SORAB S. ENGINEER & CO. (Regd.)
CHARTERED ACCOUNTANTS

TELEPHONE : +91 22 2282 48 11
+91 22 2204 08 61
EMAIL : sorabsengineer@yahoo.com
ssemum@sseco.in
WEB : www.sseco.in

902, RAHEJA CENTRE
FREE PRESS JOURNAL MARG
NARIMAN POINT
MUMBAI - 400 021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SYNTELTELECOM LIMITED

Report on the IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **Syntel Telecom Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "IND AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone IND AS 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2019, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the IND AS Financial Statements

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

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A 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 that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid IND AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31st March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.

(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 Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigation which would impact its financial position.

ii We are informed that the Company did not have any long-term contracts Including Derivative contracts for which there were any material foreseeable losses;

iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration Number 110417W

CA. N. D. Anklesaria
Partner
Membership No. 10250

PUNE
Date : 29th April, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF SYNTEL TELECOM LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Syntel Telecom Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

CA N.D. Anklesaria
Partner
Membership No. 10250

Place : Pune
Date : 29th April, 2019.

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF SYNTEL TELECOM LIMITED

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our Independent Auditor's Report of even date,

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

(b) As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties and hence this clause is not applicable.

(ii) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and the discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the Company, and the same have been properly dealt with in the books of account.

(iii) The Company has not granted secured / unsecured loans to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, requirements of clause (iii) of paragraph 3 of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under section 185 and 186 of the Act. Consequently, requirements of clause (iv) of paragraph 3 of the Order are not applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) The Company is not engaged in production, processing, manufacturing and mining activities. Therefore, the provisions of maintenance of cost records specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 mentioned in clause (vi) of paragraph 3 of the Order are not applicable.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Goods and Service Tax, Employees' State Insurance, Income Tax, Wealth Tax, Sales Tax, Duty of Custom, Duty of Excise, Value added tax, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there were no dues in respect of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess which have not been deposited on account of any dispute.

(viii) The Company has no borrowings from Financial Institutions, Bank, Government or Debenture Holders. Consequently, requirements of clause (viii) of paragraph 3 of the Order are not applicable.

(ix) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer. However, the term loans obtained during the year were, *prima facie,* applied by the Company for the purpose for which they were raised, other than temporary deployment pending application.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) To the best of our knowledge and belief and according to the information and explanations given to us, no managerial remuneration has been paid/provided in the Financial Statements during the year. Consequently, requirements of clause (xi) of paragraph 3 of the Order are not applicable.

(xii) The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the order are not applicable.

(xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the standalone Ind AS financial statements etc. as required by the applicable accounting standards.

(xiv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, requirements of clause (xiv) of paragraph 3 of the order are not applicable.

(xv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the nature of the business, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

CA N.D. Anklesaria
Partner
Membership No. 10250

Place : Pune
Date : 29th April, 2019.

Syntel Telecom Limited

Balance Sheet as at March 31, 2019

Particulars	Notes	As at Mar 31, 2019 In Rs.	As at Mar 31, 2018 In Rs.
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	5	12,59,002	15,02,603
(b) Financial assets			
(i) Investments	6	1,48,50,000	1,48,50,000
(ii) Other financial assets	6	2,56,000	2,56,000
Total non-current assets		**1,63,65,002**	**1,66,08,603**
II.Current assets			
(a) Inventories	8	5,79,67,278	2,77,22,115
(b) Financial assets			
(i) Trade receivables	6	6,56,03,009	2,95,27,553
(ii) Cash and cash equivalents	6	7,83,222	29,87,589
(iii) Bank balance other than (ii) above	6	2,25,840	2,25,840
(iv) Loans	6	17,83,99,883	7,78,10,674
(iv) Others financial assets	6	32,725	17,26,653
(c) Current tax assets (net)	9	17,97,374	20,94,855
(c) Other current assets	7	18,73,640	21,470
Total current assets		**30,66,82,971**	**14,21,16,749**
Total Assets		**32,30,47,973**	**15,87,25,352**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	5,00,000	5,00,000
Retained earnings	11	4,55,32,106	2,54,37,770
Total equity		**4,60,32,106**	**2,59,37,770**
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(b) Deferred tax liabilities (net)	22	64,431	96,736
Total non-current liabilities		**64,431**	**96,736**
II.Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	21,06,73,592	8,00,75,573
(ii) Trade payables	12	4,40,55,881	2,37,26,883
(iii) Other financial liabilities	12	2,18,43,236	2,43,39,323
(b) Other current liabilities	13	3,78,727	45,49,067
Total current liabilities		**27,69,51,436**	**13,26,90,846**
Total equity and liabilities		**32,30,47,973**	**15,87,25,352**

Summary of Significant Accounting Policies

The accompanying notes are an intergral part of the Financial Statements

As per our report of even date attached

For Sorab S. Engineer and Co.
Chartered Accountants
Firm Registration No.110417W

CA N.D. Anklesaria
Partner
Membership No.10250
Place : Pune
Date : 29-4-2019

For and on behalf of the Board of Directors of
Syntel Telecom Limited

Vipen Malhotra
Director
DIN: 02658059
Place : Pune
Date : 29-4-2019

Sanjeev Thaker
Director
DIN: 0008066075
Place : Pune
Date : 29-4-2019

Syntel Telecom Limited

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	For the year ended Mar 31, 2019 In Rs.	For the year ended Mar 31, 2018 In Rs.
Income			
Revenue from operations			
Sale of Products	14	28,15,31,741	23,21,53,866
Other Operating Income	14	5,25,252	2,28,54,425
Revenue from operations		**28,20,56,993**	**25,50,08,291**
Other income	15	2,37,62,352	4,37,03,808
Total income (I)		**30,58,19,345**	**29,87,12,099**
Expenses			
Purchase of stock-in-trade	16	28,09,69,372	23,88,93,934
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(3,02,45,163)	(1,06,20,525)
Finance costs	17		
Depreciation and amortisation expense	18	2,28,44,080	4,41,70,378
Exchange Gain/Loss	19	2,43,602	2,43,602
Other expenses	21	8,21,254	-
	20	30,93,773	17,22,546
Total expenses (II)		**27,77,26,918**	**27,44,09,935**
Profit / (Loss) before exceptional items and tax (III)=(I-II)		**2,80,92,427**	**2,43,02,164**
Exceptional items (IV)		-	-
Profit / (Loss) before tax (V) = (III-IV)		**2,80,92,427**	**2,43,02,164**
Tax expense			
Current tax	22	80,00,000	67,00,000
Deferred tax	22	(32,305)	(31,649)
Short/(Excess) provision of Income Tax of earlier years (net)		30,396	1,33,804
Total tax expense (VI)		**79,98,091**	**68,02,155**
Profit / (Loss) for the period (VII) = (V-VI)		**2,00,94,336**	**1,75,00,009**
Other comprehensive income (VIII)		-	-
Total Comprehensive Income / (Loss) for the period, net of tax (VII+VIII)		**2,00,94,336**	**1,75,00,009**
Profit for the year attributable to:			
Equity holders of the parent		-	-
Non-controlling interest		-	-
		-	-
Earning per equity share [nominal value per share Rs.10/- (March 31, 2019: Rs.10/-)]			
Basic earning per share	24	401.89	350.00
Diluted earning per share	24	401.89	350.00

Summary of Significant Accounting Policies

The accompanying notes are an intergral part of the Financial Statements

As per our report of even date attached

SSE&Co For Sorab S. Engineer and Co.
Chartered Accountants
Firm Registration No.110417W

CA N.D. Anklesaria
Partner
Membership No.10250
Place : Pune
Date : 29-4-2019

For and on behalf of the board of directors of
Syntel Telecom Limited

Vipen Malhotra
Director
DIN: 02658059
Place : Pune
Date : 29-4-2019

Sanjeev Thaker
Director
DIN: 0008066075
Place : Pune
Date : 29-4-2019

SYNTEL TELECOM LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2019

Amount in Rs.

Particulars		31-03-2019		31-03-2018	
CASHFLOW FROM FROM OPERATING ACTIVITIES					
Net change in Reserves and Surplus			2,80,92,427		2,43,02,164
Adjustment for:					
Depreciation		2,43,602		2,43,602	
Interest expenses		2,28,44,080		4,41,70,378	
Taxes of Current year		(80,00,000)		(67,00,000)	
Taxes of earlier years		(30,396)		(1,33,804)	
Interest income		(2,37,62,352)		(4,37,03,808)	
OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES AND EXTRA -ORDINARY ITEMS			(87,05,066)		(61,23,632)
Adjustment for :					
Trade and other receivables		(1,24,71,347)		6,49,84,358	
Inventories		(3,02,45,163)		(1,06,20,525)	
Trade payable		2,03,28,998		(2,32,09,464)	
Other Current Liabilities		(2,95,10,507)		(2,13,92,935)	
Direct taxes refund / (paid)		2,97,481	(5,16,00,538)	(20,94,855)	76,66,579
NET CASH FROM OPERATING ACTIVITIES	A		(3,22,13,177)		2,58,45,111
CASHFLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets		-		-	
Change in Other bank balances		-		-	
Purchase of investments (Investment in LLP)		-		(1,48,50,000)	
Deposits given		-		(2,31,000)	
NET CASH USED IN INVESTING ACTIVITIES	B		-		(1,50,81,000)
CASHFLOW FROM FINANCING ACTIVITIES					
From short term borrowings		13,05,98,019		6,88,95,111	
Loans given		(10,05,89,209)		(7,78,10,674)	
NET CASH USED IN FINANCING ACTIVITIES	C		3,00,08,810		(89,15,563)
NET CASH INCREASE IN CASH AND CASH EQUIVALENTS (A-B+C)			(22,04,367)		18,48,548
Cash and cash equivalents as on 01-04-2018			29,87,589		11,39,041
Cash and cash equivalents as on 31-03-2019			7,83,222		29,87,589

Previous year's figures have been regrouped / rearranged wherever necessary.

Summary of Significant Accounting Policies

The accompanying notes are an intergral part of the Financial Statements

As per our report of even date attached

For SORAB S. ENGINEER & CO.
Chartered Accountants
Firm Regn No.110417W

CA N.D. ANKLESARIA
Partner
Membership No.10250

Place : Pune
Date : 29-4-2019

For and on behalf of the Board of Directors of
Syntel Telecom Limited

Vipen Malhotra
Director
DIN: 02658059

Place : Pune
Date 29-4-2019

Sanjeev Thaker
Director
DIN: 0008066075

Place : Pune
Date : 29-4-2019

Syntel Telecom Limited

Statement of changes in Equity for the year ended March 31, 2019

A. Equity share capital

Balance	Amount
	Note 10
As at March 31, 2017	5,00,000
Issue of Equity Share capital	-
As at March 31, 2018	5,00,000
Issue of Equity Share capital	-
As at March 31, 2019	5,00,000

B. Other equity

Particulars	Attributable to the equity holders of the parent						
	Retained Earnings	Other Reserves			Total	Non-controlling interest	Total other equity
		Foreign currency monetary item translation	Net gains / (loss) on hedging instruments in a cash flow hedge	Net gain / (loss) on FVOCI equity instruments			
	Note 11	Note 11	Note 11	Note 11			
As at March 31, 2017	79,37,761	-	-	-	79,37,761	-	79,37,761
Profit for the period	1,75,00,009	-	-	-	1,75,00,009	-	1,75,00,009
other comprehensive income for the period	-	-	-	-	-	-	-
Total Comprehensive income for the period year	1,75,00,009	-	-	-	1,75,00,009	-	1,75,00,009
Balance as at March 31, 2018	2,54,37,770	-	-	-	2,54,37,770	-	2,54,37,770
As at April 1, 2018	2,54,37,770	-	-	-	2,54,37,770	-	2,54,37,770
Profit for the period	2,00,94,336	-		-	2,00,94,336	-	2,00,94,336
other comprehensive income for the period	-	-		-	-	-	-
Total Comprehensive income for the period the year	2,00,94,336	-		-	2,00,94,336	-	2,00,94,336
Less: Appropriations	-	-					-
Balance as at March 31st, 2019	4,55,32,106	-		-	4,55,32,106	-	4,55,32,106

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SORAB S. ENGINEER & CO.

Chartered Accountants

Firm Regn No.110417W

CA N.D. ANKLESARIA

Partner

Membership No.10250

Place : PUNE

Date 29-4-2019

For and on behalf of the Board of Directors of Syntel Telecom Limited

Vipen Malhotra

Director

DIN: 02658059

Place PUNE

Date 29-4-2019

Sanjeev Thaker

Director

DIN: 0008066075

Place : PUNE

Date 29-4-2019

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

1. Corporate Information

Syntel Telecom Limited ("the Company") is a public company in India and is incorporated under the provisions of the Companies Act. The registered office of the company is located at Arvind Mills Premises, Naroda Road, Ahmedabad - 380025.

The Company has got dealership of video conferencing units of CISCO and digital / IP EPABX of Alcatel including data networking products. The Company is selling its CISCO products through its holding company – Arvind Limited – Telecom Division and Alcatel products through Arvind Limited – Telecom Division as well as its distribution network.

2. Statement of Compliance and Basis of preparation

2.1 Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the company prepared its financial statements in accordance with Accounting Standards specified in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provision of the Act.

2.2 Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the followings:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value;
- Value in Use

2.3 Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest rupee as per the requirement of Schedule III, except when otherwise indicated.

SSE & Co.

3. Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the company in preparing its financial statements:

3.1. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

55E+6

3.3. Foreign currencies

The company's financial statements are presented in INR, which is also the company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the company's functional currency rates at the date the transaction first qualifies for recognition.

3.4. Fair value measurement

The company measures financial instruments such as Investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
  Or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

SSE & Co

3.5. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognised in profit or loss as incurred.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013 except for Plant and Machinery other than Lab equipment and Leasehold Improvements.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation on Plant and Machinery other than Lab equipment is provided on straight line basis over the useful lives of the assets as estimated by management based on internal assessment. The management estimates the useful lives as follows:

Assets	Useful Life
Plant & Machinery other than Lab equipment	10 Years

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Transition to Ind AS

On transition to Ind AS, the Company has elected to measure all items of property, plant and equipment at cost eligible under Ind AS 16 less accumulated amortisation and accumulated impairment losses, if any.

SSE & Co.

3.6. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

3.7. Inventories

Inventories of Stock-in-trade are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.8. 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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sale of goods
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with dispatch. Revenue from export sales are recognized on shipment basis. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable including excise duty, net of returns and allowances, trade discounts and volume rebates.

Interest income
For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

SSE & Co.

3.9. Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement of financial assets

All financial assets, except investment in subsidiaries and joint ventures, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

- **Financial assets at amortised cost :**

  A financial asset is measured at amortised cost if:

  - the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
  - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

- **Financial assets at fair value through other comprehensive income**

  A financial asset is measured at fair value through other comprehensive income if:

  - the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
  - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

SS&Co.

- **Financial assets at fair value through profit or loss**
  FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

  After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of profit and loss.

(iii) Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire, or
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iv) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 18, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 18 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

55E&6

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables, loans and borrowings from related parties.

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

  Gains or losses on liabilities held for trading are recognised in the profit or loss.

- **Loans and Borrowings**

  This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
  This category generally applies to borrowings.

(iii) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

SSE & Co.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.10. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.11. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Current income tax are recognised in correlation to the underlying transaction 2either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

SSE & Co

- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.12. Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

55E&G

Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.13. Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

4. Significant accounting estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1. Estimates and assumption

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 42 for further disclosures.

SSE & Co.

Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience.

Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Property, plant and equipment

Refer Note 3.5 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

As per our report of even date attached

SSE&Co.

For Sorab S. Engineer & Co.
Chartered Accountants
Firm Registration No. 110417W

CA N.D. Anklesaria
Partner
Membership No.: 10250
Place : Pune
Date : 29-4-2019

For and on behalf of the Board

Vipen Malhotra
Director
DIN: 02658059
Place : Pune
Date: 29-4-2019

Sanjeev Thaker
Director
DIN: 0008066075

Syntel Telecom Limited

Notes to the Financial Statements

Note 5 : Property, plant and equipment

Fixed Assets	Plant & machinery	Furniture & fixture	Office equipment	Computer, server & network	Total
Cost					
As at April 1, 2018	**24,20,512**	**4,17,600**	**87,398**	**10,58,988**	**39,84,497**
Additions	-	-	-	-	-
Deductions	-	-	-	-	-
As at Mar 31, 2019	**24,20,512**	**4,17,600**	**87,398**	**10,58,988**	**39,84,497**
Depreciation and Impairment					
Exchange difference	-	-	-	-	-
As at April 1, 2018	**9,80,418**	**4,00,048**	**86,226**	**10,15,201**	**24,81,893**
Depreciation for the year	2,33,037	2,967	198	7,400	2,43,602
Inter Transfers	-	-	-	-	-
Impairment for the year	-	-	-	-	-
Recoupment / Adjustment	-	-	-	-	-
Deductions	-	-	-	-	-
Exchange difference	-	-	-	-	-
As at Mar 31, 2019	**12,13,455**	**4,03,014**	**86,424**	**10,22,602**	**27,25,495**
Net Block					
As at Mar 31, 2019	12,07,057	14,585	974	36,386	12,59,002
As at Mar 31, 2018	14,40,094	17,552	1,172	43,786	15,02,604

SSE & Co

Syntel Telecom Limited
Notes to the Financial Statements

Note 6 : Financial assets

6 (a) Investments

	As at March 31, 2019 In Rs.	As at March 31, 2018 In Rs.
Non-current investment		
Investment in LLP's		
Enkay Converged Technologies LLP	1,48,50,000	1,48,50,000
Total non-current investments	**1,48,50,000**	**1,48,50,000**
Total current investments		-

6 (b) Trade receivables

Particulars	Mar 31, 2019 In Rs.	Mar 31, 2018 In Rs.
Current		
Unsecured, considered good	6,61,41,413	2,95,27,553
Less : Allowance for doubtful debts	-5,38,404	-
Total Trade and other receivables	**6,56,03,009**	**2,95,27,553**
Non-current	-	-
Current	**6,56,03,009**	**2,95,27,553**

6 (c) Loans

Particulars	Mar 31, 2019 In Rs.	Mar 31, 2018 In Rs.
Current		
Unsecured considered good		
Loans to related parties	17,83,99,883	7,78,10,674
	17,83,99,883	**7,78,10,674**
Total Loans	**17,83,99,883**	**7,78,10,674**
Non-current	-	-
Current	17,83,99,883	**7,78,10,674**

6 (d) Cash and cash equivalent

Particulars	Mar 31, 2019 In Rs.	Mar 31, 2018 In Rs.
Balance with Bank		
Current accounts and debit balance in cash credit accounts	7,72,313	29,76,680
Cash on hand	10,909	10,909
Total cash and cash equivalents	**7,83,222**	**29,87,589**

6 (e) Other bank balance

Particulars	Mar 31, 2019 In Rs.	Mar 31, 2018 In Rs.
Deposits with original maturity of more than three months but less than 12 months	2,25,840	2,25,840
Total other bank balances	**2,25,840**	**2,25,840**
Total cash and cash equivalents	**10,09,062**	**32,13,429**

55EY60

6 (f) Other financial assets

Particulars	Mar 31, 2019 In Rs.	Mar 31, 2018 In Rs.
(Unsecured, considered good)		
Non-current		
Security deposits	2,56,000	2,56,000
	2,56,000	**2,56,000**
Current		
Income receivable	-	14,93,139
Accrued Interest	32,725	27,200
Receivable other than trade	-	2,06,314
	32,725	**17,26,653**
Total Financial Assets	**2,88,725**	**19,82,653**

Particulars	Mar 31, 2019	Mar 31, 2018
Financial assets- At amortised cost		
(i) Trade receivables	6,56,03,009	2,95,27,553
(ii) Cash and cash equivalents	7,83,222	29,87,589
(iii) Bank balance other than (ii) above	2,25,840	2,25,840
(iv) Loans	17,83,99,883	7,78,10,674
(v) Others financial assets	2,88,725	19,82,653
Total Financial Assets	**24,53,00,679**	**11,25,34,309**

Note 7 : Other Current Assets

Particulars	Mar 31, 2019 In Rs.	Mar 31, 2018 In Rs.
Current (Unsecured, considered good)		
Advance to suppliers	7,94,649	21,470
SAD receivable from Custom Dept	10,40,554	-
Prepaid expenses	38,437	-
	18,73,640	**21,470**
Total	**18,73,640**	**21,470**

Note 8 : Inventories (At lower of cost and net realisable value)

Particulars	Mar 31, 2019 In Rs.	Mar 31, 2018 In Rs.
Stock In Trade	5,79,67,278	2,77,22,115
Total	**5,79,67,278**	**2,77,22,115**

Note 9 : Current Tax Assets (Net)

Particulars	Mar 31, 2019 In Rs.	Mar 31, 2018 In Rs.
Tax Paid in Advance (Net of Provision of Rs. 1,47,30,396/-)	17,97,374	20,94,855
Total	**17,97,374**	**20,94,855**

SSE & Co.

Syntel Telecom Limited
Notes to the Financial Statements

Note 10 : Equity share capital

Particulars	Mar 31, 2019 No. of shares	Mar 31, 2019 In Rs.	Mar 31, 2018 No. of shares	Mar 31, 2018 In Rs.
Authorised share capital				
Equity shares of Rs.10 each	50,000	5,00,000	50,000	5,00,000
Issued and subscribed share capital				
Equity shares of Rs.10 each	50,000	5,00,000	50,000	5,00,000
Subscribed and fully paid up				
Equity shares of Rs.10 each	50,000	5,00,000	50,000	5,00,000
Total	**50,000**	**5,00,000**	**50,000**	**5,00,000**

10.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31, 2019 No. of shares	As at March 31, 2019 In Rs.	As at March 31, 2018 No. of shares	As at March 31, 2018 In Rs.
Outstanding at the beginning of the Year	50,000	5,00,000	50,000	5,00,000
Add :				
Shares allotted during the Year	-	-	-	-
Outstanding at the end of the Year	50,000	5,00,000	50,000	5,00,000

10.2. Rights, Preferences & Restrictions attached to the equity shares :
The Company has one class of shares referred to as equity shares having a par value of Rs.10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

10.3. Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of the Shareholder	Mar 31, 2019 No. of shares	Mar 31, 2019 % of shareholding	Mar 31, 2018 No. of shares	Mar 31, 2018 % of shareholding
Arvind Limited	50,000	100.00	50,000	100.00

10.4. Ordinary Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding March 31, 2019
The Company has not allotted any Shares pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding March 31, 2019.

10.5. Shares reserved for issue under options and contracts :
The Company has not issued any Shares under options and contracts.

SSE & Co

Syntel Telecom Limited
Notes to the Financial Statements

Note 11 : Other Equity

Balance	**Mar 31, 2019 In Rs.**	**Mar 31, 2018 In Rs.**
Surplus in statement of profit and loss		
Balance as per last financial statements	2,54,37,770	79,37,761
Add: profit for the year	2,00,94,336	1,75,00,009
Add / (Less): OCI for the year	-	-
	4,55,32,106	**2,54,37,770**
Less: Appropriation	-	-
Balance at the end of the year	**4,55,32,106**	**2,54,37,770**
Total reserves & surplus	**4,55,32,106**	**2,54,37,770**
Total Other equity	**4,55,32,106**	**2,54,37,770**

Note 12 : Financial liabilities

12 (a) Short-term Borrowings

Particulars	**Mar 31, 2019 In Rs.**	**Mar 31, 2018 In Rs.**
Unsecured		
Under Buyer's Credit Arrangement	4,06,35,326	1,46,30,471
Intercorporate Deposits		
From Related Parties	14,58,00,102	6,54,45,102
Vendor Financing From Bank	2,42,38,164	-
Total short-term borrowings	**21,06,73,592**	**8,00,75,573**
Total borrowings	**21,06,73,592**	**8,00,75,573**

Note : Loan taken from the related party carries interest rate of 8.75% (March 31, 2018 : 8.00%) Outstanding balances , at the year-end are unsecured and settlement occurs in cash.

12 (b) Trade payable

Particulars	**Mar 31, 2019 In Rs.**	**Mar 31, 2018 In Rs.**
Current		
Other trade payable (Refer note below)	4,40,55,881	2,37,26,883
	4,40,55,881	2,37,26,883
Total	**4,40,55,881**	**2,37,26,883**

a Other trade payables are not-interest bearing and are normally settled on 30-90 days terms

b The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:
(a) Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;
(b) Interest paid during the year;
(c) Amount of payment made to the supplier beyond the appointed day during accounting year;
(d) Interest due and payable for the period of delay in making payment;
(e) Interest accrued and unpaid at the end of the accounting year; and
(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise. have not been given.
The Company is making efforts to get the confirmations from the suppliers as regard to their status under the said Act.

SSE & Co.

Syntel Telecom Limited
Notes to the Financial Statements

12 (c) Other financial liabilities

Particulars	**Mar 31, 2019 In Rs.**	**Mar 31, 2018 In Rs.**
Current		
Interest accrued and due	1,06,58,767	-
Book overdraft	78,87,509	1,98,58,047
Other financial liabilities	32,96,960	44,81,276
	2,18,43,236	2,43,39,323
Total	**2,18,43,236**	**2,43,39,323**

Financial liabilities- At amortised cost		
(i) Borrowings	23,25,16,828	10,44,14,896
(ii) Trade payables	4,40,55,881	2,37,26,883
Total	**27,65,72,709**	**12,81,41,779**

Note 13 : Other liabilities

Particulars	**Mar 31, 2019 In Rs.**	**Mar 31, 2018 In Rs.**
Current		
Advance from customers	35,498	3,35,109
Statutory dues including GST and tax deducted at source	59,122	35,85,718
Payable to Employees	-	
Income received in advance (unearned income)	2,84,107	6,28,240
Other liabilities	-	-
	3,78,727	**45,49,067**
Total	**3,78,727**	**45,49,067**

SSE & Co.

Syntel Telecom Limited
Notes to the Financial Statements

Note 14 : Revenue from operations

Particulars	Year ended Mar 31, 2019 In Rs.	Year ended Mar 31, 2018 In Rs.
Sale of products	28,15,31,741	23,21,53,866
Other Operating Income	5,25,252	2,28,54,425
Total	**28,20,56,993**	**25,50,08,291**

Note 15 : Other income

Particulars	Year ended Mar 31, 2019 In Rs.	Year ended Mar 31, 2018 In Rs.
Interest income	2,23,15,260	4,35,42,587
Foreign Exchange Gain	14,47,092	1,61,221
Total	**2,37,62,352**	**4,37,03,808**

Note 16 : Purchases of stock-in-trade

Particulars	Year ended Mar 31, 2019 In Rs.	Year ended Mar 31, 2018 In Rs.
Electronic items	28,09,69,372	23,88,93,934
Total	**28,09,69,372**	**23,88,93,934**

SSE & Co

Syntel Telecom Limited

Notes to the Financial Statements

Note 17 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended Mar 31, 2019 In Rs.	Year ended Mar 31, 2018 In Rs.
Stock at the end of the year		
Stock-in-trade	5,79,67,278	2,77,22,115
Work-in-Progress		-
	5,79,67,278	**2,77,22,115**
Stock at the beginning of the year		
Stock-in-trade	2,77,22,115	1,71,01,590
	2,77,22,115	**1,71,01,590**
(Increase) / Decrease in stocks	**(3,02,45,163)**	**(1,06,20,525)**
Total	**(3,02,45,163)**	**(1,06,20,525)**

Note 18 : Finance costs

Particulars	Year ended Mar 31, 2019 In Rs.	Year ended Mar 31, 2018 In Rs.
Interest expense	2,28,44,080	4,41,70,378
Total	**2,28,44,080**	**4,41,70,378**

Note 19 : Depreciation and amortization expense

Particulars	Year ended Mar 31, 2019 In Rs.	Year ended Mar 31, 2018 In Rs.
Depreciation on Tangible assets (Refer Note 1)	2,43,602	2,43,602
Total	**2,43,602**	**2,43,602**

SSE & Co.

Syntel Telecom Limited
Notes to the Financial Statements
Note 20 : Other expenses

Particulars	**Year ended Mar 31, 2019**	**Year ended Mar 31, 2018**
	In Rs.	**In Rs.**
Insurance	98,553	63,251
Rent	4,71,625	1,92,500
Commission, Brokerage & discount	-	36,369
Freight, insurance & clearing charge	5,47,183	5,87,868
Printing,stationery & Communication	8,580	
Legal & Professional charges	3,87,691	2,62,376
Conveyance & Travelling expense	-	1,507
Advertisement and publicity	45,961	-
Auditor's remuneration	4,06,945	2,69,130
Bank charges	6,52,699	2,10,840
Miscellaneous expenses	4,74,536	98,705
Total	**30,93,773**	**17,22,546**

Payment to Auditors (Net of service tax)

Particulars	**Year ended Mar 31, 2019**	**Year ended Mar 31, 2018**
	In Rs.	**In Rs.**
Payment to Auditors as		
Statutory Auditors	1,50,000	1,50,000
For tax audit	45,000	45,000
For Other certification work	1,95,085	74,130
For reimbursement of expenses	16,860	-
Total	**4,06,945**	**2,69,130**

Note 21: Exchange difference

Exchange Loss	8,21,254	-
	8,21,254	-

SSE & Co.

Note 22 : Income tax

The major component of income tax expense for the years ended Mar 31, 2019 and Mar 31, 2018 are :

Particulars	2018-19 In Rs.	2017-18 In Rs.
Statement of Profit and Loss		
Current tax		
Current income tax	80,00,000	67,00,000
Short/(Excess) provision of Income Tax of earlier years (net)	30,396	1,33,804
Deferred tax		
Deferred tax expense	(32,305)	(31,649)
Income tax expense reported in the statement of profit and loss	79,98,091	68,02,155

A) Current tax

Particulars	2018-19 In Rs.	2017-18 In Rs.
Accounting profit before tax from continuing operations	2,80,92,427	2,43,02,164
Tax @ 28.12% (March 31, 2018: 27.55%)	78,99,591	66,95,246
Adjustment		
in respect of Depreciation	71,124	4,754
Short/(Excess) provision of Income Tax of earlier years (net)	30,396	1,33,804
MAT credit Adjustments		
other adjustments		-
Incremental allowance for R&D expense		-
Incremental allowance for Investment in new plant (Investment allowance)		-
Other non-deductible expenses		-
Deferred tax not recognised on investment in subsidiary		-
Other adjustments	(3,019)	-
At the effective income tax rate of 28.47% (March 31, 2018 :28.12%)	79,98,091	68,33,804

B) Deferred tax

Particulars	March 31, 2019 In Rs.	March 31, 2018 In Rs.
Accelerated depreciation for tax purposes	64,431	96,736
Impact of fair valuation of Land	-	-
Others		
Provision for doubtful debt (including allowance for ECL)	-	-
Expenditure allowable on payment basis	-	-
Expenditure allowable over the period (Section 35D / 35DD)	-	-
Unused losses available for offsetting against future taxable income	-	-
Unused tax credit available for offsetting against future taxable income	-	-
MAT credit entitlement	-	-
Deferred tax expense/(income)		
Net deferred tax (assets)/liabilities	**64,431**	**96,736**
Reflected in the balance sheet as follows		
Deferred tax Liability	64,431	96,736
MAT credit entitlement	-	-
Deferred tax (assets)/liabilities (net)	**64,431**	**96,736**

Reconciliation of deferred tax (assets) / liabilities, net	March 31, 2019 In Rs.	March 31, 2018 In Rs.
Opening balance as of April 1	96,736	1,28,385
Tax income/(expense) during the period recognised in profit or loss	(32,305)	(31,649)
Tax income/(expense) during the period recognised in OCI		
Closing balance as at March 31	**64,431**	**96,736**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

ssf Y6

23 Disclosure pursuant to Related Party

(a) Name of Related Parties and Nature of Relationship :

Subsidiary	Enkay Converged Technologies LLP
Holding Company	Arvind Limited

(b) Disclosure in respect of Related Party Transactions :

(Amount in Rs.)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Transactions		
Sale of Goods/ Services		
Enkay Converged Technologies LLP	2,13,51,809	28,97,778
Arvind Limited	16,24,91,897	18,43,41,261
Purchases		
Arvind Limited	27,66,447	33,57,271
Loan Given		
Enkay Converged Technologies LLP	9,03,88,764	7,65,85,500
Loan Taken		
Arvind Limited	8,03,55,000	6,34,05,461
Interest Income		
Arvind Limited	1,09,69,863	4,21,64,383
Enkay Converged Technologies LLP	1,13,33,829	13,61,306
Interest Expenses		
Arvind Limited	1,18,43,075	22,66,267
Arvind Ruf & Tuf Private Limited	1,09,07,534	4,19,04,111
Expenses incurred for others		
Enkay Converged Technologies LLP	5,58,689	-

(c)

(Amount in Rs.)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Balances as at year end		
Capital Investment		
Enkay Converged Technologies LLP	1,48,50,000	1,48,50,000
Trade Receivables		
Enkay Converged Technologies LLP	1,54,20,517	7,78,10,674
Arvind Limited (Telecom)	2,57,39,070	-
Receivable in respect of loan		
Enkay Converged Technologies LLP	17,83,99,883	12,87,836
Payable in Respect of Loan		
Arvind Limited	14,58,00,102	6,54,45,102
Interest Payable (Other Financial Liability)		
Arvind Limited	1,06,58,767	
Trade Payable		
Arvind Limited (Telecom)	1,91,258	-
Arvind Limited	2,38,082	-

Terms and conditions of transactions with related parties

1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances , at the year-end are unsecured and settlement occurs in cash.

2) Loans in INR taken from the related party carries interest rate of 8.75% (March 31, 2018 : 8.00%).

(d) Commitments with related parties

The Company has not provided any commitment to the related party as at March 31, 2019 (March 31, 2018: Rs.Nil)

Syntel Telecom Limited
Notes to the Financial Statements

Note 24 : Earning per share

Particulars	**2018-19 In Rs.**	**2017-18 In Rs.**
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders	2,00,94,336	1,75,00,009
Total no. of equity shares at the end of the year	50,000	50,000
Weighted average number of equity shares		
For basic EPS	50,000	50,000
For diluted EPS	50,000	50,000
Nominal value of equity shares	10	10
Basic earning per share	401.89	350.00
Diluted earning per share	401.89	350.00

SSE & G

Note 25 : Fair value disclosures for financial assets and financial liabilities

The management assessed that the fair values of cash and cash equivalents,other bank balances, trade receivables, other financial assets and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying amount			Fair value		
	As at March 31, 2019	As at March 31, 2018		As at March 31, 2019	As at March 31, 2018	
	In Rs.	In Rs.		In Rs.	In Rs.	
Financial assets						
Investments measured at cost	1,48,50,000	1,48,50,000		1,48,50,000	1,48,50,000	
Trade receivables	6,56,03,009	2,95,27,553		6,56,03,009	2,95,27,553	
Cash and cash equivalents	7,83,222	29,87,589		7,83,222	29,87,589	
Other bank balance	2,25,840	2,25,840		2,25,840	2,25,840	
Loans	17,83,99,883	7,78,10,674		17,83,99,883	7,78,10,674	
Other financial assets	32,725	17,26,653		32,725	17,26,653	
Total	**25,98,94,679**	**12,71,28,309**	-	**25,98,94,679**	**12,71,28,309**	-
Financial liabilities						
Borrowings	21,06,73,592	8,00,75,573		21,06,73,592	8,00,75,573	
Trade payables	4,40,55,881	2,37,26,883		4,40,55,881	2,37,26,883	
Other financial liabilities	2,18,43,236	2,43,39,323		2,18,43,236	2,43,39,323	
Total	**27,65,72,709**	**12,81,41,779**	-	**27,65,72,709**	**12,81,41,779**	-

The management assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values

The fair value of borrowings and other financial liabilities is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

The discount for lack of marketability represents the amounts that the LLPCompany has determined that market participants would take into account when pricing the investments.

SSE & G

Note 26 : Financial instruments risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include trade and other receivables and cash & short-term deposits that derive directly from its operations.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include deposits, trade and other receivables, borrowings and trade and other payables. However, exposure to various market risk is not material and hence, Market risk is assessed by the company at low level.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. The company monitors its credit exposure to its counterparties via their credit ratings (where applicable) and through its policy, thereby limiting its exposure to any one party to ensure there is no significant concentration of credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

SSE & Co.

Syntel Telecom Limited
Notes to the Financial Statements

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Less than 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	more than 5 years
Year ended March 31, 2019					
Interest bearing borrowings*			21,06,73,592		
Trade payables		4,40,55,881			
	-	4,40,55,881	21,06,73,592	-	-
Year ended March 31, 2018					
Interest bearing borrowings*		1,46,30,471		6,54,45,102	
Trade payables		2,37,26,883			
	-	3,83,57,354	-	6,54,45,102	-

Note 27 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

Particulars	Year ended March 31, 2019 In Rs.	Year ended March 31, 2018 In Rs.
Interest-bearing loans and borrowings (Note 12)	21,06,73,592	8,00,75,573
Trade and other payables (Note 12)	4,40,55,881	2,37,26,883
Less: cash and cash equivalent (including other bank balance) (Note 6)	-10,09,062	-29,87,589
Net debt	25,37,20,411	10,08,14,867
Equity share capital (Note 10)	5,00,000	5,00,000
Other equity (Note 11)	4,55,32,106	2,54,37,770
Total capital	4,60,32,106	2,59,37,770
Capital and net debt	29,97,52,517	12,67,52,637
Gearing ratio	85%	80%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

SSE & Co.

Syntel Telecom Limited

Notes to the Financial Statements

Note 28 : Contingent liabilities

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Contingent liabilities not provided for		
a. Guarantees given by the Company to Bank.	NIL	NIL

Note 29:

The figures for the previous year have been re-grouped where ever necessary.

As per our report of even date attached
For Sorab S. Engineer and Co.
Chartered Accountants
Firm Registration No.110417W

SSE&Co.

CA N.D. Anklesaria
Partner
Membership No.10250
Place : Pune
Date : 29-4-2019

For and on behalf of the Board of Directors of
Syntel Telecom Limited

Vipen Malhotra
Director
DIN: 02658059
Place : Pune
Date : 29-4-2019

Sanjeev Thaker
Director
DIN: 0008066075
Place : Pune
Date : 29-4-2019