NAVEEN ASSOCIATES
CHARTERED ACCOUNTANTS

103-104, Chopra Complex, Preet Vihar Comm. Complex, Delhi -110 092
Telefax: (11) 2250 7113, 2245 4678, email: njainfca@yahoo.co.in

INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF M/S TELEECARE NETWORK INDIA PRIVATE LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENT

We have audited the accompanying Standalone Ind AS financial statements of ***M/S TELEECARE NETWORK INDIA PRIVATE LIMITED***, ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended, other accounting policies generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Ind AS 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 Ind AS 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 and the order issued under section 143(11) of the Act.

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 Ind AS Financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 standalone Ind AS 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 Standalone Ind AS financial statements.

NAVEEN ASSOCIATES CHARTERED ACCOUNTANTS

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of company as at 31st March 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by 'the Companies (Auditor's Report) Order, 2016' ("the order"), issued by the Central Government of India in terms of sub section 11 of Section 143 of the Companies Act, 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

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

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

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

(d) In our opinion, the aforesaid standalone Ind AS 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 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 standalone Ind AS financial statement.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There was no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For Naveen Associates
Chartered Accountants
FRN – 007238N

Aanchal Jain

Date: 29.05.2018
Place: Delhi

NAVEEN ASSOCIATES CHARTERED ACCOUNTANTS DELHI

Aanchal Jain
Partner
M.No. 541412

ANNEXURE A CONTAINING REPORT ON
MATTERS REQUIRED BY CARO, 2016

Re: TELEECARE NETWORK INDIA PRIVATE LIMITED
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Referred to in paragraph 5 of our report of even date

i) In respect of its fixed assets:

a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

b) As informed to us, fixed assets have been physically verified by the management in phased periodical manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.

c) There is no title deeds of immovable properties held in the name of the company

ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) In our opinion the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

iii) According to the information and explanation given to us, the company has made/ taken loans to the parties covered in the Register maintained under section 189 of the Act. The terms & Conditions of the grant of such loans are not prejudicial to the company's interest and the receipt of principal amount and interest are also regular.

iv) According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186, wherever applicable, in respect of loans, investments and guarantees given by the company.

v) In our opinion and according to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.

vi) In respect of business activities of the company maintenance of cost records has not been specified by the Central Government under sub-section (l) of section 148 of the Companies Act

vii) a) According to the records of the company, the company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

b) According to the information and explanations given to us, No disputed statutory dues payable in respect of income-tax, sales-tax, wealth tax, duty of excise and value added tax were outstanding, as at 31st March 2018 for a period of more than six months from the date they became payable.

d) According to the information and explanation given to us, there are disputes as prescribed in Note. 29 (b) under contigent liabilities of income tax, sales tax outstanding on account of any dispute.

viii) In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.

ix) Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.

x) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

xi) The company is a private limited company. Hence the provisions of clause xi) of the order are not applicable to the company.

xii) The company is not a Nidhi Company. Therefore clause xii) of the order is not applicable to the company.

xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv) The company has not entered into non-cash transactions with directors or persons connected with him.

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

For Naveen Associates
Chartered Accountants
FRN – 007238N

Aanchal Jain

Aanchal Jain
Partner
M.No. 541412

Date: 29.05.2018
Place: Delhi

NAVEEN ASSOCIATES CHARTERED ACCOUNTANTS DELHI

ANNEXURE'B'
REPORT ON INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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 ***TELEECARE NETWORK INDIA PRIVATE LIMITED.*** ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 Naveen Associates
Chartered Accountants
FRN – 007238N

Aanchal Jain

Date: 29.05.2018
Place: Delhi

NAVEEN ASSOCIATES CHARTERED ACCOUNTANTS

Aanchal Jain
Partner
M.No. 541412

Teleecare Network India Private Limited
CIN: U64202DL2003PTC119799
Balance sheet as at March 31, 2018

	Notes	As at 31-Mar-18 INR in Lacs	As at 31-Mar-17 INR in Lacs	As at 1-Apr-16 INR in Lacs
Assets				
Non-current assets				
Property, plant and equipment	3	458	578	125
Other intangible assets	4	29	13	15
Financial assets	5		-	
Investments	5 (a)	4,945	1,175	1,151
Other financial assets	5 (b)	314	311	313
Deferred tax assets (net)	6	93	63	75
		5,839	2,140	1,680
Current assets				
Inventories	7	4,438	3,210	4,490
Financial assets	8			
Trade receivables	8 (a)	8,542	10,624	7,883
Cash and cash equivalents	8 (b)	2,205	3,474	2,855
Bank balances other than cash and cash equivalents	8 (c)	1,565	1,969	1,896
Loans	8 (d)	4,054	7,161	4,295
Other financial assets	8 (e)	52	68	124
Other current assets	9	2,982	2,325	3,187
		23,839	28,831	24,730
Total assets		**29,678**	**30,971**	**26,409**
Equity and liabilities				
Equity				
Equity share capital	10	2,969	2,969	2,969
Other equity		6,329	6,273	5,986
Total equity		**9,298**	**9,241**	**8,954**
Non-current liabilities				
Financial liabilities	11			
Borrowings	11 (a)	51	47	7
Provisions	12	105	84	123
		156	131	130
Current liabilities				
Financial liabilities	13			
Borrowings	13 (a)	6,171	6,612	6,856
Trade payables	13 (b)	12,973	11,756	7,620
Other financial liabilities	13 (c)	741	2,817	2,853
Other current liabilities	14	324	349	443
Provisions	15	3	2	-
Current tax liabilities (net)	16	10	64	261
		20,223	21,599	18,034
Total liabilities		**20,380**	**21,730**	**18,164**
Total equity and liabilities		**29,678**	**30,971**	**27,118**

Summary of Significant accounting policies 2
The accoumpanying notes are an integral part of financial statements

"Signed in terms of our Report of Even Date Attached"
For Naveen Associates (FRN: 007238N)

Aanchal Jain

Aanchal Jain
Partner
M.No. 541412

Date : 29-05-2018
Place : New Delhi

For Teleecare Network India Private Limited

Mukesh Kumar Gupta	Neetesh Gupta	Parul Molri
DIN:- 00031013	DIN:- 00030782	PAN: APUPM4043E
Director	Director	Company Secretary

NAVEEN ASSOCIATES CHARTERED ACCOUNTANTS DELHI

Teleecare Network India Private Limited
CIN: U64202DL2003PTC119799
Statement of profit and loss for the year ended 31 March 2018

	Notes	31-Mar-18 INR in Lacs	31-Mar-17 INR in Lacs
Continuing operations			
Income			
Revenue from operations	17	72,002	63,225
Other income	18	200	182
		72,202	63,407
Expenses			
Purchase of traded goods		64,345	54,291
Changes in inventories of stock-in-trade	19	-1,228	1,280
Employee benefits expense	20	2,667	2,493
Finance costs	21	956	1,026
Depreciation and amortization expense	22	184	113
Other expenses	23	5,189	3,741
Total expenses		72,113	62,945
Profit/(loss) before tax		**89**	**462**
Tax expense:			
Current tax	6	74	164
Deferred tax credit	6	-34	12
		40	175
Profit for the year		**49**	**287**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		12	-
Income tax effect	6	-4	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**8**	-
Total comprehensive income for the year		**57**	**287**
Earnings per share			
Basic and diluted earnings per share	24	0.19	0.97

Summary of Significant accounting policies
The accoumpanying notes are an integral part of financial statements

"Signed in terms of our Report of Even Date Attached"
For Naveen Associates (FRN: 007238N)

Aanchal Jain

Aanchal Jain
Partner
M.No. 541412

Date :-29-05-2018
Place : New Delhi

For Teleecare Network India Private Limited

Mukesh Kumar Gupta
DIN:- 00031013
Director

Neetesh Gupta
DIN:- 00030782
Director

Parul Molri
PAN: APUPM4043F
Company Secretary

NAVEEN ASSOCIATES CHARTERED ACCOUNTANTS DELHI

Teleecare Network India Private Limited
CIN: U64202DL2003PTC119799
Statement of cash flows for the year ended March 31, 2018

	Notes	31-Mar-18 INR in Lacs	31-Mar-17 INR in Lacs
Operating activities			
Profit before tax		89	462
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment		156	103
Amortisation of intangible assets		28	10
Profit on disposal of property, plant and equipment		-	-14
Finance income		-192	-157
Finance costs		956	1,026
		1,037	**1,430**
Working capital adjustments:			
(Increase)/decrease in trade and other receivables		1,421	-1,831
(Increase)/decrease in inventories		-1,228	1,280
Increase/(decrease) in trade and other payables		-876	4,014
Increase/(decrease) in provisions		34	-37
		387	**4,857**
Income tax paid		-128	-361
Net cash flow from operating activities		**259**	**4,495**
Investing actvities			
Proceeds from sale of property, plant and equipment		-	15
Purchase of fixed assets including CWIP and capital advances		-79	-565
Purchase of investments		-3,770	-24
Loans given/(repayments received)		3,107	-2,866
Proceeds from / (Investments in) fixed deposits with original maturities		404	-74
more than 3 months		-	-
Interest received (finance income)		210	167
Net cash flows used in investing activities		**-129**	**-3,346**
Financing activities			
Proceeds from of long-term borrowings (net)		-2	31
(Repayment) of short-term borrowings (net)		-441	-244
Interest paid		-956	-1,026
Net cash flows from/(used in) financing activities		**-1,399**	**-1,239**
Net increase in cash and cash equivalents		-1,269	-90
Cash and cash equivalents at the beginning of the year		3,474	2,855
Cash and cash equivalents at year end		**2,205**	**2,765**
Components of cash and cash equivalents			
Balances with banks in current accounts		2,103	2,797
Deposits with original maturity of less than 3 months		93	663
Cash on hand		9	14
		2,205	**3,474**
		-	**-708.87**
Summary of Significant accounting policies	2		

The accoumpanying notes are an integral part of financial statements

"Signed in terms of our Report of Even Date Attached"
For Naveen Associates (FRN: 007238N)

Aanchal Jain

Aanchal Jain
Partner
M.No. 541412

Date : 29-05-2018
Place : New Delhi

For Teleecare Network India Private Limited

Mukesh Kumar Gupta	Neetesh Gupta	Parul Molri
DIN:- 00031013	DIN:- 00030782	PAN: APUPM4043E
Director	Director	Company Secretary

NAVEEN ASSOCIATES CHARTERED ACCOUNTANTS DELHI

Teleecare Network India Private Limited
CIN: U64202DL2003PTC119799
Statement of changes in equity for the year ended 31 March 2018

For the year ended 31 March 2018

Amount in Lacs

	Share capital		Other equity - Reserves and surplus		
	No. of shares	**Amount**	**Retained earnings**	**Securities premium**	**Total**
As at 1 April 2017	29,687,600	2,969	3,555	2,718	6,273
Profit for the year	-	-	49	-	49
Other comprehensive income	-	-	8	-	8
Total comprehensive income	-	-	**57**	-	57
As at 31 March 2018	**29,687,600**	**2,969**	**3,611**	**2,718**	**6,329**

For the year ended 31 March 2017

	Share capital		Other equity - Reserves and surplus		
	No. of shares	**Amount**	**Retained earnings**	**Securities premium**	**Total**
As at 1 April 2016	29,687,600	2,968.76	3,268	2,718	5,986
Profit for the year	-	-	287	-	287
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	**287**	-	**287**
As at 31 March 2017	**29,687,600**	**2,969**	**3,555**	**2,718**	**6,273**

Summary of Significant accounting policies
The accoumpanying notes are an integral part of financial statements

"Signed in terms of our Report of Even Date Attached"
For Naveen Associates (FRN: 007238N)

Aanchal Jain

Aanchal Jain
Partner
M.No. 541412

Mukesh Kumar Gupta
DIN:- 00031013
Director

Neetesh Gupta
DIN:- 00030782
Director

Parul Molri
PAN: APUPM4043E
Company Secretary

NAVEEN ASSOCIATES CHARTERED ACCOUNTANTS DELHI

Date : 29-05-2018
Place : New Delhi

Notes to the Financial Statements

1. Corporate Information

Teleecare Networks_India Private Limited ("the Company") is a private company incorporated on 08/04/2003. The company is engaged mainly in the business of trading of mobile handsets and accessories.

2. Significant Accounting Policies

2.1 Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules 2015, read with Section 133 of Companies Act 2013.

For all periods, up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with the Companies (Accounts) Rules 2014, read with Section 133 of Companies Act, 2013 (Previous GAAP). These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. The transition from Previous GAAP to the Ind AS has been done in accordance Ind AS 101, First Time Adoption of Indian Accounting Standards. Refer Note No 2.3 for information on how the Company has adopted Ind AS.

These financial statements have been prepared on a historical cost basis. These financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest rupees, except when otherwise indicated.

These financial statements are authorized for issue in accordance with a resolution of the directors on 29th May, 2018.

2.2 Summary of Significant Accounting Policies

2.2.1 Use of Estimates

The preparation of financial statements in conformity with Ind AS recognition and measurement principles and, in particular, making the critical accounting judgments require the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Management reviews its estimates on an ongoing basis using currently available information. Changes in facts and circumstances or obtaining new information or more experience may result in revised estimates, and actual results could differ from those estimates.

2.2.2 Classification of Assets and Liabilities as Current or Non-Current

The Company presents current and non-current assets, and current and non-current liabilities, as separate classifications in its statement of financial position on the basis of realization of assets.

An asset is classified as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized 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.

A liability is classified as current when:

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

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

NAVEEN ASSOCIATES CHARTERED ACCOUNTANTS DELHI

2.2.3 Revenue Recognition

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

Sales tax/ value added tax (VAT)/goods and service tax(GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

The Company derives revenues primarily from sale of mobile handsets and accessories.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc.

Interest Income

For all financial assets measured at amortized cost interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Others

Income from export incentives such as duty export incentives are recognized on accrual basis.

2.2.4 Property, Plant and Equipment

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment. Cost includes all related costs directly attributable to the acquisition or construction of the asset.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Except for land, property, plant and equipment is depreciated using the straight-line method over the useful lives of the related assets as presented in Schedule 2 of Companies Act, 2013.

Major improvements, which add to productive capacity or extend the life of an asset, are capitalized, while repairs and maintenance are expensed as incurred. Where a property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.The depreciation expense is recognized in the statement of profit or loss in the expense category consistent with the function of the property, plant and equipment.

Property, plant and equipment under construction is recorded as capital work- in-progress until it is ready for its intended use; thereafter it is transferred to the related class of property, plant and equipment and depreciated over its estimated useful life. Interest incurred during construction is capitalized if the borrowing cost is directly attributable to the construction.

Gains or losses arising from de-recognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

The residual values and useful lives of property, plant and equipment are reviewed at each reporting date and adjusted if expectations differ from previous estimates. Depreciation methods applied to property, plant and

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