai - 600 017

Phone: No: 044- 28140801 Fax: No: 044 -28142479

E-mail: [corpserv@integratedindia.in](mailto:corpserv@integratedindia.in)

### Board of Directors

Mr. V. J. Chandran  
Non-Executive Chairman

Mr. R. Vijaykumar  
Managing Director

Mr. R. Ramkumar  
Whole-time Director

Mr. Eswaran Annamalai

### Compliance Officer

Mr. M. Raju

### Auditor

Mr. V Viswanathan  
Chartered Accountant  
Proprietor M/s. V Viswanathan & Associates.,  
No. 1, 1St Floor, Left Wing, Alsa Mall No. 149, Montieth  
Road, Egmore, Chennai - 600 008, Tamil Nadu, India

### Bankers

Bank of India  
Chennai Mid Corporate Branch  
IV Floor, Tarapore Towers, 826, Anna Salai  
Chennai – 600 002

State Bank of India  
Industrial Finance Branch  
155, Anna Salai, Chennai – 600 002

Union Bank of India  
Mount Road Branch  
152, Anna Salai  
Chennai – 600 002

### Registrar and Share Transfer Agent

M/s. Integrated Enterprises India Ltd  
2nd Floor, “Kences Towers”  
#1, Ramakrishna Street,  
T. Nagar, Chennai – 600 017,  
Tamil Nadu, India

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Dear Shareholders,

Warm Greetings to all of you!

Financial Year 2014 - 2015 has been a difficult one in terms of the operating business environment. Persisting inflationary conditions together with poor market sentiments and infrastructure bottlenecks hampered short term growth and profitability. The effects of uncertainties in the rest of the world weighed significantly on investments, exchange rates and commodity prices. Liquidity conditions were very tight with persistent hardening of interest rates.

During financial year 2014 - 2015, the Company registered consolidated revenue of Rs. 564.13 million and a Loss before Tax of Rs. 1,926.36 million. Earnings per share stood at Rs. (15.11).

The outlook on the Indian telecommunication services continued to remain negative due to various regulatory issues. Uncertainty in regulations, which was the key risk since 2012, has now been replaced by increasing costs which has had an impact on many telecom operators.

As the government has already taken major policy decisions regarding the telecom sector, Gemini expects lesser regulatory uncertainty for the sector in the near term. Gemini expects that higher adoption of data services will be the next growth driver for telcos. As the voice market is maturing, telcos will shift their focus on data services, along with value-added services.

Increasing demand for high-speed and high capacity, data-centric internet access would lead to increased adoption of WiMAX and LTE technologies in which PointRed specialises. PointRed is aggressively pursuing market opportunities for its products and services in the ASEAN countries. PointRed aims to achieve considerable portion of the market share of the total wireless networks by next couple of years.

The industry on the main areas of IT Security, Cloud computing, mobility solutions and virtualization is growing at an exceptionally high rate. Although the immediate outlook continues to be challenging, the company is cautiously optimistic about the long term growth prospects. Margins are expected to remain under pressure as we continue to focus on products and services that are of long term relevance for us even if this is at the cost of profitability in the shorter run.

To face the challenges, the Company took necessary steps in restructuring business priorities and maintained its position as a preferred partner. The Company is well positioned as a leaner and focused organization to address the downturn and to achieve growth. Going forward, we firmly believe that we are well placed to capitalize on the opportunities presented.

My sincere thanks to all the shareholders, employees, bankers, auditors, clients, vendors and all those who have been with us in the past and continue to support us.

Sincerely Yours,  
**R. Vijaykumar**  
Managing Director



**R. Vijaykumar  
Managing Director**

As a co-founder of Gemini Communication, Mr. Vijaykumar conceived Gemini as an organization which is deeply committed to values, in the firm belief that success in business would be its inevitable, eventual outcome. Apart from chairing the Board of Directors, he is responsible for managing the company, formulating and executing longterm strategies, and for all interactions with clients, employees, investors and other stakeholders. He is responsible for group development covering acquisitions, divestments and joint venture operations. He is one of the principal policymaker, setting the tone for the company's values, ethics and culture. He played a major role in "Gemini" opening its first overseas branch in United States of America. He is a market trend-setter and investors pose immense faith on him. He personifies GCL's commitment to delivering the highest quality services to its clients around the world. Vijaykumar is firmly committed to the belief that business organizations have deep social responsibility and that this must be discharged by conducting ethical and fair business, by involvement with community issues and by building an ecologically sustainable business. Gemini Communication is deeply involved in trying to improve Industrial Training Institute education through its "Corporate Social Responsibility initiatives" and is committed to a journey which weaves ecological sensitivity in every aspect of its business and organization. Gemini has adopted ITI, Tirupur and closely working for results. He holds a degree from Madras University in the discipline of Mathematics.

**R. Ramkumar  
Whole-time Director**

Mr. R. Ramkumar, a first generation entrepreneur, started his career with manufacturing of computer monitors under the brand name of Gemini, which finally got merged with Gemini Communication Ltd., to become a listed entity. As a cofounder of Gemini Communication, he jointly carries the overall responsibility for the strategy and operations of Gemini's Business initiatives, and has a deep understanding of Gemini's core business areas. As one of his main objectives, he has been creating growth areas for Gemini and its group companies in areas of RFID, Wireless, Storage and Remote Services. He has incubated 2 other product design companies as subsidiaries of Gemini and serves as the Director of PointRed Telecom Ltd., Gemini Geoss Energy Pvt. Ltd., and Gemini Traze RFID Pvt. Ltd. He is closely associated with Confederation of Indian Industry and Federation of Indian Chambers of Commerce and Industry. He also serves in various boards of Universities and Educational Institutes. He was honoured for his entrepreneurial spirit with the 2007 Sri Venkateswara College of Engineering Entrepreneur of the Year award. He spends significant time in the service for society and takes time-off for his spiritual pursuits. He holds a bachelor's degree in Computer Science with a Post Graduate degree in Marketing Management.

**Senior Management Profile  
B. Sree Krishna  
Project Director**

B Sree Krishna, a Software Engineer is the one of the chief architect and driving force behind Gemini's overall operations. His initial assignment was in United States representing Gemini. Sree Krishna has over 14 years of IT industry experience. He synergizes the right blend of technical and management skills to provide requisite direction to the various accounts and teams that he manages. He is based out of Delhi and identifies innovative strategies to place Gemini in the IT Map. He focuses on the development, satisfaction and expansion of client relationships. His functions include strategy building, overseeing successful implementation for strategic mergers and acquisitions, building long-term partnerships for Gemini's subsidiary companies. Sree Krishna's expertise in furthering and complimenting the strategic vision of our Technology Service Division is much adorable. He is a seasoned campaigner in handling Government business. His sound knowledge about

international markets and international business helped Gemini acquiring PointRed a US based company and in cultivating multinational, multicultural company to suit Gemini's needs. His role was stupendous in placing Gemini in the WiMax Space. He is a BE (computer Science) from Pune University and an Executive Masters in International Business from Indian Institute of Foreign Trade, Delhi.

**M. Raju**  
**CEO – Telecom Services Group**

M. Raju, has a rich 20 years of experience in IT & Telecom industry, and had been instrumental towards business success with high revenue. Raju started his career as a Sales & Marketing engineer, with an IT system integrator. He joined Gemini in 1999, just when the company was embarking on its next phase of growth, in wireless domain for data connectivity. He was instrumental towards driving wireless business and enabling Gemini, as a leading wireless system integrator in India, by partnering with leading Indian telecom service providers, for their last-mile solution. He had held a range of leadership positions at Gemini, in the field of Wireless, Network Security, Network Storage and Network Management solutions. He is currently responsible for driving the Telecom Services business, including Sales, Finance, Operations, Service Delivery, Service Assurance and Solution support. He has also been instrumental in building organizational capabilities to support new and complex telecom services. He aims towards long-term goals, and align his short-term goals with the long-term ones, and works following the norms of corporate governance, with strong belief on team-effort. He had transformed the focus of Gemini from being a system integration company, to a telecom services company, and enabling Gemini to the Indian leader in telecom services offering. Under his direction, Gemini have partnered with market leaders like TCL, TTSL, Vodafone, Tikona, Alcatel-Lucent, Nokia Siemens Networks, Huawei, ZTE etc., to offer Network services across India. The additional responsibility assigned has been to take the telecom services to its next league, by offering its services to operator outside India. He holds a Post Graduate Diploma in Sales & Marketing, together with engineering degree, and abridged management course from leading management school.

**B. Srinivasan**  
**Chief Technology Officer**

Mr. B. Srinivasan, started his career in 1992 with Datacom products in network verticals. Having been in the IT industry for more than 15+ years, he has served in different profiles spread across major cities in India. Having understood the potential of Gemini, Srinivasan associated himself with Gemini since its nascent stage as a customer support engineer and built his career with Gemini travelling through the echelon and with his appointment as Chief Technology Officer (CTO) reached the Acme of heights. He attributes his achievement to his integrity, capability and sheer hard work. He is Gemini's torchbearer for development of technology and deployment of countrywide MMDS & WiMAX networks for major telecom service providers like BSNL, VSNL, etc. He brings in extensive knowledge in WiMAX domain. His crisis handling techniques coupled with business acumen are way beyond leading to win-win for all concerned. As a technologist he has been gravitating more towards technical solutions throughout his career with grass root level approaches.

**Balaji Kulothungan**  
**CEO - PointRed Telecom**

An engineer by profession, Balaji has contributed significantly for the growth of wireless technology in India. With more than a decade of experience in wireless domain, he has earned quite a lot of accolades from the telecom operators. Balaji was instrumental in PointRed's acquisition. Post-acquisition of PointRed by Gemini, Balaji joined PointRed in June 2006 and put the company into the 4G space. Since then PointRed has been steadily growing in revenues and also matured into a very strong Global telecom equipment manufacturer. PointRed is the largest 4G (WiMAX) equipment supplier in the world. He is the driving force for PointRed to become a Billion dollar company when the company enters the era of Gigabit WiMAX and long Term Evolution (LTE).

**NOTICE** is hereby given that the Twentieth Annual General Meeting (AGM) of the members of GEMINI COMMUNICATION LIMITED will be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 09:00 a.m. at No: 5/307, Bye Pass Road, Sennerkuppam, Ponamallee, Chennai – 600 056, Tamil Nadu, India to transact the following business.

### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report and the Audited statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2015 and the Balance Sheet as at that date and the Report of the Auditors thereon.
2. To appoint a director in the place of Mr. Eswaran Annamalai (Holding DIN - 01232125), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditor and to fix his remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by members at the Annual General Meeting held on September 29, 2014, the appointment of V Viswanathan & Associates, Chartered Accountants, Chennai bearing Firm Reg. No. 013721S as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of Twenty Fourth Annual General Meeting to be held in the year 2019 (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) on a remuneration as may be decided by the Board in consultation with the Auditors.”

For and on behalf of the Board  
For Gemini Communication Limited

Place: Chennai  
Date: September 04, 2015

**V. J. Chandran**  
Chairman

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and Vote on a poll only instead of Him / Her. The proxy need not be a member of the Company. A blank form of proxy is enclosed herewith and if intended to be used, it should be returned duly completed at the Registered Office of the Company not later than forty eight hours before the scheduled time of the commencement of 20<sup>th</sup> Annual General Meeting.**
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The statement under Section 102 of the Companies Act, 2013, relating to the Special Business is annexed herewith.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.

5. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, and Register of contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM
7. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
8. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock exchanges, are provided in the Statement forming part of the notice.
9. The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, September 24, 2015 to Wednesday, September 30, 2015 (both days inclusive), for the purpose of Annual General Meeting.
10. Members are requested to notify the change in their address, if any, immediately to the company so that all communication can be sent to the latest address. In case of shareholders holding shares in physical form, all intimations regarding change of address and change of bank account details are to be sent to M/s. Integrated Enterprises (India) Limited, Unit: Gemini Communication Limited, 5A, 5th Floor, Kences Towers, No: 1 Ramakrishna Street, North Usman Road, T. Nagar, Chennai – 600 017, Tami Nadu, India and in case of shareholders holding shares in demat form, the same is to be sent directly to their Depository Participants.
11. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/Dop/CIR 05/2007 dated April 27, 2007 made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transaction. In continuation of the said circular, it is hereby clarified that for securities market transactions and off-market/private transactions involving transfer of shares in listed companies in physical form, it shall be mandatory for the transferee(s) to furnish a copy of the PAN card to the Company / RTA for registration of such transfer of shares.
12. Copies of the Annual Report 2015 are being sent by electronic mode only to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2015 are being sent by the permitted mode.
13. The Notice of the 20<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent by electronic mode to all the members whose email addresses are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
14. Members may also note that the Notice of the 20<sup>th</sup> Annual General Meeting and the Annual Report 2015 will also be available on the Company's website [www.gcl.in](http://www.gcl.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's Registrars M/s. Integrated Enterprises (India) Limited.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Integrated Enterprises (India) Limited.
16. The Ministry of Corporate Affairs, New Delhi ("MCA") has undertaken a "Green Initiative" in the field of Corporate Governance by permitting paperless compliances by companies (vide its Circular No.17/2011 dated April 21, 2011 and Circular No.18/2011 dated April 29, 2011). Further, the Ministry has also clarified that the service of documents by a company can be made through electronic mode instead of sending the physical copy of the document(s). Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Integrated Enterprises (India) Limited.
17. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.
18. **Members may kindly note that no gifts/ coupons will be distributed at the Annual General Meeting.**
19. **Voting through electronic means:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the members the facility to exercise their right to vote at the 20<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL) on all resolutions set forth in this Notice:

The procedure and instructions for the same are as follows:

**E-VOTING INSTRUCTIONS:-**

**A. In case of members receiving e-mail:**

- i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- ii) Click on "Shareholders" tab
- iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

- v) If you are holding shares in dematerialised form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

If you are a first time user, follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in</li> </ul>

	<p>the PAN field.</p> <ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. (Sequence number has been provided as Sl. No in the address label)</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p># Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</p>

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in dematerialised form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the members holding shares in dematerialised form for voting in respect of resolutions of any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) In case of members holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- ix) Click on the EVSN of the Company on which you choose to vote.
- x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- xi) Click on the Resolution file link if you wish to view the entire notice.
- xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take out a print out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xv) If dematerialized account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi) Note for Institutional Shareholders
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details they have to create a compliance user should be created who would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy of Notice of AGM(for members whose email ids are not registered with the company/ depository participant(s) or requesting physical copy)

- a) Please follow all the steps above to cast vote.
- b) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at [https:// www.evotingindia.co.in](https://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**Other Information:**

- (i) The e-voting period commences on Sunday, September 27, 2015 (09.00 a.m. IST) and ends on Friday, September 29, 2015 (05.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off Date (i.e. on September 23, 2015) may cast their vote electronically.
- (ii) The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by a Member, he shall not be allowed to change it subsequently.
- (iii) Mr. Giftson Abraham (CP: No: 12846) of M/s. GIFTSON ABRAHAM & CO., Company Secretaries, Chennai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iv) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against forthwith to the Chairman of the Company.
- (v) Voting is provided to the members through e- voting and at the annual general meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.
- (vi) If a Member casts votes by both modes, then voting done through e-voting shall prevail. The results shall be declared not later than two days from the date of Annual General Meeting (AGM) of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.gcl.in](http://www.gcl.in) and on the website of CDSL within forty eight hours of AGM and communicated to the BSE Limited, where the shares of the Company are listed.
- (vii) Subjected to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e. September 30, 2015.

For and on behalf of the Board  
For Gemini Communication Limited

Place: Chennai  
Date: September 04, 2015

**V. J. Chandran**  
Chairman

**ANNEXURE TO THE NOTICE**

Notes on directors seeking appointment/ re-appointment as required under Clause 49 of the Listing Agreement entered into with Stock Exchanges:

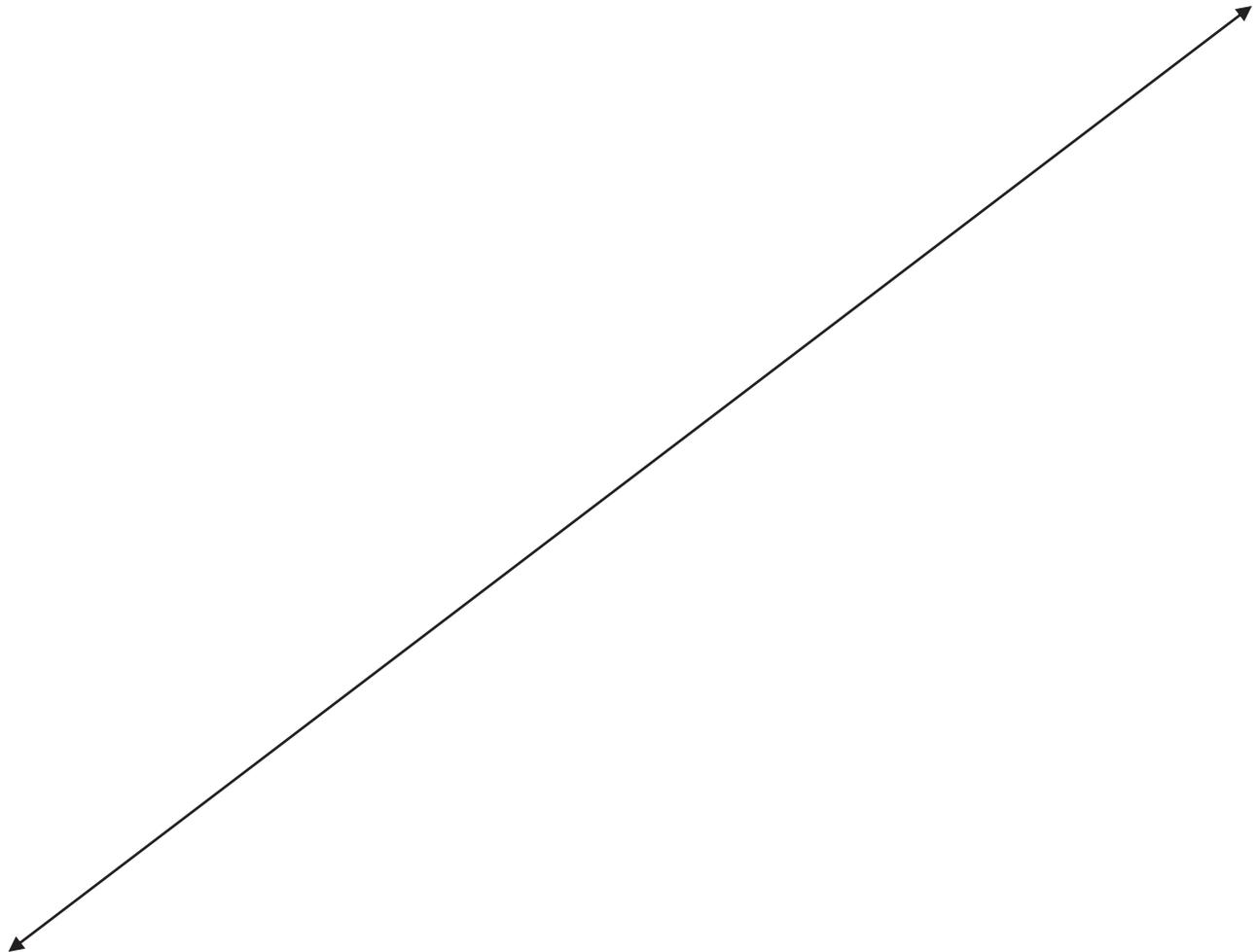
Mr. Eswaran Annamalai is a Post Graduate from USA and has a total working experience of around 24 years in the field of Finance and Information Technology. He became a Director of Gemini Communication Ltd in the year 2002 and since then he has been contributing significantly towards the growth of the organization. He is not a director or a member of any Committee in any other Public Limited Company. He holds 200 equity shares in the Company as on March 31, 2015.

None of the Directors except Mr. Eswaran Annamalai is in anyway interested or concerned in the said resolution.

For and on behalf of the Board  
For Gemini Communication Limited

Place: Chennai  
Date: September 04, 2015

**V. J. Chandran**  
Chairman



←  
DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the Twentieth Annual Report and the Audited Accounts for the financial year ended March 31, 2015

**A. Financial highlights**

Particulars	(Indian Rupees in Lakhs)	
	2014 - 2015	2013 - 2014
Gross Income	5,593.40	4,291.66
Profit Before Interest and Depreciation	(2,771.17)	(15,626.16)
Finance Charges	3,713.03	402.42
Gross Profit	(6,484.21)	(16,028.57)
Provision for Depreciation	2,666.85	2,554.38
Net Profit Before Tax	(9,151.05)	(18,582.96)
Provision for Tax	(279.80)	602.86
Net Profit After Tax	(8,871.25)	(17,980.10)
Balance of Profit brought forward	(8,871.25)	(17,980.10)
Balance available for appropriation	(8,871.25)	(17,980.10)
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	(8,871.25)	(17,980.10)

During the last few years, the telecom industry has been adversely affected by the general economic slowdown and various other factors such as slower growth of 3G technology; failure of spectrum auctions and inflationary costs of power & fuel. This has resulted into substantial erosion of the Company's net worth and the Company has incurred cash losses. The Company continues to take various measures such as cost optimization, improving operating efficiency, renegotiation of contracts with customers to improve Company's operating results and cash flows. Further the management believes that new spectrum auction will result in exponential growth in 3G 4G & LTE which are expected to generate incremental cash flows to the Company. However, the management of the Company is confident on making better results in the upcoming years.

**B. Dividend & Reserves**

Taking into account overall financial performances of the Company Your Directors do not recommend any dividend for the financial year ended on March 31, 2015. Consequently, general compliance has been made with respect to the transfer to General Reserve Account.

**C. Dividend**

In view of losses, the Board of Directors of the Company have not recommended any dividend for the fiscal year ended on March 31, 2015.

#### **D. Buy-back of shares**

The shareholders of the Company had through Postal ballot, the results of which were declared on October 29, 2011, approved Buyback of shares not exceeding 25% of the Paid-up Capital and free reserves for a price not exceeding Rs. 45 per share. The buyback period commenced on January 30, 2012 and was completed on October 28, 2012.

Under this buyback, the Company bought back 27,50,182 equity shares at an average price of Rs. 11.39/- per share from the open market through the stock exchanges. The total amount utilized for the buyback was Rs. 31,310,958.39/-.

The Paid-up Share Capital of the Company is Rs. 12,38,94,703/- and the Company has not allotted any securities during the fiscal year under review.

#### **E. Deposits**

During the year under review, Your Company has not accepted any Deposits within the meaning of provisions of Chapter V of the Companies Act 2013 (Acceptance of Deposits by Companies) read with the Companies (Acceptance of Deposits) Rules, 2014.

#### **F. Risk Management**

Your Company has a robust Risk Management policy, The Company through a steering committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. A detailed Risk Management policy of the Company to have good Corporate Governance is hosted in the Company's official website.

#### **G. Finance & Accounts**

Your Company prepares its financial statements in compliance with requirements of Section 134 of Companies Act 2013 and generally accepted accounting principles (GAAP) in India.

#### **H. Extract of Annual Return**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A" as per section 92 of the Companies Act 2013.

#### **I. Board of Directors**

The Board would like to place on record, their appreciation for the contributions of the above Directors during their tenure as Directors of the Company.

In accordance with the requirements of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Eswaran Annamalai, Director retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.

The information to shareholders as per Clause 49 of the Listing agreement pertaining to Mr. Eswaran Annamalai, covering brief resume, expertise in functional areas, names of Companies in which he is a Director, is being provided in the Notice of the Annual General Meeting which forms part of this Annual Report.

#### **J. Board Evaluation of Board's Performance**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees.

**K. Number of the meetings of the Board**

The Board had met four (4) times during the financial year ended March 31, 2015, on May 29, 2014, August 12, 2014, November 14, 2014 and February 11, 2015. The details of the meetings are given under the Report on Corporate Governance. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**L. Particulars of Loans, Guarantees or Investments by Company (u/s 186)**

The complete details of loans, guarantees and Investments as per the provisions of Section 186 of Companies Act 2013 are given in the notes on accounts of the financial statements.

**M. Vigil Mechanism/Whistle Blower Policy**

The Company has taken steps to establish the Vigil Mechanism/Whistle Blower Policy as is stipulated in the clause 49 of the Listing Agreement and Pursuant to Section 177(9) & 177(10) of the Companies Act 2013. This provides a mechanism to raise concerns about actual or suspected frauds, unethical behaviour, safeguards against victimization of employees and etc., and the same has been posted in the official website of the Company.

**N. Related Party Transactions**

All transactions entered by the Company with Related Parties were in the ordinary course of business and at arms' length basis and that provisions of Section 188 of the Companies Act 2013 are not attracted. Hence the disclosure in form AOC-2 is not required.

Further, there are no material related party transactions during the year under review with the promoters, directors or key managerial personnel. All related party transactions were placed before the audit committee and board for approval and an omnibus approval was obtained on quarterly basis.

The Company has formed a policy on related party transactions through standard operating procedures for the purpose of identification and monitoring of such transaction, which has hosted in the Company's official website.

**O. Directors Responsibility Statement**

Pursuant to the requirement under Section 134 (3)(c) of the Companies Act, 2013, in relation to the Annual Financial Statements for the Financial Year 2014-2015, your Directors confirm that:

- (a) The Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2015 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis following as per the applicable accounting standards along with proper explanation relating to material departures;
- (b) Accounting policies selected were applied consistently and the judgments and estimates related to the financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015, and, of the profit of the Company for the year ended on that date; and
- (c) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- (d) That the annual accounts for the year ended March 31, 2015 have been prepared on a 'going concern' basis;
- (e) That the directors had laid down internal financial controls to be followed by the company and that such

internal financial controls are adequate and were operating effectively.

- (f) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**P. Declaration from Independent Directors**

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act 2013 (the "Act") stating that the Independent Directors of the Company meet with the criteria of Independence laid down in Section 149(6) of the Act.

**Q. Statutory Auditors**

Pursuant to Section 139 of the Act and Rules made thereunder, M/s. V Viswanathan & Associates, Chartered Accountants, Chennai were appointed as Statutory Auditors of the Company at the last Annual General Meeting held on September 29, 2014. Accordingly, your directors recommend the re-appointment of M/s. V Viswanathan & Associates, Chartered Accountants, Chennai as Statutory Auditors of the Company from the conclusion this Annual General Meeting till the conclusion of the 24<sup>th</sup> Annual General Meeting.

**R. Internal Audit & Controls**

The Company continues to engage an in-house team to meet the responsibilities of the Internal Auditor. During the fiscal year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Findings made were discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations. However, the Company is still under the process of appointing an Internal Auditor as required under the norms of the Companies Act, 2013 and rules made thereof.

**S. Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed Mr. Giftson Abraham of M/s. GIFTSON ABRAHAM AND CO., Company Secretaries in Practice (Certificate of Practise Number: 12846), Chennai to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditors is enclosed to this report. The report is self-explanatory and do not call for any further comments.

**T. Subsidiary**

The Company has 6 subsidiaries namely:

M/s. Gemini Traze RFID Private Limited, Chennai  
M/s. PointRed Telecom Limited, Bangalore  
M/s. Gemini Geoss Energy Private Limited, Chennai  
M/s. Gemini Infotech Limited, Hong Kong  
M/s. PR Wireless Tech Limited, Hong Kong  
M/s. Gemini FTZ, Dubai

As required under the Listing Agreements entered into with the Stock Exchanges, a consolidated financial statement of the Company and all its subsidiaries is attached. The consolidated financial statements have been prepared in accordance with the relevant accounting standards as prescribed under norms of the Companies Act, 2013 and rules made thereof.

#### **U. Management Discussion and Analysis report**

A "Management Discussion and Analysis Report" highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns, etc., has been furnished separately and the same forms part of this Report.

#### **V. Material Change**

There is no material change or commitments after the closure of the financial year.

#### **W. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2014 - 2015.

No. of complaints received	– Nil
No. of complaints disposed off	– Nil

#### **X. Composition of Audit Committee**

Pursuant to Section 177 of the Companies Act, 2013, the Audit Committee was reconstituted by the Board of Directors and consists of the following members:

1. Mr. R. Vijaykumar, Managing Director	:	Member
2. Mr. Eswaran Annamalai, Independent Director	:	Member
3. Mr. V. J. Chandran, Independent Director	:	Member

The Board has accepted the recommendations of the Audit Committee and there were no incidences of deviation from such recommendations during the financial year under review.

#### **Y. Corporate Social Responsibility (CSR) Policy**

The Company through its Corporate Social Responsibility Committee had formulated a CSR policy as required under Section 135 of the Companies Act, 2013.

The following is the composition of the Corporate Social Responsibility Committee.

1. Mr. R. Vijaykumar, Managing Director	:	Member
2. Mr. Eswaran Annamalai, Independent Director	:	Member
3. Mr. V. J. Chandran, Independent Director	:	Member

#### **Z. Scope of CSR Policy**

This policy will apply to all projects/programmes undertaken as part the Company's Corporate Social Responsibility and will be developed, reviewed and updated periodically with reference to relevant changes in corporate governance, international standards and sustainable and innovative practices. The policy will maintain compliance and alignment with the activities listed in Schedule VII and Section 135 of the Companies Act, 2013 and the rules framed there under.

#### **AA. CSR Policy Implementation**

The Company shall undertake CSR project/ programmes identified by the CSR Committee and approved by the Board of Directors in line with the CSR Policy.

The CSR Policy of the Company is uploaded in the website of the Company. The spending on CSR activities is not applicable to our Company.

#### **BB. Vigil Mechanism**

The Company has devised a vigil mechanism in pursuance of provisions of Section 177(10) of the Companies Act, 2013 for Directors and employees to report genuine concerns or grievances to the Audit Committee in this regard and details whereof are available on the Company's website.

#### **CC. Corporate Governance**

In terms of Clause 49 of the Listing Agreement with the stock exchanges, a Corporate Governance Report is made part of this Annual report.

A certificate from the Statutory Auditor of the Company regarding compliance of the conditions stipulated for Corporate Governance under Clause 49 of the Listing Agreement is attached to this report.

The declaration by the Managing Director addressed to the members of the Company pursuant to Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct by the Members of the Board and by the Members of the Senior Management Personnel of the Company is also attached to this Report.

#### **DD. Human Resources**

The Company takes pride in the commitment, competence and dedication shown by its employees (including outsourced) in all areas of business. The Company is committed to nurturing, enhancing and retaining top talent through superior learning & organization development as a part of Corporate HR function. It is a critical pillar to support the organization growth and its sustainability over the long run.

#### **EE. Particulars of Employees**

There were no Employees in the Company drawing more than sixty lakh rupees per financial year or five lakh rupees per month. Hence, the disclosure under Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions shall not be applicable.

#### **FF. Conservation of Energy, Technology Absorption and Research & Development**

Your Company's power requirements are very minimal. Your Company however takes every possible step to make optimum utilization of energy and avoid unnecessary wastage of power.

Your Company keeps itself updated with the latest technology available in the market. Your company aims at providing future-proof and future adaptable technologies to all its clients.

#### **GG. Explanation to Qualification / remark in the Auditors' Report**

Replies to the emphasis of matters stated in the Auditors Report:

- a) The on-going law suits are expected to end in favorable for the Company.
- b) The general economic slowdown has affected the telecom industry. The late auction of spectrum by government and the slowdown of 3G and 4G technologies have not brought cheer to the telecom industry. The non-payment of government receivables has resulted into substantial erosion of the

Company's net worth and the Company has incurred cash losses. The Company continues to take various measures such as cost optimisation, improving operating efficiency, renegotiation of contracts with customers to improve Company's operating results and cash flows. Further the management believes that new spectrum auction will result in exponential growth in 3G 4G & LTE which are expected to generate incremental cash flows to the Company. Therefore, the financial statements are prepared on going concern basis.

#### **HH. Foreign Exchange Earnings and Outgo**

During the year, there were no foreign exchange earnings and expenses during financial year ended on March 31, 2015.

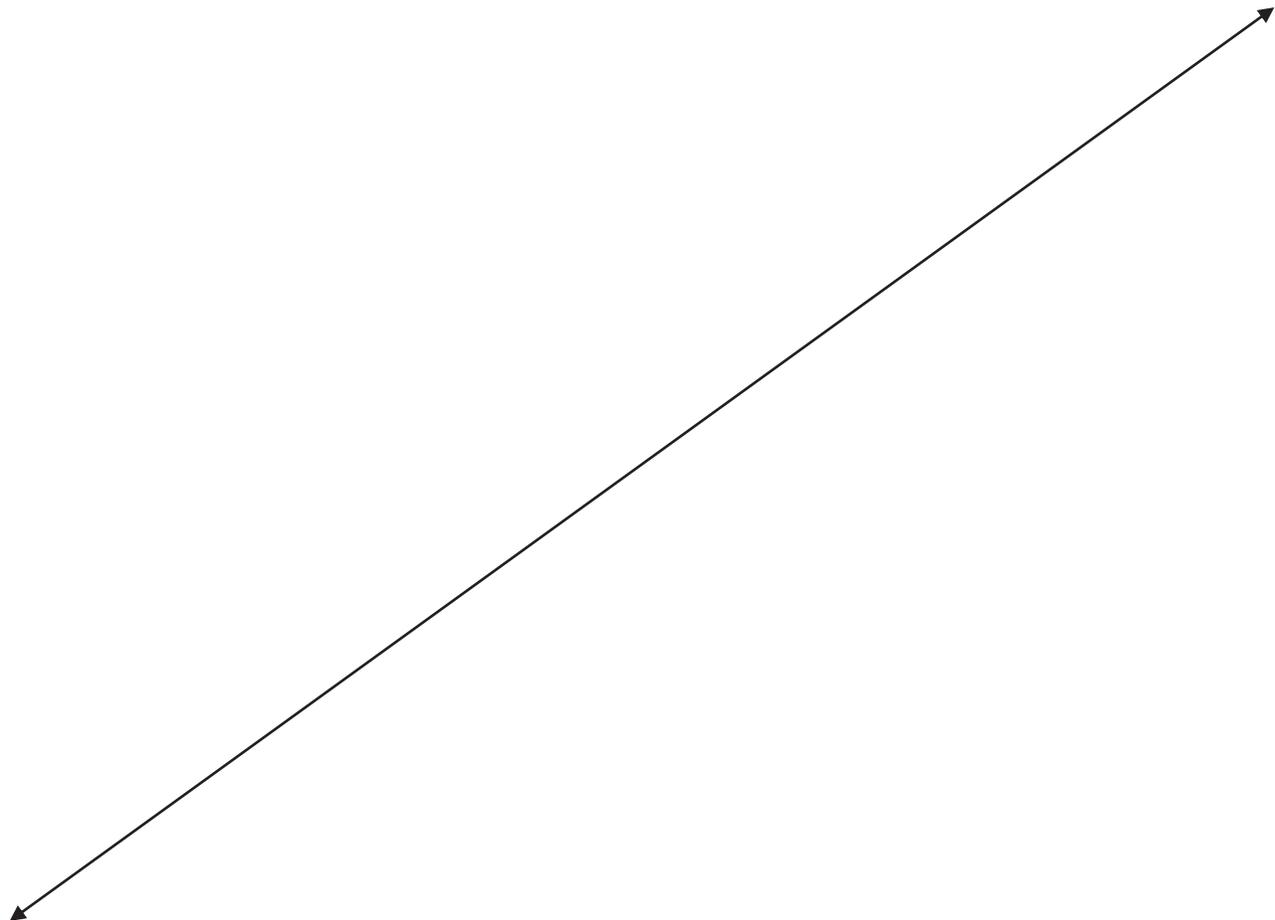
#### **II. Appreciation**

Your Board of Directors are grateful to the shareholders, Bankers, Financial Institutions, Government Authorities, Local Authorities and all business associates and customers for their continuous support and enthusiastic co-operation. Your Board of Directors also places its appreciation and thanks to the employees at all levels for their untiring efforts put in for the benefit of the Company.

For and on behalf of the Board  
For Gemini Communication Limited

Place: Chennai  
Date: May 30, 2015

**V. J. Chandran**  
Chairman



**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on March 31, 2015**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. Registration & Other Details:**

1.	CIN	L32301TN1995PLC030087
2.	Registration Date	February 06, 1995
3.	Name of the Company	GEMINI COMMUNICATION LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	No: 1, Dr. Ranga Road, Alwarpet, Chennai - 600 018, Tamil Nadu, India Phone:044 – 2466 0570 / 71 Fax: 044 – 2499 5062 e-Mail id: sharedept@gcl.in;
6.	Whether listed Company	Yes. The Company has listed its Securities with the Stock Exchange(s) viz. National Stock Exchange, Bombay Stock Exchange and Madras Stock Exchange.
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Integrated Enterprises (India) Limited "Unit: Gemini Communication Ltd" 2nd Floor, "Kences Towers" #1, Ramakrishna Street, T. Nagar, Chennai - 600 017, Tamil Nadu, India Phone: No: 044 – 2814 0801 Fax: No: 044 – 2814 2479 E-mail: corpserv@integratedindia.in

**II. Principal Business Activities of the Company:**

*(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)*

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction/erection of telecommunication and transmission lines	42202	100

**III. Particulars of Holding, Subsidiary and Associate Companies:**

SI. No:	Name of the Company	CIN/GLN	Holding / Subsidiary / Associate	%of shares held	Applicable Section
1.	M/s. Gemini Traze	U32202TN2005PTC057795	Subsidiary	100%	2(87) of the

	RFID Private Limited, India				Companies Act, 2013
2.	M/s. PointRed Telecom Limited, India	U72200KA2005PLC047544	Subsidiary	100%	2(87) of the Companies Act, 2013
3.	M/s. Gemini Geoss Energy Private Limited, India	U72400TN2009PTC073792	Subsidiary	100%	2(87) of the Companies Act, 2013
4.	M/s. Gemini Infotech Limited, Hong Kong	Not Applicable	Subsidiary	100%	2(87) of the Companies Act, 2013
5.	M/s. PR Wireless Tech Limited, Hong Kong	Not Applicable	Subsidiary	100%	2(87) of the Companies Act, 2013
6.	M/s. Gemini FTZ, Dubai	Not Applicable	Subsidiary	100%	2(87) of the Companies Act, 2013

#### IV. Share Holding Pattern:

##### A. Category-wise Share Holding

Name of the Company	:	Gemini Communication Limited
Face Value	:	Re. 1/-
Paid-up Shares as on April 01, 2014	:	123,894,703
Paid-up Shares as on March 31, 2015	:	123,894,703
Beginning of the year	:	April 01, 2014
End of the year	:	March 31, 2015

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	46071053	-	46071053	37.19	40613530	-	40613530	32.78	- 4.41
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-

e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	46071053	-	46071053	37.19	40613530	-	40613530	32.78	-4.41
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	22000	22000	0.02	-	22000	22000	0.02	-
b) Banks / FI	-	-	-	-	520833	-	520833	0.42	0.42
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	2757705	-	2757705	2.23	2757705	-	2757705	2.23	-
g) FIs	5812324	19746885	25559209	20.62	2382324	19746885	22129209	17.86	-2.76
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	8570029	19768885	28338914	22.87	5660862	19768885	25429747	20.53	-2.34
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	7307866	2000	7309866	5.90	8457184	2000	8459184	6.83	0.93
ii) Overseas	12500000	-	12500000	10.09	12500000	-	12500000	10.09	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1	15910828	1850221	17761049	14.34	18211628	1796221	20007849	16.15	1.81

lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	11485603	-	11485603	9.27	16580135		16580135	13.38	4.11
c) Others (specify)									
Clearing Member	13822	-	13822	0.01	58271	-	58271	0.05	0.04
Corporate CM / TM - Client Margin A/C	245656	-	245656	0.20	104523	-	104523	0.08	-0.12
Corporate CM / TM - Client Beneficiary A/C	168540	-	168540	0.14	141260	-	141260	0.11	-0.03
Individual - Margin Trading Account	200	-	200	0.00	204	-	204	0.00	-
<b>Sub-total (B)(2):-</b>	47632515	1852221	49484736	39.94	56053205	1798221	57851426	46.69	6.75
Total Public Shareholding (B)=(B)(1)+(B)(2)	56202544	21621106	77823650	62.81	61714067	21567106	83281173	67.22	4.41
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	102273597	21621106	123894703	<b>100</b>	102327597	21567106	123894703	100	-

## B. Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Ramamurthy Vijaykumar	29468809	23.79	16.72	27018809	21.81	16.72	1.98
2.	Ramamurthy Ramkumar	5649940	4.56	2.96	5092417	4.11	2.51	0.45
3.	Radhika Vijaykumar	10952304	8.84	7.68	8502304	6.86	5.71	1.98

## C. Change in Promoters' Shareholding (please specify, if there is no change)

SN	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Ramamurthy Vijaykumar</b>				
	At the beginning of the year 01-Apr-2014	29468809	23.79	29468809	23.79
	At the end of the Year 31-Mar-2015	27018809	21.81	27018809	21.81
2	<b>Ramamurthy Ramkumar</b>				
	At the beginning of the year 01-Apr-2014	5649940	4.56	5649940	4.56
	At the end of the Year 31-Mar-2015	5092417	4.11	5092417	4.11
3	<b>Radhika Vijaykumar</b>				
	At the beginning of the year 01-Apr-2014	10952304	8.84	10952304	8.84
	At the end of the Year 31-Mar-2015	8502304	6.86	8502304	6.86

**D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

SN	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	MERRILL LYNCH INTERNATIONAL				
	At the beginning of the year 01-Apr-2014	19746885	15.94	19746885	15.94
	At the end of the Year 31-Mar-2015	19746885	15.94	19746885	15.94
2.	GPC MAURITIUS II LLC				
	At the beginning of the year 01-Apr-2014	12500000	10.09	12500000	10.09
	At the end of the Year 31-Mar-2015	12500000	10.09	12500000	10.09
3.	HYPNOS FUND LIMITED				
	At the beginning of the year 01-Apr-2014	3000000	2.42	3000000	2.42
	At the end of the Year 31-Mar-2015	-	-	-	-
4.	RAVI KANAIYALAL SHETH				
	At the beginning of the year 01-Apr-2014	2579823	2.08	2579823	2.08
	At the end of the Year 31-Mar-2015	2579823	2.08	2579823	2.08
5.	ROSY BLUE SECURITIES PVT LTD				
	At the beginning of the year 01-Apr-2014	2129000	1.72	2129000	1.72
	At the end of the Year 31-Mar-2015	2129000	1.72	2129000	1.72
6.	ELM PARK FUND LIMITED				
	At the beginning of the year 01-Apr-2014	1972324	1.59	1972324	1.59
	At the end of the Year 31-Mar-2015	1572324	1.27	1572324	1.27
7.	BHARAT KANAIYALAL SHETH				
	At the beginning of the year 01-Apr-2014	1969593	1.59	1969593	1.59
	At the end of the Year 31-Mar-2015	1969593	1.59	1969593	1.59
8.	GENERAL INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-Apr-2014	1848095	1.49	1848095	1.49
	At the end of the Year 31-Mar-2015	1848095	1.49	1848095	1.49
9.	DANI SHARES AND STOCKS PVT.LTD.				
	At the beginning of the year 01-Apr-2014	1391991	1.12	1391991	1.12
	At the end of the Year 31-Mar-2015	1323289	1.07	1323289	1.07
10.	ARROW ASIA STOCK BROKING				

	LIMITED				
	At the beginning of the year 01-Apr-2014	1067501	0.86	1067501	0.86
	At the end of the Year 31-Mar-2015	1075290	0.87	1075290	0.87
11.	PUNJAB NATIONAL BANK				
	At the beginning of the year 01-Apr-2014	-	-	-	-
	At the end of the Year 31-Mar-2015	1712044	1.38	1712044	1.38
12.	RAMACHANDRAN. V.				
	At the beginning of the year 01-Apr-2014	848437	0.68	848437	0.68
	At the end of the Year 31-Mar-2015	1536312	1.24	1536312	1.24

#### E. Shareholding of Directors and Key Managerial Personnel

SN	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Eswaran Annamalai				
	At the beginning of the year 01-Apr-2014	200	0.00	200	0.00
	At the end of the Year 31-Mar-2015	200	0.00	200	0.00
2.	Vaidyanathan Jaya Chandran				
	At the beginning of the year 01-Apr-2014	3589	0.00	3589	0.00
	At the end of the Year 31-Mar-2015	3589	0.00	3589	0.00

#### F. Indebtedness

Particulars	(Rupees in Lakhs)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	17037	-	-	17037
ii) Interest due but not paid	3713	-	-	3713
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	20750	-	-	20750
Change in Indebtedness during the financial year				
· Addition	-	-	-	-
· Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	17037	-	-	17037
ii) Interest due but not paid	3713	-	-	3713
iii) Interest accrued but not due	-	-	-	-

Total (i + ii + iii)	20750	-	-	20750
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**G. Remuneration of Directors and Key Managerial Personnel**

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Mr. R. Ramkumar, Whole-time Director	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	24,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	24,00,000	24,00,000
	<b>Ceiling as per the Act</b>	10% of the Net Profit	10% of the Net Profit

**B. Remuneration to other directors:**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors	NOT APPLICABLE				
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					

Overall Ceiling as per the Act				
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**C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD:**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NOT APPLICABLE			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit others, specify...				
5	Others, please specify				
	Total				

**D. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
The Members,  
Gemini Communication Limited  
No: 1, Dr. Ranga Road, Alwarpet,  
Chennai - 600 018, Tamil Nadu, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GEMINI COMMUNICATION LIMITED (hereinafter called "the Company") [Corporate Identification Number: L32301TN1995PLC030087]. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms, returns filed and the records and information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 and on the basis of our review, we hereby report that during the year under review, the Company has generally complied with the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment. There is no External Commercial Borrowings during the year under review;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (*Not applicable to the Company during the audit period*)
  - d) The Company has not formulated any Scheme of ESOP/ESPS and hence the requirement of compliance of the provisions of The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 does not arise.
  - e) The Company has not issued any debentures during the period under review, and hence the requirement of compliance of the provisions of The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 does not arise;

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) During the year under review, the Company has not delisted its Securities from Stock Exchange in which it is listed and hence the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 does not arise; and
- h) The Company has not bought back any Securities during the period under review, hence the requirement of complying with the provision of The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 does not arise;

(vi) The Company has identified the following laws as specifically applicable to the Company;

We further report that, having regard to the compliance system prevailing in the Company and on examination of the documents produced and records in pursuance thereof, on test-check basis, the Company has complied with the following laws which are applicable to the Company:

- a) The Rights to Information Act, 2005;
- b) Labour laws and other incidental laws related to employees appointed by the Company, gratuity, prevention of sexual harassment, dispute resolution welfare, provident fund, insurance, etc.;
- c) The Information Technology Act 2008;

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India. *(Not applicable to the Company during the audit period)*
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

The Board of Directors of the Company is constituted with Two Executive Directors and Two Non-Executive Independent Directors. However, the Company is under the process of appointing a Woman Director onto the Board. Further, it is identified that the Company is under the process of appointing key managerial personnel and Internal Auditors as required under the norms of the Companies Act, 2013 and rules made thereof.

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

Based on the verification of the records and minutes, the decisions were carried out with the unanimous consent of the Directors / Committee Members and no Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting, the members who voted against resolutions have been properly recorded.

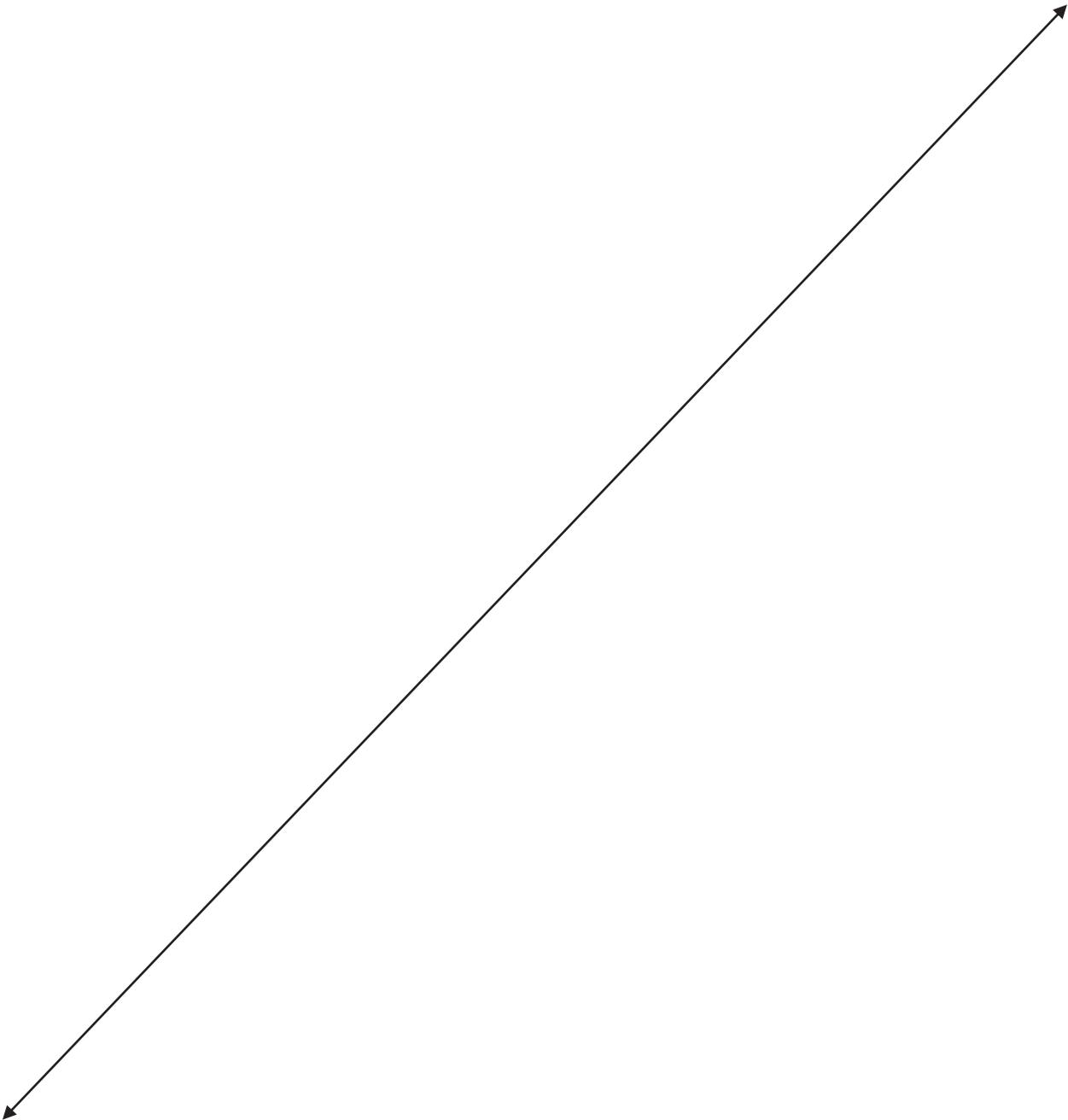
We further report that there are adequate systems and processes in the Company commensurate with the size and nature of operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Based on the information's and explanations provided to us, we further report that

during the financial year under review the Company has no specific events/ action having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc. referred above.

For GIFTSON ABRAHAM AND CO  
Company Secretaries

Place: Chennai  
Date: August 07, 2015

Giftson Abraham  
(ACS No. 34250; C.o.P. 12846)



**‘Annexure - A’**

To  
The Members,  
Gemini Communication Limited  
No: 1, Dr. Ranga Road, Alwarpet,  
Chennai - 600 018, Tamil Nadu, India

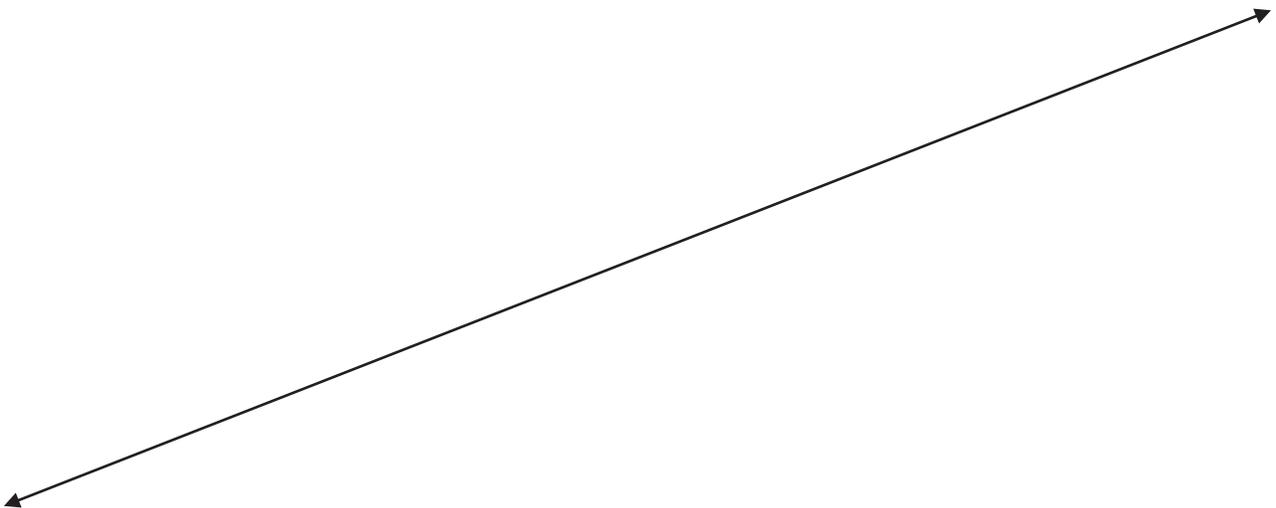
Our report of even date is to be read along with this letter;

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For GIFTSON ABRAHAM AND CO  
Company Secretaries

Place: Chennai  
Date: August 07, 2015

Giftson Abraham  
(ACS No. 34250; C.o.P. 12846)



**A. COMPANY'S PHILOSOPHY**

Good Corporate Governance is integral to creating value on an overall basis. Good Corporate Governance ensures transparency in all corporate matters and decisions. The Company believes and practices the best standards of Corporate Governance and aims at enhancing the overall value of all stakeholders concerned.

**B. BOARD OF DIRECTORS**

***Composition of the Board***

The Board currently consists of four members. Of this, two Directors are Executive Directors and the other two are Non-Executive and Independent Directors. The Chairman of the Board Mr. V. J. Chandran is an Non-Executive Chairman and one half of the Board (2 directors) comprises of Non-executive Independent Directors meeting the criteria for independence under Clause 49 of the listing agreement.

The Board members have collective experience in diverse fields and are elected based on their qualification and experience in varied fields as well as company's business needs.

***Directorships held during the year***

The details of the Directors, as at March 31, 2015 including the details of their other Board Directorship reckoned in line with clause 49 of the listing agreement, committee membership are given below:

Director	Category	Other Directorships \$	Membership of Other Board Committees *
Mr. R. Vijaykumar	Promoter & Executive	1	2
Mr. R. Ramkumar	Promoter & Executive	2	1
Mr. Eswaran Annamalai	Independent & Non-Executive	Nil	2
Mr. V. J. Chandran	Independent & Non-Executive	1	2

\*Includes only membership in Audit and Investor Grievance Committee

\$ Excludes Alternate Directorships and Directorships of Private Limited Companies and Foreign Companies, wherever applicable.

Mr. R. Vijaykumar and Mr. R. Ramkumar are brothers and belong to the Promoter Group.

### **Board Meetings**

The Board of Directors meet at regular intervals with a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The board is regularly briefed and updated on the key activities of the business and is provided with briefings and presentations on other matters concerning the company on a need basis.

### **Attendance Record of the Directors**

Six Board Meetings were held during the year from April 01, 2014 to March 31, 2015. The dates on which meetings were held are May 29, 2014, August 12, 2014, November 14, 2014 and February 11, 2015. The time gap between any two meetings did not exceed 4 months. The attendance record of all the Directors is as follows:

<b>Director</b>	<b>No. of Board Meetings</b>		<b>Last AGM attendance</b>
	<b>Held</b>	<b>Attended</b>	
Mr. R. Vijaykumar	4	4	Yes
Mr. R. Ramkumar	4	4	Yes
Mr. Eswaran Annamalai	4	4	No
Mr. V J Chandran	4	4	Yes

The full details of the Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the meeting of the Shareholders.

### **Membership Term**

As per the provisions of the Companies Act, one-third of the Board members (other than Managing Director) who are subjected to retire by rotation shall retire every year, and the approval of the shareholders is sought for the re-appointment of the retiring Director(s) who are so eligible.

### **Availability of Information to Board of Directors**

In terms of the Corporate Governance philosophy, all statutory and other significant material information's are placed before the Board of Directors to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

### **Committees of the Board**

Various committees of the Board have been constituted to assist the Board in discharging its responsibilities. There are three committees constituted by the Board – the Audit Committee, Share Transfer and Investor Grievance Committee and the Remuneration Committee. The Board at the time of constitution of each committee fixes the terms of reference for the Committee and also delegates powers from time to time. Various recommendations of the Committees are submitted to the Board for approval. The minutes of the meetings of all the Committees are circulated to the Board for its information.

The Quorum for meetings of all the above referred Committees is either two members or one - third of the members of the Committee, whichever is higher.

### **Shareholding of Directors**

The shares held by Directors as on March 31, 2015 are given below:

Sl. No.	Name of the Director	Number of Shares
1	Mr. R. Vijaykumar	2,70,18,809
2	Mr. R. Ramkumar	50,92,417
3	Mr. Eswaran Annamalai	200
4	Mr. V J Chandran	3,589

There are no other shares or convertible instruments held by any other Director(s).

The Company does not have Stock Options in Force.

### ***Code of Conduct***

Your company's Code of Conduct clearly lays down procedures for reporting to the management concerns about unethical behavior, actual or suspected fraud and prevention of Insider Trading. This code is devised for all members of the Board, Senior Management Personnel and Functional Heads of the Company. All the persons to whom this Code is applicable have affirmed compliance on an annual basis and a declaration to this effect, signed by the Managing Director is annexed hereto and forms part of the Report. The Code is posted on the website of the Company namely [www.gcl.in](http://www.gcl.in)

### **C. AUDIT COMMITTEE**

#### ***Composition of the Audit Committee***

The Committee currently comprises of Mr. V. J. Chandran as the Chairman, Mr. Eswaran Annamalai and Mr. R. Vijaykumar, as its members. All the members of the audit committee are financial literate.

The composition of the Audit Committee meets the stipulated minimum number of independent Directors. The Company's statutory auditor is permanent invitee to the Committee's meetings.

The terms of reference of the Committee covers all applicable matters specified under clause 49 of the Listing Agreements dealing with Corporate Governance and the Companies Act.

Terms of Reference:

The terms of reference of the audit committee covers all matters specified in clause 49 of the listing agreement and also those specified in section 177 of the Companies Act 2013. The terms of reference broadly include review of internal audit reports, action taken reports and assessment of the efficacy of the internal control systems/ financial reporting systems as well as reviewing the adequacy of the financial policies and practices followed by the company. The audit committee reviews the compliance with reference to legal and statutory requirements, the quarterly and annual financial statements and related party transactions and reports its findings to the Board. The committee also recommends the appointment of statutory auditor for the company.

#### ***Meetings of the Audit Committee***

There were four meetings of the Audit Committee held during the year on May 29, 2014, August 12, 2014, November 14, 2014 and February 11, 2015 and not more than four months elapsed between any two meetings.

#### ***Attendance of the members to the Audit Committee Meetings***

The number of meetings attended by each Director during the financial year 2014-15, as member of the Audit Committee is as follows:

Director	No. of Meetings held	No. of Meetings attended
Mr. Eswaran Annamalai	4	4
Mr. R. Vijaykumar	4	4
Mr. V.J. Chandran	4	4

#### D. SUBSIDIARIES

The Company has 3 Indian subsidiaries namely, Gemini Traze RFID Private Limited at Chennai, PointRed Telecom Limited at Bangalore, and Gemini Geoss Energy Private Limited at Chennai. Mr. V. J. Chandran, an Independent Director of the holding Company is on the Board of Point Red Telecom Limited.

The minutes of the subsidiaries are normally placed before the Board of the Company at periodical intervals and reviewed.

Material Significant transactions and arrangements especially investments made by the subsidiaries during the year are reviewed by the Board.

The Company does not have any listed subsidiary as on March 31, 2015.

#### E. REMUNERATION COMMITTEE

##### *Remuneration Policy*

##### *a. For Executive Directors*

Payment of Remuneration to the Executive Directors are governed by the terms and conditions approved by the Remuneration Committee, the Board and the shareholders. The remuneration structure comprises of salary, commission linked to profits, perquisites and allowances, contributions to Provident Fund, Superannuation and Gratuity as per the norms of the Companies Act, 2013 and rules made thereof.

##### *b. For Non- executive Directors*

The Non-Executive Directors are not paid any remuneration except sitting fees for attending the Board Meetings. There is no pecuniary relationship or transactions between any of the Non-executive Directors and the Company.

##### *Composition of the Committee*

The Remuneration Committee comprises of Mr. V.J. Chandran as Chairman, Mr. R. Vijaykumar and Mr. Eswaran Annamalai as members. The committee has not met during the year 2014 - 2015. The Committee deals with all elements of remuneration package of the Executive Directors.

**Details of remuneration paid to Executive Directors for the year 2013-14 are given below:**

Nature of Remuneration	₹ In Lakhs			
	Managing Director Mr. R. Vijaykumar		Whole-time Director Mr. R. Ramkumar	
	2014 - 15	2013 - 14	2014 - 15	2013 - 14
Salary	-	-	24.00	24.00
Gratuity Provided	-	-	-	-
Contribution to PF and other funds	-	-	0.09	0.09
<b>Total</b>	-	-	<b>24.09</b>	<b>24.09</b>

## **F. SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE**

The Company's shares are compulsorily traded in dematerialized form.

### ***Composition of the Committee***

The Share Transfer and Investors' Grievance Committee functions under the Chairmanship of Mr. V.J. Chandran. The other members of the Committee are Mr. R. Vijaykumar - Managing Director and Mr. Eswaran Annamalai, during the financial year 2014-15.

The Company presently does not have a Company Secretary. The Company is however taking steps to fill-up this position.

Mr. M. Raju is the Compliance Officer of the Company.

### ***Terms of Reference***

The terms of reference of the committee inter alia include the following:

1. To consider, approve or reject, requests as the case may be for Share Transfer, transmission, consolidation, splitting, transposition, demat & remat of shares and to carry out other related functions and documentation procedures in connection with the same.
2. To monitor the redressal of Investor Complaints like non-registration of share transfers, transmission, consolidation, transposition, splitting, demat, remat, non-receipt of Annual Reports, issue of duplicate certificates and to deal with all other matters in respect of investor complaints.
3. To make such statement in any document, advertisement or announcement that may be issued, released or published in connection with the functions for which the committee is formed.

As a policy, the Company approves transfers of shares within 15 days from the date of receipt and redresses complaints within 7 days of receipt, if all the requirements of the statute are complied with in total. The Company conforms that there were no share transfers pending as on 31<sup>st</sup> March 2015 and all requests for dematerialization and re-materialization of shares as on that date were confirmed / rejected in to the NSDL and CDSL system.

The Committee also reviews the performance of the Company's Registrar & Transfer Agent (R&TA) M/s. Integrated Enterprises India Limited, and their system of dealing with and responding to correspondence from all categories of shareholders. The manner and timeliness of dealing with complaint letters received from Stock Exchanges/ SEBI / Ministry of Corporate Affairs (MCA) etc., and the responses thereto, are reviewed by this Committee.

### **Status of Investor Complaints**

No. of Investor Correspondences / Queries /Complaints received from Shareholders / investors from April 1, 2014 to March 31, 2015	----
No. of Investor Correspondences / Queries /Complaints resolved / redressed	-----

### **Attendance of the members to the Share Transfer and Investors' Grievance Committee Meetings**

There were four meetings of the Share Transfer and Investors' Grievance Committee held during the year on May 07, 2014 and June 14, 2014, which was attended by all the members of the committee.

### **G. GENERAL BODY MEETINGS**

The details of General Meetings held and the special resolutions passed since 2010, are given below:

<b>Year</b>	<b>AGM / EGM</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>	<b>Special Resolutions Passed</b>
2014	AGM	29-09-2014	09:30 A.M.	No: 5/307, Bye Pass Road, Sennerkuppam, Ponamallee, Chennai – 600 056, Tamil Nadu, India	Nil
2013	AGM	30-09-2013	01:30 P. M.	5/307, Bye Pass Road, Sennerkuppam, Ponamallee, Chennai – 600 056	Nil
2012	AGM	27-09-2012	03:05 P.M.	Obul Reddy Hall, Vani Mahal, No. 103, G.N. Road, T.Nagar, Chennai - 600017	Nil
2011	EGM	27-12-2011	10:15 A.M.	No. 184, SIDCO Industrial Estate, Thirumazhisai, Chennai – 602 107	Nil
2011	AGM	09-09-2011	12:15 P.M.	"The Auditorium" Russian Centre of Science & Culture, No 74, Kasturi Ranga Road, Alwarpet, Chennai - 600 018	<ol style="list-style-type: none"><li>1. Resolution for Buy-back of Shares</li><li>2. Amendment in Object Clause of Memorandum of Association</li><li>3. Re-appointment of Mr. R. Ramkumar, whole-time Director</li><li>4. Appointment of Mr. R. Vijaykumar, Managing Director</li><li>5. Appointment of Mr. B. Sreekrishna as whole-time director without any remuneration</li><li>6. Re-appointment of Mr. B. Srinivasan as whole-time director</li></ol>
2010	AGM	30-09-2010	3:15 P.M.	"The Auditorium" Russian Centre of Science & Culture, No 74, Kasturi Ranga Road, Alwarpet, Chennai - 600 018	<ol style="list-style-type: none"><li>1. Object clause amendment for providing corporate guarantee for credit facilities availed by subsidiaries.</li><li>2. Ratification of Corporate Guarantee furnished from 1st October 2009 under section 372A</li></ol>

During the year 2014 - 15, the company has not passed any resolution through **postal ballot** for obtaining the approval of the shareholders.

### **H. DISCLOSURES**

- No transaction of material nature conflicting with the Company's interest was entered into by the Company with related parties. The particulars of transactions between the Company and its related

parties, as defined in Accounting Standard 18, is set out in to Notes to the stand alone financial statements.

- The Company's management informs Board members about the Risk Assessment and Minimization procedures to ensure that risk is controlled through the means of a properly defined framework. The Executive Directors are fully aware of the risks involved in the business.
- Presently the Company does not have a whistleblower policy. No employee has been denied access to approach the Audit Committee to report any serious concerns.
- The Company has followed the Accounting Standards referred to as per the norms of the Companies Act, 2013 in the preparation of Balance Sheet, statement of Profit & Loss and Cash Flow Statement for the year ended March 31, 2015 to the extent applicable.
- There has been no public, rights or preferential issues during the year.
- All Directors and senior management personnel have affirmed to the Board that they did not have any financial and other transactions with the company, which could result in conflict with the interest of the Company at large.
- In compliance with the SEBI (Prevention of Insider Trading) Regulations 1992, as amended till date, the Company has a Code of Conduct for prevention of Insider Trading and the same has been strictly adhered to by the directors, and the designated employees. The Company informs the Directors and the designated employees, about the date of the board meeting to consider any price sensitive subjects and advising them not to trade in Company's shares, during the closure of the trading window period. The Company also obtains a declaration from the Directors and the senior management personnel with regard to their compliance with the Code of Conduct under the SEBI (Prevention of Insider Trading) Regulations.
- In compliance with clause 47 (f) of the listing agreement with the stock exchanges, the Company has designated the mail id [sharedept@gcl.in](mailto:sharedept@gcl.in) and posted this in the Company's website. The investors can send their grievances, if any, to the designated mail id.
- The Stock Exchanges have inserted clause 54 to the Listing Agreement which stipulates that the Company should maintain a functional website containing basic information about the Company and to update the contents of the said website periodically. In pursuance of this clause, the Company has upgraded its website and all the information as envisaged in the said clause are available in its official website [www.gcl.in](http://www.gcl.in)
- The Company complies with all mandatory requirements and has also adopted some of the non-mandatory requirements as detailed below.

## **I. MEANS OF Communication**

The Company's quarterly financial results, after their approval by the Board of Directors, are promptly issued to all the Stock Exchanges with whom the Company has listing arrangements. These financial results, in the prescribed format, are published in leading local and national newspapers; viz. "TRINITY MIRROR" in English and in "MAKKAL KURAL" in Tamil and are also posted on the Company's website [www.gcl.in](http://www.gcl.in). Key developments are communicated to the Stock Exchanges, as and when they occur and also posted on the Company's website. The presentations made to institutional investors and analysts are also posted on the Company's website, [www.gcl.in](http://www.gcl.in).

A Management Discussion and Analysis Report, is included in this Annual Report.

## J. CEO Certification

As required under Clause 49 of the Listing Agreement, Mr. R. Vijaykumar, Managing Director (CEO) has certified to the Board in accordance with Clause 49 of the Listing Agreement for the financial year ended March 31, 2015.

## K. CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Certificate from Mr. V. Viswanathan, Statutory Auditor of the Company, affirming compliance with the conditions of Corporate Governance, is enclosed along with this Annual Report.

## L. GENERAL SHAREHOLDER Information

1	Registered Office Address	No.1, Dr. Ranga Road Alwarpet, Chennai - 600 018 Tamil Nadu, India
2	20 <sup>th</sup> Annual General Meeting Date Time Venue	September 30, 2015 09:00 a.m. 5/307, Bye Pass Road, Sennerkuppam, Ponamallee, Chennai – 600056
3	Financial Year	April to March
4	Dates of Book Closure	September 24, 2015 to September 30, 2015 (both days inclusive)
5	Approval of Financial Result (Proposed) Quarter Ending June 30, 2015 Quarter Ending September 30, 2015 Quarter Ending December 31, 2015 Quarter Ending March 31, 2016	Second Week of August, 2015 Second Week of November, 2015 Second Week of February, 2015 Last Week of May, 2016
6	Listing on Stock Exchanges: The Equity Shares are listed at	<b>National Stock Exchange of India Ltd</b> Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex Bandra (E) Mumbai - 400 051 Tel No: (022) 26598100 – 8114 Fax No: (022) 26598120  <b>Bombay Stock Exchange Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai - 400001 Maharashtra, India Tel:91-22-22721233, 22721234 Fax:91-22-22721919  <b>Madras Stock Exchange Limited</b> New No:30, Second Line Beach Chennai – 600001 Tel: 91-44-25228951 Fax: 91-44-25244897
7	Listing Fees	Listing Fees have been paid for all the above stock exchanges for 2014 – 2015
8	Stock Exchange Security Code and other related information	BSE 532318 NSE GEMINI

		MSE GNC Depository ISIN No. INE878C01033 CIN L32301TN1995PLC030087
9	Dematerialization of Shares	The Shares of the Company are available for trading in both the depository systems namely Central Depository Services (India) Limited and National Securities Depository Limited
10	No. of Shares Dematerialized as on 31 <sup>st</sup> March 2015	10,23,27,597 shares; 82.59% of Total shares of the Company

**11. Registrar and Transfer Agent**

**M/s. Integrated Enterprises India Ltd**

Unit: Gemini Communication Ltd  
2<sup>nd</sup> Floor, "Kences Towers"  
#1, Ramakrishna Street,  
T. Nagar, Chennai – 600 017  
Contact Person: Mr. Suresh Babu,  
Vice President  
Phone: No: 044 - 28140801 Fax: No: 044 - 28142479  
Email: [corpserv@integratedindia.in](mailto:corpserv@integratedindia.in)

Shareholders are requested to correspond with the Registrar and Transfer Agent for transfer / transmission of shares, change of address, queries pertaining to their shareholding at their address given above.

**12. Share Transfer System**

Share transfers are processed and approved, subject to receipt of all requisite documents. The Company seeks to ensure that all transfers are approved for registration within the stipulated period. With a view to expediting the approval process, the Board of Directors has authorized the Share Transfer & Investors' Grievance Committee to approve the transfer of shares.

13. Outstanding GDRs / ADRs None

14. Address for Investor correspondence

**Mr. M. Raju**  
**Compliance Officer**  
Gemini Communication Limited  
No: 1, Dr. Ranga Road, Alwarpet,  
Chennai - 600 018, Tamil Nadu, India  
Phone: No: 91 44 - 2466 0570 /0571  
E-mail: [sharedept@gcl.in](mailto:sharedept@gcl.in)

**M. RECONCILIATION OF SHARE CAPITAL AUDIT**

A Qualified Practicing Company Secretary/ Chartered Accountant had carried out Secretarial Audit every quarter to reconcile the admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares with NSDL and CDSL.

**N. NON-MANDATORY REQUIREMENTS**

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

### **Remuneration Committee**

The Company has constituted a Remuneration Committee. The Terms of Reference of the Committee have been described elsewhere in the Corporate Governance Report.

### **Shareholders rights**

The quarterly results of the Company are published in newspapers and on the Company's website viz., [www.gcl.in](http://www.gcl.in). These results are not sent to shareholders individually.

### **Audit Qualifications**

The auditors have issued an unqualified opinion on the statutory financial statements of the Company.

### **Training of Board Members/Mechanism for evaluating non-executive directors**

All the Non-Executive Directors have rich experience and expertise in functional areas and attend various programmes in their personal capacities that keep them abreast of relevant developments. Consequently, in the opinion of the Board, they do not require any other training. There is no formal system of evaluating individual directors.

### **Nomination Facility**

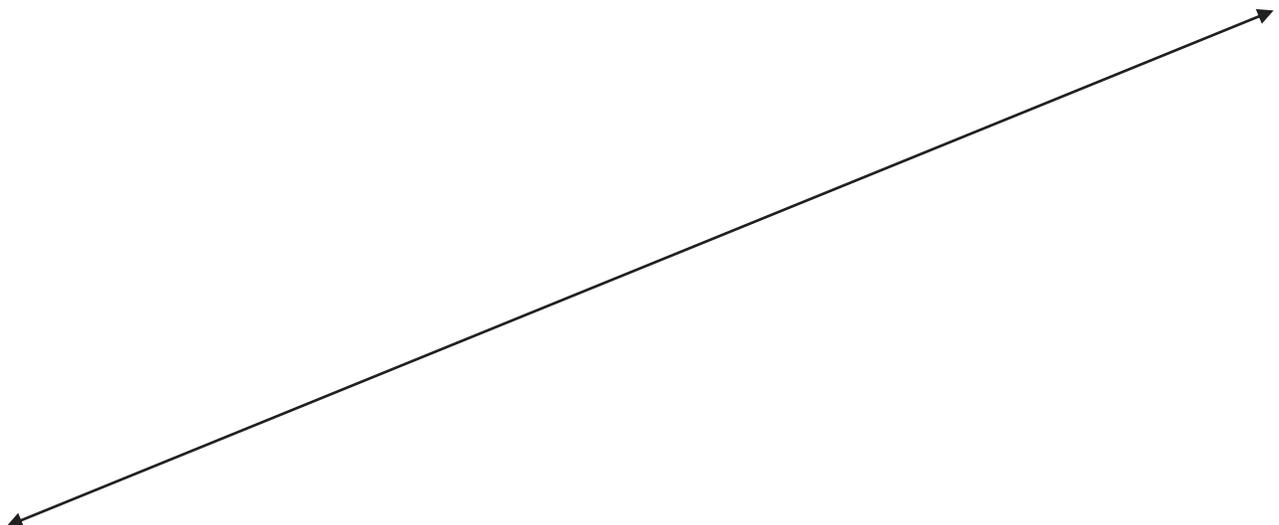
Section 72 of the Companies Act, 2013 provides the facility of nomination to shareholders. This facility is mainly useful for individuals holding shares in sole name. In the case of joint holding of shares by individuals, nomination will be effective only in the event of death of all joint holders.

Investors, especially those who are holding shares in single name, are advised to avail of the nomination facility by submitting the prescribed Form SH-13 for initial registration of nomination and Form SH-14 for cancellation and variation of nomination as per Companies Act, 2013 to the Company's R&TA.

For and on behalf of the Board  
For Gemini Communication Limited

Place: Chennai  
Date: May 30, 2015

**V. J. Chandran**  
Chairman





**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

Corporate Identification No. : L32301TN1995PLC030087  
Authorised Capital: Rs. 12,38,94,703/-

To  
The Members,  
Gemini Communication Limited  
No: 1, Dr. Ranga Road, Alwarpet,  
Chennai - 600 018, Tamil Nadu, India

We have examined all relevant records of M/s. Gemini Communication Limited, having its Registered Office at No: 1, Dr. Ranga Road, Alwarpet, Chennai - 600 018, Tamil Nadu, India for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement for the financial year ended March 31, 2015. We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with all the mandatory conditions of Clause 49 of the listing Agreement.

For V VISWANATHAN AND ASSOCIATES  
Chartered Accountants

Place: Chennai  
Date: May 30, 2015

V Viswanathan  
(Mem. No. 228990)

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## DECLARATION OF CODE OF CONDUCT

To  
The Board of Directors,  
Gemini Communication Limited  
No: 1, Dr. Ranga Road, Alwarpet,  
Chennai - 600 018, Tamil Nadu, India

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management of the Company. The code of conduct has also been posted on the website of the Company. It is further confirmed that all the Directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company for the year ended 31st March 2015, as envisaged in Clause 49 of the Listing Agreement with the Stock Exchanges.

R. Vijaykumar  
Managing Director  
DIN: 00158328

Place: Chennai  
Date: May 30, 2015

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### DIRECTOR & CEO'S DECLARATION IN TERMS OF CLAUSE 49(V) OF THE LISTING AGREEMENT

I hereby certify that we have

- a. Reviewed financial statements and the cash flow statement for the year and to the best of their knowledge and belief;

These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- b. There are to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. Accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the company and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee

Significant changes in internal control during the year;

Significant changes in accounting policies during the year and that the same have been disclosed in the notices to the financial statements; and

Instances of significant fraud of which they have become aware and the involvement therein, if any of the management or and employee having a significant role in the company's internal control system.

R. Vijaykumar  
Managing Director  
DIN: 00158328

Place: Chennai  
Date: May 30, 2015

## **Financial Performance**

Financial Year 2014-15 continued to be a difficult one in terms of the operating business environment amidst global economic uncertainties and disturbances in many parts of the world.

During financial year 2014-15, the Company on a standalone basis registered revenue of Rs. 559.34 million and a Loss before Tax of Rs. 915.10 million. On a consolidated basis, the Company registered a Loss before Tax of Rs. 1,926.35 million and loss after tax of Rs. 1,872.66 million. Earnings per share stood at Rs. (15.11).

## **Telecom Services Group**

### Business outlook

Gemini TSG continues to understand the telecommunication field services and deliver towards customer satisfaction, as done in its earlier years, in India. Gemini TSG had strengthened its team towards enabling them with deep knowledge of the Indian telecommunication market, information on service providers and equipment manufacturers. Gemini TSG continues its partnership with all its key customers, year-on-year, and had been evaluated high on periodic performance measures. Gemini TSG had been among the few companies who had been consistently serving its customers, even during the last year hurdles in telecom market.

Gemini TSG's continued expertise in planning, deployment and field operations, has positioned it as a preferred partner with many leading service providers. The added service capabilities of performance audit, energy audit and managed services, which is driven by its systems and processes, creates its customer value.

Gemini TSG continues to maintain its customers in telecom domain, to their satisfaction, which enables them to get referral service opportunities from existing telecom customers.

Gemini TSG continued to undertake wide range of assignments on demand forecast, network planning, network delivery and network maintenance. The experience and skill set, we are able to apply includes:

- Hands-on experience in the design, development and implementation of wired and wireless telecom networks
- Proven expertise record in 150+ cities
- Wide experience in services for various telecom active equipment
- Well versed in handling managed services
- Driven by CMM level systems and process
- Pan India presence

Gemini TSG has continued long years of experience in offering radio network services for leading services providers and equipment manufacturers. Gemini TSG handles projects in Point-to-point, 3G, GSM, CDMA, etc. Gemini TSG created environment for the young talent to develop and deliver services to its customers, thereby sustaining its competitive advantage.

Given the fact that the urban areas have significantly high teledensity as compared to the rural areas, much of the incremental subscriber's growth, going forward, would have to be driven by addition of rural subscribers. But the rate of penetration of mobile services in the rural areas being slow, overall incremental subscriber growth is likely to slow down.

With revenues from voice services stagnating, future growth is likely to be driven by wireless data services. Telcos have already invested significantly in acquiring spectrum for third generation (3G) and broadband wireless access (BWA) and are now expanding their footprint across the country, albeit cautiously. Till date,

revenues from data services remain significantly low in India vis-à-vis other countries largely because of the relatively high pricing; lack of handset affordability and limited content availability.

Besides data, the telecom operators have been looking at other services to bolster their topline. Some business segments that have emerged as important revenue drivers for the industry are: enterprise communications, broadband services, direct-to-home (DTH) and data centres. While each segment has its own set of competitors, the telcos have an advantage, given their established subscriber base, network deployment and technological knowhow.

Telcos have invested heavily for acquiring 3G licenses and rolling out a network for it. But adoption of 3G services has been lower than expected primarily due to the low penetration of compatible handsets and high cost of data services. However, Gemini TSG expects faster adoption of these services in the near term as operators have slashed 3G usage charges significantly. Additionally, availability of a wide variety of affordable mobile devices will boost demand of data services.

Gemini TSG expects the FY 15-16 with high services offered on LTE, along with its current services offering on other technology.

Why Service providers prefers Gemini TSG for their field services:

- Largest field services partner for wireless networks
- Proven ability to deliver services and projects to customers in India
- Servicing entire life-cycle of active wireless infrastructure services (RF Planning, RF survey, RF maintenance, RFNOC services, RF Managed Services, RF Optimization)
- Strategic partnerships with equipment manufacturers to train our team
- High Employee retention ratio within the industry (96%)
- Existing relationship with leading data and voice services providers, for services
- Expertise in Project Management services to provide the clients end-to-end telecom services
- Nationwide presence
- Implemented and implementing many green-field Radio networks (P2MP / MMDS / 3G)
- Multi-technology, Multi-vendor expertise across core, edge and access networks
- Experience across various stages of business life-cycle
- 24 x 7 services for network maintenance

#### Business Highlights

- Continued to renew its services contract with all its customers and extend the partnership
- Rated as preferred partner by its major customers
- Ability to offer the whole range of active telecom network architecture services
- Evaluated with an overall score of 97% by leading global telecom equipment manufacturer
- Evaluated with “Green-Category” by a leading Indian broadband service provider
- Retained its focus on consultancy services

#### **Point Red Telecom**

#### Industry and Business Outlook

Increasing demand for high-speed and high capacity, data-centric internet access by individuals and corporations is characterizing the broadband wireless access market. This has led to the evolution and

increased adoption of 3G & LTE which represents superior performance and lower costs vis-à-vis currently deployed cellular technologies.

VNI (Virtual Networking Index – Cisco) forecasts that by 2017 the average mobile data speed will increase 7.4 times, from 500 KB/PS in 2012 to 3.9 MB/PS. VNI also predicts that mobile data traffic will grow to 17 times its current volume in the Asia Pacific region by 2017

4G LTE has far exceeded expectations. From 600,000 users in 2010, it has grown to nearly 100 million subscribers in 2012 and it is further projected that users will double in 2013 and that by 2016 LTE will claim more than 1 billion subscribers. 4G networks already account for 14% of mobile data traffic and by 2017 that number is projected to rise to 45%.

The industry views co-existence of both 3G and LTE appropriate for meeting the growing demand for wireless broadband network. PointRed believes that both these technologies will co-exist in the network ecosystem. As a 4G player, PointRed intends to maintain a presence in both these technologies through its wide array of products. PointRed's technology and architecture, which is built on the strength of its R&D capabilities, are customizable to support both these technologies.

#### Strategies and Focus

- PointRed established its presence in Middle East & Africa substantially last year and it will continue to consolidate its market positions.
- PointRed will accelerate its R&D plans thereby bringing cutting edge technology thus lowering the total cost of ownership.
- PointRed is aggressively pursuing opportunities in India for its cutting edge technology like 3G, 4G & Carrier Wi-Fi.
- PointRed is leading supplier of unlicensed band radios in India and will consolidate its position further by introducing state of art, cost-effective solutions in this financial year.
- PointRed is also actively pursuing opportunity in the ASEAN countries and will seek to establish its market presence in this financial year.
- The Company currently possess a considerable portion of the market share of the total wireless networks and aims to achieve better in upcoming years.

#### Business Highlights

- Secured Multi Million multi-year contract from leading private telecom operators in India.
- Established its presence in Middle East & Africa
- PointRed has an experienced and competent management, R&D and Sales team with members possessing total experience exceeding 350 years in the telecom space. The first line-management predominantly comprises software/hardware engineers and IT specialists with significant experience in the broadband space.
- Over 50% of their employees are part of the R&D setup.

## **System Integration**

### *Future industry outlook*

The Industry continues to present a cusp structure, into a technology transition phase, where the effects of IT Security, Cloud computing, mobility solutions and virtualization is gaining priority and mind-share with users, more and more. The need to be innovative and services driven has assumed a great significance now, more than ever before. As we see the effects of economic uncertainty unfold its caution alarms all around, only industry like Banking and Government seems to continue to stretch its' continued investment in IT infrastructure. In Gemini, we have kept ourselves abreast and skilled, adequately to address the needs of customer's and advise them in such technology transition times.

Cloud Computing is the buzz word in the industry now which is rattling the old technology pursuits in the industry. This is changing the way even giants like Microsoft, SAP, Oracle and HP are going about their business. Cloud computing and its various application off-shoots is likely to impact every Smart Phone and PC user of today. A growth of more than 100% is expected in the next one year.

Mobility Solutions – The telecom infrastructure and the telecom business is going through a similar technology transition phase as data transfer growth indicators are that it would beat the quantum of voice business, very soon and would exponentially grow out to create a large difference between the two. As a result, all Telecom Service Providers are focused on achieving various ways and means by which their data revenues would increase. A growth in excess of 100% is expected in the next year.

Virtualisation – Centralised Management, single point of monitoring, drive to a greener IT infrastructure, cost reduction, etc., is leading the virtualization clamour. Every single organization with multiple applications to be delivered to its staff feels the necessity to opt for such a need. Desktops are also getting virtualized increasingly. Strong growth in excess of 30% is projected.

### *Future business outlook, strategies and focus areas*

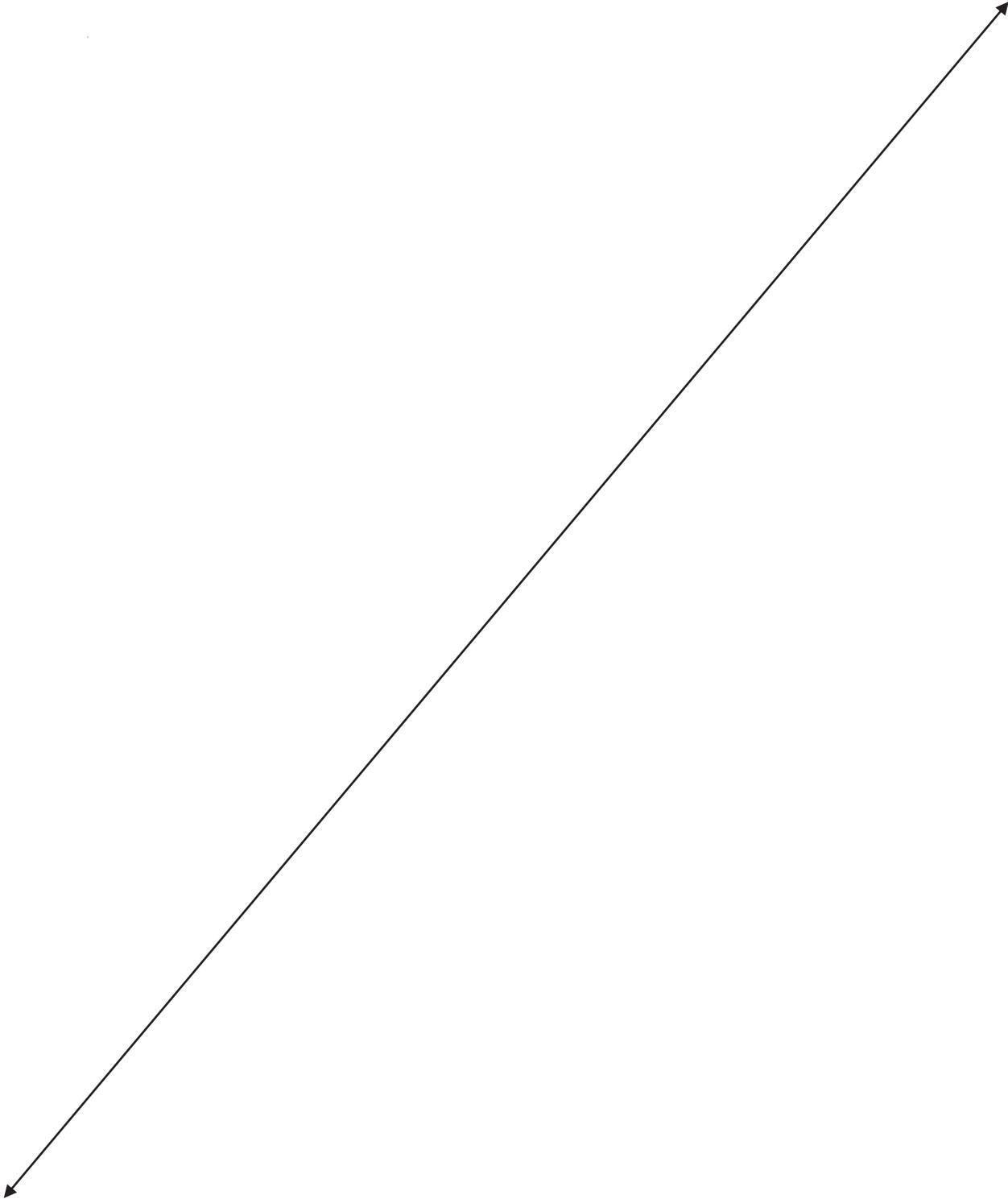
Gemini Communication's SI team has been investing on leading technologies that is likely to impact the way people work and communicate.

Gemini has set up a Security Operations Centre, from where we monitor our customer's network for any anomalous packets from entering their network or any activity that could be potentially dangerous to the customer organization. Cyber security threats, Corporate Cyber espionage and many such other threats having been making CxO's spend their time worrying to understand its various means to thwart. By opening up the SOC, Gemini is one of the 3 companies in India that could offer a guaranteed solution to its customer's to prevent cyber-attacks or prevent data theft.

Gemini is also offering Managed Authentication Services, on a cloud model to its customers, by which customers' get authenticated over a One-Time-Password (OTP) to enter any security zone. Again, Gemini is one of the very few companies that could offer such a service. Gemini also does Vulnerability & Penetration Audits apart from Consulting on Security Architecture. Gemini has also been training students in various colleges to spread awareness and to attract talent in areas of Ethical Hacking and Cyber Forensics. Many of these Security Services that Gemini is offering has been set up on a Cloud platform, thereby opening up a possibility of attracting customers from across the globe.

Today, large users of computing, spreads over many geographical locations are learning and investing in the benefits of Desktop virtualization and Gemini has already completed 4 projects. Our customers include Banks, who have the potential to expand the use of this technology in a phased manner across their branches, which could translate to a consistent source of business revenue. Gemini is investing its efforts in expanding its customer base to a more global level and has entered into partnership agreements with dealers in Oman. Gemini intends to focus on 3 other countries within this financial year for which discussions are ongoing.

The future clearly looks optimistic for the nimble-footed, lean organizations that could be dynamic to re-focus its strategies to build itself on grounds of offering skilled services. The ability to skill up on changing trends has been a hall-mark of Gemini throughout and till this date, Gemini can pride itself on being very focused and defined in its areas of operation.



## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF GEMINI COMMUNICATIONS LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of GEMINI COMMUNICATIONS LIMITED which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matters**

We draw attention to the following matters in the Notes to the financial statements:

- a) Note 22 to the financial statements which, describes the uncertainty related to the outcome of the lawsuit filed against the Company.
- b) Note 21 in the financial statement which indicates that the Company has accumulated losses and its Net worth has been fully/substantially eroded, the Company has incurred a net cash loss during the current year and previous year(s) and, the Company current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 21, indicate the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of these matters.

### **Report on other Legal and Regulatory Requirements**

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches not visited by us)
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22 to the financial statements
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company [or, following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company or there were no amounts which required to be transferred.

**For V VISWANATHAN & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No-013713S**

**Place: Chennai**  
**Date: May 30, 2015**

**V VISWANATHAN**  
**Membership No. 228990**

## Report on other Legal and Regulatory Requirements

As required by the Companies (Auditors Report) order, 2015 ("the Order"), issued by the central Government of India in terms of sub-section (11) of section 143 of Companies Act, 2015, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

i. a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) The Company has physically verified the fixed assets during the year which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

ii. a) The procedures of physical verification of inventories followed by the company are reasonable and adequate in relation to the size of the company and the nature of its business.

The Company maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records are not material.

iii. a) The company has granted interest free unsecured loans to subsidiary companies, covered in the register maintained under section 189 of the Companies Act, 2013. The Outstanding balance is Rs.6094.60 Lakhs. The other clauses are not applicable.

iv. In my opinion and according to the information and explanations given to me, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets, Inventories and the sale of services. The activities of the company do not involve purchase of inventory and the sale of goods. During the course of my audit, I have not observed any continuing failure to correct major weaknesses in the internal control system. However, the Company is still under the process of appointing an Internal Auditor as required under the norms of the Companies Act, 2013 and rules made thereof.

v. In my opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year. Therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable to the Company.

vi. According to the information and explanations given to us, Rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, are Not Applicable.

vii. a) The Company is generally regular in depositing undisputed statutory dues relating to provident fund, income tax deducted at source, service tax and value added tax. We are informed that the provisions of employees' state insurance, wealth tax, duty of customs, duty of excise, cess is not applicable to the company. As per the records produced before us, there are no undisputed statutory dues which were outstanding as on 31st March 2015 for a period over six months from the date of same becoming payable, except Provident Fund, Service Tax, Tax Deducted at Source.

b) According to the information and explanations given to us, there are no statutory dues pending in respect of income tax, sales tax, value added tax, service tax, duty of customs, wealth tax, duty of excise, cess on account of any dispute.

c) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

viii. The company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and it has incurred cash losses in this financial year

ix. The Company has not repaid principle amount of Rs. 17037.30 lakhs secured borrowings from banks and has also not paid interest for the period ranging from more than 3 years Consequently Banks have declared the Assets as NPA. (Non Performing Assets).

x. In my opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

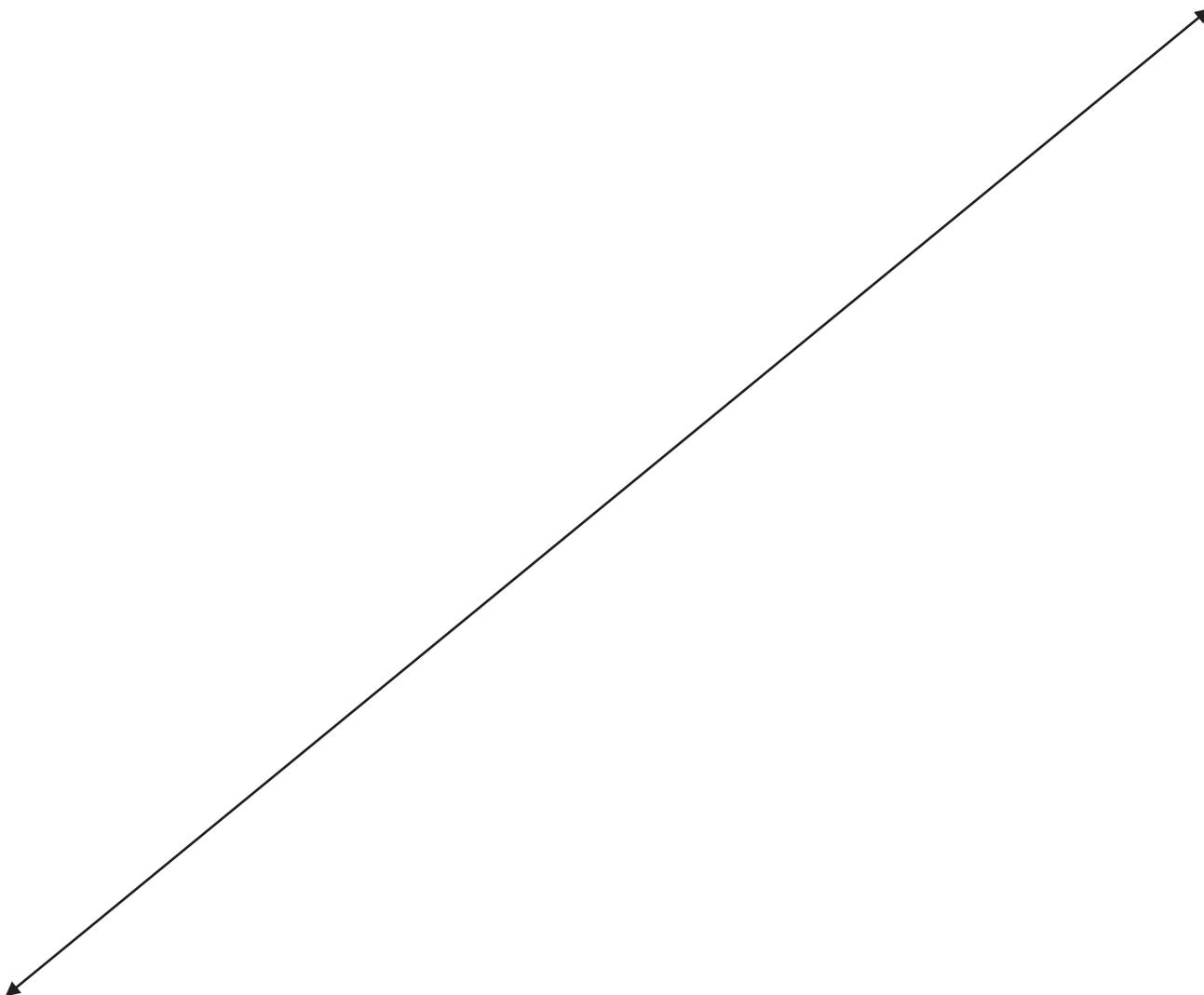
xi. In my opinion, the term/project loans were applied for the purpose for which they were raised.

xii. According to information and explanations given to us by the management which has been relied by us, no fraud on or by the Company has been noticed or reported during the year.

**For V VISWANATHAN & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No-013713S**

**Place: Chennai**  
**Date: May 30, 2015**

**V VISWANATHAN**  
**Membership No. 228990**



**BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2015**

<b>Particulars</b>	<b>Note</b>	<b>As at 31-03-2015 (In Lakhs)</b>	<b>As at 31-03-2014 (In Lakhs)</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share capital	2	1,238.95	1,238.95
(b) Reserves and surplus	3	(8,066.29)	999.02
		(6,827.34)	2,237.97
<b>Non-Current Liabilities</b>			
(a) Long-term borrowings	4	6,287.11	6,704.48
(b) Deferred tax liabilities (net)	5	5.67	285.47
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
		6,292.77	6,989.95
<b>Current Liabilities</b>			
(a) Short-term borrowings	6	10,750.00	12,713.28
(b) Trade payables	7	1,015.80	1,549.40
(c) Other current liabilities	7	4,461.68	1,599.78
(d) Short-term provisions	8	390.61	1,495.09
		16,618.09	17,357.56
		22,910.86	24,347.50
<b>Total</b>		<b>16,083.52</b>	<b>26,585.47</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	9		
(i) Tangible assets		916.21	1,927.01
(ii) Intangible assets		-	1,580.43
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
		916.21	3,507.44
(b) Non-current investments	10	5,383.63	5,383.63
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
(f) Goodwill (on Consolidation)		-	-
		5,383.63	5,383.63
<b>Current assets</b>			
(a) Current investments		-	-
(b) Inventories	11	70.27	4,158.76
(c) Trade receivables	12	1,773.62	2,520.01
(d) Cash and bank balances	13	1.59	1.18
(e) Short-term loans and advances	14	5,971.95	6,988.85
(f) Other current assets	15	1,966.25	4,025.63
		9,783.68	17,694.41
<b>Total</b>		<b>16,083.52</b>	<b>26,585.47</b>
<b>Notes forming part of the financial statements</b>	1 to 36		

As per my report of even date attached  
For V. Viswanathan & Associates  
Chartered Accountants  
Firm Registration No. 013713S

For and on Behalf of the Board

**V. Viswanathan**  
Proprietor  
Membership No.228990

**R.VIJAYKUMAR**  
Managing Director

**R.RAMKUMAR**  
Whole-time Director

Place : Chennai  
Date : May 30, 2015

**PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2015**

<b>Particulars</b>	<b>Note</b>	<b>For the year ended 31-03-2015 (In Lakhs)</b>	<b>For the year ended 31-03-2014 (In Lakhs)</b>
I. Revenue from operations	16	4,954.87	4,136.32
II. Other Income (net)	17	3.44	155.34
III. Work In Progress - WIP		635.09	-
<b>Total Revenue (I + II)</b>		<b>5,593.40</b>	<b>4,291.66</b>
III. Expenses			
(a) Employee benefit expenses	18	2,428.26	2,020.84
(b) Operation and other expenses	19	5,936.32	17,896.98
(c) Finance costs	20	3,713.03	402.42
(d) Depreciation and amortization expense	9	2,666.85	2,554.38
<b>Total Expenses</b>		<b>14,744.45</b>	<b>22,874.61</b>
IV. Profit before tax		(9,151.05)	(18,582.96)
V. Tax expense			
(a) Current tax			
(b) Deferred tax		(279.80)	602.86
(c) MAT credit entitlement			
		(8,871.25)	(17,980.10)
VI. Profit after tax		(8,871.25)	(17,980.10)
VII. Available for Appropriation		-	-
VIII. Proposed Dividend		-	-
IX. Tax on Dividend		-	-
X. Profit for the year		(8,871.25)	(17,980.10)
<b>Earnings per equity share of face value ` 1</b>		<b>1,238.95</b>	<b>1,238.95</b>
Basic and Diluted Earning per share ( ` )		(7.16)	(14.51)
<b>Notes forming part of the financial statements</b>			
As per my report of even date attached <b>For V. Viswanathan &amp; Associates</b> Chartered Accountants Firm Registration No. 013713S		For and on Behalf of the Board	
<b>V. Viswanathan</b> Proprietor Membership No.228990	<b>R.VIJAYKUMAR</b> Managing Director	<b>R.RAMKUMAR</b> Whole-time Director	
Place : Chennai Date : May 30, 2015			

<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2015</b>		
<b>Particulars</b>	<b>Year ended 31-03-2015 (<sup>₹</sup>)</b>	<b>Year ended 31-03-2014 (<sup>₹</sup>)</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	(9,151.05)	(18,582.96)
<b>Adjustments for:</b>		
Depreciation and Amortisation	2,666.85	2,554.38
(Profit) / Loss on sale of Fixed assets		
Dividend on Mutual Funds		
Interest Income	-	(155.34)
Interest Expense	3,713.03	402.42
Exchange differences on translation of foreign currency cash and cash equivalents	-	-
Preliminary Expenses written off		
<b>Operating Cash Flow Before Working Capital Changes</b>	<b>(2,771.17)</b>	<b>(15,781.49)</b>
<b>Adjustments for:</b>		
Decrease (increase) in sundry debtors	746.39	21,332.03
Decrease (increase) in inventories	4,088.49	1,813.61
Decrease (increase) in Other current assets	2,059.38	(2,597.28)
Decrease (increase) in loans and advances	1,016.89	5,807.45
Increase / (Decrease) in Trade and other payables	1,223.40	(9,895.30)
<b>Cash generated from / (used in) Operations</b>	<b>6,363.37</b>	<b>679.01</b>
Income Taxes paid during the year	-	-
<b>Net Cash generated from / (used in) Operating Activities during the year - A</b>	<b>6,363.37</b>	<b>679.01</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(75.21)	-
Sale of Fixed Assets	-	-
Purchase of long term investments	-	-
Dividend on mutual funds	-	-
Interest income	-	155.34
<b>Net Cash generated from / (used in) Investing Activities during the year - B</b>	<b>(75.21)</b>	<b>155.34</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	-	-
Tax on Dividend Paid	-	-
Increase / (Decrease) in Loan Funds	(2,380.65)	(434.98)
Interest Expense	(3,713.03)	(402.42)
Share Buy Back (2012)	(194.06)	-
<b>Net Cash generated from Financing Activities during the year - C</b>	<b>(6,287.74)</b>	<b>(837.40)</b>
<b>D. EXCHANGE DIFFERENCE</b>		
Exchange difference on translation of foreign currency cash and cash equivalents	-	-
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C + D)</b>	<b>(6,362.95)</b>	<b>(3.05)</b>
Cash and Cash Equivalent as at the beginning of the year	1.18	4.24
Cash and Cash Equivalent at the end of the year	1.59	1.18
Cash and Bank balances at the end of the year	1.59	1.18
<p><i>Note: 1. Cash and Cash Equivalents represent Cash, Balances with Banks in Current Account and Fixed Deposits</i></p> <p><i>2. Figures in brackets indicate Cash flow</i></p> <p><i>3. Figures for the previous year have been regrouped / rearranged wherever found necessary</i></p>		
As per my Report of even date attached		For and on Behalf of the Board
<b>For V. Viswanathan &amp; Associates</b>		
Chartered Accountant		
Firm Registration No. 013713S		
	<b>R.VIJAYKUMAR</b>	<b>R.RAMKUMAR</b>
	Managing Director	Whole-time Director
<b>V. Viswanathan</b>		
Proprietor		
Membership No.228990		
Place : Chennai		
Date : May 30, 2015		

## STANDALONE NOTES TO ACCOUNT

### I. Basis for preparation of accounts

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/2013 Act, as applicable on accrual basis following the historical cost conventions.

### II. Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to the accounting estimates is recognised prospectively in the current and future periods. Estimates include provisions for resurfacing obligations, employee benefit plans, provision for income taxes and provision for diminution in the value of investments.

### III. Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees rounded off to the nearest Rupee. Per share data is presented in Indian Rupees to two decimals places

### IV. Revenue Recognition

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

#### A. Revenue from Operations

##### a. Service income

Revenues, in respect of revenue from network products and projects are recognized on completion of respective works contracts. In respect of fixed price service activities, revenue is recognized on time and materials basis. In respect of other contracts, revenue is recognized on the achievement of the milestones set out in the contracts.

The revenues from Services and Installation Charges are recognized on completion of respective works contracts. Income from Investments is recognized when the right to receive the payment is established. Interest is recognized using the Time-Proportion method, based on the rates implicit in the transaction.

##### b. Other Operating Income

a. Other operational revenue represents income earned from activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

## **B. Other Income**

- a. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.
- b. Profit/loss on sale of investments is recognised at the time of actual sale/redemption.
- c. Other items of income are accounted for as and when the right to receive arises.

## **V. Employee Benefits**

### **(i) Short Term Employee Benefits**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

### **(ii) Post-Employment Benefits**

- a) **Defined Contribution Plans:** The Company's obligation to employee's provident fund is a defined contribution plan. The contribution paid/payable is recognized in the period in which the employee renders the related service.
- b) **Defined Benefit Plans:** The Company's obligation towards gratuity is a defined benefit plan.

The present value of the obligation under such Defined Benefit Plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized in the Statement of Profit and loss.

### **(iii) Long Term Employee Benefits**

The obligation for long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans as mentioned in (ii) (b) above.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

## **VI. Fixed Assets**

### **Tangible**

Fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Administrative and other general overhead expenses that are specifically attributable to the construction or acquisition of fixed assets, for bringing the fixed asset to working condition are allocated and capitalised as a part of cost of fixed asset.

### **Intangible**

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

Administrative and other general overhead expenses that are directly attributable to development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development".

## **VII. Depreciation and Amortisation**

### **Depreciation**

Depreciation on assets have been provided on straight-line basis at the rates specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions. For assets that are transferred/sold within the group, depreciation is calculated up to the month preceding the month of transfer/sale within the group.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

### **Amortisation**

Telecom Software and other intangibles are amortised over a period of three years.

## **VIII. INVENTORIES**

Stock-in-trade is valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

## **IX. FOREIGN EXCHANGE TRANSACTIONS**

The following are the transactions in Foreign Exchange

Foreign currency transactions during the year are translated at the exchange rates prevailing on the respective date of transactions.

Assets and Liabilities outstanding in foreign currency as on the date of the Balance Sheet are translated at exchange rate prevailing as on the last day of the relevant financial year. Differences arising out of such translations are charged to the respective revenue accounts.

The operations of the company's overseas branches are considered integral in nature and the balances/and transactions of the branches are translated using the aforesaid principle.

## **X. Leases**

### **Operating**

Assets acquired on leases where a significant portion of risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to Statement of Profit and Loss on accrual basis.

Assets leased out under operating leases are capitalised. Rental income is recognized over the lease term.

## Finance

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.

Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

The lease rentals paid during the year and the future lease obligations of HP EMI's for agreements in vogue as on March 31, 2015 are as follows:

(Rs. in lakhs)

Lease rentals paid (including HP EMI's)	31st March,2015	31st March,2014
Lease rentals paid during the year	Nil	Nil

Future lease obligations	As at 31st March, 2015	As at 31st March, 2014
Due within 1 year from the balance sheet date	Nil	344.54
Due between 1 and 5 years	Nil	Nil
Due after 5 years	Nil	Nil

## XI. Impairment of Assets

At each balance sheet date, the carrying amount of assets is tested for impairment so as to determine:

- The provision for impairment loss, if any; and
- The reversal of impairment loss recognised in previous period, if any,

Impairment loss is recognised, when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- in case of an individual asset, at the higher of net selling price and net value in use;
- in case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the net value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.)

## XII. Investments

Investments which are readily realisable and are intended to be held for not more than one year from the date of acquisition are classified as current investment. All other investments are classified as long term investment.

Current Investments are stated at lower of cost and market value. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment.

Long term investments are carried at cost, after providing for any diminution, if other than temporary in nature.

### **XIII. Cash and bank balances**

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents.

### **XIV. Borrowing costs**

Borrowing costs include interest, commitment charges, amortization of ancillary costs, amortization of discounts / premium related to borrowings, finance charges in respect of finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest cost.

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized / inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

In compliance of AS-16 "Borrowing Cost", income earned on temporary investments, out of funds borrowed which are intermittently surplus but inextricably linked with the project, is deducted from the related borrowing costs incurred.

### **XV. Foreign currency transactions**

The reporting currency of the Company is the Indian Rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items carried at historical cost denominated in a foreign currency, are reported using the exchange rate on the date of the transaction.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are:

- (a) adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.
- (b) recognised as income or expense in the period in which they arise.

### **XVI. Segment accounting**

- (i) Segment revenue includes sales directly identifiable with / allocable to the segment.
- (ii) Expenses that are directly identifiable with/allocable to the segments are considered for determining the segment result.
- (iii) Expenses which relate to the Company as a whole and not allocable to segments are included under "unallocable corporate expenditure". Similarly Income which relate to the Company as a whole and not allocable to segments is included in "unallocable corporate income".
- (iv) Segments assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

## **XVII. Taxes on Income**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961 and based on the expected outcome of assessments/appeals.

Deferred tax is recognized on timing differences between the accounting income accounted in financial statements and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax asset relating to unabsorbed depreciation/business losses and losses under the head "capital gains" are recognised and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

Other deferred tax asset are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

## **XVIII. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event.
- b) a probable outflow of resources is expected to settle the obligation, and
- c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in the case of:

- a) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- b) a possible obligation when no reliable estimate is possible and
- c) A possible obligation arising from a past event unless the probability of outflow of resources is remote

Contingent Assets are neither recognized, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet date.

## **XIX. Operating cycle**

Operating cycle for the business activities of the company is taken as twelve months.

## **XX. Cash flow Statement**

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under indirect method, the net profit is adjusted for the effects of:

- i) Transactions of non-cash nature.
- ii) Any deferrals or accruals of past or future operating cash receipts or payments, and
- iii) Items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on date of balance sheet are also included under this category with a specific disclosure.

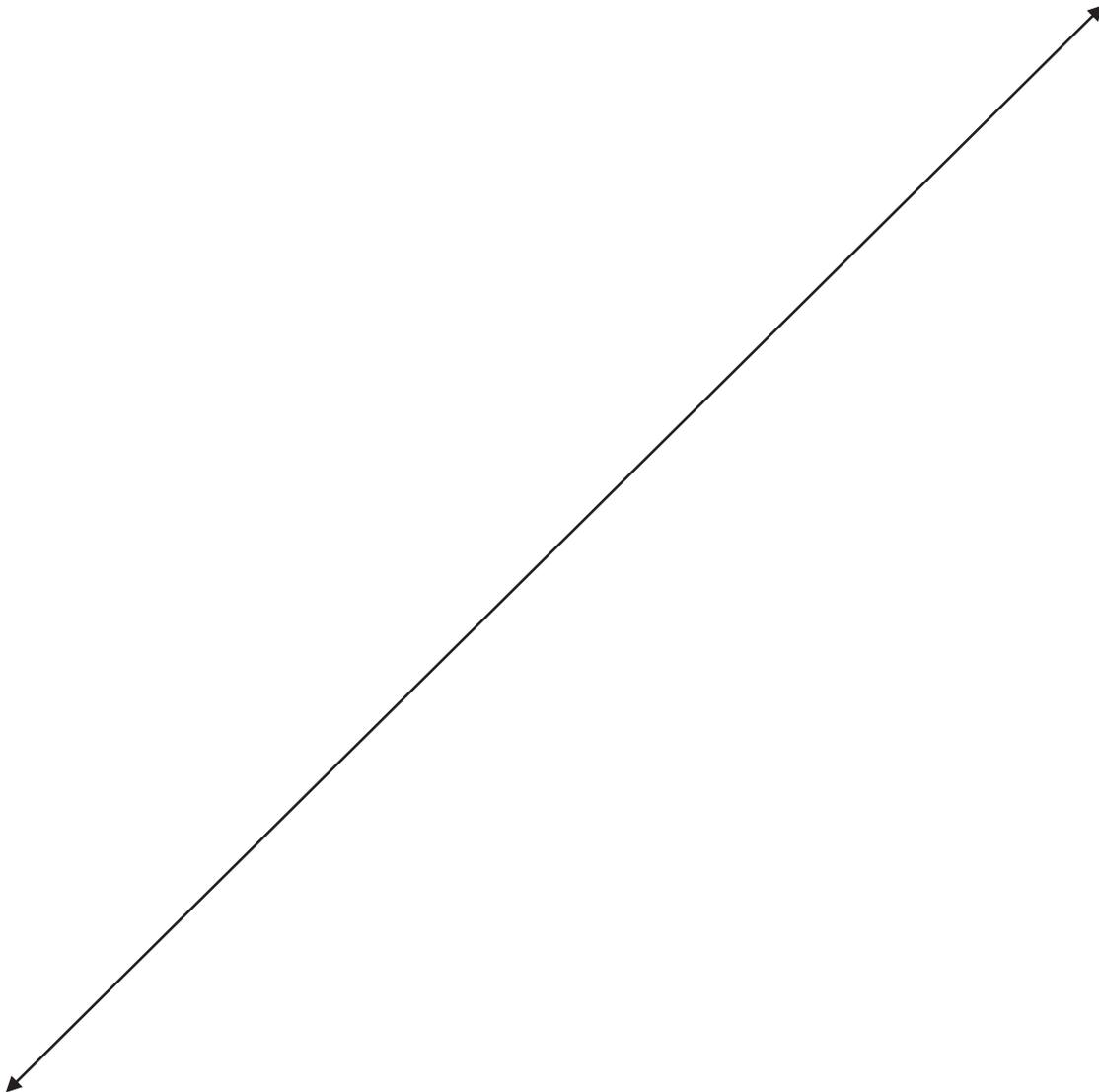
**XXI. Commitments**

Commitments are future liabilities for contractual expenditure. They are classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid;
- c) Funding related commitment to subsidiary, associate and joint venture companies; and

**XXII. Claims**

- i. Claims against the company are accounted for as and when accepted.
- ii. Claims by the company are recognised and accounted for as and when received.



<b>2. SHARE CAPITAL</b>				
Share capital consist of the following:				
			<b>As at</b>	<b>As at</b>
15,00,00,000 Equity Shares of Rs. 1/- each			<b>31<sup>st</sup> March 2015</b>	<b>31<sup>st</sup> March 2014</b>
			<b>(Rs.)</b>	<b>(Rs.)</b>
<b>Authorised</b>				
15,00,00,000 Equity share of Rs. 1/- each (31 <sup>st</sup> March 2015:15,00,00,000 Equity share of Rs. 1/- each)			1,500.00	1,500.00
<b>Issued, Subscribed &amp; paid up</b>				
123894703 Equity share of Rs. 1/- each (31 <sup>st</sup> March 2015: 12,38,94,703 Equity share of Rs. 1/- each)			1,238.95	1,238.95
			<b>1,238.95</b>	<b>1,238.95</b>
<b>a. Reconciliation of number of shares</b>				
	<b>As at 31st March 2015</b>		<b>As at 31st March 2014</b>	
	<b>No. of shares</b>	<b>Amount (Rs.)</b>	<b>No. of shares</b>	<b>Amount (Rs.)</b>
<b>Equity shares</b>				
Opening balance (face value - Rs. 1)	1,238.95	1,238.95	1,238.95	1,238.95
Issue of shares	-	-	-	-
Buyback of shares	-	-	-	-
Closing balance	<b>1,238.95</b>	<b>1,238.95</b>	<b>1,238.95</b>	<b>1,238.95</b>
<b>b. Shares held by holding company, its subsidiaries and associates</b>				
The company does not have any holding company.				
<b>c. Rights, preferences and restrictions attached to equity shares</b>				
The company has one class of equity shares having a face value of ` 1/- per share. Each shareholder is eligible for one vote for each share held in the company. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.				
<b>d. Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>				
	<b>As at 31st March 2015</b>		<b>As at 31st March 2014</b>	
<b>Name of the shareholder</b>	<b>No of shares</b>	<b>% of share capital</b>	<b>No of shares</b>	<b>% of share capital</b>
Ramamurthy Vijaykumar	270,18,809	21.81%	294,68,809	23.79%
Merrill Lynch International	197,46,885	15.94%	197,46,885	15.94%
GPC MAURITIUS II LLC	125,00,000	10.09%	125,00,000	10.09%
Radhika Vijaykumar	85,02,304	6.86%	109,52,304	8.84%
Ramamurthy Ramkumar	50,92,417	4.11%	56,49,940	4.56%
<b>e. Shares allotted as fully paid up by way of bonus shares (during the 5 years preceding 31st March 2015): NIL</b>				

<b>3. RESERVES AND SURPLUS</b>		
Reserves and surplus consist of the following:		
	<b>As at</b>	<b>As at</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
(a) Securities premium account		
Opening balance	12,074.66	12,074.66
Less: Adjustments	(194.06)	-
Add: Current year receipts		
Closing balance	11,880.60	12,074.66
(b) Surplus in statement of profit & loss		
As per Last Year Balance Sheet	(11,779.28)	6,200.82
Add: Profit for the year	(8,871.25)	(17,980.10)
Statutory reserves transferred to Profit and Loss account		
Reversal of excess provision for Tax on dividend		
	(20,650.54)	(11,779.28)
Less: Appropriations		
Proposed dividend on equity shares	-	-
Tax on dividend	-	-
	-	-
Closing balance	(20,650.54)	(11,779.28)
(c ) Capital Redemption Reserve	27.50	-
(c) Capital Profit		
Opening Balance	204.79	204.79
Add: Transferred from / (to) Profit and Loss account		
Closing Balance	<b>204.79</b>	<b>204.79</b>
(d) General Reserve		
Opening Balance	498.86	498.86
Add: Current year adjustments	(27.50)	-
Closing Balance	471.36	498.86
	<b>(8,066.29)</b>	<b>999.02</b>
<b>4. LONG-TERM BORROWINGS (SECURED)</b>		
Long-term borrowings consist of the following:		
	<b>As at</b>	<b>As at</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
(a) From Bank - Term Loan	6,287.11	6,704.48
(b) From - Others		
	<b>6,287.11</b>	<b>6,704.48</b>

<b>5. DEFERRED TAX BALANCES</b>		
Deferred tax balances consist of the following:		
	<b>As at 31st March 2015 (Rs.)</b>	<b>As at 31st March 2014 (Rs.)</b>
<b>(a) Deferred tax liabilities</b>		
(i) Depreciation and amortisation	285.47	888.32
(ii) Expenses allowed for tax purpose	279.80	602.86
	<b>5.67</b>	<b>285.47</b>
<b>6. SHORT-TERM BORROWINGS</b>		
Short-term borrowings consist of the following:		
	<b>As at 31st March 2015 (Rs.)</b>	<b>As at 31st March 2014 (Rs.)</b>
Secured		
(a) From Bank - Cash Credit	10,750.00	12,713.28
Unsecured		
	<b>10,750.00</b>	<b>12,713.28</b>
<b>7. OTHER CURRENT LIABILITIES</b>		
Other current liabilities consist of the following:		
	<b>As at 31st March 2015 (Rs.)</b>	<b>As at 31st March 2014 (Rs.)</b>
(a) Trade Payables	1,015.80	1,549.40
(b) Other Liabilities	4,461.68	1,599.78
	<b>5,477.48</b>	<b>3,149.19</b>
<b>8. SHORT-TERM PROVISIONS</b>		
Short-term provisions consist of the following		
	<b>As at 31st March 2015 (Rs.)</b>	<b>As at 31st March 2014 (Rs.)</b>
(a) Proposed equity dividend	-	-
(b) Tax On proposed equity divided	-	17.75
(c) Provision for Income Tax	-	501.04
(d) Provision for Gratuity	51.21	51.21
(e) Provision for Salary	240.79	313.24
(f) Provision for Expenses	98.60	611.85
	<b>390.61</b>	<b>1,495.09</b>

**10. NON - CURRENT ASSETS**

Non - current assets consist of the following

	<b>As at 31st March 2015 (Rs.)</b>	<b>As at 31st March 2014 (Rs.)</b>
<b>(b) Non - Current Investments</b>		
(Trade - Unquoted - Fully Paid)		
Gemini Traze RFID Pvt. Ltd. (100% Subsidiary) (56,85,000 Shares of Rs.10 each at par)	568.50	568.50
Point Red Telecom Pvt. Ltd (100% Subsidiary) (1,01,31,100 shares of Rs.10 each at cost)	1,013.11	1,013.11
Gemini Infotech Ltd (100% Subsidiary) (3,60,00,000 shares of HK\$ 1 each at cost)	3,791.02	3,791.02
Investments-Gemini Geoss Energy Pvt Ltd (10,000 Shares of Rs.10 each)	1.00	1.00
Investments-Union Bank of India - Mutual Fund	10.00	10.00
	<b>5,383.63</b>	<b>5,383.63</b>

**11. INVENTORIES**

Inventories consist of the following

	<b>As at 31st March 2015 (Rs.)</b>	<b>As at 31st March 2014 (Rs.)</b>
Stock in Trade	70.27	4,158.76
	<b>70.27</b>	<b>4,158.76</b>

**12. TRADE RECEIVABLES**

Trade receivables consist of the following:

	<b>As at 31st March 2015 (Rs.)</b>	<b>As at 31st March 2014 (Rs.)</b>
<b>(a) Over six months from the date they were due for payment</b>		
(i) Considered good	1,773.62	15,031.86
(ii) Considered doubtful	-	-
Less: Provision for Bad & Doubtful Debts	-	13,433.10
	1,773.62	1,598.76
<b>(b) Others</b>		
(i) Considered good	-	921.26
(ii) Considered doubtful	-	-
	<b>1,773.62</b>	<b>2,520.02</b>

<b>13. CASH AND BANK BALANCES</b>		
Cash and bank balances consist of the following		
	<b>As at</b>	<b>As at</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Cash on Hand		
Balance with Scheduled Bank		
In Current Accounts	1.59	1.18
In Unpaid Dividend A/cs	-	-
In Margin with Bank Of India	-	-
In Fixed Deposit Accounts	-	-
Balance with Non-Scheduled Banks		
In Current Accounts	-	-
	<b>1.59</b>	<b>1.18</b>
<b>14. SHORT-TERM LOANS AND ADVANCES (Unsecured)</b>		
Short-term loans and advances consist of the following		
	<b>As at</b>	<b>As at</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
(a) Advances recoverable in cash or in kind	5,971.95	6,988.84
(b) Trade Advances	-	-
	<b>5,971.95</b>	<b>6,988.84</b>
<b>15. OTHER CURRENT ASSETS</b>		
	<b>As at</b>	<b>As at</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
(a) Telephone & Rent Deposits	39.54	45.87
(b) EMD & Security Deposits	261.98	1,944.76
(c) Other Current Assets	1,006.84	1,145.69
(d) Prepaid Expenses	-	2.79
(e) TDS Receivables	657.89	886.52
	<b>1,966.25</b>	<b>4,025.63</b>

<b>16. REVENUE FROM OPERATIONS</b>		
Revenue from operations consist of revenues from:		
	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
(a) Sales income from Network Product & Services	4,954.87	4,136.32
	<b>4,954.87</b>	<b>4,136.32</b>
<b>17. OTHER INCOME</b>		
Other income consist of the following:		
	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
(a) Interest received from Banks	-	155.34
(b) Commissions & Other Incomes	-	-
(c) Exchange Rate Difference Gain	-	-
	<b>-</b>	<b>155.34</b>
<b>18. EMPLOYEE BENEFIT EXPENSES</b>		
Employee benefit expenses consist of the following:		
	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
(a) Salaries, Wages & Bonus	2,428.26	1,977.43
(b) PF Contribution, ESI	-	27.21
(c) Staff Welfare	-	-
(d) Directors Remuneration	-	16.19
(e) Gratuity	-	-
	<b>2,428.26</b>	<b>2,020.84</b>

**19. OPERATION AND OTHER EXPENSES**

Operation and other expenses consist of the following:

	For the year ended	For the year ended
	31st March 2015	31st March 2014
	(Rs.)	(Rs.)
Cost of Materials & Project Expenses	1,190.65	1,844.99
Absolute Stock - Write Off	4,088.49	1,737.96
Rent	105.19	102.36
Electricity	12.55	14.50
Travelling & Conveyance	29.12	27.88
Postage & Telephone Charges	103.41	127.14
Repairs & Maintenance - Vehicles	2.95	0.62
Repairs & Maintenance- Others	2.38	8.34
Books & Periodicals	-	0.01
Printing & Stationery	16.22	5.52
Training Expenses	-	0.07
Audit Fee	5.00	10.80
Service Charges Paid	21.95	-
Consultancy Charges	20.16	10.09
Insurance Premium	6.18	5.70
Legal Fees	1.62	30.69
Office Maintenance	22.19	30.61
Secretarial Expenses	2.18	2.03
Rates & Taxes	1.59	1.47
Carriage Expenses	26.99	-
Sundry Expenses	184.13	385.61
Bad debts	10.13	13,433.10
Business Promotion Expenses	79.79	117.47
	<b>5,932.88</b>	<b>17,896.98</b>

**20. FINANCE COSTS**

Finance costs consist of the following:

	For the year ended	For the year ended
	31st March 2015	31st March 2014
	(Rs.)	(Rs.)
(a) Interest and finance charges	3,713.03	402.42
	<b>3,713.03</b>	<b>402.42</b>

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2015											
GEMINI COMMUNICATION LIMITED - STANDALONE											
SCHEDULE - 5 : FIXED ASSETS	GROSS BLOCK				DEPRECIATION'					NET BLOCK	
	As at 01.04.14	Additions during the Year	Deletion	As at 31.03.15	As At 01.04.14	For the Year	Deletion/ Adjustment	As at 31.03.15	Impairment	As At 31.03.15	As at 31.03.2014
	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs
<b>LAND &amp; BUILDING :</b>											
Land	352.36	-	-	352.36	-	-	-	-	-	352.36	352.36
Land - Lease hold											
Building	318.77	-	-	318.77	39.50	4.66	-	44.16	-	274.61	279.26
<b>PLANT &amp; MACHINERY :</b>											
Computer Machinery	2,079.63	31.98	-	2,111.61	2,015.02	73.19	-	2,088.21	-	23.40	64.60
Networking Equipments	1,692.12	-	-	1,692.12	932.20	6.20	-	938.40	670.76	82.96	759.92
<b>FURNITURES &amp; FIXTURES :</b>											
Furniture & Fixtures	179.26	1.28	-	180.54	102.73	18.91	-	121.64	-	58.90	76.53
Electrical Fittings	696.80	36.56	-	733.36	321.03	3.05	-	324.08	303.54	105.74	375.80
Office Equipments	56.55	4.80	-	61.35	38.00	5.69	-	43.69	-	17.66	18.55
<b>VECHILES</b>											
Bike	-	0.59	-	0.59	-	0.01	-	0.01	-	0.58	-
<b>INTANGIBLE ASSETS:</b>											
Software	8,384.66	-	-	8,384.66	6,803.82	1,580.84	-	8,384.66	-	0.00	1,580.42
<b>TOTAL</b>	<b>13,760.15</b>	<b>75.21</b>	<b>-</b>	<b>13,835.36</b>	<b>10,252.30</b>	<b>1,692.55</b>	<b>-</b>	<b>11,944.85</b>	<b>974.30</b>	<b>916.21</b>	<b>3,507.44</b>
<b>TOTAL</b>	<b>17,771.55</b>	<b>-</b>	<b>-</b>	<b>17,771.55</b>	<b>11,709.74</b>	<b>2,554.38</b>	<b>-</b>	<b>14,264.12</b>	<b>-</b>	<b>3,507.44</b>	<b>6,061.81</b>

#### Note 21:

The general economic slowdown has affected the telecom industry. The late auction of spectrum by government and the slowdown of 3G and 4G technologies have not brought cheer to the telecom industry. The non-payment of government receivables has resulted into substantial erosion of the Company's net worth and the Company has incurred cash losses. The Company continues to take various measures such as cost optimisation, improving operating efficiency, renegotiation of contracts with customers to improve Company's operating results and cash flows. Further the management believes that new spectrum auction will result in exponential growth in 3G 4G & LTE which are expected to generate incremental cash flows to the Company. In view of the above mentioned factors, the Company continued to prepare its Financial Statements on going concern basis.

#### Note 22: Contingent liabilities

There are some on-going litigations against the company for the contractual liabilities. The monetary value of the aforesaid litigations could not be quantified and the contingent liabilities, which may arise thereto, also could not be determined.

The management of the company retains the litigations stated above shall not have any material/financial impact on Company.

**Note : 23 Impairment of Assets**

As required Under Accounting Standard -28 "Impairment of Assets" the carrying amount of an asset exceeds its recoverable amount and value in use, and hence provision for impairment loss of Rs.974.30 Lakhs , has been provided in the financial statements.

**Note 24: Inventory Write off**

Inventories worth of Rs. 4088.49 Lakhs have lost its potential of realisation and the cost of maintenance of the said inventories had imposed continual burden on the Company. Therefore, the inventories have been written off as per company's policy.

**Note 25: DEFERRED TAX LIABILITY**

The provision for deferred tax liability for the year ended March 31, 2015 has been made in accordance with Accounting Standard 22 on Accounting for Taxes on Income. The Deferred Tax Liability as at March 31, 2015 is on account of Depreciation of Rs. 635.76 Lakhs and the Deferred Tax Liability as at 31<sup>st</sup> March, 2015 is Rs.65.91 Lakhs.

**Note 26: LEASE**

All operating leases entered into by the company are cancellable on giving a notice of one to three months.

The lease rentals paid during the year and the future lease obligations of HP EMI's for agreements in vogue as on March 31, 2015 are as follows:

<b>Lease rentals paid (including HP EMI's)</b>	<b>31<sup>st</sup> March,2015</b>	<b>31<sup>st</sup> March,2014</b>
Lease rentals paid during the year	Nil	Nil
(Rs. in lakhs)		
<b>Future lease obligations</b>	<b>As at 31<sup>st</sup> March, 2015</b>	<b>As at 31<sup>st</sup> March, 2014</b>
Due within 1 year from the balance sheet date	Nil	344.54
Due between 1 and 5 years	Nil	Nil
Due after 5 years	Nil	Nil

**Note 27: Investment details of plan assets:**

The Plan assets are maintained by Life Insurance Corporation Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the company and have not been disclosed.

As per the policy of the company employees are not entitled for leave encashment.

PF & ESI expenses are recognized in the accounts at the actual cost to the company which is deposited with the appropriate Government authorities. Apart from this contribution, the company has no other obligation to provide for in the books.

**Note 28: SEGMENT REPORTING**

The entire operations of the company relates to one segment viz., network product and services.

**Note 29: RELATED PARTY DISCLOSURE****TRANSACTIONS WITH RELATED PARTIES:****Key Management Personnel**

- o R. Ramkumar – Whole-time Director
- o B. Sreekrishna – Project Director
- o R. Vijaykumar – Managing Director
- o B. Srinivasan – Chief Technology Officer

Name of the Key Management Personnel	Relationship	Nature of Payment	Amount	
			2014-15	2013-14
Mr. R. Vijaykumar	Managing Director	Salary	-	-
Mr. R. Ramkumar	Whole-time Director	Salary	24.00	24.00
Mr. B Sreekrishna	Project Director	Salary	-	-
Mr. B. Srinivasan	Chief Technology Officer	Salary	-	-
Mr. R. Ramkumar	Whole-time Director	Lease Rent	2.00	2.00
Mr. R. Ramkumar	Whole-time Director	Lease Advance Outstanding (as at year end)	22.00	22.00

**Subsidiary & Associate Companies**

- o Gemini Traze RFID Private Limited (RFID) (100% Subsidiary)
- o Point Red Telecom Limited (Pointred) (100% Subsidiary)
- o Gemini Infotech Limited, Hong Kong (100% Subsidiary)
- o PR Wireless Tech Limited, Hong Kong (100% Subsidiary of Pointred)
- o Gemini FTZ, Dubai (100% Subsidiary)
- o Gemini Geoss Energy Private Ltd ( 100% Subsidiary)

Summary of Transactions with the above-related parties are as follows

Name of Transaction	Transactions for the Period Ended		Balances outstanding as At	
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014

Rs. In Lakhs

Loan Given to RFID	Nil	Nil	Nil	28.72
Purchases from RFID	Nil	Nil	Nil	613.01
Sales to RFID	Nil	Nil	Nil	Nil
Loans Given to Pointred	Nil	Nil	5984.30	6133.61
Purchases from Pointred	Nil	Nil	Nil	4245.27
Sales to Pointred	Nil	Nil	Nil	Nil
Sales to Veeras Infotech Pvt. Ltd	Nil	Nil	Nil	28.00
Purchases from Veeras Infotech Pvt. Ltd	Nil	Nil	Nil	705.09
Advance to Veeras Infotech Pvt Ltd	Nil	Nil	Nil	Nil
Purchases from PR Wireless Tech Ltd	Nil	Nil	Nil	769.68
Advance to PR Wireless Tech Ltd	Nil	Nil	Nil	610.77
Advance to Gemini Infotech Ltd	Nil	Nil	Nil	3.26
Advance from Gemini Infotech Ltd	Nil	Nil	Nil	Nil
Advances Given to Gemini Geoss Energy Private Ltd.	210.25	Nil	210.25	186.75

30. Impairment losses provided for in the books is Rs.974.30 Lakhs as on 31.03.2015

31. Bank Guarantees outstanding as on 31.03.2015 is Rs. Nil( Previous Year Rs. 76.74 Lakhs)

### 32. Earnings Per Share

Particulars	As at 31 March 2015	As at 31 March 2014
Profit available to Equity Shareholders used as Numerator - (A) (Rs . in Lakhs)	(8,871.25)	(17,980.10)
Number of Shares outstanding	12,38,94,703	12,38,94,703
Weighted Average Number of shares outstanding - (B)	12,38,94,703	12,38,94,703
Effect of dilution - (C)	N/A	N/A
Weighted Average No. of Equity Shares including potential shares - (D)	12,38,94,703	12,38,94,703
Adjusted PAT for Dilution of Convertible Bonds (E) (Rs . in Lakhs)	(8,871.25)	(17,980.10)
Earnings per share (Basic) - (A / B) In Rs.	(7.16)	(14.51)
Earnings per share (Diluted) - (E / D) In Rs.	(7.16)	(14.51)

**33.** Figures for the previous year have been regrouped wherever necessary to conform to the current year's classification

As per my Report of even date attached

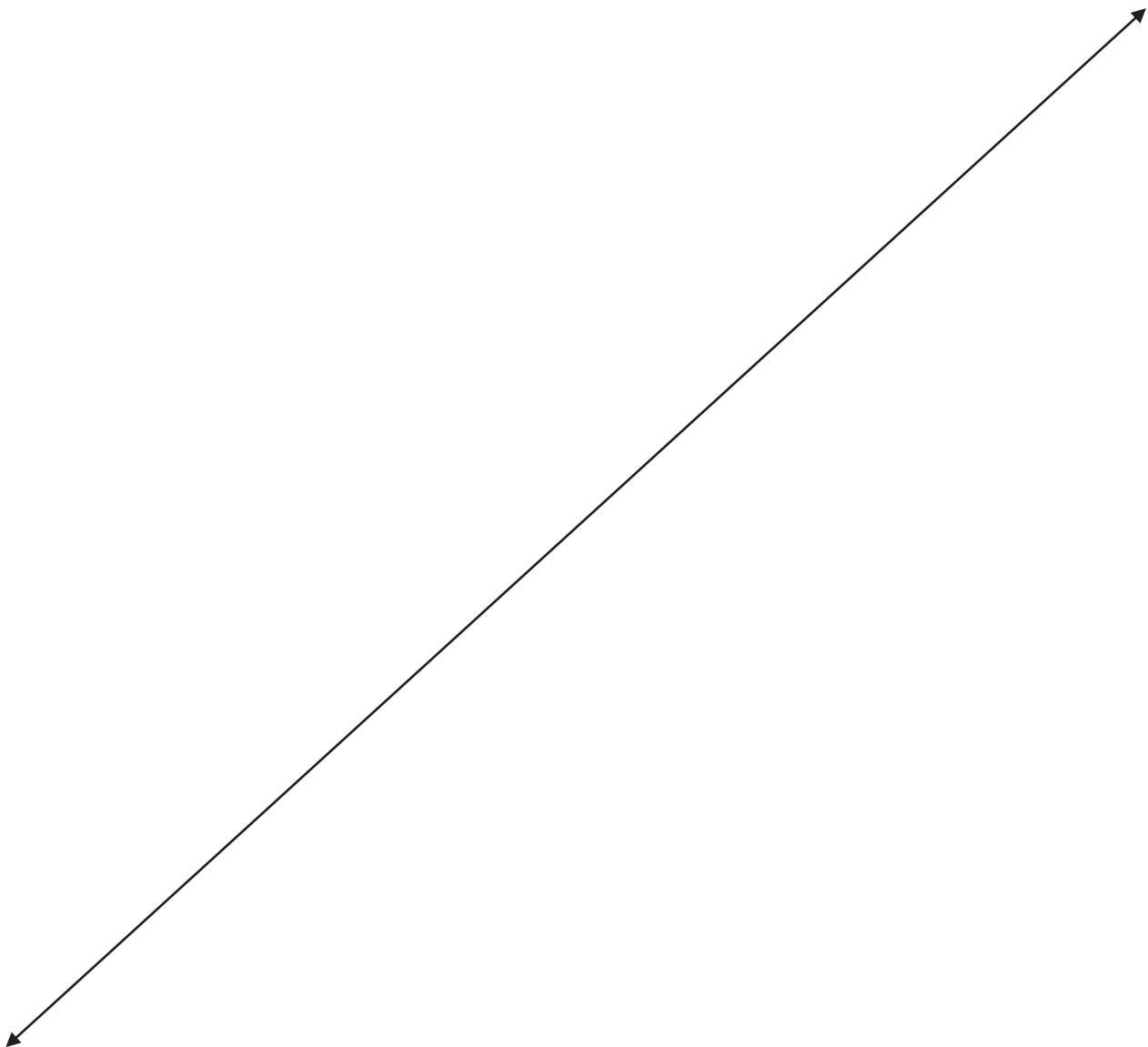
For and on behalf of the Board

V VISWANATHAN  
Chartered Accountant  
Membership No. 228990  
Prop. M/s. V VISWANATHAN & ASSOCIATES  
Firm No.013713S

Place: Chennai  
Date: May 30, 2015

R.VIJAYKUMAR  
Managing Director

R. RAMKUMAR  
Whole-time Director



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF GEMINI COMMUNICATIONS LIMITED**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of GEMINI COMMUNICATIONS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

### **Opinion**

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

### **Emphasis of Matter**

We draw attention to the following matters in the Notes to the financial statements:

- a) Note 22 to the financial statements which, describes the uncertainty related to the outcome of the lawsuit filed against the Company.
- b) Note 21 in the financial statement which indicates that the Company has accumulated losses and its Net worth has been fully/substantially eroded, the Company has incurred a net cash loss during the current year and previous year(s) and, the Company current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 21, indicate the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of these matters.

### **Other Matters**

- (a) We did not audit the financial statements / financial information of Six subsidiaries, whose financial statements / financial information reflect total assets of Rs. (9,099.52) Lakhs as at 31st March, 2015, total revenues of Rs.47.87 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (e) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note 22 to the consolidated financial statements.
  - ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

**For V VISWANATHAN & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No-013713S**

**Place: Chennai**  
**Date: May 30, 2015**

**V VISWANATHAN**  
**Membership No. 228990**

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2015**

Particulars	Note	As at 31-03-2015 (Rs. In Lakhs)	As at 31-03-2014 (Rs. In Lakhs)
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share capital	2	1,238.95	1,238.95
(b) Reserves and surplus	3	(38,680.74)	(19,954.07)
		(37,441.79)	(18,715.12)
<b>Non-Current Liabilities</b>			
(a) Long-term borrowings	4	21,852.84	26,493.05
(b) Deferred tax liabilities (net)	5	65.91	635.76
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
		21,918.75	27,128.81
<b>Current Liabilities</b>			
(a) Short-term borrowings	6	12,610.25	16,151.40
(b) Trade payables	7	1,967.41	3,294.95
(c) Other current liabilities	7	7,477.86	3,170.24
(d) Short-term provisions	8	451.52	1,804.17
		22,507.04	24,420.76
		44,425.79	51,549.57
Total		6,984.00	32,834.45
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	1,561.13	3,027.99
(ii) Intangible assets		-	3,267.08
(iii) Capital work-in-progress		-	
(iv) Intangible assets under development			
		1,561.13	6,295.07
(b) Non-current investments	10	10.00	10.00
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
(f) Goodwill (on Consolidation)		-	-
		10.00	10.00
<b>Current assets</b>			
(a) Current investments		-	-
(b) Inventories	11	1,043.23	5,198.07
(c) Trade receivables	12	2,112.62	9,464.24
(d) Cash and bank balances	13	3.91	47.32
(e) Short-term loans and advances	14	155.25	7,427.30
(f) Other current assets	15	2,097.86	4,392.45
		5,412.87	26,529.38
Total		6,984.00	32,834.45
<b>Notes forming part of the financial statements</b>	1 to 36		

As per my Report of even date attached  
For V. Viswanathan & Associates  
Chartered Accountant  
Firm Registration No. 013713S

For and on Behalf of the Board

**V. Viswanathan**  
Proprietor  
Membership No.228990

**R.VIJAYKUMAR**  
Managing Director

**R.RAMKUMAR**  
Whole-time Director

Place : Chennai  
Date : May 30, 2015

**CONSOLIDATED PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2015**

<b>Particulars</b>	<b>Note</b>	<b>For the year ended 31-03-2015 (Rs. In Lakhs)</b>	<b>For the year ended 31-03-2014 (Rs.In Lakhs)</b>
I. Revenue from operations	16	5,006.18	7,089.26
II. Other Income (net)	17	-	155.45
III. Work In Progress - WIP		635.09	
<b>Total Revenue (I + II)</b>		<b>5,641.27</b>	<b>7,244.71</b>
III. Expenses			
(a) Employee benefit expenses	18	2,568.66	2,437.94
(b) Operation and other expenses	19	11,329.49	56,053.16
(c) Finance costs	20	6,233.69	555.40
(d) Depreciation and amortization expense	9	4,772.99	3,272.89
<b>Total Expenses</b>		<b>24,904.83</b>	<b>62,319.39</b>
IV. Profit before tax		(19,263.57)	(55,074.68)
V. Tax expense			
(a) Current tax			
(b) Deferred tax		(536.91)	(566.65)
(c) MAT credit entitlement			
		<b>(18,726.7)</b>	<b>(54,508.03)</b>
VI. Profit after tax		(18,726.66)	(54,508.03)
VII. Available for Appropriation		-	-
VIII. Proposed Dividend		-	-
IX. Tax on Dividend		-	-
X. Profit for the year		<b>(18,726.66)</b>	<b>(54,508.03)</b>
<b>Earnings per equity share of face value ` 1</b>		<b>1,238.95</b>	<b>1,238.95</b>
Basic and Diluted Earning per share (`)		(15.11)	(44.00)
<b>Notes forming part of the financial statements</b>			

As per my Report of even date attached  
**For V. Viswanathan & Associates**  
Chartered Accountant  
Firm Registration No. 013713S

For and on Behalf of the Board

**V. Viswanathan**  
Proprietor  
Membership No.228990

**R.VIJAYKUMAR**  
Managing Director

**R.RAMKUMAR**  
Whole-time Director

Place : Chennai  
Date : May 30, 2015

<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2015</b>		
<b>Particulars</b>	<b>Year ended 31-03-2015 (Rs.)</b>	<b>Year ended 31-03-2014 (Rs.)</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	(19,263.57)	(55,074.68)
<b>Adjustments for:</b>		
Depreciation and Amortisation	4,772.99	3,272.89
(Profit) / Loss on sale of Fixed assets	-	-
Dividend on Mutual Funds	-	-
Interest Income	-	-
Interest Expense	6,233.69	555.40
Exchange differences on translation of foreign currency cash and cash equivalents	-	-
Preliminary Expenses written off	-	-
<b>Operating Cash Flow Before Working Capital Changes</b>	<b>(8,256.89)</b>	<b>(51,246.39)</b>
<b>Adjustments for:</b>		
Decrease (increase) in sundry debtors	7,351.62	51,570.76
Decrease (increase) in inventories	4,154.84	1,740.34
Decrease (increase) in Other current assets	2,294.59	5,204.68
Decrease (increase) in loans and advances	7,272.05	3,247.89
Increase / (Decrease) in Trade and other payables	1,630.64	(18,520.78)
<b>Cash generated from / (used in) Operations</b>	<b>14,446.86</b>	<b>(8,003.50)</b>
Income Taxes paid during the year		
<b>Net Cash generated from / (used in) Operating Activities during the year - A</b>	<b>14,446.86</b>	<b>(8,003.50)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(75.21)	-
Sale of Fixed Assets		-
Purchase of long term investments	-	-
Dividend on mutual funds		-
Interest income		-
<b>Net Cash generated from / (used in) Investing Activities during the year - B</b>	<b>(75.21)</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	-	-
Tax on Dividend Paid	-	-
Increase / (Decrease) in Loan Funds	(8,181.36)	-
Interest Expense	(6,233.69)	(555.40)
Issue of Share Capital (including share premium)	-	8,207.01
<b>Net Cash generated from Financing Activities during the year - C</b>	<b>(14,415.05)</b>	<b>7,651.61</b>
<b>D. EXCHANGE DIFFERENCE</b>		
Exchange difference on translation of foreign currency cash and cash equivalents	-	-
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C + D)</b>	<b>(43.41)</b>	<b>(351.89)</b>
Cash and Cash Equivalent as at the beginning of the year	47.32	399.22
Cash and Cash Equivalent at the end of the year	3.91	47.32
Cash and Bank balances at the end of the year	3.91	47.32
<p>Note: 1. Cash and Cash Equivalents represent Cash, Balances with Banks in Current Account and Fixed Deposits</p> <p>2. Figures in brackets indicate Cash flow</p> <p>3. Figures for the previous year have been regrouped / rearranged wherever found necessary</p>		
As per my Report of even date attached		For and on Behalf of the Board
<b>For V. Viswanathan &amp; Associates</b>		
Chartered Accountant		
Firm Registration No. 013713S		
	<b>R.VIJAYKUMAR</b>	<b>R.RAMKUMAR</b>
	Managing Director	Whole-time Director
<b>V. Viswanathan</b>		
Proprietor		
Membership No.228990		
Place : Chennai		
Date : May 30, 2015		

## CONSOLIDATE NOTES TO ACCOUNT

### A. Significant Accounting Policies

#### 1. Basis for preparation of accounts

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/2013 Act, as applicable on accrual basis following the historical cost conventions.

#### 2. Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to the accounting estimates is recognised prospectively in the current and future periods. Estimates include provisions for resurfacing obligations, employee benefit plans, provision for income taxes and provision for diminution in the value of investments.

#### 3. Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees rounded off to the nearest Rupee. Per share data is presented in Indian Rupees to two decimals places

#### 4. Revenue Recognition

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

### B. Revenue from Operations

#### c. Service income

Revenues, in respect of revenue from network products and projects are recognized on completion of respective works contracts. In respect of fixed price service activities, revenue is recognized on time and materials basis. In respect of other contracts, revenue is recognized on the achievement of the milestones set out in the contracts.

The revenues from Services and Installation Charges are recognized on completion of respective works contract/s. Income from Investments is recognized when the right to receive the payment is established. Interest is recognized using the Time-Proportion method, based on the rates implicit in the transaction.

**d. Other Operating Income**

- b. Other operational revenue represents income earned from activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

**B. Other Income**

- d. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.  
e. Profit/loss on sale of investments is recognised at the time of actual sale/redemption.  
f. Other items of income are accounted for as and when the right to receive arises.

**5. Employee Benefits**

**(iv) Short Term Employee Benefits**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

**(v) Post-Employment Benefits**

- c) Defined Contribution Plans: The Company's obligation to employee's provident fund is a defined contribution plan. The contribution paid/payable is recognized in the period in which the employee renders the related service.  
d) Defined Benefit Plans: The Company's obligation towards gratuity is a defined benefit plan.

The present value of the obligation under such Defined Benefit Plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized in the Statement of Profit and loss.

**(vi) Long Term Employee Benefits**

The obligation for long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans as mentioned in (ii) (b) above.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

## **6. Fixed Assets**

### **Tangible**

Fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Administrative and other general overhead expenses that are specifically attributable to the construction or acquisition of fixed assets, for bringing the fixed asset to working condition are allocated and capitalised as a part of cost of fixed asset.

### **Intangible**

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

Administrative and other general overhead expenses that are directly attributable to development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development".

## **7. Depreciation and Amortisation**

### **Depreciation**

Depreciation on assets have been provided on straight-line basis at the rates specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions. For assets that are transferred/sold within the group, depreciation is calculated up to the month preceding the month of transfer/sale within the group.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

### **Amortisation**

Telecom Software and other intangibles are amortised over a period of three years.

## **8. Inventories**

Stock-in-trade is valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

## **9. Leases**

### **Operating**

Assets acquired on leases where a significant portion of risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to Statement of Profit and Loss on accrual basis.

Assets leased out under operating leases are capitalised. Rental income is recognized over the lease term.

### **Finance**

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.

Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

The lease rentals paid during the year and the future lease obligations of HP EMI's for agreements in vogue as on March 31, 2015 are as follows:

(Rs. in lakhs)

<b>Lease rentals paid (including HP EMI's)</b>	<b>31st March,2015</b>	<b>31st March,2014</b>
Lease rentals paid during the year	Nil	Nil

<b>Future lease obligations</b>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
Due within 1 year from the balance sheet date	Nil	344.54
Due between 1 and 5 years	Nil	Nil
Due after 5 years	Nil	Nil

## 10. Impairment of Assets

At each balance sheet date, the carrying amount of assets is tested for impairment so as to determine:

- c. The provision for impairment loss, if any; and
- d. The reversal of impairment loss recognised in previous period, if any,

Impairment loss is recognised, when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- c. in case of an individual asset, at the higher of net selling price and net value in use;
- d. in case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the net value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.)

## 11. Investments

Investments which are readily realisable and are intended to be held for not more than one year from the date of acquisition are classified as current investment. All other investments are classified as long term investment.

Current Investments are stated at lower of cost and market value. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment.

Long term investments are carried at cost, after providing for any diminution, if other than temporary in nature.

## **12. Cash and bank balances**

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents.

## **13. Borrowing costs**

Borrowing costs include interest, commitment charges, amortization of ancillary costs, amortization of discounts / premium related to borrowings, finance charges in respect of finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest cost.

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized / inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

In compliance of AS-16 "Borrowing Cost", income earned on temporary investments, out of funds borrowed which are intermittently surplus but inextricably linked with the project, is deducted from the related borrowing costs incurred.

## **14. Foreign currency transactions**

The reporting currency of the Company is the Indian Rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items carried at historical cost denominated in a foreign currency, are reported using the exchange rate on the date of the transaction.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are:

- (c) adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.
- (d) recognised as income or expense in the period in which they arise.

## **15. Segment accounting**

- (v) Segment revenue includes sales directly identifiable with / allocable to the segment.
- (vi) Expenses that are directly identifiable with/allocable to the segments are considered for determining the segment result.
- (vii) Expenses which relate to the Company as a whole and not allocable to segments are included under "unallocable corporate expenditure". Similarly Income which relate to the Company as a whole and not allocable to segments is included in "unallocable corporate income".
- (viii) Segments assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

## **16. Taxes on Income**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961 and based on the expected outcome of assessments/appeals.

Deferred tax is recognized on timing differences between the accounting income accounted in financial statements and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax asset relating to unabsorbed depreciation/business losses and losses under the head "capital gains" are recognised and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

Other deferred tax asset are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

## **17. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event.
- b) a probable outflow of resources is expected to settle the obligation, and
- c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in the case of:

- d) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- e) a possible obligation when no reliable estimate is possible and
- f) A possible obligation arising from a past event unless the probability of outflow of resources is remote

Contingent Assets are neither recognized, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet date.

## **18. Operating cycle**

Operating cycle for the business activities of the company is taken as twelve months.

## **19. Cash flow Statement**

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under indirect method, the net profit is adjusted for the effects of:

- iv) Transactions of non-cash nature.
- v) Any deferrals or accruals of past or future operating cash receipts or payments, and
- vi) Items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on date of balance sheet are also included under this category with a specific disclosure.

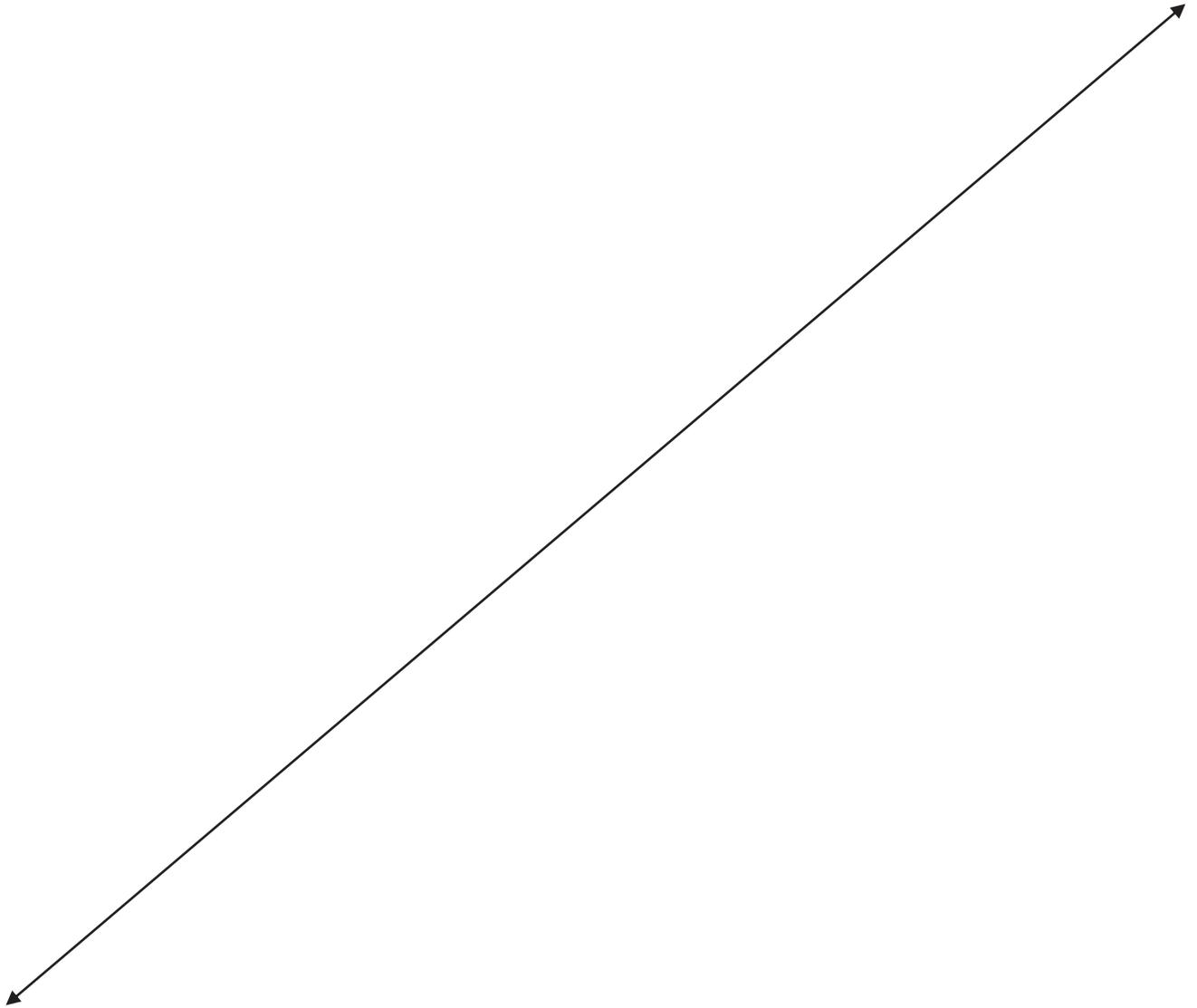
## **20. Commitments**

Commitments are future liabilities for contractual expenditure. They are classified and disclosed as follows:

- d) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- e) Uncalled liability on shares and other investments partly paid;
- f) Funding related commitment to subsidiary, associate and joint venture companies; and

## **21. Claims**

- iii. Claims against the company are accounted for as and when accepted.
- iv. Claims by the company are recognised and accounted for as and when received.



<b>2. SHARE CAPITAL</b>				
Share capital consist of the following:				
			<b>As at</b>	<b>As at</b>
15,00,00,000 Equity Shares of Rs. 1/- each			<b>31<sup>st</sup> March 2015</b>	<b>31<sup>st</sup> March 2014</b>
			<b>(Rs.)</b>	<b>(Rs.)</b>
<b>Authorised</b>				
15,00,00,000 Equity share of Rs. 1/- each (31 <sup>st</sup> March 2015:15,00,00,000 Equity share of Rs. 1/- each)			1,500.00	1,500.00
<b>Issued, Subscribed &amp; paid up</b>				
123894703 Equity share of Rs. 1/- each (31 <sup>st</sup> March 2015: 12,38,94,703 Equity share of Rs. 1/- each)			1,238.95	1,238.95
			<b>1,238.95</b>	<b>1,238.95</b>
<b>a. Reconciliation of number of shares</b>				
	<b>As at 31st March 2015</b>		<b>As at 31st March 2014</b>	
	<b>No. of shares</b>	<b>Amount (Rs.)</b>	<b>No. of shares</b>	<b>Amount (Rs.)</b>
<b>Equity shares</b>				
Opening balance (face value - Rs. 1)	1,238.95	1,238.95	1,238.95	1,238.95
Issue of shares	-	-	-	-
Buyback of shares	-	-	-	-
Closing balance	<b>1,238.95</b>	<b>1,238.95</b>	<b>1,238.95</b>	<b>1,238.95</b>
<b>b. Shares held by holding company, its subsidiaries and associates</b>				
The company does not have any holding company.				
<b>c. Rights, preferences and restrictions attached to equity shares</b>				
The company has one class of equity shares having a face value of ` 1/- per share. Each shareholder is eligible for one vote for each share held in the company. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.				
<b>d. Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>				
	<b>As at 31st March 2015</b>		<b>As at 31st March 2014</b>	
<b>Name of the shareholder</b>	<b>No of shares</b>	<b>% of share capital</b>	<b>No of shares</b>	<b>% of share capital</b>
Ramamurthy Vijaykumar	270,18,809	21.81%	294,68,809	23.79%
Merrill Lynch International	197,46,885	15.94%	197,46,885	15.94%
GPC MAURITIUS II LLC	125,00,000	10.09%	125,00,000	10.09%
Radhika Vijaykumar	85,02,304	6.86%	109,52,304	8.84%
Ramamurthy Ramkumar	50,92,417	4.11%	56,49,940	4.56%
<b>e. Shares allotted as fully paid up by way of bonus shares (during the 5 years preceding 31st March 2015): NIL</b>				



<b>5. DEFERRED TAX BALANCES</b>		
Deferred tax balances consist of the following:		
	<b>As at</b>	<b>As at</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>(a) Deferred tax liabilities</b>		
(i) Depreciation and amortisation	635.76	1,202.41
(ii) Expenses allowed for tax purpose	(569.85)	(566.65)
	<b>65.91</b>	<b>635.76</b>
<b>6. SHORT-TERM BORROWINGS</b>		
Short-term borrowings consist of the following:		
	<b>As at</b>	<b>As at</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Secured		
(a) From Bank - Cash Credit	12,610.25	16,151.40
Unsecured		
(a) 6% Convertible Bonds 2012 (Refer Note...)		
	<b>12,610.25</b>	<b>16,151.40</b>
<b>7. OTHER CURRENT LIABILITIES</b>		
Other current liabilities consist of the following:		
	<b>As at</b>	<b>As at</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
(a) Trade Payables	1,967.41	3,294.95
(b) Other Liabilities	7,477.86	3,170.24
	<b>9,445.27</b>	<b>6,465.19</b>
<b>8. SHORT-TERM PROVISIONS</b>		
Short-term provisions consist of the following		
	<b>As at</b>	<b>As at</b>
	<b>31st March 2015</b>	<b>31st March 2014</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
(a) Proposed equity dividend	-	-
(b) Tax On proposed equity divided	-	17.75
(c) Provision for Income Tax and Wealth Tax	-	787.83
(d) Provision for Fringe Benefit Tax	-	0.99
(e) Provision for Gratuity	63.72	63.72
(f) Provision for Salary	240.79	313.24
(g) Provision for Others	147.00	620.64
	<b>451.52</b>	<b>1,804.17</b>

<b>10. NON - CURRENT ASSETS</b>		
Non - current assets consist of the following		
	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
<b>(b) Non - Current Investments</b>		
Investments-Union Bank of India - Mutual Fund	10.00	10.00
	<b>10.00</b>	<b>10.00</b>
<b>11. INVENTORIES</b>		
Inventories consist of the following		
	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Stock in Trade	1,043.23	5,198.05
	<b>1,043.23</b>	<b>5,198.05</b>
<b>12. TRADE RECEIVABLES</b>		
Trade receivables consist of the following:		
	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
(a) Over six months from the date they were due for payment		
(i) Considered good	2,112.62	70,854.69
(ii) Considered doubtful	-	-
Less: Provison for Bad & Doubtful Debts	-	62,311.71
	2,112.62	8,542.98
(b) Others		
(i) Considered good	-	921.26
(ii) Considered doubtful	-	-
	<b>2,112.62</b>	<b>9,464.24</b>
<b>13. CASH AND BANK BALANCES</b>		
Cash and bank balances consist of the following		
	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Cash on Hand		
Balance with Scheduled Bank		
In Current Accounts	3.91	47.32
In Unpaid Dividend A/cs		
In Margin with Bank Of India		
In Fixed Deposit Accounts		
Balance with Non-Scheduled Banks		
In Current Accounts		
	<b>3.91</b>	<b>47.32</b>

<b>14. SHORT-TERM LOANS AND ADVANCES (Unsecured)</b>		
Short-term loans and advances consist of the following		
	<b>As at 31st March 2015 (Rs.)</b>	<b>As at 31st March 2014 (Rs.)</b>
(a) Advances recoverable in cash or in kind	155.25	7,427.30
(b) Trade Advances	-	-
	<b>155.25</b>	<b>7,427.30</b>
<b>15. OTHER CURRENT ASSETS</b>		
	<b>As at 31st March 2015 (Rs.)</b>	<b>As at 31st March 2014 (Rs.)</b>
(a) Telephone & Rent Deposits	39.54	45.87
(b) EMD & Security Deposits	276.37	1,956.22
(c) Other Current Assets	1,029.49	1,501.06
(d) Prepaid Expenses	-	2.79
(e) TDS Receivables	752.46	886.52
	<b>2,097.86</b>	<b>4,392.45</b>
<b>16. REVENUE FROM OPERATIONS</b>		
Revenue from operations consist of revenues from:		
	<b>For the year ended 31st March 2015 (Rs.)</b>	<b>For the year ended 31st March 2014 (Rs.)</b>
(a) Sales income from Network Product & Services	5,006.18	7,089.26
	<b>5,006.18</b>	<b>7,089.26</b>
<b>17. OTHER INCOME</b>		
Other income consist of the following:		
	<b>For the year ended 31st March 2015 (Rs.)</b>	<b>For the year ended 31st March 2014 (Rs.)</b>
(a) Interest received from Banks	-	155.45
(b) Commissions & Other Incomes	-	-
(c) Exchange Rate Difference Gain	-	-
	<b>-</b>	<b>155.45</b>
<b>18. EMPLOYEE BENEFIT EXPENSES</b>		
Employee benefit expenses consist of the following:		
	<b>For the year ended 31st March 2015 (Rs.)</b>	<b>For the year ended 31st March 2014 (Rs.)</b>
(a) Salaries, Wages & Bonus	2,544.66	2,342.54
(b) PF Contribution, ESI	-	68.34
(c) Staff Welfare	-	3.06
(d) Directors Remuneration	24.00	24.00
(e) Gratuity	-	-
	<b>2,568.66</b>	<b>2,437.94</b>

**19. OPERATION AND OTHER EXPENSES**

Operation and other expenses consist of the following:

	For the year ended	For the year ended
	31st March 2015	31st March 2014
	(Rs.)	(Rs.)
Cost of Materials & Project Expenses	1,932.82	4,258.65
Absolute Stock - Write Off	4,088.49	1,560.00
Rent	105.19	102.36
Electricity	12.55	22.35
Travelling & Conveyance	149.12	37.73
Postage & Telephone Charges	153.41	136.64
Repairs & Maintenance - Vehicles	2.95	0.62
Repairs & Maintenance- Others	2.38	8.34
Books & Periodicals	-	0.01
Licence Charges	-	-
Printing & Stationery	16.22	5.79
Training Expenses	-	0.07
Audit Fee	4.25	10.96
Service Charges Paid	21.95	-
Sales Tax Paid	-	-
Consultancy Charges	20.16	10.09
Entertainment	-	-
Insurance Premium	6.18	79.32
Legal Fees	1.62	75.94
Office Maintenance	22.19	30.61
Secretarial Expenses	2.18	2.03
Rates & Taxes	1.59	1.47
Carriage Expenses	26.99	-
Sundry Expenses	210.41	845.45
Buyback Expenses	-	-
Bad debts	4,469	48,742.23
Exchange Rate Difference Loss	-	-
Loss on sale of fixed asset	-	-
Lease Rent	-	-
Advertisement Expenses	-	-
Business Promotion Expenses	79.79	122.50
Commission, Discount, etc	-	-
	<b>11,329.49</b>	<b>56,053.17</b>

**20. FINANCE COSTS**

Finance costs consist of the following:

	For the year ended	For the year ended
	31st March 2015	31st March 2014
	(Rs.)	(Rs.)
(a) Interest and finance charges	6,233.69	555.40
	<b>6,233.69</b>	<b>555.40</b>

SCHEDULE - 9 : FIXED ASSETS	GROSS BLOCK			DEPRECIATION'				NET BLOCK			
	As at	Additions	Deletion	As at	As At	For the	Deletion/ Adjustments	As at	Impairment	As At	As at
	01.04.14	during the Yr.		31.03.15	01.04.14	Year		31.03.15		31.03.15	31.03.14
	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs
<b>LAND &amp; BUILDING</b>											
Land	674.20	-	-	674.20	-	-	-	-	-	674.20	674.20
Land - Lease hold	40.12	-	-	40.12	1.85	0.18	-	2.03	-	38.09	38.27
Building	508.16	-	-	508.16	70.89	7.29	-	78.18	-	429.98	437.27
<b>PLANT &amp; MACHINERY</b>											
Computer Machinery	2,101.52	31.98	-	2,133.50	2,029.44	80.66	-	2,110.10	-	23.40	72.07
Networking Equipments	1,868.61	-	-	1,868.61	1,027.01	12.48	-	1,039.49	670.76	158.36	841.60
RFID Equipment	463.75	-	-	463.75	124.35	316.20	-	440.55	-	23.20	339.38
Air Conditioner	9.26	-	-	9.26	2.45	0.68	-	3.13	-	6.13	6.81
<b>FURNITURES &amp; FIXTURES :</b>											
Furniture & Fixtures	225.66	1.28	-	226.94	122.31	21.58	-	143.89	-	83.05	103.34
Electrical Fittings	698.05	36.56	-	734.61	321.50	3.08	-	324.58	303.54	106.49	376.58
Office Equipments	56.55	4.80	-	61.35	38.00	5.69	-	43.69	-	17.66	18.55
<b>VECHILES:</b>											
Vehicles	0.24	0.59	-	0.83	0.12	0.13	-	0.25	-	0.58	0.13
<b>INTANGIBLE ASSETS:</b>											
Software	11,234.06	-	-	11,234.06	8,589.72	2,644.34	-	11,234.06	-	-	2,643.92
Intangible Assets	1,392.07	-	-	1,392.07	685.69	706.38	-	1,392.07	-	-	706.38
<b>Total</b>	<b>19,272.25</b>	<b>75.21</b>	<b>-</b>	<b>19,347.46</b>	<b>13,013.33</b>	<b>3,798.69</b>	<b>-</b>	<b>16,812.02</b>	<b>974.30</b>	<b>1,561.14</b>	<b>6,258.50</b>
<b>Previous Year</b>	<b>15,877.68</b>	<b>-</b>	<b>-</b>	<b>15,877.68</b>	<b>10,009.58</b>	<b>2,513.92</b>	<b>-</b>	<b>12,523.50</b>	<b>-</b>	<b>3,267.08</b>	<b>8,790.35</b>
*Note: As per Schedule II of Companies Act 2013, amount of Rs. 194.06 lacs adjusted against opening reserves											

#### Note 21:

The general economic slowdown has affected the telecom industry. The late auction of spectrum by government and the slowdown of 3G and 4G technologies have not brought cheer to the telecom industry. The non-payment of government receivables has resulted into substantial erosion of the Company's net worth and the Company has incurred cash losses. The Company continues to take various measures such as cost optimisation, improving operating efficiency, renegotiation of contracts with customers to improve Company's operating results and cash flows. Further the management believes that new spectrum auction will result in exponential growth in 3G 4G & LTE which are expected to generate incremental cash flows to the Company. In view of the above mentioned factors, the Company continued to prepare its Financial Statements on going concern basis. In view of the above mentioned factors, the Company continued to prepare its Financial Statements on going concern basis.

#### Note 22: Contingent liabilities

There are some on-going litigations against the company for the contractual liabilities. The monetary value of the aforesaid litigations could not be quantified and the contingent liabilities, which may arise thereto, also could not be determined.

The management of the company retains the litigations stated above shall not have any material/financial impact on Company.

**Note 23: Impairment of Assets**

As required Under Accounting Standard -28 "Impairment of Assets" the carrying amount of an asset exceeds its recoverable amount and value in use, and hence provision for impairment loss of Rs.974.30 Lakhs , has been provided in the financial statements.

**Note 24: Inventory Write off**

Inventories worth of Rs. 4,155 Lakhs have lost its potential of realisation and the cost of maintenance of the said inventories had imposed continual burden on the Company. Therefore, the inventories have been written off as per company's policy

**Note 25: DEFERRED TAX LIABILITY**

The provision for deferred tax liability for the year ended March 31, 2015 has been made in accordance with Accounting Standard 22 on Accounting for Taxes on Income. The Deferred Tax Liability as at March 31, 2015 is on account of Depreciation of Rs. 635.76 Lakhs and the Deferred Tax Liability as at 31<sup>st</sup> March, 2015 is Rs.65.91 Lakhs.

**Note 26: LEASE**

All operating leases entered into by the company are cancelable on giving a notice of one to three months.

The lease rentals paid during the year and the future lease obligations of HP EMI's for agreements in vogue as on March 31, 2015 are as follows:

<b>Lease rentals paid (including HP EMI's)</b>	<b>31 March,2015</b>	<b>31 March, 2014</b>
Lease rentals paid during the year	Nil	Nil
(Rs. in lakhs)		
<b>Future lease obligations</b>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
Due within 1 year from the balance sheet date	Nil	344.54
Due between 1 and 5 years	Nil	Nil
Due after 5 years	Nil	Nil

**Note 27: Investment details of plan assets:**

The Plan assets are maintained by Life Insurance Corporation Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the company and have not been disclosed.

As per the policy of the company employees are not entitled for leave encashment.

PF & ESI expenses are recognized in the accounts at the actual cost to the company which is deposited with the appropriate Government authorities. Apart from this contribution, the company has no other obligation to provide for in the books.

**Note 28: SEGMENT REPORTING**

The entire operations of the company relates to one segment viz., network product and services.

**Note 29: RELATED PARTY DISCLOSURE****TRANSACTIONS WITH RELATED PARTIES:  
Key Management Personnel**

- o R. Ramkumar – Whole-time Director
- o B. Sreekrishna – Project Director
- o R. Vijaykumar – Managing Director
- o B. Srinivasan – Chief Technology Officer

Name of the Key Management Personnel	Relationship	Nature of Payment	Amount	
			2014-15	2013-14
Mr. R. Vijaykumar	Managing Director	Salary	-	-
Mr. R. Ramkumar	Whole-time Director	Salary	24.00	24.00
Mr. B Sreekrishna	Project Director	Salary	-	-
Mr. B. Srinivasan	Chief Technology Officer	Salary	-	-
Mr. R. Ramkumar	Whole-time Director	Lease Rent	2.00	2.00
Mr. R. Ramkumar	Whole-time Director	Lease Advance Outstanding (as at year end)	22.00	22.00

30) There are Impairment loss of Rs.974.30 Lakhs provided for in the books as on 31.03.2015

31) Bank Guarantees outstanding as on 31.03.2015 is Rs. 76.74 Lakhs

32) Earnings Per Share

Particulars	As at 31 March 2015	As at 31 March 2014
Profit available to Equity Shareholders used as Numerator - (A) (Rs.in Lakhs)	(18,727.66)	(54,508.03)
Number of Shares outstanding	12,38,94,703	12,38,94,703
Weighted Average Number of shares outstanding - (B)	12,38,94,703	12,38,94,703
Effect of dilution (C)	N/A	N/A

Weighted Average No. of Equity Shares including potential shares - (D)	12,38,94,703	12,38,94,703
Adjusted PAT for Dilution of Convertible Bonds (E)	(18,727.66)	(54,508.03)
Earnings per share (Basic) - (A / B) In Rs.	(15.11)	(44.00)
Earnings per share (Diluted) - (E / D) In Rs.	(15.11)	(44.00)

33) Figures for the previous year have been regrouped wherever necessary to conform to the current year's classification

As per my Report of even date attached

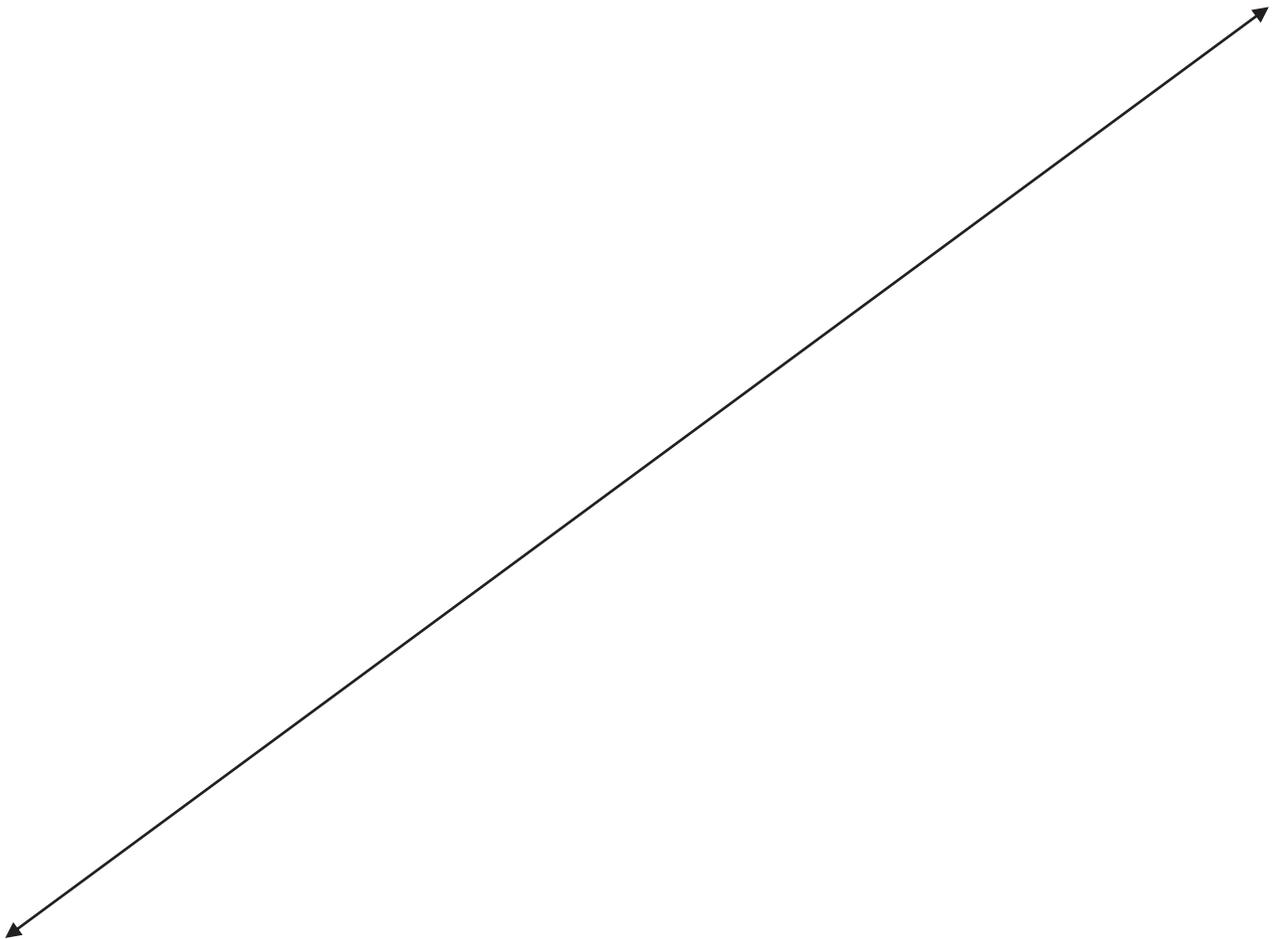
For and on behalf of the Board

V VISWANATHAN  
Chartered Accountant  
Membership No. 228990  
Prop. M/s. V VISWANATHAN & ASSOCIATES  
Firm No.013713S

Place: Chennai  
Date: May 30, 2015

R.VIJAYKUMAR  
Managing Director

R. RAMKUMAR  
Whole-time Director



**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details	Details	Details	Details	Details	Details
1	Name of the subsidiary	Gemini Geoss Energy Pvt. Ltd.	PointRed Telecom Limited	Gemini Traze RFID Private Limited	Gemini Infotech Limited, Hongkong	PR Wireless Tech Limited, Hongkong	GEMINI FTZ, Dubai
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupee					
4.	Share capital	1.00	1,013.12	568.50	3791.02	-	-
5.	Reserves & surplus	0.87	(28,277.08)	(317.08)	(3791.02)	-	-
6.	Total assets	212.12	1,751.10	299.82	-	-	-
7.	Total Liabilities	212.12	1,751.10	299.82	-	-	-
8.	Investments	-	-	-	-	-	-
9.	Turnover	3.44	51.31	-	-	-	-
10.	Profit before taxation	(0.07)	(4,439.15)	(317.08)	-	-	-
11.	Provision for taxation	-	-	-	-	-	-
12.	Profit after taxation	(0.07)	(4,182.04)	(317.08)	-	-	-
13.	Proposed Dividend	-	-	-	-	-	-
14.	% of shareholding	100%	100%	100%	100%	100%	100%

**Notes:** The following information shall be furnished at the end of the statement:

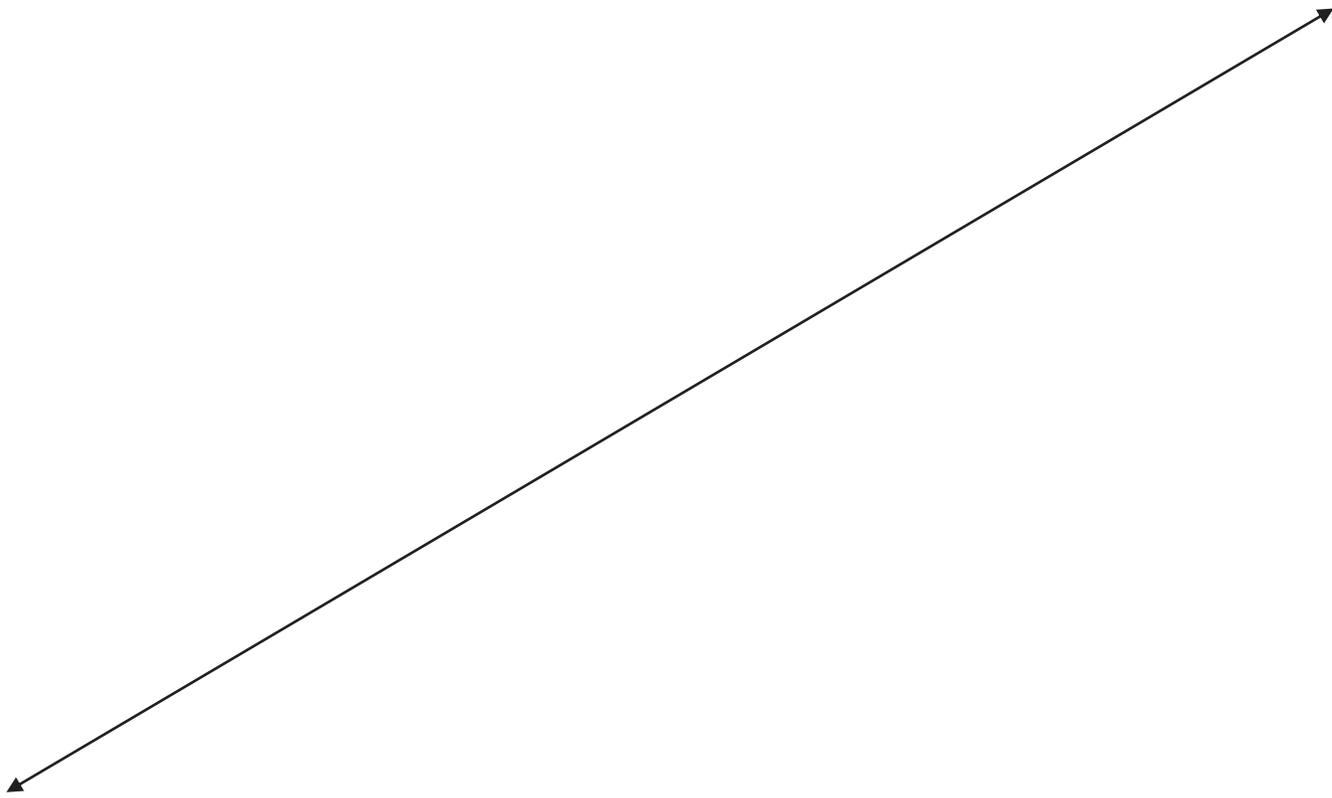
- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	Not Applicable
Latest audited Balance Sheet Date	
Shares of Associate/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding%	
Description of how there is significant influence	
Reason why the associate/joint venture is not consolidated	
Net worth attributable to shareholding as per latest audited Balance Sheet	
Profit/Loss for the year	
Considered in Consolidation	
Not Considered in Consolidation	

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.



**GEMINI COMMUNICATION LIMITED**

CIN: L32301TN1995PLC030087

Reg: Off: No: 01, Dr. Ranga Road, Alwarpet, Chennai – 600 018, Tamil Nadu, India

Phone: No: 91-44-2466 0570/ 0571, Fax No: 91-44-249950620,

e-Mail id: sharedept@gcl.in, website: www.gcl.in

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**ATTENDANCE SLIP**

**To be handed over at the entrance of the Meeting Hall**

Folio No./Client ID & DP ID	
Name of the person attending the Meeting	
Number of Shares held	
I/We hereby record my/our presence at the 20 <sup>th</sup> Annual General Meeting of Gemini Communication Limited to be held on Wednesday, the 30 <sup>th</sup> September, 2015 at 09:00 a.m. at No: 5/307, Bye Pass Road, Sennerkuppam, Ponamallee, Chennai – 600 056, Tamil Nadu, India.	
Signature of Shareholder/Proxy	



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**GEMINI COMMUNICATION LIMITED**

CIN: L32301TN1995PLC030087

Reg: Off: No: 01, Dr. Ranga Road, Alwarpet, Chennai – 600 018, Tamil Nadu, India

Phone: No: 91-44-2466 0570/ 0571, Fax No: 91-44-249950620,

e-Mail id: sharedept@gcl.in, website: www.gcl.in

**PROXY FORM**

Name of Member(s) .....

Folio No/ Client ID No. ....

I/ We, being the member(s) holding.....Equity Shares of Gemini Communication Limited, hereby appoint

1. Name: ..... Signature: .....

Or failing him

2. Name: ..... Signature: .....

Or failing him

3. Name: ..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the nineteenth Annual General Meeting of the company to be held on Wednesday, 30<sup>th</sup> September, 2015 at 09:00 a.m. at No: 5/307, Bye Pass Road, Sennerkuppam, Ponamallee, Chennai – 600 056, Tamil Nadu, India and at any adjournment thereof in respect of resolutions as are indicated below:

**Resolutions:**

1. To receive, consider and adopt the Directors' Report and the Audited statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2015 and the Balance Sheet as at that date and the Report of the Auditors thereon.
2. To appoint a director in the place of Mr. Eswaran Annamalai (Holding DIN - 01232125), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of M/s. V Viswanathan & Associates as Statutory Auditors of the Company

<p>Affix 1 Rupee Revenue Stamp</p>
--

Signed this .....day of ..... 2015

Signature of Shareholder..... Signature of Proxy holder(s) .....

**Note:**

This form in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.

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