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

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SYNTEL ENKAY CONVERGED TECHNOLOGIES LLP

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying financial statements of SYNTEL ENKAY CONVERGED TECHNOLOGIES LLP ("LLP"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss 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 "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 a true and fair view in conformity with the Indian Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and in accordance with the accounting principles generally accepted in India, of the state of affairs of the LLP as at March 31, 2024, its profit 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 ("SAs") issued by ICAI. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial statements section of our report. We are independent of LLP in accordance with the Code of Ethics issued by ICAI together with the independence requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Management's Responsibility for the financial statements

LLP's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income and cash flows of LLP 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 LLP 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 LLP'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 LLP or to cease operations, or has no realistic alternative but to do so.

The Management is responsible for overseeing LLP's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- 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 LLP'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 LLP 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.

Report on Other Legal and Regulatory Requirements

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 LLP so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

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

CA. N.D. Anklesaria
Partner
Membership No. 10250
UDIN: 24010250BKFOBW2447

Place: Pune
Date: April 18, 2024

Syntel Enkay Converged Technologies LLP
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
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	5	2.16	3.78
(b) Intangible assets	6	-	-
(i) Other financial assets	7	19.15	12.07
(d) Other non-current assets	8	-	2.65
Total non-current assets		**21.31**	**18.50**
II.Current assets			
(a) Inventories	9	339.60	77.67
(b) Financial assets			
(i) Investments	7	-	-
(i) Trade receivables	7	652.66	403.29
(ii) Cash and cash equivalents	7	3.64	5.36
(iii) Bank balance other than (ii) above	7	19.01	25.27
(iv) Other financial assets	7	33.39	2.53
(c) Current tax assets (net)	10	12.78	11.61
(d) Other current assets	8	12.16	6.46
Total current assets		**1,073.24**	**532.19**
Total Assets		**1,094.55**	**550.69**
CONTRIBUTION AND LIABILITIES			
CONTRIBUTION			
(a) Partners Contribution	11	150.00	150.00
(b) Other equity	12	(976.71)	(1,409.29)
Total equity		**(826.71)**	**(1,259.29)**
LIABILITIES			
I. Non-current liabilities			
(a) Long-term provisions	13	-	-
Total non-current liabilities		-	-
II.Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	903.00	1,283.00
(ii) Trade payables			
Total outstanding Dues of Micro Enterprises and Small Enterprises		-	-
Total outstanding Dues other than Micro Enterprises and Small Enterprises	14	596.87	100.75
(iii) Other financial liabilities	14	308.48	302.53
(b) Other current liabilities	15	112.91	123.70
(c) Short-term provisions	13	-	
Total current liabilities		**1,921.26**	**1,809.98**
Total equity and liabilities		**1,094.55**	**550.69**

Summary of significant accounting policies 3
The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

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

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

For and on behalf of
Syntel Enkay Converged Technologies LLP

Designated Partner

Place : Pune
Date : 18th April,2024

Syntel Enkay Converged Technologies LLP

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
Income			
Revenue from operations	16	2,436.51	1,515.78
Other income	17	4.76	8.40
Total income (I)		**2,441.27**	**1,524.18**
Expenses			
Purchase of stock-in-trade	18	1,947.40	852.23
Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	(261.93)	59.92
Employee benefits expense	20		-
Finance costs	21	91.50	125.79
Depreciation and amortisation expense	22	1.61	7.31
Other expenses	23	230.11	296.23
Total expenses (II)		**2,008.69**	**1,341.48**
Profit / (Loss) before exceptional items and tax (III)=(I-II)		**432.58**	**182.70**
Exceptional items (IV)		-	-
Profit / (Loss) before tax (V) = (III-IV)		**432.58**	**182.70**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Short/(Excess) provision of Income Tax of earlier years (net)		-	-
Total tax expense (VI)		-	-
Profit / (Loss) for the period (VII) = (V-VI)		**432.58**	**182.70**
A. Other comprehensive income not to be reclassified to profit or loss in subsequent year:			
Re-measurement gains / (losses) on defined employee benefit plans		-	-
Income tax effect		-	-
		-	-
Total other comprehensive income for the period, net of tax (VIII) = (A+B)		-	-
Total Comprehensive Income / (Loss) for the period/year net of tax (VII+VIII)		**432.58**	**182.70**
Summary of Significant Accounting Policies	3		

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

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

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

For and on behalf of
Syntel Enkay Converged Technologies LLP

Designated Partner

Place : Pune
Date : 18th April,2024

Syntel Enkay Converged Technologies LLP

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

Particulars		For the Year ended March 31, 2024		For the Year ended March 31, 2023	
		Rs. in Lacs		Rs. in Lacs	
CASHFLOW FROM FROM OPERATING ACTIVITIES					
PROFIT /(LOSS) Before TAX AND EXTRAORDINARY ITEM			432.58		182.70
Adjustment for:					
Depreciation		1.61		7.31	
Interest expenses		91.50		125.79	
OCI for earlier years				-	
Deferred Tax		-			
Income tax refund of earlier years		-			
Profit / (Loss) on sale of assets (Net)		-	93.11		133.10
OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES AND EXTRA -ORDINARY ITEMS					
Adjustment for :					
Trade and other receivables		(249.37)		310.41	
Inventories		(261.93)		59.92	
Other Financial Assets		(35.29)		13.47	
Other Current Assets		(5.70)		3.04	
Trade Payable		496.13		(91.16)	
Other Financial Liabilities		5.95		72.10	
Provisions		-			
Other Current Liabilities		(10.79)		(41.86)	
CASH GENERATED FROM OPERATIONS			(61.00)		325.92
Direct taxes refund / (paid)			(1.17)		14.56
			(62.17)		340.48
NET CASH FROM OPERATING ACTIVITIES	A		463.52		656.28
CASHFLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets		-		(0.45)	
Sale of fixed assets		-			
Other Financial Assets		-			
Interest received		-			
Dividend received		-			
NET CASH USED IN INVESTING ACTIVITIES	B		-		(0.45)
CASHFLOW FROM FINANCING ACTIVITIES					
From long term borrowings		(380.00)		(695.67)	
Interest paid		(91.50)		(125.79)	
NET CASH USED IN FINANCING ACTIVITIES	C		(471.50)		(821.46)
NET CASH INCREASE IN CASH AND CASH EQUIVALENTS (A-B+C)			(7.98)		(165.63)
Cash and cash equivalents as on 01-04-2023			30.63		196.26
Cash and cash equivalents as on 31-03-2024			22.65		30.63

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

The accompanying notes are an intergral part of the Financial Statements

As per our report of even date attached
For SORAB S. ENGINEER & CO.
Chartered Accountants
Firm Regn No.110417W

CA N.D. ANKLESARIA
Partner
Membership No.10250

Place: Pune
Date : 18th April,2024

For and on behalf of
Syntel Enkay Converged Technologies LLP

Designated Partner

Place : Pune
Date : 18th April,2024

Syntel Enkay Converged Technologies LLP
Notes to the Financial Statements

Note 5 : Property, plant and equipment

(Rs. In Lacs)

Fixed Assets	Plant & machinery	Plant & Machinery - Demo Stock	Vehicles	Leasehold improvements	Office equipment	Computer, server & network	Total
Cost							
As at April 1, 2023	10.75	14.98		-	9.90	6.75	42.38
Additions	-		-	-			-
Deductions	-	-	-	-	-	-	-
As at March 31, 2024	10.75	14.98	-	-	9.90	6.75	42.38
Depreciation and Impairment							
As at April 1, 2023	10.21	14.98	-	-	7.62	5.79	38.60
Depreciation for the year					1.50	0.11	1.61
Adjustment due to merger	-	-	-	-	-	-	-
Impairment for the year	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-
Deductions	-	-		-	-	-	-
Exchange difference	-	-	-	-	-	-	-
As at March 31, 2024	10.21	14.98	-	-	9.12	5.91	40.22
Net Block							
As at March 31, 2024	0.54	0.00	-	-	0.78	0.84	2.16
As at March 31, 2023	0.54	0.00	-	-	2.28	0.96	3.78

Syntel Enkay Converged Technologies LLP
Notes to the Financial Statements

Note 6 : Intangible assets

Rs. In Lacs

Intangible assets	**Brand Value**	**Total**
Cost		
As at April 1, 2023		
Additions		
Deductions	-	-
As at March 31, 2024	-	-
Amortisation and Impairment		
As at April 1, 2023		
Amortisation for the Year		
Deductions	-	-
As at March 31, 2024	-	-
Net Block		
As at March 31, 2024	-	-
As at March 31, 2023		

Syntel Enkay Converged Technologies LLP
Notes to the Financial Statements

Note 7 : Financial assets

7 (a) Trade receivables

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Current		
Unsecured, considered good	652.66	403.29
Doubtful	232.22	232.22
Less : Allowance for doubtful debts	(232.22)	-232.22
	652.66	**403.29**
Other receivables		
Secured, considered good	-	-
Unsecured, considered good		
Doubtful	-	-
	-	-
Total Trade and other receivables	**652.66**	**403.29**
Non-current	-	-
Current	**652.66**	**403.29**

For Debtors Ageing, refer Note No. 7(e)

Note: Trade receivables include debts due from:

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Receivable from Related Parties (Refer Note No.24)	140.69	43.22
	140.69	43.22

7 (b) Cash and cash equivalent

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Balance with Bank		
Current accounts and debit balance in cash credit accounts	2.75	4.79
Cash on hand	0.89	0.57
Total cash and cash equivalents	**3.64**	**5.36**

7 (c) Other bank balance

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Deposits with original maturity of more than three months but less than 12 months held as margin money	19.01	25.27
Total other bank balances	**19.01**	**25.27**
Total cash and cash equivalents	**22.65**	**30.63**

7 (d) Other financial assets

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
(Unsecured, considered good)		
Non-current		
Security deposits	11.91	12.07
Fixed Deposits held as margin money with original maturity more than 12 months	7.24	
	19.15	**12.07**
Current		
Security deposit	31.54	1.19
Accrued Interest	1.85	1.34
	33.39	**2.53**
Total other financial assets	**52.54**	**14.60**

Financial assets- At amortised cost		
(i) Trade receivables	652.66	403.29
(ii) Cash and cash equivalents	3.64	5.36
(iii) Bank balance other than (ii) above	19.01	25.27
(iv) Other financial assets	52.54	14.60
Total financial assets	**727.85**	**448.52**

For Financial Instruments risk management objectives and policies refer Note 27.
Fair Value Disclosures for Financial assets and liabilities are in Note 26.

Note 8 : Other Assets

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Non-current (Unsecured considered good)		
Pre-paid expense		2.65
	-	**2.65**
Current (Unsecured, considered good)		
Advance to suppliers	8.34	5.11
Advances to Employees	-	0.04
Prepaid expenses	3.82	1.31
	12.16	**6.46**
Total	**12.16**	**9.11**

Note 9 : 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	339.60	77.67
Total	**339.60**	**77.67**

Note 10 : 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	12.78	11.61
Total	**12.78**	**11.61**

Note 7(e) :Ageing of Trade Receivables:

Rs. in Lacs

Particulars	Outstanding for the following period from due date of payments:										Total	
	Less than 6 Months		6 Months - 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	2023-24	2022-23
(i) Undisputed Trade Receivables - Considered Good	476.47	140.99	210.51	58.71	15.62	102.53	29.98	63.11	152.30	270.17	884.88	635.51
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-32.79	-32.79	-14.23	-14.23	-28.81	-28.81	-	-156.39	-156.39	-232.22	-232.22
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	**476.47**	**108.20**	**177.72**	**44.48**	**1.39**	**73.72**	**1.17**	**63.11**	**-4.09**	**113.78**	**652.66**	**403.29**

Syntel Enkay Converged Technologies LLP
Notes to the Financial Statements

Note 11 : Partners' capital

Rs. In Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Partners' Capital	150.00	150.00
Total	**150.00**	**150.00**

Partners' Fixed Contribution

	As at March 31, 2024		As at March 31, 2023	
	Ratio%	Rs. In Lacs	Ratio%	Rs. In Lacs
Syntel Telecom Limited	99.00	148.50	99.00	148.50
Arvind Limited	1.00	1.50	1.00	1.50
Total	**100**	**150.00**	**100.00**	**150.00**

Note 12 : Other Equity

Balance	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Surplus in statement of profit and loss		
Balance as per last financial statements	(1,409.29)	(1,591.99)
Add / (Less) : Profit / (Loss) for the year	432.58	182.70
Add / (Less): OCI for the year	-	
	(976.71)	(1,409.29)
Less: Appropriation	-	-
Balance at the end of the year	(976.71)	(1,409.29)
Total reserves & surplus	(976.71)	(1,409.29)

Note 13 : Provisions

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Long-term		
Provision for employee benefits		
	-	-
Short-term		
Provision for employee benefits		
	-	-
Total	-	-

Note 14 : Financial liabilities

14 (a) Short-term Borrowings

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Short-term Borrowings (refer note below)		
Secured		
Working Capital Loans repayable on demand from Banks (including channel financing)	-	-
Unsecured		
From Related Parties	903.00	1,283.00
Total short-term borrowings	903.00	1,283.00
Total borrowings	903.00	1,283.00

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

14 (b) Trade payable

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Trade and Other Payables		
Dues payable to MSME		
	-	-
Dues other than payable to MSME		
Others	181.31	58.56
Related Parties	415.56	42.19
	596.87	100.75
Total	596.87	100.75

a For Creditors Ageing, refer Note No. 14(d)

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

c 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 been given to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.
The LLP is making efforts to get the confirmations from the suppliers as regard to their status under the said Act.

14 (c) Other financial liabilities

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Non-current		
Financial guarantee contract		
	-	-
Current		
Interest accrued but not due	82.35	112.47
Payable to employees	1.20	1.33
Book overdraft	28.31	37.99
Provision for Expenses	196.62	150.74
	308.48	302.53
Total *	**308.48**	**302.53**

*** Financial liabilities by category**

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings	903.00	1,283.00
Trade payable	596.87	100.75
Payable to employees	1.20	1.33
Interest accrued but not due	82.35	112.47
Book overdraft	28.31	37.99
Provision for Expenses	196.62	150.74
Total Financial liabilities	**1,808.35**	**1,686.28**

For Financial instruments risk management objectives and policies, refer Note 27
Fair value disclosures for financial assets and liabilities are in Note No 26

Note 15 : Other liabilities

Particulars	As at March 31, 2024 Rs. in Lacs	As at March 31, 2023 Rs. in Lacs
Current		
Advance from customers	39.29	21.00
Statutory dues including Provident Fund, GST and TDS (Net)	(6.50)	28.95
Income received in advance (unearned income)	80.12	73.75
	112.91	**123.70**
Total	**112.91**	**123.70**

Syntel Enkay Converged Technologies LLP
Notes to the Financial Statements

Note14(d): Ageing of Trade Payables:

Rs. in Lacs

Particulars	Outstanding for the following period from due date of payments:								Total	
	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	156.30	26.27	-6.39	23.64	31.40	8.65			181.31	58.56
(iii) Related Parties	415.56	42.19							415.56	42.19
(iv) Disputed dues - MSME									-	-
(v) Disputed dues - Others									-	-
Grand Total	**571.86**	**68.46**	**-6.39**	**23.64**	**31.40**	**8.65**	**-**	**-**	**596.87**	**100.75**

Syntel Enkay Converged Technologies LLP
Notes to the Financial Statements

Note 16 : Revenue from operations

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Sale of products	2,049.47	1,058.48
Sale of Services	387.04	457.30
Total	**2,436.51**	**1,515.78**

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Domestic	2,433.51	1,512.17
Export	3.00	3.61
Revenue from Operations	**2,436.51**	**1,515.78**

Revenue based on business segment

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Telecom	2,436.51	1,515.78
Revenue from Operations	**2,436.51**	**1,515.78**

Reconciliation of revenue from operation with contract price

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Revenue from contract with customers as per the contract price	2,496.22	1,552.24
Adjustment made to contract price on account of:		
a) Discounts and Rebates	17.67	25.29
b) Sales Return	42.04	11.17
c) Bonus / incentive	-	-
d) Customer loyalty programme	-	-
Revenue from Operations	**2,436.51**	**1,515.78**

Note 17 : Other income

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Interest from banks	1.63	3.04
Interest from Others	0.71	
Miscellaneous income	1.84	4.09
Exchange Rate Difference Income	0.58	1.27
Total	**4.76**	**8.40**

Syntel Enkay Converged Technologies LLP
Notes to the Financial Statements

Note 18 : Purchases of stock-in-trade

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Electronic items	1,947.40	852.23
Total	**1,947.40**	**852.23**

Note 19 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Stock at the end of the year		
Stock-in-trade	339.60	77.67
	339.60	77.67
Stock at the beginning of the year		
Stock-in-trade	77.67	137.59
	77.67	**137.59**
(Increase) / Decrease in stocks	-261.93	59.92
Total	**-261.93**	**59.92**

Note 20 : Employee benefits expense

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Staff welfare and training expenses	-	-
Total	-	-

Note 21 : Finance costs

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Interest expense	91.50	125.79
Total	**91.50**	**125.79**

Note 22 : Depreciation and amortization expense

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Depreciation and amortisation expense (Refer Note 5)	1.61	3.64
Amortization on Intangible assets	-	3.67
Total	**1.61**	**7.31**

Syntel Enkay Converged Technologies LLP

Notes to the Financial Statements

Note 23 : Other expenses

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Power and fuel	0.83	0.57
Consumption of stores and spare parts	0.81	0.38
Service Charges	30.94	31.70
Repairs : To others	0.14	0.47
Insurance	2.85	3.16
Freight and clearing charges	10.68	7.91
Printing,stationery & Communication	11.74	11.28
Labour Charges	16.82	25.93
Legal & Professional charges	8.92	7.60
Conveyance & Travelling expense	13.07	15.23
Agent Commission	15.75	2.57
Manpower Charges	32.48	45.86
Bad And Doubtful Debts Provision	-	41.38
Sundry Debits W/Off	-	0.98
Auditor's remuneration	3.40	3.40
Bank charges	6.79	6.13
Installation Charges	65.34	73.39
Office Expenses	1.34	3.41
Miscellaneous expenses	8.21	8.63
Sales Incentive		6.25
Total	**230.11**	**296.23**

Payment to Auditors (net of GST)

Particulars	Year ended March 31, 2024 Rs. in Lacs	Year ended March 31, 2023 Rs. in Lacs
Payment to Audit as		
Statutory Auditors	3.40	3.40
For tax audit	-	-
For Other certification work		
For reimbursement of expenses	-	
Total	**3.40**	**3.40**

Syntel Enkay Converged Technologies LLP

Notes to and forming part of the Financial Statements for the period ended 31st March 2024

Note 23A : Deferred tax

The LLP has unabsorbed business losses and depreciation amounting to Rs. 1260.71 Lacs as on 31st March 2024 on account of which there is a deferred tax asset which has not been recognised.

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

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

Holding company	Syntel Telecom Limited
Ultimate Holding company	Arvind Limited

(b) Disclosure in respect of Related Party Transactions :

(Rs. in Lacs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Transactions during the Year		
Purchase of Goods and Materials		
Syntel Telecom Limited	576.78	83.15
Arvind Limited (Goods)	448.61	353.71
Arvind Limited (Services)		
Expenses incurred		
Arvind Limited-(3000000) - Services	32.48	52.11
Sales		
Arvind Limited	171.30	71.65
Arvind Ltd (Other Divisions)		4.09
Arvind Smart Textiles Ltd.		0.12
Arvind Ltd (Other Divisions) GOODS	78.59	56.49
Arvind Ltd (Other Divisions)SERVICES	20.80	15.45
PVH ARVIND FASHION PRIVATE LIMITED	0.51	0.48
ARVIND PD COMPOSITES PVT. LTD.(4029819)	0.14	0.22
ARVIND ENVISOL LTD('4025738)	5.07	1.67
ARVIND ENVISOL LTD('4025738) SERVICES	0.40	
ARVIND SMARTSPACES LIMITED -4016587	0.34	0.95
ARVIND SMARTSPACES LIMITED -4016587 -SERVICES	0.05	
ARVIND SMARTSPACES LIMITED -4041056 GOODS	1.02	
ARVIND SMARTSPACES LIMITED -4041056-SERVICES	0.05	
Syntel Telecom Limited	0.04	0.10
ARVIND OG NONWOVENS PRIVATE LIMITED ('4040503)	4.27	
ARVIND OG NONWOVENS PRIVATE LIMITED ('4040503) SERVICES	0.50	
ARVIND TECHNICAL PRODUCTS PVT LTD-'4042997	3.61	
Loan Taken/Repaid		
Syntel Telecom Limited-(2000148)		
Arvind Ltd Loan Account-(2000000)		593.79
ARVIND PD COMPOSITES PVT LTD(3000096)	380.00	209.00
Loan Taken		
Syntel Telecom Limited		-
Arvind Limited	-	
Arvind PD Composites Pvt Ltd	-	
Interest Expenses		
Syntel Telecom Limited		-
Arvind Limited		0.83
Arvind PD Composites Pvt Ltd	91.50	124.96

c)

(Rs. in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances as at year end		
Capital Outstanding		
Syntel Telecom Limited	148.50	148.50
Arvind Limited	1.50	1.50
Other Liabilities and payables		
Syntel Telecom Limited	315.54	14.15
Arvind Limited	100.02	28.04
Payable in respect of Loan		
Syntel Telecom Limited Interest Accrued(Net of TDS)		-
Arvind Limited		-
Arvind Limited Interest Accrued(Net of TDS)		-
Arvind PD Composites Pvt Ltd - Loan	903.00	1,283.00
ARVIND PD COMPOSITES PVT LTD - Interest Accrued(Net of TDS)	82.35	112.47
Other Assets & Receivables		
ARVIND LTD (TELECOMDIV)	85.72	30.64
Arvind Smart Textiles Limited		4.14
Arvind Ltd (other Divisions)		37.66
ARVIND SMARTSPACES LIMITED -(4016587)	0.09	
ARVIND PD COMPOSITES PVT. LTD.-4029819	0.16	
Arvind Ltd (other Divisions)	48.05	
ARVIND ENVISOL LTD	2.42	0.41
ARVIND TECHNICAL PRODUCTS PVT LTD-'4042997	4.25	-

Terms and conditions of transactions with related parties

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

2) Loans in INR taken from the related party carries interest rate of 8% (March 31, 2023 : 8.00%).

d Commitments with related parties

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

Note 25: Calculation of various Ratios:

Rs. In Lacs

Sr. No.	Particulars	Numerator		Denominator		Ratio		Explanation for Numerator	Explanation for Denominator
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23		
1	Current Ratio	1,073.23	532.19	1,921.26	1,809.98	0.56	0.29	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	903.00	1,283.00	-826.71	-1,259.29	-	-	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	525.69	315.80	903.00	1,283.00	0.58	0.25	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	432.58	182.70	-826.71	-1,259.29	-	-	Net profit as per Profit & Loss statement	Total Equity includes the paid up share capital and the Retained earnings
5	Inventory Turnover Ratio	339.60	77.67	2,441.27	1,524.18	0.14	0.05	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	652.66	403.29	2,441.27	1,524.18	0.27	0.26	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	596.87	100.75	2,441.27	1,524.18	0.24	0.07	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	2,441.27	1,524.18	-826.71	-1,259.29	-	-	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	432.58	182.70	2,441.27	1,524.18	0.18	0.12	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	525.69	315.80	-826.71	-1,259.29	-	-	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	2,436.51	1,515.78
2	Other Miscellaneous Income	4.76	8.40
3	Net Operating Income before Operational Expenses	2,441.27	1,524.18
4	Operational Expenses	1,915.58	1,208.38
5	**Income before Interest, Depreciation & Taxes (EBITDA) (3-4)**	**525.69**	**315.80**

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 Management assessed that fair values for loan from holding company would approximate their carrying values. This is due to the interest rates for similar loan have not changed significantly as at March 31 2024, as compared to the interest rates at which such loan have been availed.

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

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

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

Note 27 : Financial instruments risk management objectives and policies

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

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

Interest rate risk

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest. The LLP has not hedged its interest rate risk.

Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The LLP transacts business in local currency. The LLP does not have foreign currency trade payables and receivables etc. and is, therefore, not exposed to foreign exchange risk.

(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 LLP is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The LLP 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 LLP may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The LLP's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The LLP closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

Syntel Enkay Converged Technologies LLP

Notes to and forming part of the Financial Statements for the year ended 31st March 2024

The table below summarises the maturity profile of the LLP'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 YEARS	TOTAL AMOUNT (RS IN LACS)
Year ended March 31, 2024						
Interest bearing borrowings		903.00	-	-	-	**903.00**
Trade payables		571.86	-6.39	31.40	-	596.87
		1,474.86	**-6.39**	**31.40**	**-**	**1,499.87**
Year ended March 31, 2023						
Interest bearing borrowings		1,283.00	-	-	-	1,283.00
Trade payables		68.46	23.64	8.65	-	100.75
		1,351.46	**23.64**	**8.65**	**-**	**1,383.75**

Note 28 : Capital management

For the purpose of the LLP's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the LLP. The primary objective of the LLP'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 LLP 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 LLP may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The LLP monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The LLP 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**	**Year ended March 31, 2023**
	Rs. in Lacs	**Rs. in Lacs**
Interest-bearing loans and borrowings (Note 14 a)	903.00	1,283.00
Less: Cash and Cash equivalent (including other bank balance) (Note 7b & 7c)	-22.65	-30.63
Net debt	**880.35**	**1,252.37**
Partner's Capital (Note 11)	150.00	150.00
Other equity (Note 12)	-976.71	-1,409.29
Total capital	**-826.71**	**-1,259.29**
Capital and net debt	**53.64**	**-6.92**
Gearing ratio	**1641%**	**-18092%**

M.L.

Syntel Enkay Converged Technologies LLP

Notes to and forming part of the Financial Statements for the year ended 31st March 2024

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	NIL	NIL
b. Guarantees given by Bank on behalf of the Company	125.47	135.10
Total Contingent Liabilities	**125.47**	**135.10**

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. Traded Goods and Accessories & Spares	135.84	-
Total	**135.84**	**-**

B. Expenditure in Foreign Currency

Particulars	As At March 31, 2024	As At March 31, 2023
i. Travelling	-	-
Total	**-**	**-**

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 Enkay Converged Technologies LLP
Notes to and forming part of the Financial Statements for the year ended 31st March 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
Syntel Enkay Converged Technologies LLP

Designated Partner

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 Enkay Converged Technologies LLP (LLPIN – AAJ-8489) was incorporated on 30th June, 2017 as a Limited Liability Partnership ('LLP'). The registered office of the company is located at Arvind Limited Premises, Naroda Road, Ahmedabad - 380025.

The LLP offers converged technology solutions in the domains of Enterprise Communication, IT, AV Automation and Security, Surveillance & IT solutions.

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.

2.2 Historical Cost Convention

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

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

2.3 Rounding of amounts

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

3. Summary of Significant Accounting Policies

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

3.1. Current versus non-current classification

The LLP 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.

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

Operating cycle

Operating cycle of the LLP is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the LLP's normal operating cycle is 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 LLP and are based on historical experience and various other assumptions and factors (including expectations of future events) that the LLP 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 LLP's financial statements are presented in INR, which is also the LLP's functional currency.

Transactions and balances

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

3.4. Fair value measurement

The LLP 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 LLP.

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 LLP 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 LLP 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 LLP 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	10 Years
Vehicles	10 Years
Office Equipment	5 Years
Computers	3 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 LLP 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 LLP 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 LLP 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 LLP 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 LLP 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 LLP 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 LLP has transferred substantially all the risks and rewards of the asset, or (b) the LLP 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 LLP 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 LLP 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 LLP 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 LLP 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 LLP'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 LLP. 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 LLP'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 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 Sorab S. Engineers & Co. **Chartered Accountants** **Firm Registration No. 110417W**	**For and on behalf of Syntel Enkay Converged Technologies LLP**
CA N.D. Anklesaria **Partner** **Membership No.: 10250** **Place : Pune** **Date : 18th April,2024**	**Designated Partner** **Place : Pune** **Date : 18th April,2024**