IDEA TELESYSTEMS LIMITED

IND AS FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Idea Telesystems Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Idea Telesystems Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

The Annual report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

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Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS] financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by 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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

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(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 25 to the Ind AS financial statements;

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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Vineet Kedia
Partner
Membership Number: 212230

S.R. BATLIBOI & ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

Place: Mumbai
Date: April 30, 2019

Annexure 1 referred to in paragraph 1 of 'Report on Other Legal & Regulatory Requirements'

Re: Idea Telesystems Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipments.

(b) All Property, plant and equipments were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (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, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods & service tax, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other statutory dues applicable to it. The provisions relating to employees' state insurance, provident fund & duty of excise are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, sales-tax, service tax, goods & service tax, duty of customs, value added tax, cess and other material undisputed statutory dues were outstanding as at the year end, for a period of more than six months from the date they became payable.

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(c) According to the information and explanations given to us, there are no dues of income tax, service tax, goods & service tax and custom duty which have not been deposited on account of any dispute. Details of dues of Sales Tax/ Value Added Tax which have not been deposited as on March 31, 2019 on account of any dispute, are as follows:

Nature of Statue	Nature of Dues	Forum where Dispute is pending	Period to which the amount Relates	Amount Involved (` in Thousands)	Amount paid under protest (` in Thousands)
The Kerala Value Added Tax Act, 2003	Sales Tax	Intelligence Inspector, Squad II, Ernakulum	2011-12	606	303
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	Additional Commissioner - Appeal 3	2010-11, 2012-13, 2013 -14	1,798	117
Odisha Entry Tax Act, 1999	Entry Tax	Joint Commissioner of Sales tax	2012-13	93	37
Gujrat Value Added Tax Act, 2003	Sales Tax	Deputy Commissioner Appeal - (1), Gujrat	2013-14	1,281	-
Central Sales Tax Act, 1956	Sales Tax	Appellate Joint Commissioner, Secunderabad Division, Hyderabad	2014-15	1,235	154

(viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/ further public offer/ debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

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

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

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(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to 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 as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. BATLIBOI & ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

Per Vineet Kedia
Partner
Membership Number: 212230

Place of Signature: Mumbai
Date: April 30, 2019

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of Idea Telesystems Limited

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 Idea Telesystems Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

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Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019, 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 S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Vineet

per Vineet Kedia
Partner
Membership Number: 212230

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Place of Signature: Mumbai
Date: April 30, 2019

Idea Telesystems Limited
Financial Statements
For the year ended March 31, 2019

Idea Telesystems Limited

Financial Statements for the year ended March 31, 2019

(All amounts are in INR thousands, except per share data and unless stated otherwise)

Balance Sheet as at March 31, 2019

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	7	1,200	1,248
Investment property	8	5,108	5,316
Financial assets			
Deposits and balances with government authorities		186	166
Deferred tax assets (net) (refer note 34)		1,619	186
Other non-current assets	9	1,539	2,285
Total non-current assets (A)		**9,652**	**9,201**
Current assets			
Inventories	10	2,850	28,064
Financial assets			
Current investments	11	197,633	175,877
Trade receivables (Unsecured, considered good) (refer note 36)		76	1,177
Cash and cash equivalents	12	279	246
Bank balance other than cash and cash equivalents	13	93	92
Other current financial assets	14	3,683	3,740
Current tax assets (net)		233	233
Other current assets	15	9,373	12,159
Total current assets (B)		**214,220**	**221,588**
Total Assets (A+B)		**223,872**	**230,789**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	500	500
Other equity	17	199,402	191,964
Total equity (A)		**199,902**	**192,464**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables (refer note 28)			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		7,537	21,430
Other current financial liabilities	18	2,553	2,578
Other current liabilities	19	13,880	14,317
Total current liabilities (B)		**23,970**	**38,325**
Total Equity and Liabilities (A+B)		**223,872**	**230,789**

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

Vineet Kedia
Partner
Membership No: 212230

Place: Mumbai
Date: April 30, 2019

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of Idea Telesystems Limited

Akshaya Moondra
Director
(DIN: 02606784)

Ambrish Jain
Director
(DIN: 07068438)

Place: Mumbai
Date: April 30, 2019

Idea Telesystems Limited *

Idea Telesystems Limited

Financial Statements for the year ended March 31, 2019
(All amounts are in INR thousands, except per share data and unless stated otherwise)

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Sale of trading goods		31,832	124,504
Other operating income	20	994	17,143
Revenue from operations		**32,826**	**141,647**
Other income	21	23,194	21,882
Total income		**56,020**	**163,529**
Operating Expenditure			
Cost of trading goods		35,602	145,844
Employee benefit expenses	22	4,910	4,977
Selling & Disctibution expenses (refer note 30)		4,503	5,769
Advertisement, business promotion expenditure		-	52
Other expenses	23	3,004	4,841
Total expense		**48,019**	**161,483**
Profit before finance charge, depreciation and tax		**8,001**	**2,046**
Finance costs	24	299	840
Depreciation			
- Property, plant and equipment	7	48	48
- Investment property	8	208	208
Profit before tax		**7,446**	**950**
Tax expense:			
- Current tax		1,441	186
- Deferred tax		(1,433)	(186)
Profit after tax		**7,438**	**950**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**7,438**	**950**
Earnings per equity share of ₹ 10 each:	35		
Basic (₹)		**148.76**	**19.00**
Diluted (₹)		**148.76**	**19.00**

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

Vineet Kedia
Partner
Membership No: 212230

Place: Mumbai
Date: April 30, 2019

For and on behalf of the Board of Directors of Idea Telesystems Limited

Akshaya Moondra
Director
(DIN: 02606784)

Ambrish Jain
Director
(DIN: 07068438)

Place: Mumbai
Date: April 30, 2019

(All amounts are in INR thousands, except per share data and unless stated otherwise)

Statement of Changes in Equity for the year ended March 31, 2019

A. EQUITY SHARE CAPITAL:

Equity shares of ₹ 10 each issued, subscribed and fully paid

	Numbers	Amount
As at April 1, 2017	**50,000**	**500**
Issue of shares capital	-	-
As at March 31, 2018	**50,000**	**500**
Issue of shares capital	-	-
As at March 31, 2019	**50,000**	**500**

B. OTHER EQUITY

Particulars	Reserves and surplus	Total
	Retained earnings	
As at April 1, 2017	**191,014**	**191,014**
Profit for the year ended March 31, 2018	950	950
Total comprehensive income	**950**	**950**
As at March 31, 2018	**191,964**	**191,964**
Profit for the year ended March 31, 2019	7,438	7,438
Total comprehensive income	**7,438**	**7,438**
As at March 31, 2019	**199,402**	**199,402**

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

Vineet Kedia
Partner
Membership No: 212230

Place: Mumbai
Date: April 30, 2019

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Idea Telesystems Limited

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(DIN: 07068438)

Place: Mumbai
Date: April 30, 2019

Idea Telesystems Limited

Idea Telesystems Limited

Financial Statements for the year ended March 31, 2019
(All amounts are in INR thousands, except per share data and unless stated otherwise)

Statement of Cash Flows for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Operating activities		
Profit before tax	7,446	950
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation of property, plant and equipment	48	48
Depreciation of investment property	208	208
Finance costs (including fair value change in financial instruments)	299	55
Bad debts / advances written off	-	1,459
Liabilities / provisions no longer required written back	(975)	(16,931)
Other income	(13,624)	(12,312)
Adjustments for changes in working capital		
Decrease/(Increase) in trade receivables	1,101	(1,176)
Decrease in inventories	25,214	17,557
Decrease/(Increase) in other financial and non-financial assets	2,766	(10,393)
(Decrease)/Increase in trade payables	(12,918)	16,468
(Decrease) in other financial and non-financial liabilities	(462)	(6,646)
Cash flows from operating activities	9,103	(10,713)
Income tax paid (including TDS) (net)	(639)	(916)
Net cash flows from operating activities	**8,464**	**(11,629)**
Investing activities		
Net (Purchase)/ proceeds from sale of current investments	(8,200)	11,699
Interest received	68	12
Net cash flows from / (used in) investing activities	**(8,132)**	**11,711**
Financing activities		
Payment of interest and finance charges	(299)	(229)
Net cash used in financing activities	**(299)**	**(229)**
Net increase / (decrease) in cash and cash equivalents during the year	**33**	**(147)**
Cash and cash equivalents at the beginning of the year	246	393
Cash and cash equivalents at the end of the year (refer note 12)	**279**	**246**
Notes to Statement of Cash Flows for the year ended March 31, 2019		
The above cashflow statement has been prepared under the indirect method as set out in Ind AS 7 on Statement of Cash flows.		
The accompanying notes are an integral part of the Financial Statements		

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No : 101049W/E300004

Vineet Kedia
Partner
Membership No: 212230

Place: Mumbai
Date: April 30, 2019

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of Idea Telesystems Limited

Akshaya Moondra
Director
(DIN : 02606784)

Ambrish Jain
Director
(DIN : 07068438)

Idea Telesystems Limited

Place: Mumbai
Date: April 30, 2019

Notes to Financial Statements

1. Corporate Information

Idea Telesystems Limited ('the Company'), a wholly owned subsidiary of Vodafone Idea Limited (formerly Idea Cellular Limited) was incorporated under the provisions of the Companies Act applicable in India on 12th September,1983 and is in the trading business of Data Cards, Mobile Handsets, Wireless Modems, Tablets, Electronic Devices, Terminals (Fixed or Mobile) and other end user telecommunications equipments.

The financial statements for the period ended March 31, 2019 were approved by the Board of Directors and authorised for issue on April 30, 2019.

2. Statement of Compliance

The financial statements of the Company comprising of Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows, together with the notes have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

3. Basis of Preparation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

The Company has sufficient funds to meet its obligations over next 12 months. As the Company's operations have reduced, the Company is in the process of exploring various options and has necessary support from the holding company. Accordingly, the financial statements are prepared on a going concern basis.

All financial information presented in INR has been rounded off to the nearest thousand unless otherwise stated.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of Schedule III of the Companies Act, 2013.

New and amended standards adopted by the Company

Ind AS-115, "Revenue from Contracts with Customers"
Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" basis the modified retrospective method applied retrospectively to the contracts that are not completed as of April 1, 2018 (being date of initial application). Accordingly, the comparative information has not been restated. The effect on adoption of the said standard was insignificant on these financial statements.

The new revenue recognition standard Ind AS 115 defines a new five-step model to recognise revenue from customer contracts. Revenue is recognised when a customer obtains control of the goods or receives services and thus has the ability to direct the use and obtain the benefits from the goods or services. The standard supersedes Ind AS 18 'Revenue' and Ind AS 11 'Construction contracts' and related interpretations.

Other standards such as Ind AS 12 – "Income tax" have been implemented but do not have any impact on the Company.

4. Significant Accounting Policies

a) Revenue recognition

Revenue is recognised when a customer obtains control of the goods and thus has the ability to direct the use and obtain the benefits from the goods. Revenue is measured at the Transaction price i.e. an amount that reflects the consideration, to which an entity expects to be entitled in exchange for transferring goods to customers, excluding amounts collected on behalf of third parties. Taxes and duties collected by the seller / service provider are to be deposited with the government and not received by the Company on their own account. Accordingly, it is excluded from revenue. The Company evaluates its exposure to significant risks and rewards associated with the revenue arrangements in order to determine its position of a principal or an agent in this regard. Consideration payable to a customer includes cash or credit or other items expected to be payable to the customer (or to other parties that

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purchase the entity's goods from the customer). The Company accounts for consideration payable to a customer as a reduction from the transaction price unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the entity.

i. Sale of trading goods

Revenue from sale of handsets, data cards and related accessories is recognised when control of the asset is transferred to the customer, generally on delivery of the equipment.

ii. Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recorded using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's net carrying amount on initial recognition.

iii. Dividends

Dividend Income is recognised when the Company's right to receive the payment is established.

iv. Rental Income

Rental income arising from renting of investment properties is accounted for on a straight-line basis over the lease terms and is included in other income in the Statement of Profit or Loss.

b) Leases

The Company evaluates whether an arrangement is (or contains) a lease based on the substance of the arrangement at the inception of the lease. An arrangement which is dependent on the use of a specific asset or assets and conveys a right to use the asset or assets, even if it is not explicitly specified in an arrangement is (or contains) a lease.

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a lessor

Operating lease:

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increase; such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term. Contingent rents are recognised as income in the period in which they are earned.

c) Foreign currency transactions

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded at the INR spot rate on the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised on net basis within finance cost in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rates at the dates of the initial transactions.

d) Taxes

Income tax expense represents the sum of the current tax and deferred tax.

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i. Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is based on the taxable income and calculated using the applicable tax rates and tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at the end of each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

f) Current / Non – Current Classification

An asset is classified as current when

a) It is expected to be realised or consumed in the Company's normal operating cycle;
b) It is held primarily for the purpose of trading;
c) It is expected to be realised within twelve months after the reporting period; or
d) If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Any asset not conforming to the above is classified as non-current.

A liability is classified as current when

a) It is expected to be settled in the normal operating cycle of the Company;
b) It is held primarily for the purposes of trading;
c) It is expected to be settled within twelve months after the reporting period; or
d) The Company has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Any liability not conforming to the above is classified as non-current.

g) Property, Plant and Equipment

Property, Plant and Equipment (PPE) and Capital work in progress (CWIP) held for use in the rendering of services and supply of goods, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all direct costs relating to acquisition and installation of Property, Plant and Equipment, non-refundable duties and borrowing cost relating to qualifying assets. CWIP represents cost of property, plant and equipment not ready for intended use as on the reporting date. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific

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useful lives. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Freehold Land is not depreciated. Depreciation on all other assets under PPE commences once such assets are available for use in the intended condition and location. Depreciation on building is provided using straight-line method on pro rata basis over their estimated useful economic lives i.e 30 years. The useful life is taken as prescribed in Schedule II to the Companies Act, 2013 except where the estimated useful economic life has been assessed to be lower.

h) Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Freehold Land is not depreciated. Depreciation on the building component of investment property is provided using straight-line method on pro rata basis over 30 years which is its estimated useful economic life. The useful life is the same as prescribed in Schedule II to the Companies Act, 2013.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

The Company measures investment property using cost based measurement and the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by management, by applying property circle rates applicable in that locality as at or near to the year end.

i) Impairment of Non – Financial Assets

Tangible assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, an impairment loss is recognised in the Statement of Profit and Loss by reducing the carrying amount of the asset to its recoverable amount.

Impairment losses recognised in the earlier periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had such impairment loss not been recognised for the asset in prior years. Any reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

j) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition.

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Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

k) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

l) Financial Instruments

Initial recognition and measurement

Financial Instruments (assets and liabilities) are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

i. Financial assets

All regular way purchase or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets:

a) Financial assets measured at amortised cost
b) Financial assets measured at fair value through profit or loss (FVTPL)
c) Financial assets measured at fair value through other comprehensive income (FVTOCI) – The Company does not have any assets classified as FVTOCI.

(a) Financial assets measured at amortised cost

A financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables, loans, etc.

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(b) Financial assets measured at FVTPL

FVTPL is a residual category for financial assets in the nature of debt instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Debt instruments measured at amortised cost e.g., loans and bank deposits.
- Trade receivables.
- Other Financial assets not designated as FVTPL.

For recognition of impairment loss on debt instruments and other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables (including lease receivables). The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

ii. Financial liabilities

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the EIR method or at FVTPL.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any

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discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial liabilities at FVTPL

Financial liabilities are classified as FVTPL when the financial liabilities are held for trading or are designated as FVTPL on initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

In case, an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

iii. Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to manage its foreign currency risks. These derivative instruments are not designated as cash flow, fair value or net investment hedges and are entered into for period consistent with currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss.

iv. Offsetting financial instrument

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

m) Fair value measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest

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level input that is significant to the fair value measurement as a whole) (a) on the date of the event or change in circumstances that caused the transfer or (b) at the end of each reporting period or (c) at the beginning of each reporting period.

n) Earnings per share

The earnings considered in ascertaining the Company's Earnings per share (EPS) is the net profit or loss after tax.

EPS is disclosed on Basic and diluted basis. Basic EPS is computed by dividing the profit / loss for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

o) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities

A Contingent Liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are not recognized.

5. Use of Estimates, assumptions and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Estimate and Assumptions:

a. Taxes

The Company provides for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

MAT is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to absorb such credit during the specified period. For further details about taxes refer note 33 and 34.

b. Allowance for Trade receivable

The Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

c. Useful life of Property, Plant and Equipment

The useful life to depreciate property, plant and equipment is based on technical obsolescence, nature of assets, estimated usage of the assets, operating conditions of the asset, and manufacturers' warranties, maintenance and support period, etc. The charge for the depreciation is derived after considering the expected residual value at end of the useful life.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by the management at each financial year end and adjusted prospectively, if appropriate. Further details about property, plant and equipment are given in Note 7.

d. Impairment of Non-financial assets

Non-financial assets i.e. Property, Plant and Equipment (including CWIP) and Intangible assets (including Intangible assets under development) are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is the fair value less costs of disposal calculated based on available information and sensitive to the discount rate, valuation techniques, expected future cash inflows and the growth rate.

e. Provisions and Contingent Liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Evaluation of uncertain provisions and contingent liabilities and assets requires judgment and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts. Refer Note 25 for further details about Contingent Liabilities.

6. New accounting pronouncements to be adopted on or after April 1, 2019

a. Ind AS 116- Leases

Ind AS 116, Leases, will be applied from April 1, 2019. Currently, the payment obligations arising from operating leases only have to be disclosed in the Notes. In the future, the rights and obligations related to such leases are required to be recognised as assets (right-of-use asset) and liabilities (lease liability) in the Balance sheet.

The Company does not have any operating lease therefore there will not be any impact from the change.

b. Amendment to Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

Amendment clarify that Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine

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the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The Company is currently evaluating the effect of this amendment on the financial statements.

c. Amendment to Ind AS 12 'Income Tax'

Amendment requires an entity to recognise the income tax consequences of dividends including payments on financial instruments classified as equity, when liability to pay a dividend is recognised. Therefore, an entity shall recognise the income tax consequences in Statement of Profit and Loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The amendment has no impact on the financial statements.

d. Amendment to Ind AS 109 'Financial Instruments'

The amendment to Ind AS 109 clarifies that an exception has been prescribed to the classification and measurement requirements with respect to SPPI criteria for financial assets which:

i. Have a prepayment feature that results in negative compensation
ii. Apart from the prepayment feature other features of financial assets would have contractual cash flows which would meet the SPPI criteria and
iii. The fair value of the prepayment feature is insignificant when the entity initially recognises the financial asset. (If it Is impracticable to assess based on facts and circumstances that existed on initial recognition, then exception would not be available)

Such financial assets could be measured at amortised cost or at FVOCI based on business model within which they are held.

This amendment has no significant impact on the Company's Statement of Profit and Loss and Balance Sheet.

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Financial Statements for the year ended March 31, 2019
(All amounts are in INR thousands, except per share data and unless stated otherwise)

Notes to Financial Statements

Note 7

Property, Plant and Equipment

Particulars	Freehold land	Buildings	Total
Cost			
As at April 1, 2017	566	827	1,393
Additions	-	-	-
As at March 31, 2018	566	827	1,393
Additions			-
As at March 31, 2019	566	827	1,393
Accumulated Depreciation			
As at April 1, 2017	-	97	97
Depreciation charge for the year	-	48	48
As at March 31, 2018	-	145	145
Depreciation charge for the year	-	48	48
As at March 31, 2019	-	193	193
Net Book Value			
As at March 31, 2019	566	634	1,200
As at March 31, 2018	566	682	1,248
As at April 1, 2017	566	730	1,296

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Financial Statements for the year ended March 31, 2019
(All amounts are in INR thousands, except per share data and unless stated otherwise)

Notes to Financial Statements

Note 8
Investment Property

Particulars	As at March 31, 2019	As at March 31, 2018
Land		
Gross block		
Opening balance	5,939	5,939
Additions/ Adjustments	-	-
Closing balance	**5,939**	**5,939**
Accumulated depreciation		
Opening Balance	623	415
Depreciation charge for the year	208	208
Closing balance	831	623
Net block	**5,108**	**5,316**

Fair value and direct expenses pertaining to the investment property are as under:

Particulars	As at March 31, 2019	As at March 31, 2018
Fair value of investment property	225,556	225,556
Repair & maintenance and other direct expenses	300	300

Note 9
Other non-current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Advance income tax (net)	928	1,730
Amounts paid under protest	611	555
Total	**1,539**	**2,285**

Note 10
Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Data Cards	2,835	27,549
Handset	-	479
Others	15	36
Total	**2,850**	**28,064**

Note 11
Current Investments

Particulars	As at March 31, 2019	As at March 31, 2018
Investment in units of liquid mutual funds (quoted) 657,890 units (March 31, 2018: 629,672) of Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan(formarly known as Birla Sun Life Cash Plus - Growth - Direct Plan)	197,633	175,877
Total	**197,633**	**175,877**

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Idea Telesystems Limited

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Notes to Financial Statements

Note 12
Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	-	2
Cheques on hand	-	136
Balances with banks	279	108
Total	**279**	**246**

Note 13
Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Margin money with banks	93	92
Total	**93**	**92**

Note 14
Other current financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Derivative assets at fair value through profit or loss	-	57
Balance with government authorities	3,683	3,683
Total	**3,683**	**3,740**

Note 15
Other current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Input tax credit	3,908	6,518
Prepaid expenses	278	454
Others		
- Considered Good	5,187	5,187
Total	**9,373**	**12,159**

Note 16
Equity Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	Numbers	Amount	Numbers	Amount
Authorised share capital				
Equity Shares of ₹ 10 each	50,000	500	50,000	500
	50,000	**500**	**50,000**	**500**
Issued, subscribed and paid-up share capital				
Equity Shares of ₹ 10 each fully paid up	50,000	500	50,000	500
	50,000	**500**	**50,000**	**500**

a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2019		As at March 31, 2018	
	Numbers	Amount	Numbers	Amount
Equity shares outstanding at the beginning and end of the year	50,000	500	50,000	500
	50,000	500	50,000	500

(i) All the shares are held by the holding company - Vodafone Idea Limited (formerly Idea Cellular Limited) along with nomiee share holders

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per value. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Idea Telesystems Limited ★

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Financial Statements for the year ended March 31, 2019
(All amounts are in INR thousands, except per share data and unless stated otherwise)

Notes to Financial Statements

Note 17
Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Retained Earnings		
Balance at the beginning of the year	191,964	191,014
Add: Profit for the year	7,438	950
Balance at the end of the year	**199,402**	**191,964**

Note 18
Other current financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits from Holding company (refer note 36)	2,393	2,393
Security deposits from customers and others	160	185
Total	**2,553**	**2,578**

Note 19
Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advance from customers	13,639	14,172
Taxes and other liabilities	241	145
Total	**13,880**	**14,317**

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Idea Telesystems Limited ★

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Notes to Financial Statements

Note 20
Other operating income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Liabilities / provisions no longer required written back	975	16,931
Miscellaneous receipts	19	212
Total	**994**	**17,143**

Note 21
Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income	68	12
Gain on Mutual Funds (including fair value gain /(loss))	13,556	12,300
Rental income from investment property (refer note 36)	9,570	9,570
Total	**23,194**	**21,882**

Note 22
Employee benefit expenses (refer note 30)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	4,632	4,703
Contribution to provident and other funds	266	274
Staff welfare	12	-
Total	**4,910**	**4,977**

Note 23
Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Insurance	427	217
Rates and taxes	808	462
Printing and stationery	10	53
Bad debts / advances written off	-	1,459
Bank charges	17	155
Directors Sitting Fees (refer note 36)	140	158
Legal and professional charges	1,119	914
Audit fees (refer note 31)	300	400
Loading, freight & forwarding chrges	183	1,023
Total	**3,004**	**4,841**

Note 24
Finance costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expenses	5	26
Other finance charges	28	261
Total interest expense	**33**	**287**
Exchange difference (net)	209	785
Loss / (gain) on derivatives (including fairvalue changes on derivatives)	57	(232)
Total	**299**	**840**

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Idea Telesystems Limited *

(All amounts are in INR thousands, except per share data and unless stated otherwise)

Notes to Financial Statements

Note 25
Contingent Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Demand raised by VAT / Sales Tax authorities for non-submission of Form "F" discrepancies in transit documents and differences in closing and opening balances of closing stocks in VAT returns.	5,013	4,105
Other claims not acknowledged as debts	95	66

The above mentioned contingent liabilities, including disputes with various government authorities, are pending at various forums/ authorities. Future cash outflows in respect of the above matters are determinable only on receipt of judgments/ decisions from such forums/ authorities. Further, based on the Group's evaluation, it believes that it is not probable that the claim will materialize and therefore, no provision has been recognized for the above.

Note 26
Operating Lease

As a Lessor

The Company has leased a portion of its Land and building classified as Investment property under operating lease arrangement. Rental income of ₹ 9,570 Thousands (March 31, 2018 ₹ 9,570 Thousands) in respect of such lease has been recognised in the Statement of Profit and Loss for the year ended March 31, 2019.

Note 27
Details of Foreign Currency Exposures

a. Hedged by a derivative instrument

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables		
In USD	-	217
Equivalent INR of Trade Payables*	-	14,137

*Amount in INR represents conversion at hedge rate.

b. The Company does not have unhedged foreign currency exposures in current year and previous year ended March 31, 2019 and March 31, 2018 respectively.

Note 28

As of March 31, 2019, no amounts are payable to Micro, Small, and Medium Enterprises within the meaning of the Micro, Small and Medium Enterprises Development Act, 2006.

Note 29
Segment information

As the Company operates in only one business segment hence, there is no separate reportable segment as per Ind AS – 108 on "Operating segment".

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Financial Statements for the year ended March 31, 2019
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Notes to Financial Statements

Note 30

During the financial year under review there were no employees on the pay rolls of the Company. The selling & distribution activities have been performed using manpower services mainly taken from Idea Cellular Services Limited (ICSL), a Company providing manpower services. The cost has accordingly been recognised under Selling & distribution expenses. Further, some personnel from Vodafone Idea Limited (VIL) have also been deployed for the administrative and compliance work of the Company for which expenses are being reimbursed to VIL and are being recognised under the respective heads of Employee benefit expenses.

Note 31
Auditor's Remuneration

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Statutory Audit Fees	300	400
Total Remuneration	**300**	**400**

Note 32
Expenditure for Corporate Social Responsibility (CSR):

a) Gross amount required to be spent by the Company during the year is ₹ Nil (Previous year ₹ 624 Thousands).
b) Amount spent during the year ₹ Nil (Previous year ₹ Nil)

Note 33
Income Tax Expenses

(a) Major Component of Tax Expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Tax		
Current Tax on profits for the year *	1,433	186
Total Current Tax Expense (A)	1,433	186
Deferred Tax		
Relating to addition & reversal of temporary differences	(1,433)	(186)
Relating to change in tax rate	-	-
Total Deferred Tax Expense (B)	**(1,433)**	**(186)**
Total Income Tax Expense (A+B)	-	-

* Current tax as per Statement of Profit and Loss is Rs.1,441 thousand which include Rs. 0.08 thusand paid for earlier year.

(b) Reconciliation of average effective tax rate and applicable tax rate:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/ (Loss) before Income tax expense	7,438	950
Total	**7,438**	**950**
Applicable Tax Rate	**27.82%**	**28.84%**
Effect of tax losses not recognized as deferred tax asset	-	-
Effect of standard deduction on House property rental income	-10.51%	-85.47%
Effect of expenses that are not deductible for taxation purposes	-0.01%	0.45%
Effect on deferred tax balances due to change in income tax rate from 28.84% to 27.82% (w.e.f. April 1, 2018)	-1.59%	2.71%
Other Items	-15.72%	53.47%
Effective tax rate	**0.00%**	**0.00%**

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Financial Statements for the year ended March 31, 2019
(All amounts are in INR thousands, except per share data and unless stated otherwise)

Notes to Financial Statements

(c) Tax Losses:

Particulars	As at March 31, 2019	As at March 31, 2018
Unused tax losses for which no deferred tax asset has been recognized	37,232	45,424
Potential tax benefit @ 27.82%	**10,358**	**13,100**

Note 34
Movement in Deferred Tax

Particulars	As at April 1, 2017	Recognised in Profit and Loss	As at March 31, 2018	Recognised in Profit and Loss	As at March 31, 2019
Liabilities					
Depreciation & Amortisation	131	132	263	133	396
Effects of remeasuring financial instruments under Ind AS	1,567	2,430	3,997	3,093	7,090
Total (A)	**1,698**	**2,562**	**4,260**	**3,226**	**7,486**
Assets					
Tax Losses	1,698	2,562	4,260	3,226	7,486
MAT credit	-	186	186	1,433	1,619
Total (B)	**1,698**	**2,748**	**4,446**	**4,659**	**9,105**
Net Deferred Tax Liabilities/ (assets) (A-B)	-	(186)	(186)	(1,433)	(1,619)
As per Financials:					
Deferred Tax Asset	**1,698**	**2,748**	**4,446**	**4,659**	**9,105**
Deferred Tax Liabilities	**1,698**	**2,562**	**4,260**	**3,226**	**7,486**

Note 35
Basic & Diluted Earnings/ (Loss) per Share

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Nominal value of equity shares (₹)	10/-	10/-
Profit after Tax (₹ '000)	7,438	950
Profit attributable to equity shareholders (₹ '000)	7,438	950
Weighted average number of equity shares outstanding during the period / year	50,000	50,000
Basic & Diluted Earnings Per Share (₹)	148.76	19.00

Note 36
Related Party Transactions

<u>The Company has transaction with below related parties:</u>

Relationship	Related Party
Immediate Parent Company	Vodafone Idea Limited (formerly known as Idea Cellular Limited)
Fellow Subsidiaries	Aditya Birla Telecom Limited (ABTL)
	Idea Cellular Services Limited (ICSL)
Key Management Personnel	Mr. Baldev Raj Gupta, Director
	Ms. Tarjani Vakil, Director

S R Batliboi & Associates LLP Chartered Accountants Mumbai

Idea Telesystems Limited

(All amounts are in INR thousands, except per share data and unless stated otherwise)

Notes to Financial Statements

A. Transactions with Related Parties for the year ended March 31, 2019

Particulars	Immediate Parent Company	Fellow Subsidiaries	Key Management Personnel
Sale of Trading Goods	25,416	-	-
	(73,223)	-	-
Rent Received	9,570	-	-
	(9,570)	-	-
Purchase of Services	-	4,505	-
	-	(5,643)	-
Expenditure incurred on Companay's behalf by (refer note 22)	4,910	-	-
	(4,978)	-	-
Sitting Fee	-	-	140
	-	-	(158)

(Figures in bracket are for the year ended March 31, 2018)

B. Balances with Related Parties

Particulars	Immediate Parent Company	Fellow Subsidiary
Trade receivables	56	-
	(1,159)	-
Security deposit received	2,393	-
	(2,393)	-

(Figures in bracket are for the year ended March 31, 2018)

Note 37
Financial Instruments
(i) Financial Instruments by Category:

Particulars	As at March 31, 2019		As at March 31, 2018	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Current investments	197,633	-	175,877	-
Trade Receivables	-	76	-	1,177
Deposit and balances with Government Authorities and others*	-	3,869	-	3,849
Cash and cash equivalents	-	279	-	246
Bank balance other than cash and cash equivalents	-	93	-	92
Derivative Financial Assets #	-	-	57	-
Total Financial Assets	**197,633**	**4,317**	**175,934**	**5,364**
Financial Liabilities				
Deposits from Holding company and Others ##	-	2,553	-	2,578
Trade Payables	-	7,537	-	21,430
Total Financial Liabilities	**-**	**10,090**	**-**	**24,008**

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(All amounts are in INR thousands, except per share data and unless stated otherwise)

* Included in non-current financial assets.Include deposit with NSDL and NDML

included in other current financial assets

included in other current financial liabilities

(ii) Fair Value Hierarchy

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

i. Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2019

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Current investments	197,633	-	-	197,633
Total Financial Assets	**197,633**	**-**	**-**	**197,633**

ii. Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2018

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Current investments	175,877	-	-	175,877
Derivative Financial Assets	-	57	-	57
Total Financial Assets	**175,877**	**57**	**-**	**175,934**

iii. The carrying amounts of the following financial assets and financial liabilities are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

(iii) Valuation Technique used to determine fair value

Fair value of quoted current investments in Mutual Funds is based on price quotations at the reporting date.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The valuation techniques used to determine the fair values of financial assets and financial liabilities classified as Level 2 include use of quoted market prices or dealer quotes for similar instruments and generally accepted pricing models based on a discounted cash flow analysis using rates currently available for debt on similar terms, credit risk and remaining maturities.

Note 38
Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade payables and deposit from holding Company, customers and others. The Company's principal financial assets comprise investments, cash and bank balance, trade and other receivables. The Company also enters into derivative transactions such as foreign forward exchange contracts as a part of Company's financial risk management policies. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Company is exposed to various financial risk such as market risk, currency risk, price risk and credit risk. The holding Company comprising a team of qualified finance professionals with appropriate skills and experience provides assurance to the management that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The risks and measures to mitigate such risks are reviewed by the committee of Board of Directors periodically.

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Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include investments and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

(a) Foreign currency risk

Foreign currency risk is the risk that the fairvalue or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue/expense is denominated in a foreign currency).

The Company's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies.

When a derivative is entered into for the purpose of hedging any foreign currency exposure, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

At March 31, 2019, the Company does not have foreign currency trade payables whereas in the previous year 100% of its foreign currency trade payables were 100% hedged. This foreign currency risk is hedged by using foreign currency forward contracts.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign currency rates, with all other variables held constant. The Company does not have foreign currency exposure as on March 31, 2019. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities for the year ended March 31, 2018 is as under.

Currency exposure	Change in currency exchange rate	Effect on profit beforetax
USD	5%	707
	-5%	(707)

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars, as the functional currency of the entity is INR.

(b) Price risk

The Company invests its surplus funds in various mutual funds. These comprise of mainly liquid schemes of mutual funds (liquid investments).

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or marketyields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significantprice risk.

(c) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The amount is generally collected in advance for the Trading business and hence there is no customer credit risk. Investments of surplus funds are made only with approved counterparties. The Company's maximum exposure to

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Idea Telesystems Limited *

credit risk is the carrying amount of all the financial assets in the balance sheet as at March 31, 2019 and March 31, 2018.

d) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's has financial liabilities of trade and other payables all of which are payable within one year. The Company maintains sufficient cash and other liquid financial assets to meet the payment of financial liabilities with in the due date.

Note 39
Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company is a wholly owned subsidiary of Vodafone Idea Limited and has no borrowings. The existing surplus funds along with the cash generated by the Company is sufficient to take care of its long term and working capital requirements.

Note 40

Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year grouping.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

Vineet Kedia
Partner
Membership No: 212230

Place: Mumbai
Date: April 30, 2019

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Idea Telesystems Limited

Akshaya Moondra
Director
(DIN: 02606784)

Ambrish Jain
Director
(DIN: 07068438)

Place: Mumbai
Date: April 30, 2019

Idea Telesystems Limited