

SYNTEL TELECOM LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of SYNTEL TELECOM LTD will be held on Thursday, the 30th September, 2010 at 11.00 a.m. at the Registered office of the Company at Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025 to transact the following Business :

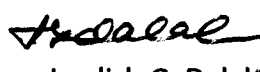
ORDINARY BUSINESS:


1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and Profit & Loss Accounts for the period ended on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Hiren Rao who retires by rotation as required under section 256 of the Companies Act, 1956 and being eligible, officers himself for reappointment.
3. To appoint Auditors of the Company to hold office up the conclusion of the next Annual General Meeting and to fix their remuneration.

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM SELF AND A PROXY NEED NOT BE A MEMBER.

Registered Office,
Arvind Ltd Premises,
Naroda Road,
Ahmedabad – 380 025.

BY ORDER OF THE BOARD


Jagdish G. Dalal
(Directors)


Vipen Malhotra
(Directors)

Date: 25th May, 2010
Place: Ahmedabad

**SYNTEL TELECOM LIMITED
DIRECTORS' REPORT**

Dear Shareholders,

Your Directors are pleased to present their Annual Report along with the audited accounts for the year ended on 31st March, 2010.

1. FINANCIAL RESULTS

During the year under review, the company has incurred a loss of Rs. 27,28,174.25 and the same is carried to Balance sheet.

2. DIVIDEND

The Directors do not recommend any dividend on equity shares for the year 2009-10 in view of the accumulated losses of the Company.

3. DEPOSITS

The Company has not accepted any deposits under the Companies Acceptance of Deposits Rules, 1975.

4. DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Hiren Rao retires by rotation at the forthcoming annual general meeting and being eligible, offers himself for reappointment.

5. PARTICULARS OF EMPLOYEES

The Company does not have any employee covered under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

6. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA) of the Companies Act, 1956, the Directors state that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards;
- ii. Such accounting policies have been selected and applied consistently and such judgments and estimates have been made as are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31st March, 2010 and of the profit of the Company for the year;



- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. The attached statements of accounts for the year ended on March 31, 2010 have been prepared on a going concern basis.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption are not being given as the Company has not undertaken any manufacturing activity.

There were no foreign exchange earnings or outgo during the period under review.

8. AUDITORS:

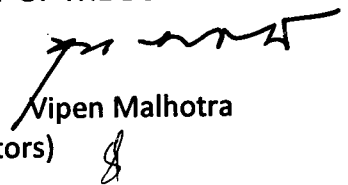
The Company's Auditors M/s Rajni Shah & Associates, Chartered Accountants, retire at the conclusion of forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. You are requested to appoint Auditors and to fix their remuneration.

FOR AND ON BEHALF OF THE BOARD



Jagdish G. Dalal

(Directors)



Vipen Malhotra

Place: Ahmedabad

Date: 25th May, 2010

Rajni Shah & Associates

Chartered Accountants

302, Mohini II, Opp: Gandhigram Rly. Station,
Off Ashram Road, Ahmedabad - 380 009.

Auditor's Report

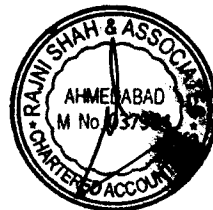
Auditor's Report to the Members of **SYNTEL TELECOM LIMITED** (formerly known as Western Intercom Pvt. Ltd.)

We have audited the attached Balance Sheet of **SYNTEL TELECOM LIMITED**, as at 31st March, 2010 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial management presentation. We believe that our audit provides a reasonable basis for our opinion.

Further, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) 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;
- (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;



Ph. : (O) 26581169 Fax : 079 - 26589709
(R) 94266 - 81169 M. : 98240 - 30999
E-mail : rmshah@satyam.net.in

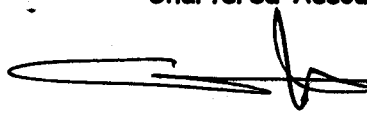
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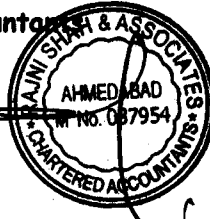
- (vi) Further to the above, we report that *the net worth of the company is completely eroded and hence the company can not be said to be a going concern.*
- (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view which is 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 31st March, 2010; and
- (b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.

Place:- Ahmedabad

Date:- 25th May, 2010

For, Rajni Shah & Associates
Chartered Accountants


Rajni Shah
Proprietor
M. No. 037954



SYNTEL TELECOM LIMITED

(Formerly known as Western Intercom Private Limited.)

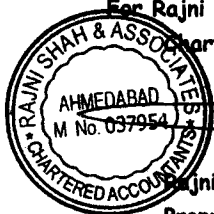
BALANCE SHEET AS ON 31st MARCH, 2010

(AMT. Rs.)

PARTICULARS	SCH	AS ON 31.03.2010	AS ON 31.03.2009
SOURCES OF FUNDS:			
(I) SHARE HOLDERS' FUND			
Share capital	A	500000.00	500000.00
Reserves & surplus		0.00	0.00
(II) LOAN FUND			
Secured Loan		0.00	0.00
Unsecured Loan	B	12321930.00	11045322.00
TOTAL		12821930.00	11545322.00
APPLICATION OF FUNDS:			
(I) FIXED ASSETS			
Gross Block	C	769536.60	477580.52
Less: Depreciation		356429.00	289352.00
Net Block		413107.60	188228.52
(II) INVESTMENTS			
	D	382221.00	374575.00
(III) NET CURRENT ASSETS			
Current Assets, Loans & Advances	E	3216550.17	2367273.25
Less: Current Liabilities & Provisions	F	2961062.41	427694.16
NET CURRENT ASSETS		255487.76	1939579.09
(IV) MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)			
Preliminary Expenditure		0.00	0.00
Preoperative & Project Exp.		0.00	0.00
(V) Profit & Loss Account			
		11771113.64	9042939.39
TOTAL		12821930.00	11545322.00
NOTES ON ACCOUNTS	I		

As per our report of even date attached

For and on Behalf of the Board of

For Rajni Shah & Associates
Chartered Accountants

Rajni M. Shah

Proprietor

Membership No. -037954

Firm Regi. No. -108468W

Ahmedabad, Dated 25th May 2010

Syntel Telecom Limited

Directors

(Jagdish Dalal) (Vipen Malhotra)

Ahmedabad, Dated 25th May 2010

SYNTEL TELECOM LIMITED

(Formerly known as Western Intercom Private Limited.)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2010

(AMT. Rs.)

PARTICULARS	SCH	FOR YEAR	FOR YEAR
		2009-2010	2008-2009
INCOMES:			
Sale of Services		235450.00	0.00
Increase/ (Decrease) of Inventory		432000.00	0.00
Other Incomes	G	26816.00	26508.00
TOTAL(X)		694266.00	26508.00
EXPENSES:			
Purchase		538560.00	0.00
Administrative expense	H	2816803.25	166511.00
Depreciation	C	67077.00	17360.00
Preliminary Exp. W/off		0.00	0.00
TOTAL(Y)		3422440.25	183871.00
PROFIT/-LOSS BEFORE TAX (X-Y)		-2728174.25	-157363.00
Ass: Less: Current tax		0.00	0.00
Less: Deferred tax		0.00	0.00
Loss for the year		-2728174.25	-157363.00
B/ F from Previous year		-9042939.39	-8885576.39
PROFIT/-LOSS AFTER TAX		-11771113.64	-9042939.39
LESS: APPROPRIATIONS			
BALANCE CARRIED TO BALANCE SHEET		-11771113.64	-9042939.39
NOTES ON ACCOUNTS	I		

As per our report of even date attached

For and on Behalf of the Board of

For Rajni Shah & Associates
Chartered Accountants

Rajni M. Shah

Proprietor

Membership No.-037954

Firm Regi. No.-108468W

Ahmedabad, Dated 25th May 2010

Syntel Telecom Limited

 Directors
 (Jagdish Dalal) (Vipen Malhotra)

Ahmedabad, Dated 25th May 2010

SYNTEL TELECOM LIMITED

(Formerly known as Western Intercom Private Limited.)

Year : 2009-2010

Schedules forming part of Accounts

PARTICULARS	(AMT. Rs.)	
	FOR 2009-2010	FOR 2008-2009
SCHEDULE "A" SHARE CAPITAL		
<u>Authorised Capital</u>		
50000 (previous Year) 9900 Unclassified Shares of Rs 10/- each	0.00	0.00
50000(Previous Year 50000) Equity Shares of Rs 10/- each	500000.00	500000.00
<u>Issued, Subscribed and Paid up Capital</u>		
50000 (Previous Year 50000 Equity Shares of Rs. 10/- each (Fully paid up)	500000.00	500000.00
TOTAL	500000.00	500000.00
SCHEDULE "B" UNSECURED LOANS		
Arvind Mills Limited (Loan A/c.)	10000000.00	10000000.00
Arvind Mills Limited	2309900.00	1033292.00
Lalbhai Realty Finance Pvt Ltd	12030.00	12030.00
TOTAL	12321930.00	11045322.00
SCHEDULE "D" INVESTMENTS		
F. D. with Bank of Baroda	137535.00	137535.00
F. D. with S. B. S. Bank	1000.00	1000.00
F. D. with S. B. I. Bank	236686.00	229040.00
F. D. with UCO Bank	5000.00	5000.00
N. S. C. (for S. T. Banglore)	2000.00	2000.00
TOTAL	382221.00	374575.00

SYNTEL TELECOM LIMITED

(Formerly known as Western Intercom Private Limited.)




2009-2010

SCHEDULE "C"

FIXED ASSETS

Type of Asset	Gross Block				Depreciation			Net Block	
	AS AT 01.04.2009	Addition	Deduction	AS AT 31.03.2010	UP TO 01.04.2009	For The Year	UP TO 31.03.2010	AS AT 01.04.2009	AS AT 31.03.2010
Air Conditioner	60000.00	32774.08	5376.00	87398.08	51804.00	4163.00	55967.00	8196.00	31431.08
Electric Installation	17797.00	0.00	0.00	17797.00	15395.00	917.00	16312.00	2402.00	1485.00
Furniture & Fixtures	399783.52	10616.00	0.00	410399.52	222153.00	13690.00	235843.00	177630.52	174556.52
Data Process Machinery	0.00	253942.00	0.00	253942.00	0.00	48307.00	48307.00	0.00	205635.00
TOTAL	477580.52	297332.08	5376.00	769536.60	289352.00	67077.00	356429.00	188228.52	413107.60
2008-09	477580.52	0.00	0.00	477580.52	271992.00	17360.00	289352.00	205588.52	188228.52

SYNTEL TELECOM LIMITED


Directors
(Jagdish Dalal) 
(Vipen Malhotra)


SYNTEL TELECOM LIMITED

(Formerly known as Western Intercom Private Limited.)

Year : 2009-2010

Schedules forming part of Accounts

(AMT. Rs.)

PARTICULARS	FOR 2009-2010	FOR 2008-2009
SCHEDULE "E"		
<u>CURRENT ASSETS, LOANS AND ADVANCES</u>		
<u>Cash & Bank Balances</u>		
Cash on Hand	0.35	0.35
Bank of Baroda Pune	81232.00	81376.00
State Bank of India, Ahmedabad (SBS)	525008.73	525558.73
State Bank of India, Pune (SBS)	52334.31	452909.39
State Bank of India, Mumbai (SBS)	738018.25	0.00
UCO Bank - Bangalore	12825.87	12985.87
UCO Bank - Delhi	11837.66	12357.66
T O T A L(I)	1421257.17	1085188.00
<u>Sundry Debtors</u>		
» UnSecured (Considered Bad - No Provision made)		
O/S. for more then Six months	48299.64	242790.89
O/S. for less then Six months		0.00
T O T A L(II)	48299.64	242790.89
<u>Other Current Assets</u>		
Inventory (Internet Telephony)	432000.00	0.00
Branch Imprest - Ahmedabad	-5000.00	-5000.00
Branch Imprest - Bangalore	3371.79	3371.79
Branch Imprest - Chennai	873.89	873.89
Branch Imprest - New Delhi	9068.35	9068.35
Branch Imprest - Pune	2594.84	2594.84
Branch Imprest - Bombay	113758.00	0.00
License	800000.00	900000.00
Interest Accrued	15916.00	0.00
TDS 2003-04	8652.00	8652.00
TDS 2005-06	0.00	2700.00
TDS 2007-08	2293.00	2293.00
TDS 2008-09	3903.00	3903.00
TDS 2009-10	2380.00	0.00
T O T A L(III)	1389810.87	928456.87
<u>Advances (receivable in cash or kind)</u>		
H. Kamlesh	4150.00	4150.00
Sales Tax Receivable (LST Bangalore)	38734.26	38734.26
Sales Tax Receivable (LST Delhi)	2391.95	2391.95
Sales Tax Receivable (LST Chennai)	459.38	459.38
S. Moitra	1200.00	1200.00
Tax Deducted at Source	16728.00	16728.00
Central Railway Security Deposit	16558.00	16558.00
CTO Royapptah Asst. Cir. 1	17300.00	17300.00
South Central Railway Guntakul	13315.90	13315.90
Service Tax Recievable (Professsional Charges)	231750.00	0.00
Service Tax Recievable (Others)	14595.00	0.00
T O T A L(IV)	357182.49	110837.49
GRAND TOTAL (I+II+III+IV)	3216550.17	2367273.25




SYNTEL TELECOM LIMITED

(Formerly known as Western Intercom Private Limited.)

Year : 2009-2010

Schedules forming part of Accounts

(AMT. Rs.)

PARTICULARS		
	FOR 2009-2010	FOR 2008-2009
SCHEDULE "F"		
<u>Current Liabilities and Provisions</u>		
<u>Creditors</u>		
<u>For Raw Materials</u>		
Arvind Mills Ltd.	305022.21	305022.21
Ashok Bahal	300.00	300.00
BHOR Industries Ltd.	9199.00	9199.00
S. E. Prabhakar & Co. C. A.	2000.00	2000.00
<u>For Contractors</u>		
Arvind Limited (Telecom Division)	2233575.00	0.00
TOTAL(I)	2550096.21	316521.21
<u>Current Liabilities</u>		
Advance from Customers	153119.25	0.00
L. S. T. Gujarat	3500.31	3500.31
Provision for Bad Debts	48187.64	48187.64
Professional Tax Payable (Staff - Pune)	8800.00	8800.00
Unpaid Expenses	3420.00	3420.00
Licence Fee Payable	2730.00	0.00
Unpaid Audit Fees	0.00	4853.00
Rajni Shah & Associates	16545.00	0.00
Unpaid Account Charges	2694.00	5694.00
Deffered Tax Liability	20705.00	20705.00
Provision for Income Tax (05-06)	0.00	8413.00
Provision for Income Tax (04-05)	0.00	2700.00
Provision for Income Tax (07-08)	4900.00	4900.00
Income Accrued but not Due	146365.00	0.00
TOTAL(II)	410966.20	111172.95
GRAND TOTAL (I+II)	2961062.41	427694.16
SCHEDULE "G"		
<u>Other Incomes</u>		
Bank F. D. Interest	26816.00	26264.00
Interest on I.T. Refund	0.00	244.00
TOTAL	26816.00	26508.00

SYNTEL TELECOM LIMITED

(Formerly known as Western Intercom Private Limited.)

Year : 2009-2010

Schedules forming part of Accounts

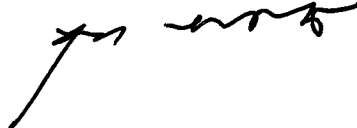
(AMT. Rs.)

PARTICULARS	FOR 2009-2010	FOR 2008-2009
SYNTEL TELECOM LIMITED (Formerly known as Western Intercom Private Limited.)		
Year : 2009-2010		
Schedules forming part of Accounts		
SCHEDULE "H"		
Administrative Expenses		
Bank Charges	4160.45	35388.00
Accounting Charges	0.00	3000.00
Audit fees	11030.00	4853.00
Conveyance Expenses	97625.00	535.00
Legal Fees	0.00	1500.00
Filing Fees	4257.00	0.00
License Fees	16630.00	16700.00
License Fees Written Off	100000.00	100000.00
Repairs to Others	2494.00	0.00
Postage Expenses	205.00	0.00
Internet Expenses	16996.00	0.00
Telephone expenses	32760.00	0.00
E mail Expenses	20406.00	0.00
Advertisement by us - Others	61981.80	0.00
Travelling Expenses	23809.00	0.00
Office Expenses	5427.00	0.00
Stamp Paper Expenses	1670.00	0.00
Interest On Others	984.00	0.00
Freight	896.00	0.00
Bank Charges (Import)	1450.00	0.00
Professional Service Charges	2340434.00	0.00
Stationary Expenses	15009.00	1957.00
Income Tax	0.00	2578.00
Refreshment Expenses	33061.00	0.00
Gift and Presentation	9850.00	
Guest Entertainment Expenses	15668.00	
TOTAL	2816803.25	166511.00

Gruping forming part of Schedules

<u>Travelling Expenses</u>	Rs.
Fares	19166.00
Lodging & Boarding	960.00
Conveyance	2973.00
Telephone	490.00
Other Expenses	220.00
TOTAL	23809.00

B



Syntel Telecom Limited

(Formerly Known as Western Intercom Pvt. Ltd.)

AHMEDABAD

2009-2010

SCHEDULE "I"

Notes forming part of the Accounts :

(A) DISCLOSURE OF ACCOUNTING POLICIES:

(1) Method of Accounting

The company is following the accrual system of accounting.

(2) Fixed Assets

The Fixed Assets are stated at cost less depreciation.

(3) Inventories

There is no opening - NIL
and closing stock Rs. 432000.00

(4) License Fee

1/10th of License Fee is charged to profit and loss account and remaining amount will amortized over a period of 8 years as per AS 28 of the **Institute of Chartered Accounts of India**.

(5) Depreciation

Depreciation on Fixed Assets is calculated on straight line method at the rates prescribed by Schedule XIV to the Companies Act, 1956.

(B) OTHER NOTES :

1. Previous year's figures are regrouped wherever necessary.

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2. According to the nature of the business there is no fixed licensed capacity nor any fixed installed capacity.
3. The balances of advances / loans given / obtained and Debtors and creditors are subject to their confirmations.
4. No provision has been made for loans given and debtors which are very old and not recoverable.
5. The earning per share as prescribed by AS 20 issued by ICAI and the Companies Act, 1956 is Nil.
6. As there was no material items having timing difference between financial statement and estimated taxable income and hence no provision for deferred tax assets/liabilities are made in the book of accounts.

7. Auditors' Remuneration: (Rs.)

	<u>2009-10</u>	<u>2008-09</u>
Audit Fees	11030.00	4853.00

8. C.I.F. Value of Imports

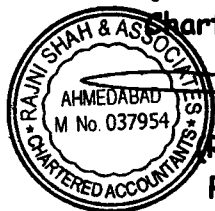
PURCHASE SERVICES	Rs. 5,38,560.00	Rs. (NIL)
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9. Sales :

Revenue Services	Rs. 2,35,450.00	Rs. (NIL)
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10. Additional information pursuant to the provisions of Schedule VI of the Companies Act, 1956 other than those mentioned above are either not applicable to the company Or are Nil and hence not reported.

For, Rajni Shah & Associates
Chartered Accountants



(Rajni Shah)
Proprietor

Place :- Ahmedabad:
Dated : 25.05.2010

For and on behalf of the Board

(Handwritten signatures)
(Jagdish Dalal) (Vipen Malhotra)

Place :- Ahmedabad:
Dated : 25.05.2010