



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MAHAVEER TELECOM PRIVATE LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **MAHAVEER TELECOM PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### 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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2017, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards 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 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. According to the information and explanations given to us and audit procedures performed including management representations obtained, we report that The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management as per the disclosure requirement as envisaged in Notification G.S.R. 308 (E) dated March 30, 2017.

**For M/s KALYANA & CO.**  
Chartered Accountants  
Firm's Registration No. 007095S

*RSKBabu*

CA P V Sravan Kumar Babu  
Partner  
M.No: 207522



Place: Hyderabad  
Date : 30.05.2017



## **“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2017, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
  
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.  
  
(c) The title deeds of immovable properties are held in the name of the company.
- ii. (a) The management has conducted the physical verification of inventory at reasonable intervals.  
  
(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For M/s KALYANA & CO.**  
Chartered Accountants  
Firm's Registration No. 007095S

*PVK Babu*



Place: Hyderabad  
Date : 30.05.2017

CA P V Sravan Kumar Babu  
Partner  
Membership No. 207522



## **“Annexure B” to the Independent Auditor’s Report**

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

We have audited the internal financial controls over financial reporting of MAHAVEER TELECOM PRIVATE LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control; stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 Company's internal financial controls system over financial reporting

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such such internal financial controls system over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, 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 M/s KALYANA & CO.**  
Chartered Accountants  
Firm's Registration No. 007095S

Place: Hyderabad  
Date : 30.05.2017

*PVK Babu*  
CA P V Sravan Kumar Babu  
Partner  
Membership No. 207522



**INDIAN INCOME TAX RETURN ACKNOWLEDGEMENT**

[Where the data of the Return of Income in Form ITR-1 (SAHAJ), ITR-2, ITR-3, ITR-4, ITR-5, ITR-6, ITR-7 transmitted electronically with digital signature]

Assessment Year  
**2017-18**

|                                                              |                                                                      |                                                             |                             |                                                             |  |
|--------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------|-------------------------------------------------------------|--|
| PERSONAL INFORMATION AND THE DATE OF ELECTRONIC TRANSMISSION | Name<br>MAHAVEER TELECOM PRIVATE LIMITED                             |                                                             |                             | PAN<br>AAHCM4478N                                           |  |
|                                                              | Flat/Door/Block No<br>7-1-24/2/C301/A                                | Name Of Premises/Building/Village<br>DHANSI SURABHI COMPLEX |                             | Form No. which has been electronically transmitted<br>ITR-6 |  |
|                                                              | Road/Street/Post Office<br>GREENLANDS AMEERPET                       | Area/Locality<br>HYDERABAD                                  |                             |                                                             |  |
|                                                              | Town/City/District<br>HYDERABAD                                      | State<br>TELANGANA                                          | Pin/ZipCode<br>500016       | Status Pvt Company<br>Aadhaar Number/Enrollment ID          |  |
|                                                              | Designation of AO(Ward/Circle) WARD-16(3), AAYAKAR BHAVAN, HYDERABAD |                                                             |                             | Original or Revised ORIGINAL                                |  |
|                                                              | E-filing Acknowledgement Number 222962181260917                      |                                                             | Date(DD/MM/YYYY) 26-09-2017 |                                                             |  |
|                                                              | 1                                                                    | Gross total income                                          | 1                           | 21888                                                       |  |
|                                                              | 2                                                                    | Deductions under Chapter-VI-A                               | 2                           | 0                                                           |  |
|                                                              | 3                                                                    | Total Income                                                | 3                           | 21890                                                       |  |
|                                                              | 3a                                                                   | Current Year loss, if any                                   | 3a                          | 0                                                           |  |
| 4                                                            | Net tax payable                                                      | 4                                                           | 6541                        |                                                             |  |
| 5                                                            | Interest payable                                                     | 5                                                           | 0                           |                                                             |  |
| 6                                                            | Total tax and interest payable                                       | 6                                                           | 6541                        |                                                             |  |
| 7                                                            | Taxes Paid                                                           | a Advance Tax                                               | 7a                          | 0                                                           |  |
|                                                              |                                                                      | b TDS                                                       | 7b                          | 0                                                           |  |
|                                                              |                                                                      | c TCS                                                       | 7c                          | 0                                                           |  |
|                                                              |                                                                      | d Self Assessment Tax                                       | 7d                          | 6540                                                        |  |
|                                                              |                                                                      | e Total Taxes Paid (7a+7b+7c +7d)                           | 7e                          | 6540                                                        |  |
| 8                                                            | Tax Payable (6-7e)                                                   | 8                                                           | 0                           |                                                             |  |
| 9                                                            | Refund (7e-6)                                                        | 9                                                           | 0                           |                                                             |  |
| 10                                                           | Exempt Income                                                        | Agriculture                                                 |                             | 10                                                          |  |
|                                                              |                                                                      | Others                                                      |                             |                                                             |  |

This return has been digitally signed by ASHOK KUMAR JAIN in the capacity of DIRECTORhaving PAN ACDPJ5680Q from IP Address 183.82.169.140 on 26-09-2017 at HYDERABADDsc SI No & issuer 2325308823234965288CN=SafeScrypt sub-CA for RCAI Class 2 2014,OU=Sub-CA,O=Sify Technologies Limited,C=IN**DO NOT SEND THIS ACKNOWLEDGEMENT TO CPC, BENGALURU**

1 Name of the Assessee : MAHAVEER TELECOM PRIVATE LIMITED  
2 Address for communication : 7-1-24/2/C, Flat no.301/A,  
Dhansi Surbhi Complex,  
Greenlands, Ameerpet,  
Hyderabad - 500016  
3 Status : Domestic Company  
4 P.A.No: : AAHCM4478N  
5 Assessment Year : 2017-2018  
6 Previous year : 2016-2017  
7 Statement of Total Income

|   | Particulars                                               | Rs.   | Amount |
|---|-----------------------------------------------------------|-------|--------|
| A | <b>Income Under Head Business:</b>                        |       |        |
|   | Profit before tax as per Profit and Loss Account          |       | 19,899 |
|   | Add: Depreciation as per Companies Act                    |       | -      |
|   | Add: Dis allowance for non deduction of Tds               |       | -      |
|   | Add: Interest on Income Tax Paid disallowed U/s 40(a)(ii) |       | 1,989  |
|   |                                                           |       | 21,888 |
|   | Less: Depreciaton u/s 32 of the IT act                    |       | -      |
|   | <b>Net Income from Business</b>                           |       | 21,888 |
| B | <b>Gross Total Income</b>                                 |       | 21,888 |
|   | Less : Deduction U/C VIA                                  |       | -      |
| C | <b>Net Taxable Income</b>                                 |       | 21,888 |
|   | <b>Income Chargeable at normal rates</b>                  |       | 21,890 |
|   | Tax thereon at normal rates                               | 6,350 |        |
|   | Tax U/s 115JB                                             | 2,618 |        |
| D | <b>Tax Payable</b>                                        |       | 6,350  |
|   | Add: Education cess @ 3%                                  |       | 191    |
| E | <b>Total tax payable</b>                                  |       | 6,541  |
|   | Add: Interest Payable                                     |       |        |
|   | 234B as per ITR Form                                      | -     |        |
|   | 234C as per ITR Form                                      | -     |        |
|   | <b>Total Tax and interest payable</b>                     |       | 6,540  |
|   | Less: Self Assessment tax paid                            |       | 6,540  |
| F | <b>Balance tax payable/ (Refund)</b>                      |       | -      |

*As*



**MAHAVEER TELECOM PRIVATE LIMITED**

Balance Sheet as at March 31, 2017

(Amount in 'Rs.)

| Particulars                                        | Note No. | As at 31st March 2017 | As at 31st March 2016 |
|----------------------------------------------------|----------|-----------------------|-----------------------|
| <b>I.EQUITY AND LIABILITIES</b>                    |          |                       |                       |
| <b>1.Shareholder's funds</b>                       |          |                       |                       |
| (a) Share Capital                                  | 2        | 500,000               | 500,000               |
| (b) Reserves and Surplus                           | 3        | 1,976,297             | 1,962,547             |
| <b>2.Share Application Money Pending allotment</b> |          |                       |                       |
| <b>3.Non Current liabilities</b>                   |          |                       |                       |
| (a) Long Term Borrowings                           |          | -                     | -                     |
| (b)Deferred Tax Liability( Net)                    |          | -                     | -                     |
| (c) Other Long Term Liabilities                    |          | -                     | -                     |
| (d) Long Term Provisions                           |          | -                     | -                     |
| <b>Current liabilities</b>                         |          |                       |                       |
| (a) Short Term Borrowings                          |          | -                     | -                     |
| (b) Trade Payables                                 | 4        | 3,671,471             | 3,487,824             |
| (c) Other Current Liabilities                      | 5        | 7,715                 | -                     |
| (d) Short Term Provisions                          | 6        | 50,949                | 32,827                |
|                                                    |          | 6,206,432             | 5,983,199             |
| <b>II.ASSETS</b>                                   |          |                       |                       |
| <b>1.Non-current assets</b>                        |          |                       |                       |
| (a) Fixed Assets                                   |          | -                     | -                     |
| (b) Non Current Investments                        |          | -                     | -                     |
| (c)Long Term Loans and Advances                    |          | -                     | -                     |
| (d) Other Non Current assets                       | 7        | 33,430                | 33,430                |
| <b>2.Current assets</b>                            |          |                       |                       |
| (a) Inventories                                    | 8        | 3,261,585             | 3,789,419             |
| (b) Trade Receivables                              | 9        | 2,284,223             | 1,357,062             |
| (c) Cash and Cash Equivalents                      | 10       | 455,394               | 631,488               |
| (d) Short Term Loans and Advances                  | 11       | 171,800               | 171,800               |
| (e) other Current assets                           |          | -                     | -                     |
|                                                    |          | 6,206,432             | 5,983,199             |

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Balance Sheet.  
This is the Balance Sheet referred to in our Report of even date.

For and on behalf of

KALYANA & CO

Chartered Accountants

Firm Registration Number: 007095S

*P V S K Babu*

CA P V Sruvan Kumar Babu

Partner

Membership No.207522

Place: Hyderabad

Date: 30.05.2017



For and on behalf of the Board of Directors

*[Signature]*

Director

Director



**MAHAVEER TELECOM PRIVATE LIMITED**
**Statement of Profit and Loss for the year ended March 31 , 2017**
**(Amount in `Rs.)**

| Particulars                                     | Note No. | For the Year ended 31st March , 2017 | For the Year ended 31st March , 2016 |
|-------------------------------------------------|----------|--------------------------------------|--------------------------------------|
| <b>I. Revenue From Operations</b>               |          |                                      |                                      |
| Sales less Returns                              |          | 769,494                              | 12,664,706                           |
| <b>II Other Income</b>                          | 12       | 690,453                              | 114,482                              |
| <b>III Total Revenue (I + II)</b>               |          | <b>1,459,946</b>                     | <b>12,779,188</b>                    |
| <b>IV Expenses:</b>                             |          |                                      |                                      |
| Purchases less Returns                          |          | 152,068                              | 12,108,909                           |
| Changes in Inventory                            | 13       | 527,834                              | 265,130                              |
| Employee Benefit Expenses                       | 14       | 18,719                               | 213,501                              |
| Finance Cost                                    |          | 617,850                              | -                                    |
| Depreciation                                    |          | -                                    | -                                    |
| Other Expenses                                  | 15       | 123,577                              | 133,308                              |
| <b>V Total Expenses</b>                         |          | <b>1,440,048</b>                     | <b>12,720,848</b>                    |
| <b>V Profit before tax (III- IV)</b>            |          | <b>19,899</b>                        | <b>58,340</b>                        |
| <b>VI Tax expense:</b>                          |          |                                      |                                      |
| (1) Current tax                                 |          | 6,149                                | 18,027                               |
| (2) Minimum Alternate Tax                       |          | -                                    | (368)                                |
| (2) Deferred tax                                |          | -                                    | -                                    |
|                                                 |          | <b>6,149</b>                         | <b>17,659</b>                        |
| <b>VII Profit (loss) for the period (V- VI)</b> |          | <b>13,750</b>                        | <b>40,681</b>                        |
| <b>VIII Earnings per equity share:</b>          |          |                                      |                                      |
| (1) Basic                                       |          | 0.27                                 | 0.81                                 |
| (2) Diluted                                     |          | -                                    | -                                    |

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Profit and Loss Account.

This is the Profit and Loss referred to in our Report of even date.

For and on behalf of  
**KALYANA & CO**  
 Chartered Accountants  
 Firm Registration Number: 007095S

*P V S K Babu*  
 CA P V Sravan Kumar Babu  
 Partner  
 Membership No.207522  
 Place: Hyderabad  
 Date: 30.05.2017



For and on behalf of the Board of Directors

*[Signature]*  
 Director

*[Signature]*  
 Director



**MAHAVEER TELECOM PRIVATE LIMITED**  
Cash Flow Statement for the Year Ended 31.03.2017

(Amount in ₹)

| Particulars                                              | 2016-17   | 2015-16      |
|----------------------------------------------------------|-----------|--------------|
| <b>Cash Flow From Operating Activity :</b>               |           |              |
| Net Profit for Year before tax and appropriations        | 19,899    | 58,340       |
| <b>Adjustments non-cash &amp; non-operating expenses</b> |           |              |
| Depreciation Provided                                    | -         | -            |
| Discount received (Non-Cash income)                      | -         | -            |
| Entry Tax Provision                                      | -         | -            |
| <b>Cash Flow before Working Capital Changes</b>          | 19,899    | 58,340       |
| (Increase)/Decrease in Debtors                           | (927,161) | 18,472,634   |
| (Increase)/Decrease in stock                             | 527,834   | 265,130      |
| (Increase)/Decrease in Advances                          | -         | (156,303)    |
| (Increase)/Decrease in other Current Assets              | -         | 443,665      |
| Increase/(Decrease) in Current Liabilities               | 221,361   | (19,056,326) |
| <b>Cash Flow after Working Capital Changes</b>           | (158,068) | 27,141       |
| less: tax paid previous year                             | 18,027    | -            |
| <b>Net Cash Flow from Operating Activities</b>           | (176,095) | 27,141       |
| <b>Cash Flow From Investing Activity :</b>               |           |              |
| Other Assets                                             | -         | -            |
| Purchase of Fixed assets                                 | -         | -            |
| <b>Net Cash Flow from Investing Activities</b>           | -         | -            |
| <b>Cash Flow From Financing Activity :</b>               |           |              |
| Unsecured Loan raised/Repaid                             | -         | -            |
| <b>Net Cash Flow from Financing Activities</b>           | -         | -            |
| <b>Net Cash Flow from Operating Activities</b>           | (176,095) | 27,141       |
| <b>Net Cash Flow from Investing Activities</b>           | -         | -            |
| <b>Net Cash Flow from Financing Activities</b>           | -         | -            |
|                                                          | (176,095) | 27,141       |
| Add: Opening Cash and Cash Equivalents                   | 631,488   | 604,347      |
| Closing Cash and Cash Equivalents                        | 455,394   | 631,488      |

**Auditors Certificate**

We have verified the above Cash Flow Statement of Mahaveer Telecom Private Ltd derived from the audited annual accounts for the year ended 31-3-2017 and found the same to be drawn in accordance therein and also with the requirement of Clause 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For and on behalf of  
KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S

CA P V Sruvan Kumar Babu  
Partner  
Membership No. 207522  
Place: Hyderabad  
Date: 30.05.2017



For and on behalf of the Board of Directors

*As*  
Director



Director



## 2. Share Capital

(Amount in `Rs.)

| Particulars                                   | As at<br>31 March 2017 | As at<br>31 March 2016 |
|-----------------------------------------------|------------------------|------------------------|
| <b>Authorised Capital</b>                     |                        |                        |
| 50,000 Equity Shares of Rs. 10 each           | 500,000                | 500,000                |
| <b>Issued, Subscribed &amp; fully Paid up</b> |                        |                        |
| 50,000 Equity Shares of Rs. 10 each           | 500,000                | 500,000                |
| <b>Total</b>                                  | <b>500,000</b>         | <b>500,000</b>         |

a) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

| Name of Shareholder      | Equity Shares         |              |
|--------------------------|-----------------------|--------------|
|                          | As at 31 March 2017   |              |
|                          | No. of<br>Shares held | % of Holding |
| Mahaveer Infoway Limited | 30,000                | 60.00        |
| Mr. Jeetendra Bhansali   | 10,000                | 20.00        |
| Mr. Prasanna Dixit       | 10,000                | 20.00        |

## 3. Reserves and Suplus

| Particulars                          | As at<br>31 March 2017 | As at<br>31 March 2016 |
|--------------------------------------|------------------------|------------------------|
| <b>a. Surplus</b>                    |                        |                        |
| Opening balance                      | 1,962,547              | 1,921,866              |
| (+) Net Profit/(Net Loss) For the CY | 13,750                 | 40,681                 |
| Closing Balance                      | <b>1,976,297</b>       | <b>1,962,547</b>       |
| <b>Total</b>                         | <b>1,976,297</b>       | <b>1,962,547</b>       |



#### 4. Trade Payables

(Amount in `Rs.)

| Particulars                                                                                  | As at<br>31 March 2017 | As at<br>31 March 2016 |
|----------------------------------------------------------------------------------------------|------------------------|------------------------|
| Dues to Micro and Small Enterprises                                                          | -                      | -                      |
| Dues to other than Micro and Small Enterprises<br>(a) Trade Payables (including LC Payments) | 3,671,471              | 3,487,824              |
| <b>Total</b>                                                                                 | <b>3,671,471</b>       | <b>3,487,824</b>       |

#### 5. Other Current liabilities

| Particulars      | As at<br>31 March 2017 | As at<br>31 March 2016 |
|------------------|------------------------|------------------------|
| Vat 5.5% Account | 7,715                  | -                      |
| <b>Total</b>     | <b>7,715</b>           | <b>-</b>               |

#### 6. Short term provisions

| Particulars            | As at<br>31 March 2017 | As at<br>31 March 2016 |
|------------------------|------------------------|------------------------|
| Provision for taxation | 6,149                  | 18,027                 |
| Other provisions       | 44,800                 | 14,800                 |
| <b>Total</b>           | <b>50,949</b>          | <b>32,827</b>          |



**7. Other Non-Current Assets**

(Amount in `Rs.)

| Particulars            | As at         | As at         |
|------------------------|---------------|---------------|
|                        | 31 March 2017 | 31 March 2016 |
| Pre-operative Expenses | 18,430        | 18,430        |
| Deposits ( NSC)        | 15,000        | 15,000        |
| <b>Total</b>           | <b>33,430</b> | <b>33,430</b> |

**8. Inventories**

| Particulars                                                                                           | As at            | As at            |
|-------------------------------------------------------------------------------------------------------|------------------|------------------|
|                                                                                                       | 31 March 2017    | 31 March 2016    |
| (As certified by the management, at cost or net realisable value which ever is less)<br>Closing Stock | 3,261,585        | 3,789,419        |
| <b>Total</b>                                                                                          | <b>3,261,585</b> | <b>3,789,419</b> |

**9. Trade Receivables**

| Particulars                                                                                                        | As at            | As at            |
|--------------------------------------------------------------------------------------------------------------------|------------------|------------------|
|                                                                                                                    | 31 March 2017    | 31 March 2016    |
| Outstanding for a period less than six months from the date they are due for payment<br>Unsecured, considered good | 2,284,223        | 1,357,062        |
| <b>Total</b>                                                                                                       | <b>2,284,223</b> | <b>1,357,062</b> |

**10. Cash and bank balances**

| Particulars                      | As at          | As at          |
|----------------------------------|----------------|----------------|
|                                  | 31 March 2017  | 31 March 2016  |
| <b>Cash and cash equivalents</b> |                |                |
| Cash on hand                     | 417,527        | 416,277        |
| Bank balances                    |                |                |
| - In current accounts            | 37,866         | 215,211        |
| <b>Total</b>                     | <b>455,394</b> | <b>631,488</b> |

**11. Short term loans and advances**

| Particulars                                                      | As at          | As at          |
|------------------------------------------------------------------|----------------|----------------|
|                                                                  | 31 March 2017  | 31 March 2016  |
| <b>Unsecured Considered good</b>                                 |                |                |
| Advances recoverable in cash or kind or for value to be received | 171,800        | 171,800        |
| <b>Total</b>                                                     | <b>171,800</b> | <b>171,800</b> |





**12. Other Income**

(Amount in `Rs.)

| Particulars          | For the year ended<br>31 March 2017 | For the year ended<br>31 March 2016 |
|----------------------|-------------------------------------|-------------------------------------|
| Miscellaneous Income | 690,453                             | 114,482                             |
| <b>Total</b>         | <b>690,453</b>                      | <b>114,482</b>                      |

**13.Changes in Inventory**

| Particulars                | For the year ended<br>31 March 2017 | For the year ended<br>31 March 2016 |
|----------------------------|-------------------------------------|-------------------------------------|
| Opening Stock              | 3,789,419                           | 4,054,549                           |
| Closing Stock              | 3,261,585                           | 3,789,419                           |
| <b>Change in Inventory</b> | <b>527,834</b>                      | <b>265,130</b>                      |

**14.Employee Benefit Expenses**

| Particulars            | For the year ended<br>31 March 2017 | For the year ended<br>31 March 2016 |
|------------------------|-------------------------------------|-------------------------------------|
| Salaries & Wages       | -                                   | 209,277                             |
| Staff Welfare Expenses | 18,719                              | 4,224                               |
| <b>Total</b>           | <b>18,719</b>                       | <b>213,501</b>                      |

**15.Other Expenses**

| Particulars           | For the year ended<br>31 March 2017 | For the year ended<br>31 March 2016 |
|-----------------------|-------------------------------------|-------------------------------------|
| Professional Charges  | 46,000                              | -                                   |
| Audit fee Expenses    | 30,000                              | -                                   |
| Office Expenses       | 46,989                              | 3,800                               |
| Bank Charges          | 588                                 | 6,530                               |
| DOA Stock Consumption | -                                   | 4,850                               |
| Insurance(Stock)      | -                                   | 10,162                              |
| Postage & Courier     | -                                   | 26,407                              |
| Sundry Written off    | -                                   | 22,731                              |
| Travelling Expenses   | -                                   | 58,827                              |
| Finance Cost          | -                                   | -                                   |
| <b>Total</b>          | <b>123,577</b>                      | <b>133,308</b>                      |



**12. Other Income**

(Amount in `Rs.)

| Particulars          | For the year ended<br>31 March 2017 | For the year ended<br>31 March 2016 |
|----------------------|-------------------------------------|-------------------------------------|
| Miscellaneous Income | 690,453                             | 114,482                             |
| <b>Total</b>         | <b>690,453</b>                      | <b>114,482</b>                      |

**13.Changes in Inventory**

| Particulars                | For the year ended<br>31 March 2017 | For the year ended<br>31 March 2016 |
|----------------------------|-------------------------------------|-------------------------------------|
| Opening Stock              | 3,789,419                           | 4,054,549                           |
| Closing Stock              | 3,261,585                           | 3,789,419                           |
| <b>Change in Inventory</b> | <b>527,834</b>                      | <b>265,130</b>                      |

**14.Employee Benefit Expenses**

| Particulars            | For the year ended<br>31 March 2017 | For the year ended<br>31 March 2016 |
|------------------------|-------------------------------------|-------------------------------------|
| Salaries & Wages       | -                                   | 209,277                             |
| Staff Welfare Expenses | 18,719                              | 4,224                               |
| <b>Total</b>           | <b>18,719</b>                       | <b>213,501</b>                      |

**15.Other Expenses**

| Particulars           | For the year ended<br>31 March 2017 | For the year ended<br>31 March 2016 |
|-----------------------|-------------------------------------|-------------------------------------|
| Professional Charges  | 46,000                              | -                                   |
| Audit fee Expenses    | 30,000                              | -                                   |
| Office Expenses       | 46,989                              | 3,800                               |
| Bank Charges          | 588                                 | 6,530                               |
| DOA Stock Consumption | -                                   | 4,850                               |
| Insurance(Stock)      | -                                   | 10,162                              |
| Postage & Courier     | -                                   | 26,407                              |
| Sundry Written off    | -                                   | 22,731                              |
| Travelling Expenses   | -                                   | 58,827                              |
| Finance Cost          | -                                   | -                                   |
| <b>Total</b>          | <b>123,577</b>                      | <b>133,308</b>                      |



MAHAVEER TELECOM PRIVATE LIMITED  
 Depreciation Schedule as per Income Tax act,1961

| S.No. | Particulars | Gross Block        |           |           | Depreciation      |                     |                   | Net Block         |                   |
|-------|-------------|--------------------|-----------|-----------|-------------------|---------------------|-------------------|-------------------|-------------------|
|       |             | As on<br>1.04.2016 | Additions | Deletions | As on<br>31.03.17 | For<br>Current year | Dep<br>Adjustment | As on<br>31.03.17 | As on<br>31.03.17 |
| 1     | Computers   | -                  | -         | -         | -                 | -                   | -                 | -                 | -                 |
|       |             | -                  | -         | -         | -                 | -                   | -                 | -                 | -                 |





## **Note 1**

### **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:**

#### **1. Basis of preparation of Financial Statements:**

The Financial statements will be prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 2013. These accounting policies will be consistently applied. The Board will evaluate the effect of accounting standards issued on an on-going basis and ensure they are adopted as mandated by the ICAI.

#### **2. Use of Estimates:**

In the preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires Board to make estimates and assumptions that will affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates will be recognized prospectively in current and future periods.

#### **3. Fixed Assets and depreciation:**

Fixed Assets are carried at historical cost less accumulated depreciation. Depreciation is provided on written down value method, on pro-rata basis as per the rates and useful life prescribed in Schedule II to the Companies Act, 2013. All costs including financing costs, if any, attributable to fixed assets till assets are ready for intended use and expenditure which results in enhancing future earning capacity will be capitalized.

#### **4. Revenue Recognition:**

- a) Income is recognized on accrual basis unless otherwise stated in these accounts.
- b) Revenue from services/sales, if any, is recognized after completion of each stage of service/sales.
- c) Revenue is recognised when there is reasonable certainty of its ultimate realisation/collection.

## 5. Taxation:

a) Provision for current taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.

## 6. Provisions, Contingent Liabilities and Contingent Assets:

a) Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

b) Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

## Notes to Accounts

### 16. Earnings per Share (EPS)

| Particulars                                                                                                                                            | 2016-17 | 2015-16 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|
| Profit/ (Loss) after taxes for the year (Rs.)                                                                                                          | 13,750  | 40,681  |
| Weighted average number of Equity Shares of Rs.10 each outstanding during the period<br>(Used for calculation of Basic and Diluted Earnings Per Share) | 50,000  | 50,000  |
| Earnings per Share Basic and Diluted (Rs.)                                                                                                             | 0.27    | 0.81    |
| Nominal value per share (Rs.)                                                                                                                          | 10      | 10      |

### 17. Related Party transactions

The company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made. No amounts have been written off or written back during the year in respect of debts due from or related parties. There are no other related parties where control exists that need to be disclosed.

**a) Names of related parties and description of relationship**

| <b>Nature of Relationship</b>                    | <b>Name of the Related Party</b>                                                                                                                          |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Holding Company                                  | Mahaveer Infoway Limited                                                                                                                                  |
| Key Management Personnel (KMP)                   | Mr. Ashok Kumar Jain                      Director<br>Mr. Bhansali Jeetendra Kumar          Director<br>Mr. Dixit Prasanna Ramesh                Director |
| Enterprises where KMP have significant influence | Mahaveer Skyscrapers Ltd                                                                                                                                  |

**b) Summary of Transactions with the above related parties are as follows:**

| <b>Particulars</b>                         | <b>(Amount in Rs.)</b> |                |
|--------------------------------------------|------------------------|----------------|
|                                            | <b>2016-17</b>         | <b>2015-16</b> |
| Net Sale of goods to Holding Company (MIL) | 0                      | 24,18,077      |

Transactions and outstanding balances in the nature of reimbursement of expenditure incurred by one Company on behalf of the other have not been considered above.

**18. Comparatives:**

The financial statements for the year ended March 31, 2017 are prepared as per Schedule III of Companies Act, 2013. Previous year figures have been regrouped and reclassified wherever necessary to confirm those of the current year.



**19. Details of Specified Bank Notes (SBN):**

Details of Specified Bank Notes (SBN) Held and transacted during the period 08th Nov, 2016 to 30th December, 2016

(Amount in Rs.)

|                                       | SBNs | Other Denomination notes | Total |
|---------------------------------------|------|--------------------------|-------|
| Closing cash in hand as on 08.11.2016 | 0    | 0                        | 0     |
| (+) Permitted receipts                | 0    | 0                        | 0     |
| (-) Permitted payments                | 0    | 0                        | 0     |
| (-) Amount deposited in Banks         | 0    | 0                        | 0     |
| Closing cash in Hand as on 30.12.2016 | 0    | 0                        | 0     |

For and on behalf of  
KALYANA & CO  
Chartered Accountants  
Firm Reg No: 007095S

*PVK Babu*

CA P V Sruvan Kumar Babu  
Partner  
Membership No. 207522  
Place: Hyderabad  
Date: 30.05.2017



For and on behalf of the Board

*Asim*

Director



Director