



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SYNTEL TELECOM LIMITED

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the accompanying financial statements of SYNTEL TELECOM LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2024, 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 financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the 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 financial statements.

### **Information Other than the 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 financial statements and our auditor's report thereon.

Our opinion on the 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 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.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

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 Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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, 2024.
- 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 derivatives 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.

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iv.

- a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on the audit procedures conducted by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatements.
- v. The Company has not declared any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail facility and the audit trail feature has been operating throughout the year for all relevant transactions recorded in the software, except that audit trail was not enabled at the database level to log any direct data changes.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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.

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

  
**CA. N.D. Anklesaria**  
Partner  
Membership No.10250  
UDIN: 24010250BKFOB7336

Place: Pune  
Date: April 18, 2024

**SORAB S. ENGINEER & CO. (Regd.)**

**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, 2024 in conjunction with our audit of the 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 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.





## **SORAB S. ENGINEER & CO. (Regd.)**

### **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 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

  
**CA. N.D. Anklesaria**  
Partner  
Membership No.10250  
UDIN: 24010250BKFOB7336

Place: Pune

Date: April 18, 2024

**(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 and Intangible Assets:

- a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us the Company does not have any immovable properties other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee are held in the name of the Company.
- d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- e) According to the information and explanation given to us, the Company has no proceedings pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii.

- a) As explained to us, physical verification of Inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification is appropriate, and no material discrepancies were noticed on verification between the physical stocks and the book records which were 10% or more in the aggregate for each class of inventory, and the same have been properly dealt with in the books of account.
- b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets during the year. Consequently, requirements of clause (ii)(b) of paragraph 3 of the order are not applicable.

iii.

- a. According to the information and explanations given to us, the Company has given an Unsecured Loan to a Related Company which has a closing balance of Rs. 491.26 Lacs as on 31<sup>st</sup> March 2024. The Company has made an investment in a subsidiary in the form of a Limited Liability Partnership which has a closing balance of Rs. 148.50 Lacs. The Company has not provided any guarantee or security to any other Company, Firm, Limited Liability Partnership or any other Parties.
- b. The terms and conditions on which the Loan has been given and the Investment has been made are not prejudicial to the Company's interest.

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- c. The Company has received Interest on the Loan at the agreed rate and there are no delays in the same. The Loan is repayable on demand.
  - d. There are no overdue amounts outstanding on the Balance Sheet date.
  - e. There are no loans or advances in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
  - f. The Loan given is repayable on demand. The balance outstanding as on 31<sup>st</sup> March 2024 is Rs. 491.26 Lacs. There are no other Loans or Inter Corporate Deposit granted by the Company during the year.
- iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under section 185 of the Act. However, the Company has advanced loans or given guarantees or provided security or made investments covered under section 186 of the Act. We are of the opinion that provisions of section 186 of the Act have been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act in respect of the Company's product. Consequently, requirements of 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, 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, 2024 for a period of more than six months from the date they became payable.
  - 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. To the best of our knowledge and belief and according to the information and explanations given to us, there were no transactions which are not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. In our opinion and according to the information and explanations given to us, in respect of the Company's Borrowings:
- a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - b) The Company is not a declared willful defaulter by any bank or financial institution or other lender.



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- c) There are no term loans taken by the company and hence provisions of clause (ix)(c) of paragraph 3 of the order are not applicable.
- d) The funds raised on short term basis have not been utilized for long term purposes.
- e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. In our opinion and according to the information and explanations given to us, in respect of funds raised by the Company:

- a) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

xi. In respect of fraud by the Company or on the Company:

- a) 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.
- b) There has been no report under sub-section (12) of section 143 of the Companies Act filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) There have been no whistle-blower complaints received during the year by the company.

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

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, internal audit is not applicable to the Company as per the provisions of the Companies Act, 2013. 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

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connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

xvii. According to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. According to the information and explanations given to us, there has been no resignation of the statutory auditors during the year.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. In respect of the Company's Corporate Social Responsibility:

The Company does not satisfy the criteria required to comply with the CSR provisions specified under Section 135(1) of the Companies Act, 2013 read with the Companies (CSR Policy) Rules, 2014. Hence the provisions of clause xx(a) and (xx)(b) of paragraph 3 of the order are not applicable.

xxi. As there are no subsidiaries of the Company to which the Companies (Auditor's Report Order) CARO applies, the requirements of clause (xxi) of paragraph 3 of the order are not applicable.

  
For Sorab S. Engineer & Co.

Chartered Accountants

Firm Registration No. 110417W

  
CA. N.D. Anklesaria

Partner

Membership No. 10250

UDIN: 24010250BKFOB7336

Place: Pune

Date: April 18, 2024

Syntel Telecom Limited  
Balance Sheet as at March 31, 2024

Particulars	Notes	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
<b>ASSETS</b>			
<b>I. Non-current assets</b>			
(a) Property, plant and equipment	5	1.09	2.85
(b) Capital work-in-progress	5	-	-
(c) Investment property	6	-	-
(d) Intangible assets	7	-	-
(e) Intangible assets under development	7	-	-
(b) Financial assets			
(i) Investments	6	148.50	148.50
(ii) Trade receivables	9	-	-
(ii) Loans	6	-	-
(ii) Other financial assets	6	-	3.60
(c) Deferred tax assets (net)	22	1.38	1.52
(c) Other non-current assets	7	-	-
<b>Total non-current assets</b>		<b>150.97</b>	<b>156.47</b>
<b>II. Current assets</b>			
(a) Inventories	8	-	391.39
(b) Financial assets			
(i) Investments	6	-	-
(i) Trade receivables	6	455.06	446.62
(ii) Cash and cash equivalents	6	10.67	9.32
(iii) Bank balance other than (ii) above	6	-	-
(iv) Loans	6	491.26	412.35
(iv) Others financial assets	6	-	-
(c) Current tax assets (net)	9	-	-
(d) Other current assets	7	2.17	22.05
<b>Total current assets</b>		<b>959.16</b>	<b>1,281.73</b>
<b>Total Assets</b>		<b>1,110.13</b>	<b>1,438.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	5.00	5.00
Other Equity	11	1,043.54	986.25
<b>Total equity</b>		<b>1,048.54</b>	<b>991.25</b>
<b>LIABILITIES</b>			
<b>I. Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	12	-	0.00
(ii) Trade payables			
Total outstanding Dues other than Micro Enterprises and Small Enterprises	12	3.17	393.80
(iii) Other financial liabilities	12	15.66	23.85
(b) Other current liabilities	13	38.42	20.76
(c) Current tax liabilities (net)	13	4.34	8.54
<b>Total current liabilities</b>		<b>61.59</b>	<b>446.95</b>
<b>Total equity and liabilities</b>		<b>1,110.13</b>	<b>1,438.20</b>

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

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

CA N.D. Anklesaria  
Partner  
Membership No. 10250  
Place : Pune  
Date : 18th April, 2024

Sanjeev Thaker  
Director  
DIN: 0008066075  
Place : Pune  
Date : 18th April, 2024

Vidya Gosavi  
Director  
DIN: 0009037879  
Place : Pune  
Date : 18th April, 2024



Syntel Telecom Limited

Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Notes	For the year ended March 31, 2024 Rs. in Lacs	For the year ended March 31, 2023 Rs. in Lacs
<b>Income</b>			
Revenue from operations	14	1,120.26	1,734.83
Other income	15	35.28	30.94
<b>Total income (I)</b>		<b>1,155.54</b>	<b>1,765.77</b>
<b>Expenses</b>			
Cost of raw materials and accessories consumed		-	-
Purchase of stock-in-trade	16	660.33	1,462.61
Project expenses			
Changes in inventories of finished goods, work-in-progress and stock-in-trade	17	391.39	(45.32)
Employee benefits expense	18	-	-
Finance costs	18	-	-
Depreciation and amortisation expense	19	1.76	2.44
Other expenses	20	34.14	125.25
Exchange (Gain) /Loss	21	(9.15)	19.26
<b>Total expenses (II)</b>		<b>1,078.47</b>	<b>1,564.24</b>
<b>Profit / (Loss) before exceptional items and tax (III)=(I-II)</b>		<b>77.07</b>	<b>201.53</b>
Exceptional items (IV)		-	-
<b>Profit / (Loss) before tax (V) = (III-IV)</b>		<b>77.07</b>	<b>201.53</b>
<b>Tax expense</b>			
Current tax	22	20.25	52.08
Deferred tax	22	0.14	(1.05)
Short/(Excess) provision of Income Tax of earlier years (net)		(0.61)	0.01
<b>Total tax expense (VI)</b>		<b>19.78</b>	<b>51.04</b>
<b>Profit / (Loss) for the period (VII) = (V-VI)</b>		<b>57.29</b>	<b>150.49</b>
<b>Other comprehensive income for the period, net of tax (VIII)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income / (Loss) for the period (VII+VIII) (Net of Tax)</b>		<b>57.29</b>	<b>150.49</b>
<b>Earnings per equity share</b>			
[Nominal value per share Rs.10/- (March 31, 2023: Rs.10/- )]			
Basic earning per share	24	114.58	300.99
Diluted earning per share	24	114.58	300.99
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

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

CA N.D. Anklesaria  
Partner  
Membership No.10250  
Place : Pune  
Date : 18th April, 2024

Sanjeev Thaker  
Director  
DIN: 0008066075  
Place : Pune  
Date : 18th April, 2024

Vidya Gosavi  
Director  
DIN: 0009037879  
Place : Pune  
Date : 18th April, 2024

SYNTEL TELECOM LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

Particulars		For the year ended March 31, 2024		For the year ended March 31, 2023	
		Rs. in Lacs		Rs. In Lacs	
<b>CASHFLOW FROM FROM OPERATING ACTIVITIES</b>					
<b>PROFIT / ( LOSS ) Before TAX AND EXTRAORDINARY ITEM</b>			77.07		201.53
Adjustment for:					
Depreciation		1.76		2.44	
Interest expenses		-		(52.08)	
Taxes of Current year		(20.25)		(0.01)	
Taxes of earlier years		0.61		(30.94)	
Interest income		(35.28)			
<b>OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES AND EXTRA -ORDINARY ITEMS</b>			(53.16)		(80.59)
Adjustment for :					
Other Financial Assets		3.61		(1.28)	
Trade and other receivables		46.72		(41.77)	
Inventories		391.39		(45.32)	
Trade payable		(390.64)		(54.94)	
Other Current Liabilities		5.27		(54.56)	
Direct taxes refund / (paid)		-			
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>A</b>		56.35		(197.87)
			80.26		(76.93)
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>					
Purchase of fixed assets		-		-	
Change in Other bank balances		-		-	
Security Deposits received back		-		-	
Purchase of investments (Investment in LLP)		-		-	
Fixed Deposits Matured		-		-	
Deposits given		-		-	
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>B</b>		-		-
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>					
From short term borrowings		-			
Loans		(78.91)		68.44	
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>C</b>		(78.91)		68.44
<b>NET CASH INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS ( A-B+C )</b>			1.35		(8.49)
Cash and cash equivalents as on 01-04-2023			9.32		17.81
Cash and cash equivalents as on 31-03-2024			10.67		9.32

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

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 : Pune  
Date : 18th April, 2024

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

Sanjeev Thaker  
Director  
DIN: 0008066075  
Place : Pune  
Date : 18th April, 2024

Vidya Gosavi  
Director  
DIN: 0009037879  
Place : Pune  
Date : 18th April, 2024



Syntel Telecom Limited

Statement of changes in Equity for the year ended March 31, 2024

A. Equity share capital

Balance	Amount (Rs. In Lacs)
	Note 10
As at March 31, 2023	5.00
Issue of Equity Share capital	-
As at March 31, 2023	5.00
Issue of Equity Share capital	-
As at March 31, 2024	5.00

B. Other equity

Particulars	Attributable to the equity holders of the parent		Amount (Rs. In Lacs)	
	Retained Earnings	Total	Non-controlling Interest	Total other equity
	Note 11			
As at March 31, 2022	835.76	835.76	-	835.76
Profit for the year	150.49	150.49	-	150.49
other comprehensive income for the Year	-	-	-	-
Total Comprehensive income for the Year	150.49	150.49	-	150.49
Balance as at March 31, 2023	986.25	986.25	-	986.25
As at April 1, 2023	986.25	986.25	-	986.25
Profit for the year	57.29	57.29	-	57.29
other comprehensive income for the Year	-	-	-	-
Total Comprehensive income for the Year	57.29	57.29	-	57.29
Less: Appropriations	-	-	-	-
Balance as at March 31st, 2024	1,043.54	1,043.54	-	1,043.54

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Rs. In Lakhs
				Balance at the end of the current reporting period
5.00	-	5.00	-	5.00

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 : Pune

Date : 18th April, 2024

For and on behalf of the Board of Directors of

Syntel Telecom Limited

Sanjeev Thaker

Director

DIN: 0008066075

Place : Pune

Date : 18th April, 2024

Vidya Gosavi

Director

DIN: 0009037879

Place : Pune

Date : 18th April, 2024

## Note 5 : Property, Plant and Equipment

Fixed Assets	Rs. in Lacs				
	Plant & machinery	Furniture & fixture	Office equipment	Computer, server & network	Total
<b>Cost</b>					
As at April 1, 2023	24.21	4.18	0.87	10.58	39.84
Additions	-	-	-	-	-
Inter Transfers	-	-	-	-	-
Recoupment / Adjustment	-	-	-	-	-
Deductions	-	-	-	-	-
Exchange difference	-	-	-	-	-
As at March 31, 2024	24.21	4.18	0.87	10.58	39.84
<b>Depreciation and Impairment</b>					
As at April 1, 2023	21.46	4.15	0.87	10.51	36.99
Depreciation for the year	1.66	0.03	-	0.07	1.76
Inter Transfers	-	-	-	-	-
Impairment for the year	-	-	-	-	-
Recoupment / Adjustment	-	-	-	-	-
Deductions	-	-	-	-	-
Exchange difference	-	-	-	-	-
As at March 31, 2024	23.12	4.18	0.87	10.58	38.75
<b>Net Block</b>					
As at March 31, 2024	1.09	(0.00)	0.00	(0.00)	1.09
As at March 31, 2023	2.74	0.03	0.00	0.08	2.85



Syntel Telecom Limited  
Notes to the Financial Statements

Note 6 : Financial assets

6 (a) Investments

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Investment in Limited Liability Partnership Subsidiary - measured at cost (unquoted)		
Syntel Enkay Converged Technologies LLP	148.50	148.50
<b>Total Investments</b>	<b>148.50</b>	<b>148.50</b>
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, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Syntel Enkay Converged Technologies LLP	Arvind Limited	1%	1.50	1.50
	Syntel Telecom Limited	99%	148.50	148.50

*M. S. S.*

Note 6 : Financial assets

6 (b) Trade receivables

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
<b>Current</b>		
Unsecured, considered good	455.06	446.62
Doubtful	36.27	36.27
Less : Allowance for doubtful debts	-36.27	-36.27
	<u>455.06</u>	<u>446.62</u>
<b>Total Trade and other receivables</b>	<b>455.06</b>	<b>446.62</b>
<b>Non-current</b>	-	-
<b>Current</b>	<b>455.06</b>	<b>446.62</b>

Note: For Ageing of Trade Receivables, refer note 6(g)

Note: Trade receivables include debts due from:

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Subsidiary - Syntel Enkay Converged Technologies LLP	315.54	14.15
Holding Company - Arvind Limited	141.25	304.52

Movement in Allowance for Doubtful Debt :

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Balance at the Beginning of the year	36.27	36.27
Add : Allowance for the Year	-	-
Less : Write off of Bad Debts (net of recovery)	-	-
<b>Balance at the end of the Year</b>	<b>36.27</b>	<b>36.27</b>

Allowance for doubtful Debts

Company has provided allowance for doubtful Debts based on the 12 months expected credit loss model.

6 (c) Loans

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
<b>Non-current</b>		
Loans to employees	-	-
<b>Current</b>		
<b>Unsecured considered good</b>		
Loans to related parties	491.26	412.35
	<u>491.26</u>	<u>412.35</u>
<b>Doubtful</b>		
Loans to related parties	-	-
Less : Allowance for doubtful loan	-	-
	<u>-</u>	<u>-</u>
<b>Total Loans</b>	<b>491.26</b>	<b>412.35</b>
<b>Non-current</b>	-	-
<b>Current</b>	<b>491.26</b>	<b>412.35</b>

Details of Loans to Promoters, Directors, KMP and Related Parties:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding (Rs. In Lakhs)		Percentage of the total Loans and Advances in the nature of loans	
	2023-24	2023-23	2023-24	2023-23
Promoter	-	-	-	-
Director	-	-	-	-
KMPs	-	-	-	-
Related Parties	491.26	412.35	100.00%	100.00%

*M.B.*



**6 (d) Cash and cash equivalent**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Balance with Bank		
Current accounts and debit balance in cash credit accounts	10.67	9.09
Cash on hand	-	0.23
<b>Total cash and cash equivalents</b>	<b>10.67</b>	<b>9.32</b>

**6 (e) Other bank balance**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Deposits with original maturity of more than three months but less than 12 months		
<b>Total other bank balances</b>	<b>-</b>	<b>-</b>
<b>Total cash and cash equivalents</b>	<b>10.67</b>	<b>9.32</b>

**6 (f) Other financial assets**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. in Lacs	Rs. in Lacs
(Unsecured, considered good)		
Non-current		
Security deposits	-	3.60
Tax paid in advance (net of provision)	-	-
	<b>-</b>	<b>3.60</b>
Current		
Income receivable	-	-
Accrued Interest	-	-
	<b>-</b>	<b>0.00</b>
<b>Total Financial Assets</b>	<b>0.00</b>	<b>3.60</b>

**Financial assets- At amortised cost**

(i) Trade receivables	455.06	446.62
(ii) Cash and cash equivalents	10.67	9.32
(iii) Bank balance other than (ii) above	-	-
(iv) Loans	491.26	412.35
(v) Others financial assets	-	3.60
(vi) Investments	148.50	148.50
<b>Total Financial Assets</b>	<b>1,105.49</b>	<b>1,020.39</b>



**Note 7 : Other Current Assets**

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
<b>Non-current</b>		
Investment in LLP	-	-
Security Deposits	-	-
Loan to Employees	-	-
<b>Other Advances</b>		
Advances to suppliers		
Doubtful	-	-
Less : Provision for doubtful advances	-	-
	-	-
<b>Current (Unsecured, considered good)</b>		
Advance to suppliers	-	17.42
Custom Duty Receivable	2.17	3.40
Prepaid expenses	-	1.23
Other Current Asset	-	-
	2.17	22.05
<b>Total</b>	<b>2.17</b>	<b>22.05</b>

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

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Stock In Trade	-	391.39
<b>Total</b>	<b>-</b>	<b>391.39</b>

**Note 9 : Current Tax Assets (Net)**

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Tax Paid in Advance	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



Note 6(g): Ageing of Trade Receivables:

Particulars	Outstanding for the following period from due date of payments:												Rs. in Lacs
	Less than 6 Months		6 Months - 1 year		1-2 Years		2-3 Years		More than 3 Years			Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	
(i) Undisputed Trade Receivables - Considered Good	432.79	409.58	22.99	5.04	-0.86	0.24	0.07	3.13	36.34	64.90	491.33	482.89	
(ii) Undisputed Trade Receivables - which have significant increase in credit risk													
(iii) Undisputed Trade Receivables - credit impaired													
(iv) Disputed Trade Receivables - Considered Good									-36.27	-36.27	-36.27	-36.27	
(v) Disputed Trade Receivables - which have significant increase in credit risk													
(vi) Disputed Trade Receivables - credit impaired													
Grand Total	432.79	409.58	22.99	5.04	-0.86	0.24	0.07	3.13	0.07	28.63	455.06	446.62	

*M.S.S.*

**Note 10 : Equity share capital**

Particulars	As at March, 2024		As at March, 2023	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
<b>Authorised share capital</b>				
Equity shares of Rs.10 each	50,000	5.00	50,000	5.00
<b>Issued and subscribed share capital</b>				
Equity shares of Rs.10 each	50,000	5.00	50,000	5.00
<b>Subscribed and fully paid up</b>				
Equity shares of Rs.10 each	50,000	5.00	50,000	5.00
<b>Total</b>	<b>50,000</b>	<b>5.00</b>	<b>50,000</b>	<b>5.00</b>

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

Particulars	As at March, 2024		As at March, 2023	
	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, 2024		As at March, 2023	
	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, 2024		As at March, 2023	
	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, 2024**

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, 2024

**10.8 Shares reserved for issue under options and contracts :**

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

Note 11 : Other Equity

Balance	As at March, 2024	As at March, 2023
	Rs. in Lacs	Rs. in Lacs
<b>Surplus in statement of profit and loss</b>		
Balance as per last financial statements	986.25	835.76
Add: profit for the year	57.29	150.49
Add / (Less): OCI for the year	-	-
	<b>1,043.54</b>	<b>986.25</b>
Less: Appropriation	-	-
Balance at the end of the year	<b>1,043.54</b>	<b>986.25</b>
<b>Total reserves &amp; surplus</b>	<b>1,043.54</b>	<b>986.25</b>
<b>Total Other equity</b>	<b>1,043.54</b>	<b>986.25</b>

Note 12 : Financial liabilities

12 (a) Short-term Borrowings

Particulars	As at March, 2024	As at March, 2023
	Rs. in Lacs	Rs. in Lacs
<b>Long-term Borrowings (refer note below)</b>		
<b>Non-current portion</b>		
<b>Secured</b>		
Term loan from Banks		
Term loan from Financial Institutions and others		
<b>Unsecured</b>		
From Financial Institutions	-	-
From Related parties		
	-	-
<b>Total long-term borrowings</b>	<b>-</b>	<b>-</b>
<b>Short-term Borrowings (refer note below)</b>		
<b>Secured</b>		
Working Capital Loans repayable on demand from Banks (including channel financing)		-
<b>Unsecured</b>		
	-	-
<b>Total short-term borrowings</b>	<b>-</b>	<b>-</b>
<b>Total borrowings</b>	<b>-</b>	<b>-</b>

Note : Loan taken from the related party carries interest rate of 8.00% ( March 31, 2023 : 8.00% ) Outstanding balances , at the year-end are unsecured and settlement occurs in cash.

12 (b) Trade payable

Particulars	As at March, 2024	As at March, 2023
	Rs. in Lacs	Rs. in Lacs
<b>Dues other than payable to MSME</b>		
Others (Refer Notes below)	3.14	301.58
Related Parties	0.03	92.22
	<b>3.17</b>	<b>393.80</b>
<b>Total</b>	<b>3.17</b>	<b>393.80</b>

a For Ageing of Trade Payables, refer note 12(d)

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

*M. S. K.*



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, 2024 Rs. in Lacs	As at March, 2023 Rs. in Lacs
<b>Current</b>		
Interest accrued and due - Related Party (Refer Note 23)		
Provision for Expenses	15.66	23.85
Deposits from customers and others	-	
	15.66	23.85
<b>Total</b>	<b>15.66</b>	<b>23.85</b>
<b>Financial liabilities- At amortised cost</b>		
(i) Interest Accrued and Due	-	-
(ii) Trade payables	3.17	393.80
(iii) Other financial Liabilities	15.66	23.85
<b>Total</b>	<b>18.83</b>	<b>417.65</b>

#### Note 13 (a): Other liabilities

Particulars	As at March, 2024 Rs. in Lacs	As at March, 2023 Rs. in Lacs
<b>Current</b>		
Advance from customers	0.22	0.06
Statutory dues including GST and tax deducted at source	38.20	20.70
	38.42	20.76
<b>Total</b>	<b>38.42</b>	<b>20.76</b>

#### Note 13 (b) : Current Tax Liabilities:

Particulars	As at March, 2024 Rs. in Lacs	As at March, 2023 Rs. in Lacs
Provision for Income Tax (Net of Advance Tax Rs. 15.92 Lacs & Previous Year Rs. 87.71 Lacs)	4.34	8.54
<b>Total</b>	<b>4.34</b>	<b>8.54</b>

*MSL Co.*

Syntel Telecom Limited  
Notes to the Financial Statements

Note 12(d): Ageing of Trade Payables:

Particulars	Outstanding for the following period from due date of payments:								Total		Rs. in Lacs
	Less than 1 Year		1-2 Years		2-3 Years		More than 3 Years				
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	
(i) MSME											-
(ii) Others	1.13	299.33		1.01	1.72	1.24			3.14	301.58	
(iii) Related Parties	0.03	92.22							0.03	92.22	
(iv) Disputed dues - MSME											-
(v) Disputed dues - Others											-
Grand Total	1.16	391.55	0.29	1.01	1.72	1.24	-	-	3.17	393.80	

*M.S. Co.*

Note 14 : Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Sale of products	1,118.11	1,726.84
Sale of Services	0.40	-
<b>Sub-total</b>	<b>1,118.51</b>	<b>1,726.84</b>
Other Operating Income	1.75	7.99
<b>Sub Total</b>	<b>1.75</b>	<b>7.99</b>
<b>Total</b>	<b>1,120.26</b>	<b>1,734.83</b>

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Domestic	1,120.26	1,734.83
Export	-	-
<b>Revenue from Operations</b>	<b>1,120.26</b>	<b>1,734.83</b>

Revenue based on business segment

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Telecom	1,120.26	1,734.83
<b>Revenue from Operations</b>	<b>1,120.26</b>	<b>1,734.83</b>

Reconciliation of revenue from operation with contract price

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Revenue from contract with customers as per the contract price	1,136.20	1,766.93
<b>Adjustment made to contract price on account of:</b>		
a) Discounts and Rebates	9.16	21.10
b) Excise duty on sale of goods	-	-
c) Sales Return	6.79	11.00
d) Bonus / incentive	-	-
e) Customer loyalty programme	-	-
<b>Revenue from Operations</b>	<b>1,120.26</b>	<b>1,734.83</b>

Note 15 : Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Interest income	35.28	30.94
Miscellaneous income	-	-
<b>Total</b>	<b>35.28</b>	<b>30.94</b>

Note 16 : Purchases of stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Electronic items	660.33	1,462.61
<b>Total</b>	<b>660.33</b>	<b>1,462.61</b>



Syntel Telecom Limited  
Notes to the Financial Statements  
Note 17 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Stock at the end of the year		
Stock-in-trade	-	391.39
	-	391.39
Stock at the beginning of the year		
Stock-in-trade	391.39	346.07
	391.39	346.07
(Increase) / Decrease in stocks	391.39	-45.32
<b>Total</b>	<b>391.39</b>	<b>-45.32</b>

Note 18 : Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Interest expense	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Note 19 : Depreciation and amortization expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Depreciation on Tangible assets (Refer Note 5)	1.76	2.44
<b>Total</b>	<b>1.76</b>	<b>2.44</b>

Note 20 : Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Insurance	1.23	1.19
Installation Charges	2.12	0.40
Service Charges	7.44	6.67
Freight, insurance & clearing charge	1.98	4.12
Printing, stationery & Communication	0.04	0.42
Manpower Charges		58.20
Legal & Professional charges	5.31	3.62
Tax borne by Company	2.07	-
Training Expenses	1.97	-
Conveyance & Travelling expense	0.03	0.16
Sundry Debits W/Off	-	16.07
Auditor's remuneration	3.40	3.40
Bank charges	1.42	1.94
Other Interest	1.34	1.21
Miscellaneous expenses	5.79	0.80
Sales Incentive		27.05
<b>Total</b>	<b>34.14</b>	<b>125.25</b>

Payment to Auditors (Net of GST)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. in Lacs	Rs. in Lacs
Payment to Auditors as		
Statutory Audit	3.40	3.40
For Other Certification work		
<b>Total</b>	<b>3.40</b>	<b>3.40</b>

Note 21: Exchange difference

Exchange Loss/(Gain)	(9.15)	19.26
	(9.15)	19.26

*M. N. S.*

**Note 22 : Income tax**

The major component of income tax expense for the years ended March 31, 2024 and March 31, 2023 are :

Particulars	2023-24 Rs. in Lacs	2022-23 Rs. in Lacs
<b>Statement of Profit and Loss</b>		
<b>Current tax</b>		
Current income tax	20.25	52.08
Short/(Excess) provision of Income Tax of earlier years (net)	(0.61)	0.01
<b>Deferred tax</b>		
Deferred tax expense / (income)	0.14	(1.05)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>19.78</b>	<b>51.04</b>

**A) Current tax**

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Accounting profit before tax from continuing operations	77.07	201.53
Tax @ 25.17% (March 31, 2023: 25.17%)	19.40	50.72
<b>Adjustment</b>		
in respect of Depreciation	1.76	2.44
Short/(Excess) provision of Income Tax of earlier years (net)	(0.61)	0.01
MAT credit Adjustments		
other adjustments	(0.77)	(2.13)
At the effective income tax rate of 25.17% (March 31, 2023 :25.17%)	<b>19.78</b>	<b>51.04</b>

**B) Deferred tax**

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Accelerated depreciation for tax purposes	0.83	0.58
Impact of fair valuation of Land		-
Others		
Expenditure allowable on payment basis	0.55	0.94
<b>Net deferred tax assets / (liabilities)</b>	<b>1.38</b>	<b>1.52</b>

Reflected in the balance sheet as follows

Deferred tax Asset	1.38	1.52
MAT credit entitlement		-
<b>Deferred tax assets / (liabilities) (net)</b>	<b>1.38</b>	<b>1.52</b>

	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
<b>Reconciliation of deferred tax assets / (Liabilities), net</b>		
Opening balance as of April 1, 2023	1.52	0.47
Tax income/(expense) during the period recognised in profit or loss	(0.14)	1.05
Tax income/(expense) during the period recognised in OCI	-	-
<b>Closing balance as at March 31, 2024</b>	<b>1.38</b>	<b>1.52</b>

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.

23 Disclosure pursuant to Related Party

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

Subsidiary	Syntel Enkay Converged Technologies LLP
Holding Company	Arvind Limited

(b) Disclosure in respect of Related Party Transactions :

Particulars	(Rs. In Lacs)	
	Year ended	
	March 31, 2024	March 31, 2023
<b>Transactions during the year</b>		
<u>Sale of Goods/ Services</u>		
Arvind Limited-(4000011)	264.40	637.47
Syntel Enkay Converged Technologies LLP-(4000025)	10.38	83.15
Syntel Enkay Converged Technologies LLP-(4040533 )	566.39	
<u>Purchases</u>		
Arvind Limited-(3000000)	8.90	0.40
Syntel Enkay Converged Technologies LLP(1000319)	0.04	0.10
<u>Loan Given</u>		
Syntel Enkay Converged Technologies LLP-(2000140)	-	
ARVIND ENVISOL LIMITED-(3000019)	-	
<u>Loan Repaid</u>		
ARVIND ENVISOL LIMITED-(3000019)	75.00	39.50
<u>Loan Taken</u>		
Arvind Limited-(2000000)	-	
<u>Interest Income</u>		
ARVIND ENVISOL LIMITED-(3000019)	35.28	30.94
Syntel Enkay Converged Technologies LLP-(2000140)	-	
<u>Interest Expenses</u>		
Arvind Limited	-	
<u>Expenses incurred</u>		
Arvind Limited-(3000068)		85.25

Particulars	(Rs. In Lacs)	
	As at	
	March 31, 2024	March 31, 2023
<b>Balances as at year end</b>		
<u>Capital Investment</u>		
Syntel Enkay Converged Technologies LLP	148.50	148.50
<u>Trade Receivables</u>		
Syntel Enkay Converged Technologies LLP(4000025)		14.15
Arvind Limited-(4000011)	141.25	304.52
Syntel Enkay Converged Technologies LLP(4040533 )	315.54	
<u>Receivable in respect of loan</u>		
Syntel Enkay Converged Technologies LLP - Accrued Interest (Net of TDS)		0.00
Arvind Envisol Limited- Principal	459.50	384.50
Arvind Envisol Limited - Accrued Interest (Net of TDS)	31.76	27.85
<u>Payable in Respect of Loan</u>		
Arvind Limited - Accrued Interest (Net of TDS)	-	
<u>Trade Payable</u>		
Arvind Limited (Telecom) (3000000 & 4000111)		92.07
Arvind Limited (Other Division)	0.03	0.03
Lalbhai Realty Finance Pvt Ltd		0.12

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 8.00% (March 31, 2023 : 8.00% ).

(d) Commitments with related parties

The Company has not provided any commitment to the related party as at March 31, 2024 (March 31, 2023: Rs.Nil)

*M. N. S.*



Note 24 : Earnings per share

Particulars	March 31, 2024	As at March 31, 2023
	Rs. in Lacs	Rs. in Lacs
<b>Earnings per share (Basic and Diluted)</b>		
Profit attributable to ordinary equity holders	57.29	150.49
Total no. of equity shares at the end of the year	50,000	50,000
<b>Weighted average number of equity shares</b>		
For basic EPS	50,000	50,000
For diluted EPS	50,000	50,000
Nominal value of equity shares (in Rs.)	10	10
Basic earning per share (in Rs.)	114.58	300.99
Diluted earning per share (in Rs.)	114.58	300.99



## Note 25: Calculation of various Ratios:

Sr. No.	Particulars	Rs. In Lakhs				Ratio		Explanation for Numerator	Explanation for Denominator
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23		
1	Current Ratio	959.16	1,281.73	61.59	446.94	15.57	2.87	Current Assets include Trade Receivables, Inventory, Cash & cash equivalents, Loans & Other Current Financial Assets	Current Liabilities include Trade Payables, Borrowings and Other Current Financial Liabilities
2	Debt-Equity Ratio	-	-	1,048.54	991.25	-	-	Debt is considered as Loans availed from Related Parties and the interest payable thereon	Total Equity includes the paid up share capital and the Retained earnings
3	Debt Service Coverage Ratio	78.83	203.97	-	-	-	-	Net Operating Income is considered as EBITDA (as calculated below in Note 1)	Debt is considered as Principle Outstanding plus Interest payable to related parties
4	Return on Equity Ratio	57.29	150.49	1,048.54	991.25	0.05	0.15	Net profit as per Profit & Loss statement	Total Equity includes the paid up share capital and the Retained earnings
5	Inventory Turnover Ratio	-	391.39	1,155.54	1,765.77	-	0.22	Trading & Manufacturing Inventory as per Balance Sheet	Turnover includes revenue from operations and other miscellaneous income as per Profit and loss statement
6	Trade Receivables turnover ratio	455.06	446.62	1,155.54	1,765.77	0.39	0.25	Trade Receivables as per Balance sheet	Turnover includes revenue from operations and other miscellaneous income as per Profit and loss statement
7	Trade Payables turnover ratio	3.17	393.80	1,155.54	1,765.77	0.00	0.22	Trade Payables as per Balance sheet	Turnover includes revenue from operations and other miscellaneous income as per Profit and loss statement
8	Net Capital turnover Ratio	1,155.54	1,765.77	1,048.54	991.25	1.10	1.78	Turnover includes revenue from operations and other miscellaneous income as per Profit and loss statement	Capital Employed = Equity plus retained earnings as on the last date of reporting period
9	Net Profit Ratio	57.29	150.49	1,155.54	1,765.77	0.05	0.09	Net profit as per Profit & Loss statement	Turnover includes revenue from operations and other miscellaneous income as per Profit and loss statement
10	Return on Capital Employed	78.83	203.97	1,048.54	991.25	0.08	0.21	Net Operating Income is considered as EBITDA (as calculated below in Note 1)	Capital Employed = Equity plus retained earnings as on the last date of reporting period
11	Return on Investment	-	-	-	-	-	-	NA	NA

## Note 1:

## Calculation of EBITDA

Sr. No.	Particulars	2023-24 Rs. In Lakhs	2022-23 Rs. In Lakhs
1	Revenue from Operations	1,120.26	1,734.83
2	Other Miscellaneous Income	35.28	30.94
3	Net Operating Income before Operational Expenses	1,155.54	1,765.77
4	Operational Expenses	1,076.71	1,561.80
5	Income before Interest, Depreciation & Taxes (EBITDA) (3-4)	78.83	203.97

**Note 26 : 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 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.

A handwritten signature in blue ink, appearing to read 'MS. S. S.', is located at the bottom of the page.



**Note 27 : 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	DUE IN YEAR 0 TO 1	DUE IN YEAR 1 TO 2	DUE IN YEAR 3 TO 5	DUE AFTER 5	TOTAL
<b>Year ended March 31, 2024</b>					
Interest bearing borrowings*	-	-	-	-	-
Trade payables	1.16	0.29	1.72	3.17	3.17
	<b>1.16</b>	<b>0.29</b>	<b>1.72</b>	<b>-</b>	<b>3.17</b>
<b>Year ended March 31, 2023</b>					
Interest bearing borrowings*	-	-	-	-	-
Trade payables	391.55	1.01	1.24	393.80	393.80
	<b>391.55</b>	<b>1.01</b>	<b>1.24</b>	<b>-</b>	<b>393.80</b>

**Note 28 : 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, 2024 In Rs.	Year ended March 31, 2023 In Rs.
Interest-bearing loans and borrowings (Note 12)	-	-
Less: cash and cash equivalent (including other bank balance) (Note 6)	-10.67	-9.32
<b>Net debt</b>	<b>-10.67</b>	<b>-9.32</b>
Equity share capital (Note 10)	5.00	5.00
Other equity (Note 11)	1,043.54	986.25
Total capital	<b>1,048.54</b>	<b>991.25</b>
<b>Capital and net debt</b>	<b>1,037.87</b>	<b>981.93</b>
Gearing ratio	-1%	-1%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

## Note 29 : Contingent Liabilities

Rs. In Lacs

Particulars	As At March 31, 2024	As At March 31, 2023
Contingent Liabilities not Provided for		
a. Claims Against Company not Acknowledged as Debts	73.74	Nil
b. Guarantees given by bank on behalf of the Company	Nil	Nil
<b>Total Contingent Liabilities</b>	<b>73.74</b>	<b>-</b>

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

Particulars	As At March 31, 2024	As At March 31, 2023
A. CIF Value of Imports:		
i. Other Traded Goods and Accessories & Spares	554.16	1,188.96
<b>Total</b>	<b>554.16</b>	<b>1,188.96</b>

## B. Expenditure in Foreign Currency

Particulars	As At March 31, 2024	As At March 31, 2023
i. Travelling	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Details on Foreign Currency Exposures

I. The Company does not have any hedged positions open as at 31st March, 2024

## C. Commitments

## a. Capital and other commitments

Particulars	As At March 31, 2024	As At March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):	Nil	Nil





Syntel Telecom Limited

Notes to and Forming Part of the Financial Statements for the year ended March 31, 2024

**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: Pune**  
Date : 18th April, 2024

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

  
**Sanjeev Thaker**  
Director  
DIN: 0008066075  
**Place : Pune**  
Date : 18th April, 2024

  
**Vidya Gosavi**  
Director  
DIN: 0009037879  
**Place : Pune**  
Date : 18th April, 2024

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

**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.

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.

#### 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
- 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
- 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 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.

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.

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

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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**

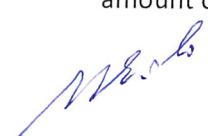
#### **General**

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.





#### **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.





### 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 : Pune  
Date : 18<sup>th</sup> April, 2024

  
Sanjeev Thaker  
Director  
DIN: 0008066075  
Place : Pune  
Date: 18<sup>th</sup> April, 2024

  
Vidya Gosavi  
Director  
DIN: 0009037879  
Place : Pune  
Date: 18<sup>th</sup> April, 2024