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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SYNTEL TELECOM LIMITED

Report on the Audit of 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 March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) together with the independence requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.



Emphasis of Matter

We draw attention to note no. 28 of the financial statements, which describes that based on current indicators of future economic conditions, the Company expects to recover the carrying amount of all its assets and revenue recognised. The impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions. Our opinion is not modified in respect of this matter.

Information Other than the Ind AS financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS financial statements

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

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.



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Auditor's Responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 from one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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.



M.S.G.

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 Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Amendment Rules, 2018.
- e) On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020.
- h) 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 has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note No. 29)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.



2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

N.D. Anklesaria

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



UDIN : 20010250AAAABD7240

Place : Mumbai

Date : June 16, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SYNTEL TELECOM LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting 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, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 internal financial controls system over financial reporting of the Company.



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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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

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, to the best of our information and according to the explanations given to us, 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, 2020, 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

N.D. Anklesaria

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



UDIN : 20010250AAAABD7240
Place : Mumbai
Date : June 16, 2020

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SYNTEL TELECOM LIMITED of even date)

i. In respect of the Company's Property, Plant and Equipment:

(a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.

(b) As explained to us, the Property, Plant and Equipment 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 hold any immovable properties and thus disclosure under clause (i)-(c) of paragraph 3 of the order are not applicable.

ii. As explained to us, Inventory has been physically verified by the Management during the year at reasonable intervals 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. According to information and explanations given to us, the Company has not granted any 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 sections 185 and 186 of the Act hence, the 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 and hence, the requirements of clause (v) of paragraph 3 of the order are not applicable.

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) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Goods and Service 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, 2020 for a period of more than six months from the date they became payable.



Mr. G. S.

(b) According to the information and explanations given to us, and as per the records of the Company there are no disputed statutory liabilities payable by the Company.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Financial Institutions, Banks, Government or Debenture holders.

ix. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised money by way of initial public offer/further public offer/debt instrument and term loans hence, reporting under clause 3 (ix) of the Order is not applicable to the Company.

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. According to the information and explanations given by the management, the provisions of section 197 of the Act read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) is not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the Company and accordingly reporting under clause 3(xiii) in so far as it relates to section 177 of the Act is not applicable to the Company.

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, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



M. S. G.

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.

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

N.D. Anklesaria

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



UDIN : 20010250AAAABD7240

Place : Mumbai

Date : June 16, 2020

Syntel Telecom Limited
Balance Sheet as at March 31, 2020

Particulars	Notes	As at	As at
		Mar 31, 2020	Mar 31, 2019
		Rs. in Lacs	Rs. in Lacs
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	5	10.15	12.59
(b) Financial assets			
(i) Investments	6	148.50	148.50
(ii) Other financial assets	6	2.56	2.56
(C) Deferred tax assets (net)	22	0.14	-
Total non-current assets		161.35	163.65
II. Current assets			
(a) Inventories	8	518.07	579.67
(b) Financial assets			
(i) Trade receivables	6	426.15	656.03
(ii) Cash and cash equivalents	6	7.94	7.83
(iii) Bank balance other than (ii) above	6	2.26	2.26
(iv) Loans	6	2,767.48	1,784.00
(iv) Others financial assets	6	0.33	0.33
(c) Current tax assets (net)	9	3.54	17.97
(d) Other current assets	7	130.05	18.74
Total current assets		3,855.82	3,066.83
Total Assets		4,017.17	3,230.48
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	5.00	5.00
Other equity	11	606.62	455.32
Total equity		611.62	460.32
LIABILITIES			
I. Non-current liabilities			
(a) Deferred tax liabilities (net)	22	-	0.64
Total non-current liabilities		-	0.64
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	2,950.63	2,106.74
(ii) Trade payables	12		
Total outstanding Dues of Micro Enterprises and Small Enterprises		-	-
Total outstanding Dues other than Micro Enterprises and Small Enterprises		59.54	440.56
(iii) Other financial liabilities	12	370.25	218.43
(b) Other current liabilities	13	25.13	3.79
Total current liabilities		3,405.55	2,769.52
Total equity and liabilities		4,017.17	3,230.48

Summary of Significant Accounting Policies 3

The accompanying notes are an integral 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 : Mumbai

Date : 16th June, 2020

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


Vipen Malhotra

Director

DIN: 02658059


Sanjeev Thaker

Director

DIN: 0008066075

Place : Pune

Date : 16th June, 2020

Syntel Telecom Limited
Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Notes	For the year ended	For the year ended
		Mar 31, 2020	Mar 31, 2019
		Rs. in Lacs	Rs. in Lacs
Income			
Revenue from operations	14	2,374.58	2,820.57
Other income	15	211.23	237.62
Total income (I)		2,585.81	3,058.19
Expenses			
Purchase of stock-in-trade	16	2,057.23	2,809.69
Changes in inventories of finished goods, work-in-progress and stock-in-trade	17	61.60	-302.45
Finance costs	18	201.80	228.44
Depreciation and amortisation expense	19	2.44	2.44
Exchange Gain/Loss	21	23.65	8.21
Other expenses	20	37.35	30.94
Total expenses (II)		2,384.07	2,777.27
Profit / (Loss) before exceptional items and tax (III)=(I-II)		201.75	280.92
Exceptional items (IV)		-	-
Profit / (Loss) before tax (V) = (III-IV)		201.75	280.92
Tax expense			
Current tax	22	51.93	80.00
Deferred tax	22	-0.78	-0.32
Short/(Excess) provision of Income Tax of earlier years (net)		-0.70	0.30
Total tax expense (VI)		50.45	79.98
Profit / (Loss) for the year (VII) = (V-VI)		151.29	200.94
Other comprehensive income (VIII)			
		-	-
Total Comprehensive Income / (Loss) for the year (VII+VIII) (Net of Tax)		151.29	200.94
Profit for the year attributable to:			
Equity holders of the parent		151.29	200.94
Non-controlling interest		-	-
		151.29	200.94
Earning per equity share			
[Nominal value per share Rs.10/- (March 31, 2019: Rs.10/-)]			
Basic earning per share	24	302.59	401.89
Diluted earning per share	24	302.59	401.89
Summary of significant accounting policies	3		

The accompanying notes are an integral 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 : Mumbai
Date : 16th June, 2020

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

Vipen Malhotra
Director
DIN: 02658059

Sanjeev Thaker
Director
DIN: 0008066075

Place : Pune
Date : 16th June, 2020

SYNTEL TELECOM LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	For the Year ended March 31, 2020		For the Year ended March 31, 2019	
	Rs. in Lacs		Rs. in Lacs	
CASHFLOW FROM FROM OPERATING ACTIVITIES				
PROFIT /(LOSS) Before TAX AND EXTRAORDINARY ITEM		201.75		280.92
Adjustment for:				
Depreciation	2.44		2.44	
Interest expenses	201.80		228.44	
Taxes of Current year	-51.93		-80.00	
Taxes of earlier years	0.70		-0.30	
Interest income	-211.23		-237.62	
OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES AND EXTRA -ORDINARY ITEMS		-58.23		-87.05
Adjustment for :				
Trade and other receivables	329.80		-124.71	
Inventories	61.60		-302.45	
Trade payable	-381.02		203.29	
Other Current Liabilities	-28.65		-295.11	
Direct taxes refund / (paid)	14.43		2.97	
NET CASH FROM OPERATING ACTIVITIES	A	-3.83		-516.01
		139.69		-322.13
CASHFLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	-		-	
Change in Other bank balances	-		-	
Purchase of investments (Investment in LLP)	-		-	
Deposits given	-		-	
NET CASH USED IN INVESTING ACTIVITIES	B	-		-
CASHFLOW FROM FINANCING ACTIVITIES				
From short term borrowings	843.89		1,305.98	
Loans given	-983.48		-1,005.89	
NET CASH USED IN FINANCING ACTIVITIES	C	-139.58		300.09
NET CASH INCREASE IN CASH AND CASH EQUIVALENTS (A-B+C)		0.11		-22.04
Cash and cash equivalents as on 01-04-2019		7.83		29.88
Cash and cash equivalents as on 31-03-2020		7.94		7.83

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

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 : Mumbai

Date : 16th June, 2020

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

Vipen Malhotra

Director

DIN: 02658059

Place : Pune

Date : 16th June, 2020

Sanjeev Thaker

Director

DIN: 0008066075

Syntel Telecom Limited
Statement of changes in Equity for the year ended March 31, 2020

A. Equity share capital Rs. in Lacs

Balance	Amount
	Note 10
As at March 31, 2018	5.00
Issue of Equity Share capital	-
As at March 31, 2019	5.00
Issue of Equity Share capital	-
As at March 31, 2020	5.00

B. Other equity

Rs. in Lacs

Attributable to the equity holders of the parent

Particulars	Retained Earnings	Total	Non-controlling interest	Total other equity
	Note 11			
As at March 31, 2018	254.38	254.38	-	254.38
Profit for the year	200.94	200.94	-	200.94
other comprehensive income for the year	-	-	-	-
Total Comprehensive income for the year	200.94	200.94	-	200.94
Balance as at March 31, 2019	455.32	455.32	-	455.32
As at April 1, 2019	455.32	455.32	-	455.32
Profit for the year	151.29	151.29	-	151.29
other comprehensive income for the year	-	-	-	-
Total Comprehensive income for the year	151.29	151.29	-	151.29
Less: Appropriations	-	-	-	-
Balance as at March 31st, 2020	606.62	606.62	-	606.62

The accompanying notes are an integral 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 : Mumbai

Date : 16th June, 2020

For and on behalf of the Board of Directors of

Syntel Telecom Limited

Vipen Malhotra

Director

DIN: 02658059

Place : Pune

Date : 16th June, 2020

Sanjeev Thaker

Director

DIN: 0008066075

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

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 provisions 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 rupees in Lacs as per the requirement of Schedule III, except when otherwise indicated.

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.

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.

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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.

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.

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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.

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 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.

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

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- 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.

- **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

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- 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.

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

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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.

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.

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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 either 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;
- 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.

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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.

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.

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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 25 for further disclosures.

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.

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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

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

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



CA N.D. Anklesaria
Partner
Membership No.: 10250
Place : Mumbai
Date : June 16, 2020



Vipen Malhotra
Director
DIN: 02658059
Place : Pune
Date: June 16, 2020



Sanjeev Thaker
Director
DIN: 0008066075

Syntel Telecom Limited
Notes to the Financial Statements

Note 5 : Property, plant and equipment

Fixed Assets	Rs. in Lacs				
	Plant & machinery	Furniture & fixture	Office equipment	Computer, server & network	Total
Cost					
As at April 1, 2019	24.21	4.18	0.87	10.59	39.84
Additions	-	-	-	-	-
Deductions	-	-	-	-	-
As at March 31, 2020	24.21	4.18	0.87	10.59	39.84
Depreciation and Impairment					
As at April 1, 2019	12.13	4.03	0.87	10.23	27.25
Depreciation for the year	2.33	0.03	0.00	0.07	2.44
Inter Transfers	-	-	-	-	-
Impairment for the year	-	-	-	-	-
Recoupment / Adjustment	-	-	-	-	-
Deductions	-	-	-	-	-
Exchange difference	-	-	-	-	-
As at March 31, 2020	14.46	4.06	0.87	10.30	29.69
Net Block					
As at March 31, 2020	9.74	0.12	-	0.29	10.15
As at March 31, 2019	12.07	0.15	0.01	0.36	12.59

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Syntel Telecom Limited
Notes to the Financial Statements

Note 6 : Financial assets

6 (a) Investments

	As at March 31, 2020 Rs. in Lacs	As at March 31, 2019 Rs. in Lacs
Investment in Limited Liability Partnership Subsidiary - measured at cost (unquoted)		
Enkay Converged Technologies LLP	148.50	148.50
Total Investments	<u>148.50</u>	<u>148.50</u>
Total non-current investments	148.50	148.50
Total current investments	-	-
Aggregate value of quoted Investments	-	-
Aggregate value of unquoted Investments	148.50	148.50
Aggregate impairment in value of Investments	-	-

Disclosure in respect of Partnership Firms

Name of the Firm	Name of the Partner	Share in Partnership	Capital as at	
			As at March 31, 2020 Rs. in Lacs	As at March 31, 2019 Rs. in Lacs
Enkay Converged Technologies LLP	Arvind Limited	1%	1.50	1.50
	Syntel Telecom Limited	99%	148.50	148.50

Note 6 : Financial assets

6 (b) Trade receivables

Particulars	Mar 31, 2020	Mar 31, 2019
	Rs. in Lacs	Rs. in Lacs
Current		
Unsecured, considered good	426.15	656.03
Doubtful	5.38	5.38
Less : Allowance for doubtful debts	-5.38	-5.38
Total Trade and other receivables	426.15	656.03
Current	426.15	656.03

Note: Trade receivables include debts due from:

Particulars	As at	As at
	March 31 2020	March 31 2019
Subsidiary - Enkay Converged Technologies LLP	273.28	154.21
Holding Company - Arvind Limited	-	257.39

Movement in Allowance for Doubtful Debt :

Particulars	As at	As at
	March 31 2020	March 31 2019
Balance at the Beginning of the year	5.38	5.38
Add : Allowance for the Year	-	-
Less : Write off of Bad Debts (net of recovery)	-	-
Balance at the end of the Year	5.38	5.38

6 (c) Loans

Particulars	Mar 31, 2020	Mar 31, 2019
	Rs. in Lacs	Rs. in Lacs
Current		
Unsecured considered good		
Loans to related parties	2,767.48	1,784.00
Total Loans	2,767.48	1,784.00
Non-current	-	-
Current	2,767.48	1,784.00

6 (d) Cash and cash equivalent

Particulars	Mar 31, 2020	Mar 31, 2019
	Rs. in Lacs	Rs. in Lacs
Balance with Bank		
Current accounts and debit balance in cash credit accounts	7.80	7.72
Cash on hand	0.14	0.11
Total cash and cash equivalents	7.94	7.83

6 (e) Other bank balance

Particulars	Mar 31, 2020	Mar 31, 2019
	Rs. in Lacs	Rs. in Lacs
Deposits with original maturity of more than three months but less than 12 months	2.26	2.26
Total other bank balances	2.26	2.26
Total cash and cash equivalents	10.20	10.09

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θ (f) Other financial assets

Particulars	Mar 31, 2020	Mar 31, 2019
	Rs. in Lacs	Rs. in Lacs
(Unsecured, considered good)		
Non-current		
Security deposits	2.56	2.56
	2.56	2.56
Current		
Accrued Interest	0.33	0.33
	0.33	0.33
Total Financial Assets	2.89	2.89

Financial assets- At amortised cost

(i) Trade receivables	426.15	656.03
(ii) Cash and cash equivalents	7.94	7.83
(iii) Bank balance other than (ii) above	2.26	2.26
(iv) Loans	2,767.48	1,784.00
(v) Others financial assets	2.89	2.89
(vi) Investments	148.50	148.50

Total Financial Assets	3,355.22	2,601.51
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Note 7 : Other Current Assets

Particulars	Mar 31, 2020	Mar 31, 2019
	Rs. in Lacs	Rs. in Lacs
Current (Unsecured, considered good)		
Advance to suppliers	86.82	7.95
Goods and Service Tax - Input Credit	32.43	-
SAD receivable from Custom Dept	10.41	10.41
Prepaid expenses	0.39	0.38
	130.05	18.74
Total	130.05	18.74

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

Particulars	Mar 31, 2020	Mar 31, 2019
	Rs. in Lacs	Rs. in Lacs
Stock In Trade	518.07	579.67
Total	518.07	579.67

Note 9 : Current Tax Assets (Net)

Particulars	Mar 31, 2020	Mar 31, 2019
	Rs. in Lacs	Rs. in Lacs
Tax Paid in Advance (Net of Provision of Rs. 127.02 Lacs Previous Year 147.30 Lacs)	3.54	17.97
Total	3.54	17.97

Note 10 : Equity share capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
Authorised share capital				
Equity shares of Rs.10 each	50,000	5.00	50,000	5.00
Issued and subscribed share capital				
Equity shares of Rs.10 each	50,000	5.00	50,000	5.00
Subscribed and fully paid up				
Equity shares of Rs.10 each	50,000	5.00	50,000	5.00
Total	50,000	5.00	50,000	5.00

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
Outstanding at the beginning of the Year	50,000	5.00	50,000	5.00
Add :				
Shares allotted during the Year	-	-	-	-
Outstanding at the end of the Year	50,000	5.00	50,000	5.00

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 Shares held by the Holding Company and Subsidiaries of Holding Company in Aggregate

Name of the Shareholder	As at March 31 2020		As at March 31 2019	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Arvind Limited	50,000	100.00	50,000	100.00

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

Name of the Shareholder	As at March 31 2020		As at March 31 2019	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Arvind Limited	50,000	100.00	50,000	100.00

10.5. 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, 2020

No shares have been bought back during the last 5 years

During the last 5 years, the Company has neither issued any bonus shares nor allotted any shares pursuant to a contract without payment being received in Cash.

10.6 Shares forfeited during the year

As per the records of the Company, no shares have been forfeited by the Company during the year.

10.7 Calls unpaid by Directors / Officers of the Company

As per the records of the Company, no calls remain unpaid by the Directors and Officers of the Company as on March 31, 2020.

10.8 Shares reserved for issue under options and contracts :

The Company has not issued any Shares under options and contracts.

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Note 11 : Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
	Rs. in Lacs	Rs. in Lacs
Surplus in statement of profit and loss		
Balance as per last financial statements	455.32	254.38
Add: profit for the year	151.29	200.94
Add / (Less): OCI for the year	-	-
	<u>606.62</u>	<u>455.32</u>
Less: Appropriation	-	-
Balance at the end of the year	<u>606.62</u>	<u>455.32</u>
Total reserves & surplus	606.62	455.32
Total Other equity	606.62	455.32

Note 12 : Financial liabilities

12 (a) Short-term Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
	Rs. in Lacs	Rs. in Lacs
Unsecured		
Under Buyer's Credit Arrangement	445.69	406.35
Intercorporate Deposits		
From Related Parties	2,488.00	1,458.00
Vendor Financing From Bank	16.95	242.38
Total short-term borrowings	<u>2,950.63</u>	<u>2,106.74</u>
Total borrowings	2,950.63	2,106.74

Note : Loan taken from the related party carries interest rate of 8.75% (March 31, 2019 : 8.75%) Outstanding balances , at the year-end are unsecured and settlement occurs in cash.

12 (b) Trade payable

Particulars	As at March 31, 2020	As at March 31, 2019
	Rs. in Lacs	Rs. in Lacs
Current		
Trade and Other Payables		
Dues payable to MSME	-	-
	<u>-</u>	<u>-</u>
Dues other than payable to MSME		
Others (Refer Note below)	35.76	436.27
Related Parties	23.78	4.29
	<u>59.54</u>	<u>440.56</u>
Total	59.54	440.56

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

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Syntel Telecom Limited

Notes to the Financial Statements

- 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.

12 (c) Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
	Rs. in Lacs	Rs. in Lacs
Current		
Interest accrued and due	172.53	106.59
Book overdraft	167.17	78.88
Other financial liabilities	30.56	32.97
	370.25	218.43
Total	370.25	218.43

Financial liabilities- At amortised cost		
(i) Borrowings	3,320.89	2,325.17
(ii) Trade payables	59.54	440.56
Total	3,380.43	2,765.73

Note 13 : Other liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
	Rs. in Lacs	Rs. in Lacs
Current		
Advance from customers	4.84	0.35
Statutory dues including GST and tax deducted at source	20.29	0.59
Income received in advance (unearned income)	-	2.84
	25.13	3.79
Total	25.13	3.79

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Note 14 : Revenue from operations (Refer note (i) below)

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Sale of products	2,370.94	2,815.32
Other Operating Income		
Annual Maintenance Contract	2.84	3.44
Installation Charges	-	1.69
Other Income	0.79	0.12
Total	2,374.58	2,820.57

Note :

(i) Post implementation of Goods and Service Tax (GST) with effect from July 1,2017, Revenue from operations is disclosed net off GST.
Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Domestic	2,374.58	2,820.57
Export	-	-
Revenue from Operations	2,374.58	2,820.57

Revenue based on business segment

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Telecom	2,374.58	2,820.57
Revenue from Operations	2,374.58	2,820.57

Reconciliation of revenue from operation with contract price

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Revenue from contract with customers as per the contract price	2,394.62	2,894.73
Adjustment made to contract price on account of:		
a) Discounts and Rebates	17.26	68.14
b) Excise duty on sale of goods	-	-
c) Sales Return	2.78	6.02
d) Bonus / incentive	-	-
e) Customer loyalty programme	-	-
Revenue from Operations	2,374.58	2,820.57

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Syntel Telecom Limited
Notes to the Financial Statements
Note 15 : Other income

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Interest income	209.42	223.15
Foreign Exchange Gain	-	14.47
Interest income on IT refund	1.51	-
Miscellaneous income	0.30	-
Total	211.23	237.62

Note 16 : Purchases of stock-in-trade

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Electronic items	2,057.23	2,809.69
Total	2,057.23	2,809.69

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

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Stock at the end of the year		
Stock-in-trade	518.07	579.67
Work-in-Progress	-	-
	518.07	579.67
Stock at the beginning of the year		
Stock-in-trade	579.67	277.22
	579.67	277.22
(Increase) / Decrease in stocks	61.60	-302.45
Total	61.60	-302.45

Note 18 : Finance costs

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Interest expense	201.80	228.44
Total	201.80	228.44

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Syntel Telecom Limited

Notes to the Financial Statements

Note 19 : Depreciation and amortization expense

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Depreciation on Tangible assets	2.44	2.44
Total	2.44	2.44

Note 20 : Other expenses

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Insurance	0.96	0.99
Service Charges	4.95	4.72
Freight, insurance & clearing charge	5.99	5.47
Printing, stationery & Communication	0.00	0.09
Legal & Professional charges	4.05	3.88
Conveyance & Travelling expense	6.16	-
Advertisement and publicity	-	0.46
Auditor's remuneration	2.86	4.07
Bank charges	6.82	6.53
Miscellaneous expenses	5.57	4.75
Total	37.35	30.94

Payment to Auditors

Particulars	For the year ended March 31,	For the year ended March 31,
	2020	2019
	Rs. in Lacs	Rs. in Lacs
Payment to Auditors as		
Statutory Auditors	1.50	1.50
For tax audit	-	0.45
For Other certification work	1.36	1.95
For reimbursement of expenses	-	0.17
Total	2.86	4.07

Note 21: Exchange difference

Particulars	For the year ended March 31,	For the year ended March 31,
	Rs. in Lacs	Rs. in Lacs
Exchange Loss	23.65	8.21
Total	23.65	8.21

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Note 22 : Income tax

The major component of income tax expense for the years ended Mar 31, 2020 and Mar 31, 2019 are :

Particulars	2019-20 Rs. in Laacs	2018-19 Rs. in Laacs
Statement of Profit and Loss		
Current tax		
Current income tax	51.93	80.00
Short/(Excess) provision of Income Tax of earlier years (net)	-0.70	0.30
Deferred tax		
Deferred tax expense	-0.78	-0.32
Income tax expense reported in the statement of profit and loss	50.45	79.98

A) Current tax

Particulars	Mar 31, 2020 Rs. in Laacs	Mar 31, 2019 Rs. in Laacs
Accounting profit before tax from continuing operations	201.75	280.92
Tax @ 25.17% (March 31, 2019: 28.47%)	50.78	79.00
Adjustment		
in respect of Depreciation	0.97	0.71
Short/(Excess) provision of Income Tax of earlier years (net)	-0.70	0.30
Other adjustments	-0.60	-0.03
At the effective income tax rate of 25.17% (March 31, 2018 :28.47%)	50.45	79.98

B) Deferred tax

Particulars	Mar 31, 2020	Mar 31, 2019
	In Rs.	In Rs.
Accelerated depreciation for tax purposes	-0.14	0.64
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	-0.14	0.64
Reflected in the balance sheet as follows		
Deferred tax Liability	-0.14	0.64
MAT credit entitlement	-	-
Deferred tax (assets)/liabilities (net)	-0.14	0.64
Reconciliation of deferred tax (assets) / liabilities, net		
	Mar 31, 2020	Mar 31, 2019
	In Rs.	In Rs.
Opening balance	0.64	0.97
Tax income/(expense) during the period recognised in profit or loss	-0.78	-0.32
Tax income/(expense) during the period recognised in OCI	-	-
Closing balance	-0.14	0.64

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.

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23 Disclosure pursuant to Related Party (As identified by the Management and relied upon by the Auditors)

(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. Lacs)

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Transactions		
<u>Sale of Goods/ Services</u>		
Arvind Limited	1186.46	1,624.92
Enkay Converged Technologies LLP	409.11	213.52
<u>Purchases</u>		
Arvind Limited	7.12	27.66
Enkay Converged Technologies LLP	0.02	-
<u>Loan Given</u>		
Enkay Converged Technologies LLP	795.00	903.89
<u>Loan Taken</u>		
Arvind Limited	1,030.00	803.55
<u>Interest Income</u>		
Arvind Limited	-	109.70
Enkay Converged Technologies LLP	209.42	113.34
<u>Interest Expenses</u>		
Arvind Limited	191.69	118.43
Arvind Ruf & Tuf Private Limited	-	109.08
<u>Expenses incurred</u>		
Enkay Converged Technologies LLP	-	5.59

(Amount in Lacs.)

(c)

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Balances as at year end		
<u>Capital Investment</u>		
Enkay Converged Technologies LLP	148.50	148.50
<u>Trade Receivables</u>		
Enkay Converged Technologies LLP	273.28	154.21
Arvind Limited	-	257.39
<u>Receivable in respect of loan</u>		
Enkay Converged Technologies LLP	2,767.48	1,784.00
<u>Payable in Respect of Loan</u>		
Arvind Limited	2,488.00	1,458.00
Arvind Limited - Interest	172.53	106.59
<u>Trade Payable</u>		
Arvind Limited (Telecom)	21.40	1.91
Arvind Limited (Other Division)	2.38	2.38

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, 2019 : 8.75%).

(d) Commitments with related parties

The Company has not provided any commitment to the related party as at March 31, 2020 (March 31, 2019: Rs.Nil)

Note 24 : Earning per share

Particulars	Mar 31, 2020 Rs. in Lacs	Mar 31, 2019 Rs. in Lacs
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders	151.29	200.94
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	302.59	401.89
Diluted earning per share	302.59	401.89

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Syntel Telecom Limited

Notes to the Financial Statements

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.

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 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.



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.

The Company's activities expose it to market risk, credit risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Company, the risk management is carried out by the Company's management. Company's management identifies and evaluates financial risks in close co-operation with the Company's operating units. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

(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.

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

Particulars	Rs. in Lacs			
	DUE IN YEAR 0 TO 1	DUE IN YEAR 1 TO 2	DUE IN YEAR 3 TO 5	DUE AFTER 5
Year ended March 31, 2020				TOTAL
Interest bearing borrowings	2,950.63			2,950.63
Trade payables	59.54			59.54
	3,010.18	-	-	3,010.18
Year ended March 31, 2019				
Interest bearing borrowings	2,106.74			2,106.74
Trade payables	440.56			440.56
	2,547.29	-	-	2,547.29

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, 2020 Rs. in Lacs	Year ended March 31, 2019 Rs. in Lacs
Interest-bearing loans and borrowings (Note 12)	2,950.63	2,106.74
Trade and other payables (Note 12)	59.54	440.56
Less: cash and cash equivalent (including other bank balance) (Note 6)	7.94	-10.09
Net debt	3,018.11	2,537.20
Equity share capital (Note 10)	5.00	5.00
Other equity (Note 11)	606.62	455.32
Total capital	611.62	460.32
Capital and net debt	3,629.73	2,997.53
Gearing ratio	83%	85%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Syntel Telecom Limited

Notes to and Forming Part of the Financial Statements for the year ended March 31, 2020

Note 28 : Note on COVID 19 Pandemic

The spread of COVID-19 has severely impacted businesses around the globe including India following lockdowns, causing extended shut down of businesses offering non-essential goods & services, disruptions in public transportation and local/domestic travel, supply chain, travel plans, and other emergency measures.

The Company offers Converged Technology solutions in domains of Enterprise Communications, Network Infrastructure, AV integration & Automation and security & Surveillance. The business of the Company has also been affected by this disruption. Shut down of E Commerce, BPOs , Malls, Hospitality , Airlines, Manufacturing industries etc. for extended periods of time are expected to have continuing effect at least for the next two quarters based on current assessment.

The Company has made detailed assessment of the liquidity position for the next one year and of the recoverability and carrying value of its assets comprising Property, Plant and Equipment, Right of Use Assets, Intangible Assets, Trade Receivables, Inventory as at balance sheet date and has made appropriate adjustments along with adjustment to revenue recognition and actuarial assumptions. In assessing the recoverability of its assets including receivables and inventories, the Company has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.



Syntel Telecom Limited

Notes to and Forming Part of the Financial Statements as at 31 March 2020

Note 29 : Contingent Liabilities

Rs. In Lacs

Particulars	As At March 31 2020	As At March 31, 2019
Contingent Liabilities not Provided for		
a. Claims Against Company not Acknowledged as Debts	Nil	Nil
b. Guarantees given by bank on behalf of the Company	Nil	Nil
Total Contingent Liabilities	-	-

Note 30 : C. I. F. Value of Imports, Expenditure and Earnings in Foreign Currencies and Commitments

Particulars	As At March 31 2020	As At March 31, 2019
A. CIF Value of Imports:		
i. Other Traded Goods and Accessories & Spares	1,171.54	2,010.71
Total	1,171.54	2,010.71

B. Expenditure in Foreign Currency

Particulars	As At March 31 2020	As At March 31, 2019
i. Travelling	-	-
Total	-	-

Details on Foreign Currency Exposures

I. The Company does not have any hedged positions open as at 31 March, 2020

C. Commitments

a. Capital and other commitments

Particulars	As At March 31 2020	As At March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):	Nil	Nil

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Syntel Telecom Limited

Notes to and forming part of the Financial Statements for the year ended 31st March 2020

Note : 31 Segment Reporting

The operating segment of the Company is identified to be "Trading in Telecommunication Equipment" as the Chief Operating Decision Maker (CODM) reviews business performance at an overall Company level as one segment and hence does not have any additional disclosures to be made under IND AS 108 Operating Segments.

Note: 32 Additional disclosures to Financial Statements

32.1 Advances, deposits and Accounts Payable

The Balances in respect of amounts receivable, deposits and payable are subject to confirmation and reconciliation thereof from respective parties. However, in the opinion of Management the Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the accounts unless otherwise stated and adequate provisions/write-offs for all the known liabilities and unconfirmed balances of the parties have been made.

32.2 Previous Years figures

Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable to those of the current year.

The accompanying notes are an integral 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 : Mumbai
Date : 16th June, 2020

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

Vipen Malhotra
Director
DIN: 02658059
Place : Pune
Date : 16th June, 2020

Sanjeev Thaker
Director
DIN: 0008066075