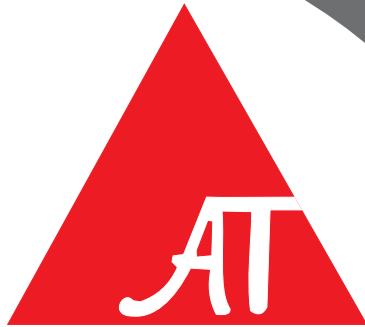


22nd

ANNUAL REPORT
2016-2017



AISHWARYA TECHNOLOGIES AND TELECOM LIMITED
(Formerly known as AISHWARYA TELECOM LIMITED)

**AISHWARYA TECHNOLOGIES AND
TELECOM LIMITED**
(Formerly Known as Aishwarya Telecom Limited)

**22nd
ANNUAL REPORT**

2016-2017

CORPORATE INFORMATION**BOARD OF DIRECTORS**

1. Mr. G. Rama Krishna Reddy	-	Chairman	(DIN: 00136203)
2. Mr. G. Rama Manohar Reddy	-	Managing Director	(DIN: 00135900)
3. Mrs. G. Amulya Reddy	-	Whole time Director cum CFO	(DIN: 00136428)
4. Mr. D. Venkata Subbiah	-	Independent Director	(DIN: 00006618)
5. Mr. K. Rajender Reddy	-	Independent Director	(DIN: 06885840)
6. Mr. Modipalli Kesavaiah	-	Independent Director	(DIN: 05322821)

COMPANY SECRETARY

Mrs. Parul Agarwal

REGISTERED OFFICE

1-3-1026 & 1027, Singadikunta,
Kawadiguda, Hyderabad-500080,
Andhra Pradesh.
Ph.Nos:040- 27531324/25/26
Fax: 040-27535423
Email: sales@aishwaryatechtele.com

CORPORATE IDENTITY NUMBER

L72200TG1995PLC020569

AUDITORS

M/s. Ramana Reddy & Associates
Chartered Accountants,
Unit No.406, 4th Floor, Ashoka Capitol,
Opp: KBR Park, Road No.2, Banjara Hills,
Hyderabad – 500 034.

INTERNAL AUDITOR

Mr. CA B. Samba Siva Rao

Chartered Accountants
Flat No.301, H.No.8-2-317/M/19,
Road No # 14, Banjara Hills,
Hyderabad, Telangana – 500 034
Email: sams4ca@gmail.com

BANKERS

State Bank of India
Commercial Branch
Surya Towers, SP Road
Secunderabad- 500 003

AUDIT COMMITTEE:

- | | | |
|------------------------------|---|----------|
| 1. Mr. D. Venkata Subbiah | - | Chairman |
| 2. Mr. K. Rajender Reddy | - | Member |
| 3. Mr. M. Kesavaiah | - | Member |
| 4. Mr. G. Rama Krishna Reddy | - | Member |

NOMINATION & REMUNERATION COMMITTEE:

- | | | |
|---------------------------|---|----------|
| 1. Mr. D. Venkata Subbiah | - | Chairman |
| 2. Mr. K. Rajender Reddy | - | Member |
| 3. Mr. M. Kesavaiah | - | Member |

STAKEHOLDER RELATIONSHIP COMMITTEE:

- | | | |
|------------------------------|---|----------|
| 1. Mr. M. Kesavaiah | - | Chairman |
| 2. Mr. G. Rama Krishna Reddy | - | Member |
| 3. Mr. K. Rajender Reddy | - | Member |

INDEPENDENT DIRECTORS COMMITTEE:

- | | | |
|---------------------------|---|----------|
| 1. Mr. M. Kesavaiah | - | Chairman |
| 2. Mr. D. Venkata Subbiah | - | Member |
| 3. Mr. K. Rajender Reddy | - | Member |

RISK MANAGEMENT COMMITTEE:

- | | | |
|------------------------------|---|----------|
| 1. Mr. K. Rajender Reddy | - | Chairman |
| 2. Mr. G. Rama Manohar Reddy | - | Member |
| 3. Mr. G. Rama Krishna Reddy | - | Member |

REGISTRAR & SHARE TRANSFER AGENTS

Bigshare Services Private Limited
306, Right Wing, 3rd Floor, Amrutha Ville,
Opp. Yashoda Hospital Somajiguda,
Rajbhavan Road, Hyderabad 500082,
Telangana

<u>LISTED AT</u>	:	BSE Limited
<u>ISIN</u>	:	INE778101024
<u>WEBSITE</u>	:	www.aishwaryatechtele.com
<u>INVESTOR E-MAIL ID</u>	:	accounting@aishwaryatechtele.com

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Shareholders of M/s. Aishwarya Technologies and Telecom Limited will be held on Friday, 29th day of September, 2017 at 10:30 a.m. at the Registered Office of the Company at 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, the Statement of Profit & Loss and Cash Flow Statement (including the consolidated financial statements) for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mrs. G. Amulya Reddy (DIN: 00136428) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s. CSV & Associates., as Statutory Auditors in place of retiring auditors and to fix their remuneration and for the purpose to consider and if, thought fit, to pass with or without modification(s), the following Ordinary Resolution thereof:

“RESOLVED THAT pursuant to the provisions of Section 139 and 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, and pursuant to recommendation of Audit Committee, M/s CSV & Associates., Statutory Auditors, be and are hereby appointed as the Statutory Auditors of the Company in place of retiring auditor M/s. Ramana Reddy & Associates and to hold the office for term of five(5) consecutive years, **from the conclusion of this 22nd Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company**, subject to ratification as to the said appointment at every Annual General Meeting, and that the Board of Directors be and is hereby authorized to fix the remuneration plus applicable taxes and reimbursement of out-of-pocket expenses incurred by them during the course of audit, as Board of Directors/Audit Committee may fix in this behalf.”

SPECIAL BUSINESS:**4. REAPPOINTMENT OF MR G. RAMA MANOHAR REDDY AS MANAGING DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196,197,198,203 read with Schedule V and any other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or reenactment thereof for the time being in force and Articles of Association of the Company and in supersession of the earlier resolution/s passed by the shareholders in earlier general meeting/s, and subject to the approval of Members in Annual General Meeting, Mr. G. Rama Manohar Reddy is re-appointed as Managing Director of the Company for a period of three years with effect from 01.04.2017 with a remuneration of Rs.4,00,000/- per month.

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and is hereby authorized to vary or increase the remuneration including Basic Salary, Commission, Perquisites, and Allowances etc. within such prescribed limits.”

Adequate Profits:

Where in any Financial Year, during the tenure of Mr. G. Rama Manohar Reddy, the Company has adequate profits; the Company shall pay to Mr. G. Rama Manohar Reddy, remuneration by way of Basic Salary, Commission, Perquisites and Allowance exceeding the amount approved by the Central Government and Which shall not exceed the limits prescribed from time to time under sections 196, 197, 203 read with Schedule V to the Companies Act 2013 for the time being in force.

“RESOLVED FURTHER THAT the any of the Director be and is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

5. REAPPOINTMENT AND CONTINUATION OF MRS G. AMULYA REDDY AS WHOLE-TIME DIRECTOR AND CFO OF THE COMPANY:

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196,197,198,203 read with Schedule V and any other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or reenactment thereof for the time being in force and Articles of Association of the Company and in supersession of the earlier resolution/s passed by the shareholders in earlier general meeting/s, and subject to the approval of Members in Annual General Meeting, Mrs. G. Amulya Reddy is re-appointed as Whole-time Director cum CFO of the Company for a period of three years with effect from 01.04.2017 with a remuneration of Rs.2,50,000/- per month.

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and is hereby authorized to vary or increase the remuneration including Basic Salary, Commission, Perquisites, and Allowances etc. within such prescribed limits.”

Adequate Profits:

Where in any Financial Year, during the tenure of Mrs. G. Amulya Reddy, the Company has adequate profits; the Company shall pay to Mrs. G. Amulya Reddy, remuneration by way of Basic Salary, Commission, Perquisites and Allowance exceeding the amount approved by the Central Government and Which shall not exceed the limits prescribed from time to time under sections 196, 197, 203 read with Schedule V to the Companies Act 2013 for the time being in force.

“RESOLVED FURTHER THAT the any of the Director be and is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

6. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED (ATTL) EMPLOYEES STOCK OPTION SCHEME 2017

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:
“RESOLVED THAT pursuant to section 62(1)(b) of the Companies Act, 2013 read with rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions of the Companies Act,2013, including any statutory modification or re-enactment thereof, for the time being in force and subject to SEBI (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as “SEBI (SBEB) Regulations” and subject to such approvals, permissions, sanctions and subject to such conditions and modifications as may be prescribed or imposed by the above authorities while granting such approval, permissions and sanctions, and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include Nomination and Remuneration Committee of the Board herein after referred to as “the Committee”) approval of the members be and is hereby accorded to the Board/Committee of Directors to grant, offer and issue, in one or more tranches, to such permanent employees (including joining employees) of the Company whether working in India or out of India and directors of the company whether whole-time directors or otherwise excluding Independent Directors (hereinafter collectively referred as the "Employees") who are eligible to participate as per the Regulations and as may be decided by the Board/Committee, under a plan titled **“ATTL- ESOP Scheme 2017”** (hereinafter referred to as "the Scheme") the salient features of which are detailed in the explanatory statement, such number of options which could rise to the issue of equity shares of the Company not exceeding **20,00,000 (Twenty Lakhs)** equity shares at such price and on such terms and conditions as may be determined by the Board/Committee in accordance with the ESOP Guidelines or any other applicable provisions as may be prevailing at that time, if any”

"RESOLVED FURTHER THAT the options or equity shares shall be allotted in accordance with the Scheme directly to eligible employees of Aishwarya Technologies and Telecom Limited."

"RESOLVED FURTHER THAT the Board and/ Committee be and is hereby authorized to formulate, evolve, decide upon and bring into effect the Scheme on such terms and conditions as contained in the Explanatory Statement to this item in the notice and to make any modification(s), change(s), variation(s), alternation(s) or revision(s) in the terms and conditions of Scheme from time to time including but not limited to, amendment(s) with respect to vesting period and schedule, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the Plan."

"RESOLVED FURTHER THAT any new equity shares to be issued and allotted as aforesaid shall rank pari-passu inter se with the then existing equity shares of the Company in all respects including payment of dividend."

"RESOLVED FURTHER THAT in case Aishwarya Technologies and Telecom Limited's equity share capital or its valuation is affected due to any corporate action like issue of bonus shares/rights issue, stock split, merger, restructuring or any such event happening subsequent to the grant of option, the Board / Nomination & Remuneration Committee shall have the discretion to make appropriate amendments to the scheme, including changes in the number of options, the Exercise Price or floating a new Scheme / extending the applications of the existing scheme or any other fair and just mechanism including acceleration of Option, if deemed necessary, in accordance with Law, as deems fit, while striving to ensure that the rights of the employees are not adversely affected".

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI (SBEB regulations) and any other applicable laws and regulations to the extent relevant and applicable to the **"ATTL- ESOP Scheme 2017"**.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted under **"ATTL- ESOP Scheme 2017"** on the Stock Exchanges where the shares of the Company are listed as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Guidelines and other applicable laws and regulations."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/ Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper including to appoint Merchant Bankers, Solicitors, Registrars and other advisors, Consultants or Representatives, being incidental to the effective implementation and administration of **"ATTL- ESOP Scheme 2017"** and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby also authorized to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorized to do for the purpose of giving effect to this resolution."

7. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED (ATTL) EMPLOYEES STOCK OPTION SCHEME- 2017 TO THE EMPLOYEES OF SUBSIDIARY COMPANIES:

To consider and if thought fit, to pass, with or without modification(s) the following resolution as Special resolution:

"RESOLVED THAT pursuant to section 62(1)(b) of the Companies Act, 2013 read with rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, including any statutory modification or re-enactment thereof, for the time being in force and subject to SEBI (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as "SEBI (SBEB Regulations)") and subject to such approvals, permissions, sanctions and subject to such conditions and modifications as may be prescribed or imposed by the above authorities while granting such approval, permissions and sanctions,

and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include Nomination and Remuneration Committee of the Board herein after referred to as "the Committee") approval of the members be and is hereby accorded to the Board/Committee of Directors to extend the benefits of the **"ATTL- ESOP Scheme 2017"** referred to in the resolution under item No.6 in this Notice and duly passed at this meeting, also to such permanent employees (including joining employees) of the subsidiary companies including future step down subsidiary companies whether working in India or out of India and directors of the company whether whole-time directors or otherwise excluding Independent Directors, as may be decided by the Board and / or Committee or such other persons, as may from time to time, be allowed under prevailing laws and regulations on such terms and conditions at such price as may be decided by the Board and/or Committee".

"RESOLVED FURTHER THAT in case Aishwarya Technologies and Telecom Limited's equity share capital or its valuation is affected due to any corporate action like issue of bonus shares/rights issue, stock split, merger, restructuring or any such event happening subsequent to the Grant of option, the Board / Compensation Committee shall have the discretion to make appropriate amendments to the scheme, including changes in the number of options, the Exercise Price or floating a new Scheme / extending the applications of the existing scheme or any other fair and just mechanism including acceleration of Option, if deemed necessary, in accordance with Law, as deems fit, while striving to ensure that the rights of the employees are not adversely affected".

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/ Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

8. ALLOTMENT OF EQUITY SHARES EXCEEDING 1% OF THE PAID UP CAPITAL OF AISHWARYA TECHNOLOGIES AND TELECOM LIMITED (ATTL) UNDER ESOP SCHEME – 2017:

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary resolution:

"RESOLVED THAT in accordance with the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made there under or any statutory modification(s) or re-enactment of the Act or the Guidelines, the provisions of any other applicable laws and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s) and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include Compensation Committee of the Board) approval of the members be and is hereby accorded to the Board/Committee of Directors to grant, offer and issue of options or equity shares equal to or exceeding 1% of the paid up capital including outstanding warrants and conversions) of the Company, in one or more tranches, the benefits of the Employees Stock Option Scheme-2017 referred to in the Resolutions under item nos. 6 and 7 in this notice and duly passed at this meeting, to such key permanent employees (including joining employees) of the Company as may be identified by the Compensation Committee / Nomination and Remuneration Committee for their outstanding performance / contribution at the time of grant of options whether working in India or out of India and Directors of the company whether whole-time directors or otherwise (hereinafter collectively as the "Employees"), options exercisable by the Employees under a plan titled **"ATTL- ESOP Scheme 2017"**, as may from time to time, be allowed under prevailing laws and regulations on such terms and conditions as may be decided by the Board (hereinafter referred to as "the scheme") the salient features of which are detailed in the explanatory statement.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

9. ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS TO THE PROMOTERS:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT in terms of Sections 42 and 62(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and

Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulation 2009, as may be applicable to the preferential issue of Equity shares and other applicable regulations of SEBI, if any and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any committee thereof for the time being to which all or any of the powers hereby conferred on the Board by this resolution, have been delegated) and subject to such, consents and approvals of SEBI, Stock Exchanges, Government of India, or such other bodies or authorities as may be required by law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals and which may be agreed to by or any other authorities as may be necessary for that purpose, the consent of the members of the company be and is hereby accorded to the Board to offer, issue, and allot in one or more tranches up to 50,00,000 convertible warrants to the promoters (whose names shall be recorded by the company in the manner set out in Sec 42(7) of the Companies Act, 2013 read with the respective Rules) and the warrants shall be convertible into equal number of Equity Shares with in a period not exceeding 18 months from the date of allotment of warrants, in such manner and on such price, terms and conditions in accordance with the Securities & Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations 2009 (including any amendments thereto or re-enactment thereof) or other provisions of Law as may be prevailing at the time, provided that the price (inclusive of premium) of the convertible warrants so issued shall not be less than the minimum price to be arrived in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations."

"RESOLVED FURTHER THAT the pricing of the Warrants to be allotted will be in accordance with the SEBI (ICDR) Regulations with reference to the 'Relevant Date.'" The "relevant date" for the purpose of pricing of convertible warrants is August 30, 2017 i.e., thirty days prior to the date on which this Annual General meeting is held in terms of Section 42 and Section 62 1(c) of the Companies Act, 2013" (AGM to be held on September 29, 2017).

"RESOLVED FURTHER THAT the resultant equity shares shall rank pari-passu with the existing Equity of the Company in all respects and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any, declared including other corporate benefits, if any, for which the book closure or the Record Date falls subsequent to the allotment of Equity Shares."

"RESOLVED FURTHER THAT the aforesaid convertible warrants allotted in terms of this resolution shall be subject to lock-in requirements as per the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009 and any amendment thereto from time to time."

"RESOLVED FURTHER THAT the aforesaid warrants shall be in accordance with the following terms and conditions:

- A warrant by itself shall not give to a warrant holder thereof, any rights of the shareholder of the company.
- In the event, the equity shares of the company are either sub-divided or consolidated before the conversion of the warrants into equity shares of the company, then the face value, the number of equity shares to be acquired on conversion of the warrants and the warrant issue price shall automatically stand adjusted in the same proportion, as the present value of the equity shares of the company bears, to the newly sub-divided / consolidated equity shares without affecting any right or obligation of the said warrant holders: and
- In the event the company's equity capital is affected or changed due to any other corporate actions such as a merger, demerger, consolidation of business, or other reorganization of the company, tender offer for equity shares of sale of undertaking, necessary adjustments with respect to the terms of the aforesaid warrants shall be made by the company and such other action as may be deemed necessary or appropriate by the Board shall be taken to reflect such corporate actions, including but without limitation, suitable adjustment of the warrant issue price, subject to necessary approvals.

"RESOLVED FURTHER THAT the Company does apply for listing of the resultant equity shares and does make an application to the Depositories for admission of the said new equity shares."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to such modification(s) and to resolve and settle all questions, difficulties or doubts that may arise in this regard to implementation of this Resolution, issue and allotment of convertible warrants and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

10. INCREASE IN AUTHORISED CAPITAL OF THE COMPANY FROM Rs.12,00,00,000/- to Rs. 15,50,00,000/-

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 13 and 61, and all other applicable provisions, if any, of the Companies Act, 2013, the Authorized Share Capital of the Company be increased from present Rs. 12,00,00,000 (Rupees Twelve Crores only) divided into 2,40,00,000 (Two crores and forty lakhs Only) Equity Shares of 5/- each to **Rs. 15,50,00,000 (Rupees Fifteen crores and fifty lakhs only)** divided into **3,10,00,000 (Three Crores and Ten Lakhs Only)** Equity Shares of 5/- each and consequently the Clause V of the Memorandum of Association of the Company be and is hereby altered by substituting with the following new clause.

V. The Authorized Share Capital of the Company is **Rs. 15,50,00,000 (Rupees Fifteen Crores and fifty lakhs only)** divided into **3,10,00,000 (Three crores and Ten lakhs Only)** Equity Shares of Rs.5/- each.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard."

**For and on behalf of the Board
For Aishwarya Technologies and Telecom Limited**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

**Place: Hyderabad
Date: 28.08.2017**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT-11 annexed herewith.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2017 to 29.09.2017(Both days Inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
9. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s.Bigshare Services Private Limited)
10. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
11. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/s. Bigshare Services Private Ltd., Share Transfer Agents of the Company for their doing the needful.
12. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.

13. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
14. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
15. Electronic copy of the Annual Report for 2016-2017 is being sent to all the members whose Email-IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-2017 is being sent in the permitted mode.
16. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2016-2017 will also be available on the Company's website www.aishwaryatechtele.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: accounting@aishwaryatechtele.com
17. All dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, till date the Company has transferred to IEPF the unpaid and unclaimed amount pertaining to dividends declared up to the financial year 2008-09. Members who have not yet encashed their dividend warrants for the financial year 2009-10 onwards are requested to make their claims to the Company immediately. The last date for transfer the unclaimed dividend for the year 2009-10 is 03.11.2017. Members may please note that no claim shall lie against the Company in respect of dividend which remains unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account and no payment shall be made in respect of such claims.
18. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 22.09.2017, are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 09.00 a.m. on 26.09.2017 and will end at 05.00 p.m. on 28.09.2017. The Company has appointed Mr. Vivek Surana, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 09.00 a.m. on 26.09.2017 and will end at 05.00 p.m. on 28.09.2017. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID

- (i) For CDSL: 16 digits beneficiary ID,
- (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- (iii) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Aishwarya Technologies and Telecom Limited>
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

19. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.

20. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Subsidiaries Companies whose Annual Accounts have been consolidated with the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.

21. The Ministry of Corporate Affairs (vide circular nos. 17/2011 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

**For and on behalf of the Board
For Aishwarya Technologies and Telecom Limited**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

Place: Hyderabad

Date: 28.08.2017

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the companies act 2013)

Setting out material facts under section 102 of the companies act 2013

Item No. 3:

The Explanatory Statement for this Item No. 3 is being provided voluntarily, though strictly not required as per Section 102 of the Companies Act, 2013 ('the Act'). In terms of Section 139(1) of the Companies Act, 2013, no listed company can appoint or re-appoint an audit firm (including its affiliate firm) as auditor for more than two (2) terms of five (5) consecutive years. The Act also provided for additional transition period of three (3) years from the commencement of the Act, i.e. from April 1, 2014. The Members are informed that M/s. Ramana Reddy & Associates, Chartered Accountants, having Registration No: 003246S, are Statutory Auditors of the Company. Accordingly, M/s. Ramana Reddy & Associates have completed period of ten (10) years and will also be completing the additional transition period of three (3) years at the conclusion of ensuing 22nd Annual General Meeting, and the Company therefore needs to appoint a new auditor in their place. The Audit Committee and the Board of Directors have placed on record their appreciation for the professional services rendered by M/s. Ramana Reddy & Associates, during their long association with the Company. Pursuant to and in light of the above, the Board of Directors on the recommendation of Audit Committee has appointed M/s. CSV & Associates., Chartered Accountants (ICAI Firm Registration Number: 012121S) Hyderabad, as Statutory Auditors of the Company, for a period of five (5) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 27th Annual General Meeting of the Company, subject to the ratification at the Annual General Meeting in each of the subsequent years during the aforementioned term of their appointment. The proposed auditor, M/s CSV & Associates., Chartered Accountants have confirmed that their appointment, if made, shall be in accordance with the limits specified under Section 141(3) (g) of the Act and that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 (as amended). Accordingly, consent of the Members is sought to the Resolution as set out at Item No. 3 of the Notice for approval.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3.

ITEM No. 4 & 5

The Board of Directors at their meeting held on 14.02.2017 have subject to the approval of the shareholders, re-appointed Mr. G. Rama Manohar Reddy as Managing Director of the Company and Mrs. G. Amulya Reddy as Whole-time Director cum CFO with effect from 01.04.2017 for a period of 3 years on the remuneration, terms and conditions recommended by the nomination and remuneration committee as set out in the respective resolutions.

The Board is of the opinion that the services of the above said directors is in the interest of the Company in order to achieve further growth. Taking into consideration the duties and responsibilities of the Managing Director and Whole time Director cum CFO, the prevailing managerial remuneration in industry and on the recommendation of the nomination and remuneration committee, the Board at their meeting held on 14.02.2017 approved the remuneration, terms and conditions of the reappointment of Mr. G. Rama Manohar Reddy and Mrs. G. Amulya Reddy subject to approval of the shareholders on remuneration including minimum remuneration and on terms and conditions set out in the respective resolution numbers 4 and 5.

Hence, the Board recommends the above said resolutions for your approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. G. Rama Manohar Reddy, Mrs. G. Amulya Reddy and Mr. G. Rama Krishna Reddy (relative of Mr. G. Rama Manohar Reddy and Mrs. G. Amulya Reddy) are concerned or interested, financially or otherwise, in the above said resolutions. the details of the directors being re-appointed as follows :

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Particulars	Name of the Director	Name of the Director
Name	Mr. G. Rama Manohar Reddy	Mrs. G. Amulya Reddy
DIN	00135900	00136428
Date of Birth	04/05/1964	03/04/1972
Date of Appointment	02/06/1995	02/06/1995
Qualifications	B. TECH, ELECTRONICS	B. COM.,
No. of Shares held in the Company	41,00,990	75,608
Directorships held in other companies (excluding private limited and foreign companies)	1	NIL
Positions held in mandatory committees of other companies	NIL	NIL
Relationship with other directors of the Company	Mr. G. Rama Krishna Reddy, Non-Executive Director and Mr. G. Rama Manohar Reddy, Managing Director of the Company are inter-se related as father and son respectively	Mrs. G Amulya Reddy, Whole-time Director and CFO of the company is wife of Mr. G. Rama Manohar Reddy, Managing Director of the Company and daughter-in-law of Mr. G. Rama Krishna Reddy, Non-Executive Director.

Item Nos.6, 7 & 8:

The main objectives of this scheme is to give employees who are performing well, a certain minimum opportunity to gain from the Company's performance, thereby acting as a retention tool and to attract best talent available in the market. Aishwarya Technologies and Telecom Limited Employees Stock Option Scheme 2017 ("ATTL - ESOP Scheme 2017" or 'the Scheme') will be administered by the Board and/or Nomination & Remuneration Committee of the Board in terms of "SEBI (Share Based Employee Benefits Regulations 2014)"

The Board of Directors ('the Board') has identified the need to reward the Employees and the Directors (including the whole-time and Non-Executive Directors but excluding Independent Directors) of your Company and its subsidiaries so as to enable them to participate in the future growth and financial success of your Company and has proposed to offer the eligible Employees an option to acquire the equity shares of your Company under Aishwarya Technologies and Telecom Limited Employees Stock Option Scheme 2017. Further fresh Equity Shares are proposed to be issued under "ATTL - ESOP Scheme 2017" by the Company and the Scheme will be managed directly by the Nomination and Remuneration Committee.

The complete disclosures for the same are given in this explanatory statement. The Board has accordingly decided to seek the approval of the Members for the same.

The salient features of "ATTL- ESOP Scheme 2017" are as under:

Total number of options to be granted	Not exceeding 20,00,000 (Twenty Lakhs) options would be available for grant to the eligible employees of the Company and eligible employees of the subsidiary company(ies) in aggregate under "ATTL- ESOP Scheme 2017", in one or more tranches exercisable in to 20,00,000 (Twenty Lakhs) equity shares
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<p>Identification of Classes of Employees entitled to participate in ESOP</p>	<p>Eligibility for grant of options:</p> <p>(i) Permanent Employees of the Company / its subsidiaries (ii) Directors of the Company / its subsidiaries</p> <p>Employees not eligible for grant of options:</p> <p>i. An employee who is a promoter or belongs to the promoter group ii. A director who either by himself or through his relative or through anybody corporate, directly or indirectly holds more than 10 per cent of the outstanding equity shares of the Company at the time of granting of option iii. Independent Directors</p>
<p>Transferability of Employees Stock Options</p>	<p>The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option guarantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under ATTL ESOP Scheme 2017</p>
<p>Requirement of Vesting and Period of Vesting</p>	<p>The continuation of the employee in the service of the Company shall be a primary requirement of the vesting. There shall be a minimum period of one year between the date of grant of options and vesting of options. The maximum vesting period shall not exceed five years. The vesting shall happen in one or more tranches as may be decided by the Board.</p> <p>Vested options lapse due to non-exercise and/or unvested options that get cancelled due to resignation/termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed/cancelled options as per the provisions of ATTL-ESOP Scheme 2017.</p> <p>In the event of death of an employee or if he suffers permanent incapacity while in employment, all the options granted to him till the date of death or permanent incapacity, as the case may be, shall vest with his legal heirs / in him on that date.</p>
<p>Maximum period within which the options shall be vested</p>	<p>The maximum period within which the options shall be vested would be five years from the date of grant.</p>
<p>Exercise Price or Pricing Formula</p>	<p>“Exercise Price” means the price determined by the Nomination and Remuneration Committee from time to time at which the eligible Employees shall be authorized to exercise their Options.</p> <p>The Exercise price per Option shall not be less than face value of equity share and shall not exceed market price of the equity share of the Company as on date of grant of Option, which may be decided by the Committee.</p> <p>The Committee can give cashless exercise of Options, if required, to the employees and shall provide necessary procedures and/or mechanism for exercising such Options subject to applicable laws, rules and regulations.</p>
<p>Exercise Period and Process of Exercise</p>	<p>The exercise period shall commence from the date of vesting and will expire not earlier than 5 years from the date of vesting of Options, i.e. where the options are vested in tranches, the 'date of vesting' referred to hereinabove, would be with reference to the actual vesting of the options at each tranche / phase or installment of vesting. The options would be exercisable by submitting the requisite application form / exercise notice to the Company or such other person as the Company may prescribe, subject to conditions for payment of Exercise Price in the manner prescribed by the Board and/or Committee. All the participants in the Scheme shall deliver a written notice of exercise, in the prescribed form, to the Board and/or Committee on or before the expiry of the exercise period.</p>
<p>Appraisal Process for determining the eligibility of employees for the Scheme</p>	<p>The appraisal process for determining the eligibility of the employee will be specified by the Board and will be based on any or all of the following criteria:</p> <ul style="list-style-type: none"> • Performance of the employee • Position and responsibility of the employee • Present grade and compensation structure of the employee • Exceptional contribution made by the employee • Integrity and behavior of the employee • Such other parameters as may be decided by the Board • The committee may at its discretion extend the benefits of the ESOP to a new entrant or any existing employee on such other basis as it may deem fit.
<p>Maximum number of Options / Quantum of benefits to be issued per employee and in aggregate</p>	<p>Maximum number of options to be granted to an eligible employee will be determined by the Compensation Committee/ Nomination and Remuneration Committee on case to case basis in terms of the resolutions passed by the shareholders. Thus, the maximum number of options granted to any one employee / director in a year may exceed 1% of the paid-up capital of the company in aggregate in one financial year as may be determined by the Compensation Committee/Nomination and Remuneration Committee.</p>

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<p>Confirmation with the Accounting Policies</p>	<p>The Company shall confirm to the Accounting Policies specified in Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the 'Guidance Note on Accounting for employee share based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein or applicable Accounting Standard as may be prescribed by the ICAI from time to time.</p>
<p>The method the Company shall use to value the options</p>	<p>The company shall follow the intrinsic value method to value the options. The difference between the employee compensation cost computed based on intrinsic value and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Director's Report and also the impact of this difference on profit and on EPS of the Company shall also be disclosed in the Director's Report.</p>

The equity shares allotted pursuant to the exercise of the Options shall be listed on the Stock Exchanges where Company's Equity Shares are listed and necessary applications will be made to those Stock Exchange(s) in this behalf.

As per Regulation 6(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('the Regulations'), any Employees Stock Option Scheme must be approved by way of a Special Resolution. Further as the Scheme will entail further shares to be offered to persons other than existing Members of your Company, consent of the Members is required for issue of the equity shares and / or instruments entitling the holder to subscribe to or purchase equity shares, in terms of the provisions of Section 62(1)(b) of the Companies Act, 2013.

Regulation 6(3)(c) of the Regulations requires that a separate special resolution is required to be passed if the benefits of the Scheme are to be extended to eligible employees of the subsidiary companies and for granting of options exceeding 1% of paid up capital of the company. Accordingly the resolutions set out at Item Nos., 7 and 8 of the Notice convening the Meeting are being placed for approval of the Members. The options to be granted under the Scheme shall not be treated as an offer or invitation made to public for subscription in the securities of the Company.

The Board of Directors recommends the passing of the above resolutions 6, 7 and 8 as set out in the Notice.

None of the Directors of the Company is, in any way, concerned or interested in the resolutions, except to the extent of their shareholding in the Company and to the extent of the options / shares that may be offered to them, if any, under the Scheme.

ITEM NO. 9: ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS TO THE PROMOTERS:

The special resolution as mentioned above proposes to authorize the Board of directors to issue and allot up to **50,00,000** convertible warrants in such manner and on such terms of conditions as prescribed under SEBI (ICDR) Regulations and in compliance with Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, the companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014. To meet the ever increasing Working Capital requirements of the company, the promoter directors from time to time have infused unsecured loans into the company and the same will be adjusted at the time of allotment/conversion of warrants.

The Information pertaining to the proposed preferential allotment in terms of the Chapter VII of SEBI (ICDR) Regulations, 2009 and subsequent amendments there to is as stated below:

(I) Objective of the Issue through preferential Allotment:

To mobilize funds for current / future expansion plans / activities directly of the Company, working capital and general corporate purposes including conversion of unsecured loans brought in by the promoter directors of the company into convertible warrants.

(II) Pricing of the Issue and Relevant Date:

The price of the convertible warrants proposed to be issued will be determined in accordance with the preferential issue guidelines given in SEBI (ICDR) Regulations and subsequent amendments thereto which is based on the relevant date i.e., 30-Aug-2017, which is thirty days prior to the date of Annual General Meeting (29-Sep-2017).

A Certificate will be obtained from the Statutory Auditor of the company / Practicing company Secretary confirming the minimum price for the preferential issue is as per Preferential Issue Regulations in chapter VII of SEBI (ICDR) Regulations, 2009 and showing the calculation thereof and the same will be made available for inspection at the registered office of the Company.

(III) The proposal of the promoters, or their associates and relatives, directors/key managerial persons of the issuer to subscribe to the offer:

The proposed allottees would fall under Promoter's category as mentioned under point No (IV). The said promoters propose to subscribe for **50,00,000** convertible warrants. The requirement of issue of securities on preferential basis is necessitated to fulfill the objectives as mentioned in point (I) above.

(IV) Identity of the natural persons who are the ultimate beneficial owners of convertible warrants proposed to be allotted and/or who ultimately control; the proposed allottees and percentage of pre and post preferential issue capital that may be held by them:

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List of proposed allottees: All the proposed allottees as furnished in the table are the ultimate beneficial owners of the shares.

PRE ISSUING HOLDING			POST ISSUE HOLDING ON CONVERSION		
Identity of Proposed Preferential Allottee	Pre holding issue	% of shares	Warrants proposed to be allotted	No. of Shares after conversion	% of shares on conversion
A. PROMOTERS					
G. Rama Manohar Reddy	41,00,990	19.02	25,00,000	66,00,990	24.85
G. Amulya Reddy	75,608	0.35	15,00,000	15,75,608	5.93
G. Aishwarya Reddy	-	-	10,00,000	10,00,000	3.76

* Shareholding has been provided assuming that all the convertible warrants are converted into equity shares.

(V) Shareholding pattern before and after preferential issue of the capital would be as follows: (assuming all warrants are convertible into equity shares)

Sl. No.	Category	Pre Issue Holding			Post Issue Holding	
		No. of shares	% of shares	Proposed Issue Shares Warrants	No. of shares	% of Shares
A Promoter Shareholding						
1	Indian Promoters	58,54,841	27.15	50,00,000	1,08,54,841	40.86
2	Foreign Promoters	-	-	-	-	-
	Sub-Total (A)	58,54,841	27.15	50,00,000	1,08,54,841	40.86
B Public Shareholding						
1	Institutions	--	--	--	--	--
2	Non-Institutions					
(i)	Bodies Corporate	27,36,506	12.69	-	27,36,506	10.30
(ii)	Individuals	1,26,38,247	58.61	-	1,26,38,247	47.58
(iii)	NRIs	1,21,099	0.56	-	1,21,099	0.46
(iv)	Employees	1,18,236	0.55	-	1,18,236	0.45
(v)	Clearing Members	12,431	0.06	-	12,431	0.05
(vi)	NBFC	82,582	0.38	-	82,582	0.31
	Sub-Total (B)	1,57,09,101	72.85	-	1,57,09,101	59.14
	Grand Total (A+B)	2,15,63,942	100.00	50,00,000	2,65,63,942	100.00

* Shareholding has been provided assuming that all the convertible warrants are converted into equity shares.

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(VI) Proposed time within which the allotment shall be completed:

The allotment of equity shares and convertible equity warrants shall be completed, within a period of 15 days from the date of passing of the resolution by the shareholders provided, that where the allotment is pending on account of pendency of any approval from any regulatory authority including SEBI, the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

An amount, as may be decided by the Board of Directors, not being less than 25% of the issue price shall be payable before allotment of the warrants. The convertible warrants would be allotted on the following terms:

a. The holder of warrants will have an option to apply for and be allotted 1 (one) Equity Share of the Company per warrant, any time after the date of allotment but on or before the expiry of 18 months from the date of allotment of convertible warrants, in one or more tranches.

b. Upon receipt of the payment as above, the Board shall allot one Equity Share per Warrant by appropriating Rs. 5/- towards Equity Share Capital and the balance amount paid against each Warrant, towards the Securities Premium.

c. If the entitlement against the warrants to apply for the Equity Share is not exercised within the period specified, the entitlement of the Warrant holder to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid on such warrants shall stand forfeited.

d. The warrant holder shall also be entitled to any future bonus/rights issue(s) of equity shares or other securities convertible into Equity Shares by the Company, in the same proportion and manner as any other Members of the Company for the time being.

e. The warrants by itself do not give to the holder thereof any rights of the Members of the Company.

(VII) Approvals:

The Company will take necessary steps to obtain the required approvals from the Stock Exchange, SEBI, or any other regulatory agency as may be applicable, for the proposed preferential issue of equity shares/convertible warrants.

(VIII) SEBI Takeover code:

In the present case none of the proposed allottees would attract SEBI Takeover Code and therefore is not under obligation to give open offer to the public except making certain disclosures to Stock Exchange.

(IX) Holding of shares in demat form, non disposal of shares by the proposed allottees and lock-in period of shares:

The entire shareholding of the proposed allottees in the company, if any, is held by them in dematerialized form. The entire pre preferential allotment shareholding of such allottees shall be under lock-in from the relevant date up to a period of six months from the date of trading approval from all the stock exchanges where the securities of the Company are listed. The shareholder who has sold their shares during the six months period prior to the relevant date shall not be eligible for allotment of equity shares on preferential basis. The proposed shareholders have Permanent Account Number.

(X) Lock-in Period:

The equity shares proposed to be allotted shall be subject to 'lock-in' for such a period as the case may be from the date of trading approval from all the stock exchange/s where the securities of the Company are listed as per Clause 78 of the SEBI (ICDR) Regulations, 2009.

(XI) Auditor Certificate:

Certificate from the Statutory Auditors / Practicing Company Secretary confirming that the proposed issue of equity shares is being made in accordance with the SEBI (ICDR) Regulations, 2009 is obtained and the same will be made available for inspection at the Registered Office of the Company on any working day.

(XII) Control:

As a result of the proposed preferential allotment of equity shares/convertible equity warrants, neither there will be change in the composition of the Board of Directors and nor any changes in control of the Company.

(XIII) Undertakings:

In terms of SEBI (ICDR) Regulations, 2009 issuer hereby undertakes that:

- a) It shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- b) If the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continued to be locked in till the time such amount is paid by the allottees.

(XIV) Compliances:

The company has complied with the requirement of rule 19A of the Securities Contracts (Regulation) Rules, 1957 and Regulation 38 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 maintaining a minimum of 25% of the paid up capital in the hands of the public.

(XV) Approval under the Companies Act:

Section 62(1) of the Companies Act, 2013 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a Company by further issue and allotment of shares, such shares shall be first offered to the existing shareholders of the Company in the manner laid down in the said section, unless the shareholders decide otherwise in General Meeting by way of special resolution.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of section 62(1) of the Companies Act, 2013 and all other applicable provisions, SEBI Guidelines or regulations and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for authorizing the Board to offer, issue and allot equity shares as stated in the resolution, which would result in a further issuance of securities of the Company to the promoters and the others on a preferential allotment basis, in such form, manner and upon such terms and conditions as the Board may in its absolute discretion deem fit.

The Board of Directors recommends the passing of the above resolution as a Special Resolution as set out in the Notice.

Except Mr. G. Rama Manohar Reddy, Mr. G. Ramakrishna Reddy and Mrs. G. Amulya Reddy, none of the other directors, key managerial personnel or their relatives is concerned or interested (financial or otherwise) in the above said resolution.

Item No. 10:

In order to accommodate the shares to be allotted on preferential basis and ATTL ESOP Scheme-2017, the Board of Directors at their meeting held on 28th August, 2017 have decided to increase the existing Authorized Share Capital of **Rs. 12.00 Crores to Rs. 15.50 Crores (Rupees Fifteen Crores and Fifty lakhs)** divided in to **3,10,00,000 (Three Crores and Ten Lakhs Only)** Equity Shares of Rs. 5/- each. The aforesaid increase in the Authorized Share Capital will require the amendment of the Capital Clause of the Memorandum of Association.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval of the shareholders.

None of the Directors/Key Managerial Personnel and their relatives are interested or concerned financially or otherwise, in the Special Resolution except to the extent of their shareholding.

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting before you the Board's Report of the Company together with the Consolidated Financial Audited Statements of Accounts for the year ended 31st March, 2017.

1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2017 has been as under:

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Total Income	5731.15	4738.00	5731.15	4738.00
Total Expenditure	5726.95	4846.19	5727.09	4846.42
Profit Before Tax	5.20	(108.19)	5.05	(108.42)
Provision for Tax	(51.90)	(1.71)	(51.90)	(1.71)
Profit after Tax	(46.70)	(109.90)	(46.85)	(110.13)
Transfer to General Reserves	0	(6.74)	0	(6.74)
Profit available for appropriation	1019.20	1175.81	1065.91	1176.09
Provision for Proposed Dividend	0	0	0	0
Provision for Corporate Tax	5.73	0	0	0
Balance Carried to Balance Sheet	1019.20	1175.81	1065.91	1176.09

2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report. (i.e. 28.08.2017)

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

4. PUBLIC DEPOSITS:

The Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

5. TRANSFER TO RESERVES:

Directors have decided not to transfer any amount to reserves for the year.

6. DIVIDEND:

Keeping the Company's expansion and growth plans in mind, your Directors have decided not to recommend dividend for the year.

7. REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review

8. DISCLOSURES UNDER SECTION 134(3) (I) OF THE COMPANIES ACT, 2013:

No material changes and commitments which could affect the Company's financial position have occurred between the ends of the financial year of the Company.

9. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

10. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

The details of transactions/contracts/arrangements entered into by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in detail somewhere else in the report (if applicable) and forms part of this Report.

12. BOARD MEETINGS DURING THE YEAR:

The Board of Directors duly met 7 (seven) times on 28.05.2016, 11.08.2016, 14.11.2016, 25.01.2017, 03.02.2017, 14.02.2017 and 22.03.2017 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

13. CORPORATE GOVERNANCE:

A Separate section titled "Report on Corporate Governance" along with the Auditors' Certificate on Corporate Governance as stipulated under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the annual report.

14. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report – Annexure I

15. APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS /CEO/ CFO AND KEY MANAGERIAL PERSONNEL:

During the year no director has resigned from the Company. Mrs. G. Amulya Reddy retires by rotation and being eligible offers herself for re-appointment. Your directors recommend her reappointment.

16. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Mr.D. Venkata Subbiah, Mr. K. Rajender Reddy and Mr. M. Kesavaiah Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.-Annexure-II

17. DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES:

Your Company has one subsidiary Company **M/s. Bhashwanth Power Projects Private Limited**. No Business operations was carried by the subsidiary during the year.

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC1 is provided at Annexure-IV. In accordance with third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing therein its audited standalone and the consolidated financial statements has been placed on the website of the Company at www.aishwaryatechtele.com.

Further, audited financial statements together with related information and other reports of each of the subsidiary companies, have also been placed on the website of the Company at www.aishwaryatechtele.com.

19. STATUTORY AUDITORS:

The existing auditors M/s. Ramana Reddy & Associates will retire at the ensuing Annual General Meeting on expiry of their term. Accordingly, the Board recommends the appointment of M/s. CSVR & Associates., as statutory auditors of the Company, in place of retiring auditors from the conclusion of this Annual General Meeting till the conclusion of 27th Annual General Meeting for a period of five consecutive years and the same is placed for approval by the shareholders.

M/s. CSVR & Associates., have expressed their willingness for appointment

20. INTERNAL AUDITORS:

Mr. CAB. Samba Siva Rao Chartered Accountants, Hyderabad are the internal Auditors of the Company.

21. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. Vivek Surana & Associates, Practicing Company Secretaries is annexed to this Report as annexure.

22. INDIAN ACCOUNTING STANDARDS:

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company adopts Indian Accounting Standards with effect from 01st April, 2017. The implementation of Indian Accounting Standards (IAS) is a major change process for which the Company has set up a dedicated team and is providing desired resources for its completion within the time frame. The impact of the change on adoption of said IAS is being assessed.

23. AUDIT REPORTS:**(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2017 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges that may occur in the industry.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013 and does not have any qualifications, reservations or adverse remarks.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Since the Company does not have the net worth of Rs. 500 Crores or more, or turnover of Rs. 1000 Crores or more, a net profit of Rs. 5 Crores or more during the financial year or, Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

25. COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has signed uniform listing agreement with BSE Limited and framed the following policies which are available on Company's website i.e. www.aishwaryatechtele.com

- Board Diversity Policy
- Policy on preservation of Documents
- Risk Management Policy
- Whistle Blower Policy
- Familiarisation programme for Independent Directors
- Anti-Sexual Harrassment Policy
- Related Party Policy
- Code of Conduct

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec. 134 of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: Rs.7.38 Lakhs
Foreign Exchange Outgo: Rs.1832.17 Lakhs

27. INSURANCE:

The properties and assets of your Company are adequately insured.

28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans or Guarantees during the year under review.

29. CREDIT & GUARANTEE FACILITIES:

The Company has been availing Credit and Guarantee facilities from State Bank of India, Commercial Branch, S.P. Road, Secunderabad during the year.

30. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to your Company.

31. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies(Appointment & Remuneration) Rules, 2014, the ratio of remuneration of managing director (Mr. G. Rama Manohar Reddy) and whole Time director (Mrs. G. Amulya Reddy) to median employees is 0.17:1 and 0.12:1 respectively.

32. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

33. CEO/ CFO CERTIFICATION:

The Managing Director and CEO/ CFO certification of the financial statements for the year 2016-17 is provided elsewhere in this Annual Report.

34. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

35. SECRETARIAL STANDARDS:

The company is in compliance with SS 1 & SS 2.

36. EVENT BASED DISCLOSURES:

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

2. Issue of shares with differential rights: The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.

3. Issue of shares under employee's stock option scheme: The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014

4. Non- Exercising of voting rights : During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

5. Disclosure on purchase by company or giving of loans by it for purchase of its shares:

The Company did not purchase or give any loans for purchase of its shares.

6. Buy back shares: The Company did not buy-back any shares during the period under review.

7. Disclosure about revision: Since the company did not undergo any revision, this clause is Not Applicable to the company for the period under review.

8. Preferential Allotment of Shares: The Company did not allot any shares on preferential basis during the period under review.

37. EMPLOYEE RELATIONS AND REMUNERATION:

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 8,50,000/- and above per month or Rs. 1,02,00,000/- and above in aggregate per annum, the limits prescribed under Section 197(12) of Companies Act 2013 read with Rule 5 of Companies(Appointment & Remuneration Of Managerial Personnel) Rules, 2014.

38. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

No. of complaints received	:	Nil
No. of complaints disposed off	:	Nil

39. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, for the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions, other statutory authorities like SEBI, ROC, Stock Exchanges, NSDL, CDSL etc and shareholders of the Company for their continued support for the growth of the Company.

**For and on behalf of the Board
For Aishwarya Technologies and Telecom Limited**

Place: Hyderabad
Date: 28.08.2017

Sd/-
G.Rama Krishna Reddy
Chairman
DIN: 00136203

Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900

Code of Conduct

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Certificate of Code of Conduct for the year 2016-17 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

M/s. Aishwarya Technologies and Telecom Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all director, officers and employees.

We hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2016-17.

**For and on behalf of the Board
For Aishwarya Technologies and Telecom Limited**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

Place: Hyderabad

Date: 28.08.2017

CORPORATE GOVERNANCE

Aishwarya Technologies and Telecom Limited is committed to best practices in the area of Corporate Governance. Good governance facilitates effective management and control of business, maintaining a high level of business ethics and optimizing the value for all stakeholders.

The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

DATE OF REPORT

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2017. The Report is updated as on the date of the report wherever applicable.

1. BOARD OF DIRECTORS

A. COMPOSITION OF THE BOARD:

The Company is managed and controlled through a professional body of Board of Directors. As on 31st March, 2017 the Board of the Company has 6 members (including 1 Managing Director, 1 Whole-Time Director, 1 Non executive director and 3 Independent Non-Executive Directors). None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he is a Director.

The Board has been enriched with the advices and knowledge of the Independent Directors. None of the Independent Directors has any pecuniary or business relationship except receiving sitting fees. The composition of the Board of Directors as on 31.03.2017 and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

B. ATTENDANCE OF EACH DIRECTOR AT BOARD MEETING HELD DURING THE YEAR AND LAST ANNUAL GENERAL MEETING AND NUMBER OF OTHER BOARD OF DIRECTORS IN WHICH A DIRECTOR IS A MEMBER OR CHAIRPERSON.

Name of Director	Category of Directorship	Number of Director-ships in other Companies	Number of Board Committee memberships held in other Companies		Attendance Particulars		
			Mem-ber	Chair-man	Last AGM 30.09.16	Board Meetings 16-17	
						Held	Attended
Mr. G. Rama Manohar Reddy	Managing Director	1	–	--	Yes	7	4
Mrs. G. Amulya Reddy	Whole-Time Director	–	--	--	Yes	7	7
Mr. G. Rama Krishna Reddy	Non-Executive Director	1	–	--	Yes	7	7
Mr. D. Venkata Subbiah	Non Executive & and independent Director	2	3	1	Yes	7	4
Mr. K. Rajender Reddy	Non Executive & and independent Director	–	–	--	Yes	7	4
Mr. M. Kesavaiah	Non Executive & and independent Director	1	–	–	Yes	7	4

C. MEETINGS DURING THE YEAR:

The Board of Directors duly met 7 (Seven) times on 28.05.2016, 11.08.2016, 14.11.2016, 25.01.2017, 03.02.2017, 14.02.2017 and 22.03.2017 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

D. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Mr. G. Rama Krishna Reddy, Non-Executive Director and Mr. G. Rama Manohar Reddy, Managing Director of the Company are inter-se related as father and son respectively. Mrs. G. Amulya Reddy is wife of Mr. G. Rama Manohar Reddy, Managing Director and daughter-in-law of Mr. G. Rama Krishna Reddy, Non-Executive Director.

E. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

None of the Non-Executive Directors of the company holds any shares and Convertible Instruments in their name.

F. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

All new independent directors inducted into the Board attend an orientation program. The details of training and familiarization program are provided in the corporate governance report. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

G. INDEPENDENT DIRECTORS' MEETING:

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 23.03.2017 and discussed the following:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc.

2. AUDIT COMMITTEE (CONSTITUTED IN TERMS OF SEC 177 OF THE COMPANIES ACT, 2013 READ WITH REGULATION 18 OF SEBI LODR REGULATIONS, 2015):**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with external auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
 - a. Any changes in accounting policies and practices;
 - b. Qualification in draft audit report;
 - c. Significant adjustments arising out of audit;
 - d. The going concern concept;
 - e. Compliance with accounting standards;
 - f. Compliance with stock exchange and legal requirements concerning financial statements and
 - g. Any related party transactions
- Reviewing the company's financial and risk management's policies.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

B. COMPOSITION, MEETINGS & ATTENDANCE:

There were four (4) Audit Committee Meetings held during the year on 28.05.2016, 11.08.2016, 14.11.2016 and 14.02.2017.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. D. Venkata Subbiah	Chairman	NED(I)	4	4
Mr. K. Rajender Reddy	Member	NED(I)	4	4
Mr. M. Kesavaiah	Member	NED(I)	4	4
Mr. G. Rama Krishna Reddy	Member	ED	4	4

NED (I) : Non Executive Independent Director

ED : Executive Director

3. NOMINATION AND REMUNERATION COMMITTEE (CONSTITUTED IN TERMS OF SEC 178 OF THE COMPANIES ACT, 2013 READ WITH REGULATION 19 OF SEBI LODR REGULATIONS, 2015)

The Committee comprises of three non-executive Independent Directors

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a. to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
 - b. to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. D. Venkata Subbiah	Chairman	NED(I)	1	1
Mr. K. Rajender Reddy	Member	NED(I)	1	1
Mr. M. Kesavaiah	Member	NED(I)	1	1

NED (I) : Non Executive Independent Director

REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

- 2.1 **“Director”** means a director appointed to the Board of a Company.
- 2.2 **“Nomination and Remuneration Committee”** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.3 **“Independent Director”** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013, Clause 49(II)(B) of the Equity Listing Agreement and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

Qualifications and criteria

- 3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
- 3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
- General understanding of the company's business dynamics, global business and social perspective;
 - Educational and professional background
 - Standing in the profession;
 - Personal and professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 3.1.3 The proposed appointee shall also fulfill the following requirements:
- shall possess a Director Identification Number;
 - shall not be disqualified under the companies Act, 2013;
 - shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
 - shall abide by the code of Conduct established by the company for Directors and senior Management personnel;

- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 **Criteria of independence**

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013, Clause 49 of the Equity Listing Agreement and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director-

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - b.
 - (i) who is or was not a promoters of the company or its holding, subsidiary or associate company;
 - (ii) who is not related to promoters or directors of the company its holding, subsidiary or associate company
 - c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or director, during the two immediately preceding financial year or during the current financial year;
 - d. none of whose relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current finance year;
 - e. who, neither himself nor any of his relative-
 - (i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate company in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;
 - (ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the financial year in which he is proposed to be appointed of-
- (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding subsidiary or associate company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;

- (i) holds together with his relatives two per cent or more of the total voting power of the company; or
- (ii) is a chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the company any of its promoters , directors or its holding subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- (iii) is a material supplier, service provider or customer or a lesser or lessee of the company.

- f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the company's business.
- g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age

3.2.3 The independent Director shall abide by the “code for independent Directors “as specified in Schedule IV to the companies Act, 2013.

3.3 other directorships/ committee memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

2.1 **“Director”** means a director appointed to the Board of the company.

2.2 **“key managerial personnel”** means

- (i) The Chief Executive Officer or the managing director or the manager;
- (ii) The Company Secretary;
- (iii) The Whole-time Director;
- (iv) The Chief Financial Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 **“Nomination and Remuneration committee”** means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retirement benefits
- (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

REMUNERATION OF DIRECTORS:

PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY: The Non- Executive Directors have no pecuniary relationship or transactions.

CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS: As per the remuneration policy of the company.

REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2016-17 AND OTHER DISCLOSURES:

Name of the Director	Salary(Rs)	Sitting fees (Rs)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Mr. G. Rama Manohar Reddy	30,00,000	--	41,00,990	-	-	-	-
Mrs. G. Amulya Reddy	21,00,000	--	75,608	-	-	-	-
Mr. G. Rama Krishna Reddy	--	--	3,73,500	-	-	-	-
Mr. D. Venkata Subbiah	--	10,000	--	-	-	-	-
Mr. K. Rajender Reddy	--	10,000	--	-	-	-	-
Mr. M. Kesavaiah	--	10,000	--	-	-	-	-

E. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees of the Board. Structured questionnaires were prepared after taking in to consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of participation in the meetings and contribution, independence of judgments, safeguarding the interest of the Company and other stakeholders, etc. The performance evaluation of the Independent Directors was carried out by the Independent Directors.

4. STAKEHOLDER'S RELATIONSHIP COMMITTEE:**A) COMPOSITION:**

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. M. Kesavaiah	Chairperson	NED(I)
Mr. G. Rama Krishna Reddy	Member	ED
Mr. K. Rajender Reddy	Member	NED(I)

NED (I) : Non Executive Independent Director

ED : Executive Director

B. NAME AND DESIGNATION OF COMPLIANCE OFFICER

Ms. Parul Agarwal, Company Secretary is the compliance officer of the Company.

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2016-17

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2017
Pending at the beginning of the year	Nil
Received during the year	Nil
Disposed of during the year	Nil
Remaining unresolved at the end of the year	Nil

5. RISK MANAGEMENT COMMITTEE:**A.) COMPOSITION:**

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. K. Rajender Reddy	Chairperson	NED(1)
Mr.G. Rama Manohar Reddy	Member	ED
Mr. K. Rajender Reddy	Member	NED(1)

NED (I) : Non Executive Independent Director

ED : Executive Director

B) ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.

- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

6. DETAILS ON GENERAL BODY MEETINGS:

A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:

Financial Year	Date	Time	Location	Special / Ordinary Business
2015-16	30.09.2016	10:30	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	--
2014-15	28.09.2015	11:00	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	1. Issue of convertible warrants on preferential basis to the promoters and the others 2. Amendment of articles of Association
2013-14	29.09.2014	11: 30	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	1. Appointment of Mr. D. Venkata Subbiah as Independent Director 2. Appointment of Mr. K. Rajender Reddy as Independent Director 3. Alteration of Articles of Association.

B. PASSING OF RESOLUTIONS BY POSTAL BALLOT:

There were no resolutions passed by the Company through Postal Ballot during the financial year 2016-17.

7. DISCLOSURES

A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

During the year under review, the Company had not entered in to any materially significant transaction with any related party. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

B. COMPLIANCES:

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

C. WHISTLE BLOWER POLICY: (SET UP IN TERMS OF SEC 177 OF THE COMPANIES ACT, 2013 READ WITH REGULATION 22 OF SEBI LODR REGULATIONS, 2015)

The Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

D. CODE OF CONDUCT

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Declaration on Code of Conduct for the year 2016-17

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2017 as envisaged in Regulation 26(3) of the Listing Regulations.

E. DISCLOSURE OF ACCOUNTING TREATMENT

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 129 of the Companies Act, 2013.

F. CEO/ CFO Certification

The Whole time Director and CEO/ CFO certification of the financial statements for the year 2016-17 is provided elsewhere in this Annual Report.

G. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been appropriately complied with and the status of non-mandatory requirements is given below:

- i. The Chairman of the Company is a Non-Executive Chairman. All other requirements of the Board during the year have been complied with.
- ii. The financial Statements are free from any Audit Qualifications.

H. WEB-LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED.

Your Company has one subsidiary Company M/s. Bhashwanth Power Projects Private Limited. The policy for material subsidiary can be accessed at www.aishwaryatechtele.com

8. MEANS OF COMMUNICATION:

The quarterly, half-yearly and yearly financial results will be sent to the Stock Exchanges immediately after the Board approves the same and these results will also be published in prominent daily newspapers. These financial statements, press releases are also posted on the Company's website, at www.aishwaryatechtele.com. As the financial performance of the Company is well published, individual communication of half yearly results are not sent to the shareholders.

9. GENERAL SHAREHOLDER INFORMATION:**A) ANNUAL GENERAL MEETING:**

Day, Date and Time: Friday, 29th September, 2017 at 10.30 a.m.

Venue: 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana

B) FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR (TENTATIVE SCHEDULE)

Financial year to which the Annual General Meeting relates: 2016-17

Financial calendar: 2017-18 (tentative)

Adoption of Quarterly results for the Quarter ending

- | | | |
|------------------------|---|-------------------------|
| • 30th June, 2017 | : | on or before 14.09.2017 |
| • 30th September, 2017 | : | on or before 14.12.2017 |
| • 31st December, 2017 | : | on or before 14.02.2018 |
| • 31st March, 2018 | : | on or before 30.05.2018 |

Annual General Meeting (Next year): August / September, 2018

C) **DIVIDEND PAYMENT DATE:** No Dividend was declared during the Financial Year 2016-17.

D) **NAME AND ADDRESS OF EACH STOCK EXCHANGE WHERE THE COMPANIES SECURITIES ARE LISTED:**

EXCHANGE: BSE LIMITED, P.J. Towers, Dalal Street, Mumbai- 400001.

E) **STOCK CODE:**

EXCHANGE: BSE LIMITED

CODE: 532975

F) **STOCK MARKET PRICE DATA:**

Month	High	Low
April' 16	3.55	2.91
May' 16	3.64	3.04
June'16	3.70	3.04
July' 16	4.50	3.45
Aug' 16	5.62	4.37
Sept' 16	5.00	4.42
Oct' 16	5.15	4.41
Nov' 16	5.08	4.18
Dec' 16	4.85	4.31
Jan' 17	4.60	3.60
Feb'17	4.72	3.82
Mar' 17	4.37	3.50

G) **IN CASE SECURITIES ARE SUSPENDED FROM TRADING :**

The securities are not suspended from trading on any of the stock exchanges.

H) **REGISTRAR AND SHARE TRANSFER AGENTS:**

Bigshare Services Private Limited
306, Right Wing, 3rd Floor, Amrutha Ville,
Opp. Yashoda Hospital Somajiguda,
Rajbhavan Road, Hyderabad 500082,
Telangana.

I) **SHARE TRANSFER SYSTEM:**

The Transfer of Shares is affected by the Registrars after necessary approval of the Board/Share Transfer Committee. Transfer generally takes 1-2 weeks.

J) SHAREHOLDING PATTERN AS ON 31ST MARCH, 2017:

S. No.	Category	No. of shares held	Percentage shareholding of
A	Shareholding of Promoter and Promoter group		
1.	Indian		
	Individual	58,54,841	27.15
2.	Foreign	-	-
	Individual	-	-
	Sub-Total A	58,54,841	27.15
B	Public Shareholding		
1.	Institutions	-	-
2.	Non Institutions	1,57,09,101	72.85
	Sub Total B	1,57,09,101	72.85
	Grand Total (A+B)	2,15,63,942	100

K) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2017

Shareholding of Nominal Rs.	Number of Share Holders	Percentage of Total	Share Amount	Percentage of Total
1	5193	84.3156	6469945	6.007
5000	364	5.9101	2912715	2.7015
10000	214	3.4746	3125410	2.8987
20000	99	1.6074	2485950	2.3057
30000	46	0.7469	1631170	1.5129
40000	54	0.8768	2596730	2.4084
50000	57	0.9255	4076905	3.7812
100000	90	1.4613	22326680	20.7074
500000	21	0.3410	15299525	14.1899
1000000	19	0.3085	27319895	25.3385
5000000	2	0.0325	19574785	18.1551
Total:	6159	100.0000	107819710	100.000

L) DEMATERIALISATION & LIQUIDITY OF SHARES:

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE778I01024. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	Percentage
NSDL	10891937	50.51
CDSL	10519940	48.78
PHYSICAL	152065	0.71
Total	21563942	100.00

M) ADDRESS FOR CORRESPONDENCE:

1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad-500080, Telangana. Phone 040-27531324/25/26

N) BOOK CLOSURE DATE: 23rd September, 2017 to 29th September, 2017 (both days inclusive)

O) LISTING FEES:

The equity shares of the Company are listed on BSE Ltd. The Company has paid the listing fees for the year 2017-18 to BSE Limited.

P) ELECTRONIC CONNECTIVITY: The Company has demat connectivity with both NSDL and CDSL. The ISIN is INE778I01024

CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To
The Board of Directors
Aishwarya Technologies and Telecom Limited

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2017 and to the best of our knowledge and belief;
 - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we was aware and the steps that we have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

**For and on behalf of the Board
For Aishwarya Technologies and Telecom Limited**

**Place: Hyderabad
Date: 28.08.2017**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

**Sd/-
G. Amulya Reddy
Whole-Time Director cum CFO
DIN 00136428**

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

**

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
NIL	NIL	NIL	NIL

**** Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.**

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
M/s. Aishwarya Technologies and Telecom Limited

We have examined the Compliance with conditions of Corporate Governance of M/s. Aishwarya Technologies and Telecom Limited for the year ended 31st March, 2017 as stipulated in Regulation 34(3) read with Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance with the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management's, we certify that the company has complied with conditions of the Corporate Governance as stipulated in Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the above mentioned Listing agreement.

As required by the guidance note issued by the institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Vivek Surana & Associates

Sd/-

**Vivek Surana
Proprietor
C. P. No: 12901
M. No. 24531**

**Place: Hyderabad
Date: 28.08.2017**

MANAGEMENT DISCUSSION AND ANALYSIS

(Forming Part of Director's Report)

OVERVIEW OF FY 2016-17

Aishwarya Technologies and Telecom Ltd, is diversified business from Defence sector apart from telecom. The year under review saw Aishwarya Technologies and Telecom Limited (ATTL) entered into a new growth momentum in Defence sector and cable TV sector. ATTL is confident of getting big orders from Defence and Telecom Sector, especially from new projects like NFS, Defence Research Labs, NOFN, RIL JIO, Cable TV operators, which may help us to have a Order book of 70 Crores in this financial year.

HIGH END TECHNOLOGIES

Due to digitization of cable TV and Data demand from 3G & 4G Networks, the demand for fiber optic testers is very good till the year 2023. ATTL is manufacturing DC-DC converters, Speciality Cables for the defence labs and few samples are approved and confident of getting good business for these products also. ATTL has added new products like Specialty Cables, TWT Amplifiers, Solid State Power Amplifiers and RF Components.

ATTL has tied up with a world leading company for the EMI/EMC chambers and expecting good business in 2017-18.

ATTL got good orders from AIRTEL, L&T, Sterlite, HFCL, BSNL, Reliance JIO, Livingston-India, and Cable TV Operators in the last financial year for Fibre Test equipments.

ATTL has taken Approval from Department of Telecommunication for the new specifications for Data Testers, Fiber Optic Test Equipments & Cable Fault Locators.

Currently, ATTL manufactures products for Telephone Service Providers, Defense Sector, Cable TV Operators and Railways and has added prestigious clients like ERICSSON, ISRO, SAC, LEOS, LASTEC, NPOL, AIRTEL, VTL, ACT Fibre and Sterlite Technologies in this financial year.

INDUSTRY SCENARIO (Test & Measuring Instruments Sector)

The T&M Segment in Telecom Sector and in other sectors Like Defense, Research and Educational, has great potential as there are many pending network expansions in Telecom Sectors, Broadband services for 4,50,000 villages under BBNL, are under progress for finalization during this financial year. These projects have got 5 years span for installation and later the 10 years minimum for maintenance.

Modernization of Defence Labs, Railway Networks, and Educational Labs are under great pace. The T&M segment will have continues and steady market for another 10 years span with existing technologies in networks. There is huge expansions in 4G networks by the Public and Private Telecom Operators, which will have the requirement of Test & Measuring Instruments in coming years.

SWOT ANALYSIS**STRENGTHS**

- We are the biggest company in manufacturing of test equipments in India having 30 TEC (Telecom Engineering Centre) approvals from DOT (Department of Telecommunications).
- As our manufacturing costs are very less compared to competitors from US & Japan which is helping us to increase the market share in India YOY (Year on Year) without any price reduction.
- We are giving turnkey solutions for the defence sector; the response is very encouraging which has better margins.

WEAKNESSES

As our R&D budget is small compared to MNCs with which we can't introduce more products and added to it technologies are complex and technology obsolescence is very high.

OPPORTUNITIES

The coming 3-4 years the telecom sector will have great opportunity and there is a tender from Bharat Broadband Nigam Limited to provide Broadband connectivity for 4,50,000 villages, which has 29000 Crores project under National Optical Fiber Network (NOFN), we are anticipating an order of Rs.50 Crores from this project. Further, BSNL called Tenders for worth 24000 Crores for defence network project and we are confident of getting Rs.50 Crores order from this project. All telecom operators are expanding their Fibre networks due to data demand and requirement for Testers is increasing.

THREATS

There is a possibility that margins of our Company will be get affected due to import of Chinese products and due to Foreign Exchange fluctuations.

Mitigating Factors:

Foreign Exchange fluctuations badly affected our Company but also other companies as well and the selling prices of the products have not increased significantly as several Tenders were quoted in the first half of the financial year.

- To meet Chinese import invasion we are redesigning technologies to produce products at lower cost.
- To compete in pricing and getting technical approvals in India for Chinese products is difficult; hence they may not be competitors for Defence, so no threat is expected in the near future.
- The biggest customer BSNL has gone into losses and the procurement from BSNL and MTNL may go down which will affect our business and payments are delayed from BSNL and MTNL to Aishwarya Telecom.

FINANCIAL PERFORMANCE**A.) STANDALONE BASIS:**

During the year under review, the Company has recorded revenue of Rs.5704.26 lakhs and made the Profit Before Tax of Rs.5.20 lakhs and due to provision for tax and deferred tax asset the profit after tax is accounted to as net loss of Rs.46.70 lakhs in the current year against revenue of Rs.4719.23 lakhs and net loss of Rs.109.90 lakhs in the previous financial year 2015-16. The Company has employed there are around 40 to 47 employees in the company

B.) CONSOLIDATED BASIS:

The Company has recorded a turnover of Rs. 5704.26 Lakhs and made the Profit Before Tax of Rs. 5.06 lakhs, due to provision for tax and deferred tax asset the profit after tax is accounted to as net loss of Rs. 46.84 Lakhs in the current year against the turnover of Rs. 4719.23 Lakhs and the loss of Rs. 110.13 Lakhs in the previous financial year ending 31.03.2016.

The Consolidated Financial Statements of your company for the financial year 2016-17 have been prepared in compliance with applicable Accounting Standards and where applicable Listing Agreement as prescribed by the Securities and Exchange Board of India.

INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems commensurate with the size and the nature of business of the Company.

The internal control system is constantly assessed and strengthened with tighter control procedures. The internal control systems ensure effectively of operations, compliance with internal policies and applicable laws and regulations, protection of resources and assets, and accurate reporting of financial transactions.

The audit committee periodically reviews the adequacy and efficacy of the said internal control systems. All the issues relating to internal control systems are resolved by the audit committee.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report may be "forward looking statements: within the meaning of applicable securities laws and regulations. These statements are based on certain assumption and expectations of future events. Actual results could differ materially from those expressed or implied. Important facts that could make a difference at the Company's operations include economic conditions affecting domestic demand and supply conditions, finished goods prices, changes in government regulations and tax regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

Disclosure of Accounting Treatment

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

**For and on behalf of the Board of
Aishwarya Technologies and Telecom Limited**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

Place: Hyderabad

Date: 28.08.2017

FORM MR-3
SECRETARIAL AUDIT REPORT
(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

To,
The Members of
M/s Aishwarya Technologies and Telecom Limited

We have conducted the audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Aishwarya Technologies and Telecom Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2016 and ended 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2017 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came into effect on various dates.
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;
 - (v) The Securities and Exchange Board of India Act, 1992 ('SEBI Act')
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2016-17:-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **All the required disclosures from time to time and as and when applicable were complied with.**
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
 - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**
 - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
 - v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable**

- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- vii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable**
- viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading regulations; **The Company has framed code of conduct for regulating & reporting trading by Insiders and for Fair Disclosure, 2015 and displayed the same on company's Website i.e www.aishwaryatechtele.com and all required disclosures from time to time as and when applicable are complied with.**
- ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable and
- o The company has framed the policies as mentioned below and displayed the same on the company's website i.e. www.aishwaryatechtele.com
 - Board Diversity Policy
 - Policy on Preservation of Documents
 - Risk Management Policy
 - Whistle Blower Policy
 - Related party transaction policy
 - Familiarisation programme for independent directors
 - Anti Sexual harassment policy
 - Code of conduct
3. During the year the company has conducted 7 Board meetings, 4 Audit committee meetings, 4 Stakeholders Relationship Committee meetings and 1 Nomination & Remuneration Committee meeting. We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreement entered into by the Company with Stock Exchange(s).
4. During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations;
5. The Company has identified the following law applicable specifically to the Company:
- a) Telecom Regulatory Authority of India (TRAI) Act, 1997
 - b) TRAI – Telecommunications Infrastructure Policy.
 - c) Labour Laws (wages, bonus, provident fund, gratuity etc)
 - d) Environment Protection Act, 1986

OBSERVATIONS:

- (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of audit, we report that
- (i) The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
- External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
 - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.

- (ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Vivek Surana & Associates

Sd/-

Vivek Surana

Proprietor

C. P. No: 12901

M. No. 24531

Place: Hyderabad

Date: 28.08.2017

Annexure

To
The Members of
M/s Aishwarya Technologies and Telecom Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Vivek Surana & Associates

**Sd/-
Vivek Surana
Proprietor
C. P. No: 12901
M. No. 24531**

**Place: Hyderabad
Date: 28.08.2017**

MGT 9

Extract of Annual Return

As on the Financial Year 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:										
i.	CIN	L72200TG1995PLC020569								
ii.	Registration Date	02.06.1995								
iii.	Name of the Company	M/s. Aishwarya Technologies and Telecom Limited								
iv.	Category / Sub-Category of the Company	Non government company								
v.	Address of the Registered office and contact details	1-3-1026 &1027, Singadikunta, Kavadiguda Hyderabad- 500080, Telangana								
vi.	Whether listed company Yes / No	Yes								
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. 306, 3rd Floor, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana								
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:										
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-										
Sl. No.	Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company							
1	Test and Measuring Equipment	5020	100%							
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-										
S.No.	Name and Address of the Company	CIN/GLN	Subsidiary Company	% of shares held	Applicable Section					
1.	M/s. Bhashwanth Power Projects Private Limited	U40109TG2006PTC051674	Subsidiary Company	75%	2(87)					
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)										
i) Category-wise Share Holding:-										
Category of Share-holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
Individual/ HUF	5903071	--	5903071	27.37	5854841	-	5854841	27.15	(0.22)	
Central Govt.	--	--	--	--	--	--	--	--	--	
State Govt.(s)	--	--	--	--	--	--	--	--	--	
Bodies Corp.	--	--	--	--	--	--	--	--	--	
Banks / FI	--	--	--	--	--	--	--	--	--	
Any Other....	--	--	--	--	--	--	--	--	--	
Sub-total (A) (1) :-	5903071	--	5903071	27.37	5854841	-	5854841	27.15	(0.22)	

(2) Foreign										
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--	--
e) Any Other....	--	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-	--	--	--	--	--	--	--	--	--	--
Total Sharehold-ing of Promoter (A) =(A)(1)+(A)(2)	5903071	--	5903071	27.37	5854841	-	5854841	27.15	(0.22)	
B. Public Sharehold-ing										
1. Institu-tions										
a) Mutual Funds	--	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--	--
g) FII's	--	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	--	--	--	--	--	--	--	--	--	--
2. Non Institutions										
a) Bodies Corp.										
i) Indian	3213498	0	3213498	14.90	2658599	0	2658599	12.33	(2.57)	
ii) Overseas	--	--	--	--	--	--	--	--	--	--
b) Individuals										
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	3437874	78841	3516715	16.30	4271233	66841	4338074	20.11	3.81	

ii) Individual share holders holding nominal share capital in excess of Rs 1lakh	8579543	24000	8603543	39.88	8343100	24000	8367100	38.80	(1.08)
c) Others (specify)									
1. NRI	84684	60000	144684	0.67	74849	60000	134849	0.63	(0.04)
2. Employees	178562	1224	179786	0.83	117012	1224	118236	0.55	(0.28)
3. Clearing Members	2645	0	2645	0.01	9661	0	9661	0.04	0.03
4. NBFC Registered with RBI	0	0	0	0	82582	0	82582	0.38	0.38
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	15496806	164065	15660871	72.63	15557036	152065	15709101	72.85	0.06
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	21399877	164065	21563942	100.00	21411877	152065	21563942	100.00	--

(ii) Shareholding of Promoters								
Sl. No	Share-holder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			%Change during the year
		No. of Shares	% of Total Shares of the company	% of shares pledge/encumbered to total shares	No. of Shares	% of Total Shares	% of shares pledge/encumbered to total shares	
1.	G Rama Manohar Reddy	4100990	19.02	--	4100990	19.02	--	--
2.	G Rama krishna Reddy	373500	1.73	--	373500	1.73	--	--
3.	C Peda Bapulu	224329	1.04	--	224329	1.04	--	--
4.	G Amulya Reddy	75608	0.35	--	75608	0.35	--	--
5.	Veera Baba Reddy Pendru	45117	0.21	--	45117	0.21	--	--
6.	Venkata Rami Reddy Gorla	30895	0.14	--	30895	0.14	--	--
7	G Manda Reddy	30040	0.14	--	30040	0.14	--	--
8	Yemula Deepa	10000	0.05	--	10000	0.05	--	--
9	Venkata Sundara Ramgopal Achanta	6000	0.03	--	6000	0.03	--	--
10	Pidugu Ganga Reddy	6000	0.03	--	6000	0.03	--	--
11	Binu Bhansali	4800	0.02	--	4800	0.02	--	--
12	Nalla Satyanarayana	1400	0.01	--	1400	0.01	--	--
13	Yemula Pavani	1000	0.00	--	1000	0.00	--	--
14.	NayansukhReddy Baddam	619132	2.87	--	619132	2.87	--	--
15	G. Shailaja	152167	0.71	--	152167	0.71	--	--
16.	Rahul Katpally	112457	0.52	--	112457	0.52	--	--
17.	K. Prashanthi Reddy	71878	0.33	--	54668	0.25	--	(0.08)
18.	K V Ramana Reddy	37758	0.18	--	6738	0.03	--	(0.15)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)					
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	K. Prashanthi Reddy	71878	0.33	71878	0.33
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	sale (17210)	(0.08)		
	Shareholding at the end of the year	54668	0.25	54668	0.25
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	K V Ramana Reddy	37758	0.18	37758	0.18
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	sale (31020)	(0.15)		
	Shareholding at the end of the year	6738	0.03	6738	0.03
(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):					
Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Hari Krishna Reddy Kallam	982753	4.56	1117038	5.18
2	Sudha Rani Kallam	328916	1.52	328916	1.52
3	Srinav Global Securities	253184	1.17	253184	1.17
4	Arigato Global Securities	245347	1.14	292086	1.35
5	Komma Savi Khiran	100000	0.46	347038	1.61
6	Nayansikh Reddy Baddam	100000	0.46	260000	1.21
7	Invest Smart India Pvt limited	702044	3.26	802506	3.72
8	P. Sateesh Chand	220000	1.02	346562	1.61
9	Basan Equity Broking Limited	314846	1.46	4421	0.02
10	Vinod Amirtharaj	373571	1.73	148091	0.69

(v) Shareholding of Directors and Key Managerial Personnel:					
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
	G. Rama Krishna Reddy				
	At the beginning of the year	373500	1.73	373500	1.73
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): Nil				
	At the End of the year	373500	1.73	373500	1.73
2.	G. Rama Manohar Reddy				
	At the beginning of the year	4100990	19.02	4100990	19.02
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): Nil				
	At the End of the year	4100990	19.02	4100990	19.02
3.	G. Amulya Reddy				
	At the beginning of the year	75608	0.35	75608	0.35
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): Nil				
	At the End of the year	75608	0.35	75608	0.35
4.	D. Venkata Subbiah				
	At the beginning of the year	--	--	--	--
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year	--	--	--	--
5.	K. Rajender Reddy				
	At the beginning of the year	--	--	--	--
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year	--	--	--	--
6.	Modipalli Kesavaiah				
	At the beginning of the year	--	--	--	--
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): Nil				
	At the End of the year	--	--	--	--

(vi). INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
(i) Principal Amount	--	2450062	--	2450062
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	0	2450062	--	2450062
Change in Indebtedness during the financial year				
Addition	122533	--	--	122533
Reduction	--	1250062	--	1250062
Net Change	122533	(1250062)	--	1127529
Indebtedness at the end of the financial year				
i) Principal Amount	122533	1200000	--	1322533
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	122533	1200000	--	1322533
(vii). REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				
<i>A. Remuneration to Managing Director, Whole-time Directors and/or Manager:</i>				
Sl. no.	Particulars of Remuneration	Mr. G. Rama Manohar Reddy (Managing Director)	Mrs. G. Amulya Reddy (Whole time Director)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Remuneration to managing Director Rs. 250000/- Per Month (250000*12)= 3000000/- NIL Nil	Remuneration to Whole-Time Director Rs. 175000/- Per Month (175000*12) = 2100000/- NIL NIL	Rs. 51,00,000/-
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - as % of profit - Others, specify...	--	--	--
5.	Others, please specify	--	--	--
6.	Total (A)	Rs.30,00,000/-	Rs.21,00,000/-	Rs.51,00,000/-
7.	Ceiling as per the Act	--	--	--

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Director			Total Amount
		D. Venkata Subbiah	K. Rajender Reddy	M. Kesavaiah	
1.	Independent Directors Fee for attending board / committee meetings · Commission · Others, please specify	10,000	10,000	10,000	30,000
	Total (1)	10,000	10,000	10,000	30,000
2.	Other Non-Executive Directors · Fee for attending board / committee meetings commission · Others, please specify	--	--	--	--
	Total (2)	--	--	--	--
	Total (B)=(1+2)	10,000	10,000	10,000	30,000
	Total Managerial Remuneration	10,000	10,000	10,000	30,000
	Overall Ceiling as per the Act	--	--	--	--

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/IWTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	Parul Agarwal Rs. 2,04,000/-	G. Amulya Reddy	Rs.2,04,000/-
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please Specify	NIL	NIL	NIL	NIL
6.	Total	NIL	Rs.2,04,000/-	NIL	Rs.2,04,000/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. DIRECTORS					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. OTHER OFFICERS IN DEFAULT					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

ANNEXURE II
DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To,
The Board of Directors
M/s. Aishwarya Technologies and Telecom Limited

Dear Sir/Madam,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking you.

Yours Faithfully,

Sd/-
D. Venkata Subbiah
(Independent director)

Date: 28.08.2017
Place: Hyderabad

ANNEXURE II**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

To,
The Board of Directors
M/s. Aishwarya Technologies and Telecom Limited

Dear Sir/Madam,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- © I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking you.

Yours Faithfully,

Sd/-
K. Rajender Reddy
(Independent director)

Date: 28.08.2017
Place: Hyderabad

ANNEXURE II**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

To,
The Board of Directors
M/s Aishwarya Technologies and Telecom Limited

Dear Sir/Madam,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking you,

Yours Faithfully,
Sd/-
M. Kesavaiah
(Independent director)

Date: 28.08.2017
Place: Hyderabad

Annexure- III**Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule
8(2) of the Companies
(Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso there to

1. Details of contracts or arrangements or transactions not at arm's length basis -NIL

- a. Name(s) of the related party and nature of relationship
- b. Nature of contracts/arrangements/transactions
- c. Duration of the contracts / arrangements/transactions
- d. Salient terms of the contracts or arrangements or transactions including the value, if any
- e. Justification for entering into such contracts or arrangements or Transactions date(s) of approval by the Board
- f. Amount paid as advances, if any:
- g. Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

ANNEXURE-IV

Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 - AOC-1, the Company is presenting summarized financial information about individual subsidiaries as at March 31, 2016.

Information relating to Subsidiaries as at March 31, 2017.

Name of the Subsidiary	M/s. BHASHAWANTH POWER PROJECTS PRIVATE LIMITED
Reporting Currency	INR
Exchange rate as on 31.03.2017	NA
Share Capital Rs. 19,70,000 Reserves and Surplus	Rs.941
Total Assets	Rs.19,93,891
Investments	Rs.14,77,500
%of holding	75%
Sales and Other Income	Rs.0
Profit before Taxation Loss	Rs.14,100
Provision for Taxation	Rs.0
Profit after Taxation	Rs.0
Proposed Dividend	Rs.0

Ramana Reddy & Associates
Chartered Accountants



Unit No.406, 4th Floor,
Ashoka Capitol, Opp:KBR Park,
Road No.2, Banjara Hills,
Hyderabad – 500 034
Ph: 23316426/23316912

INDEPENDENT AUDITOR'S REPORT

To
The Members of
M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED
[Formerly known as AISHWARYA TELECOM LIMITED]

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED [Formerly known as AISHWARYA TELECOM LIMITED]**, ("the Company"), which comprise the Balance sheet as at 31st March, 2017, the Statement of Profit and Loss for the year then ended, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;
- (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in the "Annexure B" ; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial positions in its financial statements.
 - (ii) The Company has not entered into any long-term contracts including derivatives contracts requiring provision under applicable laws or accounting standards, for material foreseeable losses and

- (iii) There were amounts required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 2013.

Financial Year	Amount Rs.
2008-09	173127

- (iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note No.34 to the financial statements.

**for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S**

**PLACE : HYDERABAD
DATE : 29.05.2017**

**Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799**

- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, service tax, excise duty and cess which have not been deposited on account of any dispute.
- (viii) The company has not defaulted in repayment of loans or borrowings to financial institutions or banks.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3 (xii) is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with related parties are in compliance with sections 177 and 188 of the Companies Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S**

**PLACE : HYDERABAD
DATE : 29.05.2017**

**Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799**

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements, of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the management during the year as per a programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- (iii) The company has not any granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the sub-clauses (a) (b) and (c) are not applicable to the company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any loans, investments, guarantees, and security during the year as referred to in sections 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.
- (vi) The maintenance of cost records has not been prescribed by the Central Government under subsection (1) of section 148 of the Companies Act.
- (vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, cess and other material statutory dues as applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, wherever applicable, as at 31st March, 2017 for a period of more than six months from the date they became payable except the following.

Particulars	Amount Rs.
CST	687803
Vat	555807
Service Tax	402568
TDS	2849975
PF	978744
PT	4950
Income Tax	1974005

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED [Formerly known as AISHWARYA TELECOM LIMITED]** ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE : HYDERABAD
DATE : 29.05.2017

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31.03.17	As at 31.03.16
1	2	3	4
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	107819710	107819710
(b) Reserves & Surplus	3	231855145	236525483
(2) Non-Current Liabilities			
(a) Long Term Borrowings	4	1322533	2450062
(b) Other Long Provisions	5	995948	403822
(c) Deferred Tax Asset (Net)		1170216	0
(3) Current Liabilities			
(a) Short Term Borrowings	6	59502020	35403316
(b) Trade Payables	7	52447286	67879502
(c) Other Current Liabilities	8	45656939	37973022
(d) Short Term Provisions	9	2684736	3083127
TOTAL		<u>503454533</u>	<u>491538044</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	43805080	53562647
(ii) Intangible Assets	11	123234	9445
(b) Non-Current Investments	12	1500000	1500000
(c) Deferred Tax Asset (Net)		0	3446190
(2) Current Assets			
(a) Inventories	13	113533441	101432150
(b) Trade Receivables	14	241632176	214369250
(c) Cash and Cash Equivalents	15	39149707	34436213
(d) Other Current Assets	16	63710895	82782149
TOTAL		<u>503454533</u>	<u>491538044</u>

Notes forming part of the financial statements 1 - 38

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246SSd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN: 00135900Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799Sd/-
(G.AMULYA REDDY)
WHOLE-TIME DIRECTOR & CFO
DIN: 00136428Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570Place: Hyderabad
Date : 29.05.2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Current Year	Previous Year
1	2	3	4
		Rs.	Rs.
I. Revenue from operations	17	570425736	471922512
II. Other Income	18	2688995	1877997
III. Total Revenue (I +II)		<u>573114731</u>	<u>473800509</u>
IV. <i>Expenses:</i>			
Material Consumed	19	12592842	20311124
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	20	-18176619	-11137117
Operation and Other Expenses	21	526119713	427585946
Employee Benefit Expenses	22	25832337	23083666
Finance Costs	23	15714364	12378464
Depreciation and amortization expenses	10 & 11	10612527	12397235
TOTAL		<u>572695164</u>	<u>484619318</u>
V. Profit / Loss before exceptional and extraordinary items and tax (III + IV)		419566	-10818809
VI. Exceptional Items	24	-100000	0
VII. Profit / Loss before extraordinary items and tax (V - VI)		519566	-10818809
VIII. Extraordinary Items		0	0
IX. Profit / Loss before tax (VII - VIII)		519566	-10818809
X. Tax expenses:			
- Income Tax		573498	495322
- Deferred Tax		4616406	-323815
XI. Profit / Loss for the year from continuing operations (IX - X)		<u>-4670338</u>	<u>-10990316</u>
XII. Profit / Loss from discontinuing operations		0	0
XIII. Tax expense of discontinuing operations		0	0
XIV. Profit / Loss from discontinuing operations (XII - XIII)		<u>0</u>	<u>0</u>
XV. Profit / Loss for the year (XI + XIV)		-4670338	-10990316
XVI. Earning per equity share:			
(1) Basic		-0.22	-0.51
(2) Diluted		-0.22	-0.51

Notes forming part of the financial statements 1 - 38

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246SSd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN: 00135900Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799Sd/-
(G.AMULYA REDDY)
WHOLE-TIME DIRECTOR & CFO
DIN: 00136428Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570Place: Hyderabad
Date : 29.05.2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Current Year Rs.	Previous Year Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (+/-)	519566	-10818809
Add: Adjustments for:		
Profit on Sale of Vehicle	-100000	0
Depreciation	10612527	12397235
Operating Profit before Working Capital	11032094	1578426
Adjustments for working capital charges:		
Inventories	-12101291	-14995746
Trade Receivables	-27262927	37914614
Other Current Assets	19071254	-26187220
Current Liabilities	-7748296	49721269
Long Term Provisions	592126	-61687
Short Term Provisions	-398391	628625
Cash generated from Operations Before Extra-Ordinary items	-16815430	48598281
Taxes Paid	-573498	-495322
Net cash flow from operating activities (A)	<u>-17388928</u>	<u>48102959</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-968753	-724304
Sale proceeds of Vehicle	100000	0
Net Cash Flow from investing Activities (B)	<u>-868753</u>	<u>-724304</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long Term Borrowings	-1127529	-4831984
Short Term Borrowings	24098704	-31953827
Net Cash Flow from Financing Activities (C)	<u>22971175</u>	<u>-36785811</u>
Net Increase in Cash and Cash Equivalents (A+B+C)	4713494	10592844
Cash & Cash Equivalents at the beginning of the year	34436213	23843369
Cash & Cash Equivalents at the end of the year	39149707	34436213

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

Place: Hyderabad
Date : 29.05.2017

Sd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203

Sd/-
(G.AMULYA REDDY)
WHOLE-TIME DIRECTOR & CFO
DIN: 00136428

Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN: 00135900

Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**NOTE NO. 1****Disclosure of significant Accounting Policies:****a) Basis of Preparation of Financial Statements:**

- i) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and relevant presentational requirements of the Companies Act, 2013.
- ii) Accounting policies not specifically referred to otherwise are in consonance with prudent accounting principles.
- iii) All income and expenditure items having material bearing on the financial statements are recognised on accrual basis.

a) Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known or materialized.

b) Fixed Assets:

Fixed Assets are stated at acquisition cost (net of modvat / cenvat, if any) including directly attributable cost of bringing them to their respective working conditions for the intended use less accumulated depreciation. All costs, including financing/borrowing cost till commencement of commercial production attributable to the fixed assets have been capitalized.

c) Revenue Recognition of Income & Expenditure:

All income and expenditure are accounted on accrual basis.

Sale of telecom equipments

Revenue is recognized when significant risks and rewards of ownership of goods have passed to the buyer and is disclosed including Sales tax and Carriage outwards and excluding returns, as applicable.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

d) Depreciation:

Pursuant to the enactment of the Companies Act, 2013 ('the act'), the company has provided depreciation under written down value method as per Part C of the Schedule II of the Companies Act, 2013 except the useful lives of Furniture & Fixtures, Optical Test Equipment, R&D Equipment. The same were reviewed by the management to reflect periods over which these assets are expected to be used. The details of estimate useful lives of these assets are given below:

Particulars	Life in Years
Furniture & Fixtures	15
Optical Test Equipment	18
R&D Equipment	18
Intangible Asset – Software	3

e) Inventories:

Raw materials are valued at cost on FIFO basis. Finished Goods are valued at cost or net realizable value whichever is lower.

f) Investments:

Investments made by the company are primarily of long term nature and are valued at cost. Provision will be made for decline, other than temporary, in the value of investments.

g) Foreign Currency Transactions:

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognised over the life of the contract. Non-monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on translation is recognised as revenue except in cases where they relate to acquisition of fixed asset in which case they are adjusted to the carrying cost of such asset.

h) Retirement Benefits:

Gratuity: Liability towards gratuity is provided on the basis of actuarial valuation made by an independent actuary.

Provident Fund: The periodic contributions to Statutory Provident Fund are charged to revenue.

Leave Encashment: Liability towards leave encashment is provided on the basis of actuarial valuation made by an independent actuary.

i) Earning per Share:

The Company reports its Earnings per Share (EPS) in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

j) Taxes on Income:

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company. Deferred tax asset / liability is recognized for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax asset / liability are measured as per the tax rates / laws that have been enacted or substantively enacted by the Balance Sheet date.

k) Provision, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

l) Investment in Chit Fund:

The company will arrive at profit/loss on chit investments in the year of closure of respective chit subscription.

NOTE NO. 2**SHARE CAPITAL****Equity Share Capital**

- Authorised Capital

2,40,00,000 Equity Shares of Rs. 5/- each

As at
31.03.17
Rs.As at
31.03.16
Rs.120000000120000000

- Issued, Subscribed & Fully paid share capital

2,15,63,942 Equity Shares of Rs.5/- each fully paid up

TOTAL

107819710107819710107819710107819710**Terms attached to equity shares**

The company has one class of equity shares having a par value of Rs.5/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

List of Shareholders holding more than 5%**Name of the Shareholder****No. of
Shares****% of
holding****No. of
Shares****% of
holding**

G.Rama Manohar Reddy

4100990

19.02%

5103562

23.67%

K.Hari Krishna Reddy

1117038

5.18%

1061483

4.92%

NOTE NO. 3**RESERVES & SURPLUS**

General Reserve

Rs.

As at
31.03.17
Rs.

Rs.

As at
31.03.16
Rs.

11326000

11326000

Surplus in the Statement of Profit & Loss

- Opening Balance

106590713

117581029

Add: Surplus for the year

-4670338-10990316101920375106590713

- Securities Premium A/c

101920375

106590713

118608770

118608770

TOTAL

231855145236525483**NOTE NO. 4****LONG TERM BORROWINGS****A) Secured Loans**

- Hire Purchase Loan from Indus Ind Bank

122533

0

(Secured by the relevant asset for which loan taken)

B) Unsecured Loans

- Loans from directors

12000002450062

TOTAL

13225332450062**Details of Loans Raised from Related Parties**

- G.Rama Manohar Reddy

1200000

2450062

NOTE NO. 5	As at 31.03.17 Rs.	As at 31.03.16 Rs.
OTHER LONG TERM PROVISIONS		
Provision for employee benefits		
- Leave Encashment	575698	9010
- Gratuity	<u>420250</u>	<u>394812</u>
	<u>995948</u>	<u>403822</u>

NOTE NO. 6**SHORT TERM BORROWINGS**

- Cash Credit from SBH	59502020	35403316
TOTAL	<u>59502020</u>	<u>35403316</u>

Cash Credit from State Bank of Hyderabad is secured by Hypothecation of fixed assets and raw materials, semi-finished, finished goods and sundry debtors of the company and guaranteed by directors of the company in their personal capacities.

NOTE NO. 7**TRADE PAYABLES****Sundry Creditors**

- Outstanding due of micro enterprises and small enterprises	0	0
- Outstanding due of other than micro enterprises and small enterprises	52447286	67879502
TOTAL	<u>52447286</u>	<u>67879502</u>

NOTE NO. 8**OTHER CURRENT LIABILITIES**

- Current Maturities of Finance Lease Obligation	219396	156566
- Advances received from Customers	363426	1539344
- Creditors for expenses	21720102	18042291
- Chit Liability	23354015	18234821
TOTAL	<u>45656939</u>	<u>37973022</u>

NOTE NO. 9**SHORT TERM PROVISIONS**

- For Taxation	573498	1369917
- For Leave Encashment	31184	153643
- For Gratuity	2080059	1559567
TOTAL	<u>2684741</u>	<u>3083127</u>

NOTE NO. 10

TANGIBLE ASSETS

Description of the Asset	Gross Carrying Amount				Depreciation Block				Net Carrying Amount	
	Cost as at 01.04.17	Additions During the year	Deletions During the year	Total As at 31.03.17	As at 01.04.17	For the year	Deletions During the year	Total As at 31.03.17	As at 31.03.17	As at 31.03.16
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- Land	19714537	0	0	19714537	0	0	0	0	19714537	19714537
- Building	15110663	0	0	15110663	7348075	1415120	0	8763195	6347468	7762588
- Computers	4634578	134240	0	4768818	4488328	193842	0	4682170	86648	146250
- Furnitures & Fixtures	1240983	8250	0	1249233	1015328	77272	0	1092600	156633	225655
- Optical Test Equipment	55782523	0	0	55782523	37115678	6199955	0	43315633	12466890	18666845
- R & D Equipment	40766112	0	0	40766112	34346801	2181742	0	36528543	4237569	6419311
- Office Equipment	2343765	160659	0	2504424	2175063	178301	0	2353364	151060	168702
- Vehicles	3995428	535300	0	4530728	3536669	349785	0	3886454	644274	458759
TOTAL	143588589	838449	0	144427038	90025942	10596016	0	100621958	43805080	53562647

NOTE NO. 11

INTANGIBLE ASSETS

Description of the Asset	Gross Carrying Amount				Depreciation Block				Net Carrying Amount	
	Cost as at 01.04.17	Additions During the year	Deletions During the year	Total As at 31.03.17	As at 01.04.17	For the year	Deletions During the year	Total As at 31.03.17	As at 31.03.17	As at 31.03.16
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- Software	5768646	130304	0	5898950	5759205	16511	0	5775716	123234	9441
TOTAL	5768646	130304	0	5898950	5759205	16511	0	5775716	123234	9441

NOTE NO. 12	As at 31.03.17 Rs.	As at 31.03.16 Rs.
NON-CURRENT INVESTMENTS		
In Subsidiary Company:		
- Bhaswanth Power Projects Pvt. Ltd., (1,47,750 Equity Shares of Rs.10/- each)	1500000	1500000
TOTAL	<u>1500000</u>	<u>1500000</u>
 NOTE NO. 13		
INVENTORIES		
(Valued at cost or Net Ralisable Value Whichever Is Lower)		
- Raw Materials	8180522	14255850
- Stock-in-Trade (including Finished Goods)	105352919	87176300
TOTAL	<u>113533441</u>	<u>101432150</u>
 NOTE NO. 14		
TRADE RECEIVABLES		
(Unsecured, Considered Good)		
- Debts Outstanding for a period exceeding 6 months	157216226	174255111
- Other debts	120073255	75909980
	277289481	250165091
- Provision for bad & doubtful debts	35657307	35795841
TOTAL	<u>241632174</u>	<u>214369250</u>
 NOTE NO. 15		
CASH AND CASH EQUIVALENTS		
- Balance with Scheduled Banks in Current Accounts	11672728	5440810
in Margin Money Deposits	26535372	27978646
- Cash on Hand	620284	570586
- Earmarked Balances with Banks Unpaid Dividend Accounts	321323	446170
TOTAL	<u>39149707</u>	<u>34436212</u>
 NOTE NO. 16		
OTHER CURRENT ASSETS		
- Deposits	17261491	24106566
- Advance to Suppliers	34821414	45004042
- Other Advances	4356835	6722420
- Chit Investment	800000	0
- Tax Deducted at Source	267005	273874
- Interest Receivable	4698356	4331845
- Prepaid Expenses	800224	1637828
- IT Refund Receivable	705574	705574
TOTAL	<u>63710899</u>	<u>82782149</u>

NOTE NO. 17	Current Year Rs.	Previous Year Rs.
REVENUE FROM OPERATIONS		
- Sales of Products		
Manufacturing	14336710	34411466
Trading	<u>554058708</u>	<u>438820374</u>
	568395418	473231840
- Less: Central Excise Duty	<u>0</u>	<u>2058513</u>
	568395418	471173327
- Sales of Services	<u>2030318</u>	<u>749185</u>
TOTAL	<u><u>570425736</u></u>	<u><u>471922512</u></u>

NOTE NO. 18**OTHER INCOME**

Interest Earned	1812741	1877997
Commission Received	737719	0
Foreign Exchange Gain	0	0
Excess Provision on Doubtful Debts	<u>138535</u>	<u>0</u>
TOTAL	<u><u>2688995</u></u>	<u><u>1877997</u></u>

NOTE NO. 19**MATERIAL CONSUMED**

- Opening Stock	14255850	10397221
Add: Purchases	<u>6517514</u>	<u>24169753</u>
	20773364	34566974
Less: Closing Stock	<u>8180522</u>	<u>14255850</u>
TOTAL	<u><u>12592842</u></u>	<u><u>20311124</u></u>

NOTE NO. 20**Changes in Inventories of finished goods,
work-in-progress and stock-in-trade**

- Opening Stock		
Finished Goods	87176300	76039183
Less : Closing Stock		
Finished Goods	<u>105352919</u>	<u>87176300</u>
TOTAL	<u><u>-18176619</u></u>	<u><u>-11137117</u></u>

NOTE NO. 21	Current Year Rs.	Previous Year Rs.
OPERATION AND OTHER EXPENSES		
(a) OTHER MANUFACTURING EXPENSES		
- Trade Purchases	424250606	342747425
- Packing Material	165237	852429
- Testing & Calibration Expenses	1593247	170517
(b) ADMINISTRATIVE & SELLING EXPENSES:		
- Rent	2911900	1661000
- Rates & Taxes	673482	921387
- Office Electricity & Maintenance	1164876	1298541
- Conveyance	1323335	1302994
- Subscription, Books & Periodicals	55461	33582
- Postage & Telegrams	288518	549202
- Printing & Stationery	720247	939651
- Regn. Licence & Filing Fees	1293196	632904
- Professional & Consultancy Charges	1386423	912762
- Professional Tax	7500	7500
- Insurance	457855	423982
- Recruitment Charges	62035	70806
- Donations	27001	174001
- Repairs & Maintenance	588988	562618
- Testing & Calibration Expenses	967742	274316
- Telephone & Fax Expenses	851603	996714
- Directors Sitting Fee	30000	37500
- Tour & Travelling Expenses		
a) Directors	1513811	1643522
b) Others	2100555	3359289
- Auditors Remuneration	525000	475000
- Foreign Exchange Fluctuation Loss	-3365633	5287969
- Miscellaneous Expenses	0	1500
- Advertisement Expenses	2066190	1913089
- Agency Commission	1277903	637937
- Tender Expenses	127388	117062
- Business Promotion Expenses	319407	451664
- Discount on Sales	3024738	2918012
- Carriage Outwards	4303242	2589338
- VAT and CST Payment	13311820	9839289
- Loss on Chits	6719194	8697346
- Provisional for Bad & Doubtful Debts	0	13278377
- Bad Deposits written off	7412636	0
- Bad debts written off	45069150	18645152
- Bank Charges	2895060	3161569
TOTAL	526119713	427585946

NOTE NO. 22**EMPLOYEE BENEFIT EXPENSES**

	Current Year Rs.	Previous Year Rs.
- Salaries, Wages & Other Benefits to employees	23845765	21159905
- Staff Welfare	840488	1215917
- Leave Encashment	444229	0
- Gratuity	701855	707844
TOTAL	<u>25832337</u>	<u>23083666</u>

NOTE NO. 23**FINANCE COSTS**

- Interest on Working Capital Loan	9333260	9457976
- Interest on Hire Purchase Loan	39814	30026
- Interest on Buyers credit and Other FLC Charges	3062819	1826740
- Loan Processing Fees	531612	525000
- Interest Others	2746859	538722
TOTAL	<u>15714364</u>	<u>12378464</u>

NOTE NO. 24**EXCEPTIONAL ITEMS**

- Profit on Sale of Vehicles	<u>-100000</u>	<u>0</u>
TOTAL	<u>-100000</u>	<u>0</u>

NOTE NO. 25**Contingent Liabilities not provided for:**

	Current Year Rs. Lakhs	Previous Year Rs. Lakhs
a. Bank Guarantees	215.67	243.02
b. Letters of Credit	399.56	443.43

NOTE NO. 26**Managerial Remuneration:**

Particulars	2016-17 Rs.	2015-16 Rs.
Managing Director	3000000	3000000
Whole Time Director	2100000	2100000
TOTAL	5100000	5100000

NOTE NO. 27**Auditors' Remuneration:**

Particulars Rs.	2016-17 Rs.	2015-16
As Auditors	375000	325000
Tax Audit Fees	150000	150000
TOTAL	525000	475000

NOTE NO. 28

Pursuant to the provisions of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee or director, who was in receipt of remuneration for the year under consideration exceeding 1.02 crore rupees the information of which could form part of the Director's Report for the year ended 31st March 2017.

NOTE NO. 29

There are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting', specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

NOTE NO. 30

Transactions with the Related Parties pursuant to Accounting Standard 18:

i. List of Related Parties

Subsidiary Company	:	Bhashwanth Power Projects Pvt. Ltd.,
Associate Companies / Firms (including Companies / firms Controlled by key management Personnel / relatives who are sub- stantially interested)	:	Nil
Key Management Personnel	:	Mr. G. Rama Krishna Reddy, Chairman Mr. G. Rama Manohar Reddy, Managing Director Mrs. G. Amulya Reddy, CFO

Transaction with the Related Parties:

Particulars	Subsidiary / Associate Company		Key Management personnel	
	2016-17	2015-16	2015-16	2014-15
Remuneration	-	-	5100000	5100000
Loans Repaid	-	-	3000062	4662051
Loans Taken	-	-	1750000	-

Balance as at 31st March

Particulars	Associate Companies		Key Management personnel	
	2016-17	2015-16	2015-16	2014-15
Remuneration	-	-	544920	229220
Investments	1500000	1500000	-	-
Loan	-	-	1200000	2450062

NOTE NO. 31**Earnings Per Share**

The numerators and denominators used for calculation of EPS

	Year ended 31-03-17	Year ended 31-03-16
a) Profit available to the Equity shareholders (Rs)	-4670338	-10990316
b) No. of Equity shares	21563942	21563942
c) Nominal value of share (Rs)	05	05
d) Basic Earning per Share (Rs)	-0.22	-0.51

NOTE NO. 32

Outstanding dues to Micro small and medium enterprises under the MSME development act, 2006 have been determined based on the information available with the company and the required disclosures are given below.

Year ending March 31st	2017 Rs.	2016 Rs.
a) Principal amount remain unpaid	-	-
b) Interest Due there on	-	-
c) Interest paid by the company in terms of Section 16 of MSME development act, 2006 along with the amount of the re-payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME development Act, 2006	-	-
e) Interest accrued and remaining unpaid	-	-
f) Further interest and remaining due and Payable even in the succeeding year units such date When the Interest dues as above are actually paid to the small enterprises.	-	-

NOTE NO. 33

In compliance with the Accounting Standard "AS-22 Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company has provided Rs.46,16,406/-towards deferred tax liability in the year 2016-17. The major components of deferred tax assets and liabilities are arising on account of timing differences in depreciation and carried forward of losses.

NOTE NO.34**Disclosure on Specified Bank Notes (SBNs)**

During the year, the Company had specified bank notes and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(Amount in Rs.)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	2316500	158699.50	2475199.50
(+) Permitted receipts (Withdrawal from Bank)	NIL	370000	370000
(-) Permitted payments	300000	233276	533276
(-) Amount deposited in Banks	2016500	NIL	2016500
Closing cash in hand as on 30.12.20	16NIL	295423.50	295423.50

NOTE NO. 35

Cash Flow statement has been prepared under indirect method as per the Accounting Standard – 3" Cash Flow Statements".

NOTE NO. 36

Sundry Debtors, Sundry Creditors, Advance for Supplies and Deposits are subject to confirmation with the respective parties / authorities.

NOTE NO. 37

Foreign Exchange Earnings & Out Go:

- Foreign Exchange Earnings – Rs.7.38
(Previous year Rs.Nil)
- Foreign Exchange Outgo – Rs.1832.17 lakhs
(Previous year – Rs. 2786.87 lakhs)

NOTE NO.38

Paise have been rounded off to the nearest rupee. Previous year figures have been regrouped wherever if thought necessary in conformity with the Current year groupings.

Notes to the financial statements and statement on accounting policies form an integral part of the Balance Sheet, Statement of profit and Loss and Cash Flow Statement.

SIGNATURES TO NOTES `1' TO `38'

VIDE OUR REPORT OF EVEN DATE
For RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-
(CA RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

PLACE : HYDERABAD
DATE : 29.05.2017

FOR AND ON BEHALF OF THE BOARD

Sd/-
(G. RAMA KRISHNA REDDY)
CHAIRMAN
DIN :00136203

Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN :00135900

Sd/-
(G.AMULYA REDDY)
CFO
DIN :00136428

Sd/-
(PARUL AGARWAL)
COMPANY SECRETARY
M.NO.A24570

**CONSOLIDATED FINANCIAL STATEMENTS
OF
AISHWARYA TECHNOLOGIES AND
TELECOM LIMITED**

&

**BHASHWANTH POWER PROJECTS
PRIVATE LIMITED**

2016-2017

Ramana Reddy & Associates
Chartered Accountants



Unit No.406, 4th Floor,
Ashoka Capitol, Opp:KBR Park,
Road No.2, Banjara Hills,
Hyderabad – 500 034
Ph: 23316426/23316912

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members of
M/s. Aishwarya Technologies and Telecom Limited.,
[Formerly known as AISHWARYA TELECOM LIMITED]

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **M/s. Aishwarya Technologies and Telecom Limited [Formerly known as AISHWARYA TELECOM LIMITED]** (“the Holding Company”) and its subsidiary Bhashwanth Power Projects Private Limited, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2017;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - (e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2017 and taken on record by the Board of Directors of the holding company and report of the statutory auditors of its subsidiary companies, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company of the Group and the operating effectiveness of such controls, refer to our separate report in the "Annexure A"; and

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

- (i) The Group does not have any pending litigations which would impact its financial positions in its consolidated financial statements.
- (ii) The Group has not entered into any long-term contracts including derivatives contracts requiring provision under applicable laws or accounting standards, for material foreseeable losses and
- (iii) There were amounts, required to be transferred, to the Investor Education and Protection Fund by the Group in accordance with the relevant provisions of the Companies Act, 2013.

Financial Year	Amount Rs.
2008-09	173127

- (iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note No.29 to the financial statements.

PLACE : HYDERABAD
DATE : 29.05.2017

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 003246S

Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

ANNEXURE – A TO THE CONSOLIDATED AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the group as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of **M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED [Formerly known as AISHWARYA TELECOM LIMITED]** (“the Company”) and its subsidiary companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The group internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the group; (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 group are being made only in accordance with authorisations of management and directors of the group; 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

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

Opinion

In our opinion, the Holding Company and its Subsidiary companies, which are incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Group 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.

PLACE : HYDERABAD
DATE : 29.05.2017

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Current Year	Previous Year
1	2	3	4
		Rs.	Rs.
I. Revenue from operations	16	570425736	471922512
II. Other Income	17	2688995	1877997
III. Total Revenue (I +II)		<u>573114731</u>	<u>473800509</u>
IV. <i>Expenses:</i>			
Material Consumed	18	12592842	20311124
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	19	-18176619	-11137117
Operation and Other Expenses	20	526133813	427608946
Employee Benefit Expenses	21	25832337	23083666
Finance Costs	22	15714364	12378464
Depreciation and amortization expenses	10 & 11	10612527	12397235
TOTAL		<u>572709264</u>	<u>484642318</u>
V. Profit / Loss before exceptional and extraordinary items and tax (III + IV)		405467	-10841809
VI. Exceptional Items	23	-100000	0
VII. Profit / Loss before extraordinary items and tax (V - VI)		505467	-10841809
VIII. Extraordinary Items		0	0
IX. Profit / Loss before tax (VII - VIII)		505467	-10841809
X. Tax expenses:			
- Income Tax		573498	495322
- Deferred Tax		4616406	-323815
XI. Profit / Loss for the year from continuing operations (IX - X)		<u>-4684438</u>	<u>-11013316</u>
XII. Profit / Loss from discontinuing operations		0	0
XIII. Tax expense of discontinuing operations		0	0
XIV. Profit / Loss from discontinuing operations (XII - XIII)		<u>0</u>	<u>0</u>
XV. Profit / Loss for the year (XI + XIV)		-4684438	-11013316
XVI. Earning per equity share:			
(1) Basic		-0.22	-0.51
(2) Diluted		-0.22	-0.51

Notes forming part of the financial statements 1 - 32

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246SSd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN: 00135900Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799Sd/-
(G.AMULYA REDDY)
WHOLE-TIME DIRECTOR & CFO
DIN: 00136428Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570Place: Hyderabad
Date : 29.05.2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31.03.17	As at 31.03.16
1	2	3	4
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	107819710	107819710
(b) Reserves & Surplus	3	231844351	236525264
(c) Minority Interest		504235	507760
(2) Non-Current Liabilities			
(a) Long Term Borrowings	4	1322533	2450062
(b) Other Long Provisions	5	995948	403822
(c) Deferred Tax Asset (Net)		1170216	0
(3) Current Liabilities			
(a) Short Term Borrowings	6	59502020	35403316
(b) Trade Payables	7	52447286	67879502
(c) Other Current Liabilities	8	45679889	38018180
(d) Short Term Provisions	9	2684736	3083127
TOTAL		<u>503970924</u>	<u>492090743</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	43805080	53562647
(ii) Intangible Assets	11	145734	31945
(c) Deferred Tax Asset (Net)		0	3446190
(2) Current Assets			
(a) Inventories	12	113533441	101432150
(b) Trade Receivables	13	242159176	214896250
(c) Cash and Cash Equivalents	14	39162939	34447753
(d) Other Current Assets	15	65164554	84273808
TOTAL		<u>503970924</u>	<u>492090743</u>

Notes forming part of the financial statements 1 - 32

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246SSd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN: 00135900Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799Sd/-
(G.AMULYA REDDY)
WHOLE-TIME DIRECTOR & CFO
DIN: 00136428Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570Place: Hyderabad
Date : 29.05.2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Current Year Rs.	Previous Year Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (+/-)	505467	-10841809
Add: Adjustments for:		
Minority Interest	3525	5750
Profit on Sale of Vehicle	-100000	0
Depreciation	10612527	12397235
Operating Profit before Working Capital	<u>11021519</u>	<u>1561176</u>
Adjustments for working capital charges:		
Inventories	-12101291	-14995746
Trade Receivables	-27262927	37914614
Other Current Assets	19109254	-26178370
Current Liabilities	-7178378	49732719
Provisions	-398391	566938
Cash generated from Operations Before Extra-Ordinary items	<u>-16810213</u>	<u>48601331</u>
Taxes Paid	-573498	-495322
Net cash flow from operating activities (A)	<u><u>-17383711</u></u>	<u><u>48106009</u></u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-968753	-724304
Sale proceeds of Vehicle	100000	0
Net Cash Flow from investing Activities (B)	<u><u>-868753</u></u>	<u><u>-724304</u></u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long Term Borrowings	-1127529	-4831984
Short Term Borrowings	24098704	-31953827
Minority Interest	-3525	-5750
Net Cash Flow from Financing Activities (C)	<u><u>22967650</u></u>	<u><u>-36791561</u></u>
Net Increase in Cash and Cash Equivalents (A+B+C)	4715186	10590144
Cash & Cash Equivalents at the beginning of the year	34447753	23857609
Cash & Cash Equivalents at the end of the year	39162939	34447753

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203

Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN: 00135900

Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

Sd/-
(G.AMULYA REDDY)
WHOLE-TIME DIRECTOR & CFO
DIN: 00136428

Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570

Place: Hyderabad
Date : 29.05.2017

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**NOTE NO. 1****A. GROUP INFORMATION**

The Company has invested in 1,47,750 shares of the subsidiary for an amount of Rs.15,00,000/- on 15.09.2009 which in turn has become a subsidiary of the aishwarya Technologies and Telecom Limited. The Company at present is holding 75% interest in the subsidiaries share capital. The consolidated financial statements of the company have been prepared for the financial year 2016-17 as required by section 129(3) of the Companies Act, the relevant rules notified thereunder and Accounting Standard 21, duly including the financial statements of the above referred subsidiary of the company.

B. Significant Accounting Policies:**(a) Basis of Preparation of Financial Statements:**

The consolidated financial statement have been prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounts) Rules, 2014, (as amended) and the relevant provisions of the Companies Act, 2013. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the accounting principles generally accepted in India. The accounting policy has been consistently applied by the Group.

(b) Principles of Consolidation

The consolidated financial statements are prepared using the financial statement of the company and its subsidiary. The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) – 21 “Consolidated Financial Statements” and other applicable accounting standards, as applicable, notified by the Companies (Accounts) Rules, 2014 (as amended). The consolidated financial statements have been prepared using uniform accounting policies for like transactions.

(c) Other significant accounting policies

These are set out under “Significant Accounting Policies” as given in the Company's standalone financial statements.

NOTE NO. 2

SHARE CAPITAL

Equity Share Capital

- Authorised Capital

2,40,00,000 Equity Shares of Rs. 5/- each

As at
31.03.17
Rs.As at
31.03.16
Rs.120000000120000000

- Issued, Subscribed & Fully paid share capital

2,15,63,942 Equity Shares of Rs.5/- each fully paid up

TOTAL

107819710107819710107819710107819710

Terms attached to equity shares

The company has one class of equity shares having a par value of Rs.5/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

List of Shareholders holding more than 5%

Name of the Shareholder

No. of
Shares% of
holdingNo. of
Shares% of
holding

G.Rama Manohar Reddy

4100990

19.02%

5103562

23.67%

K.Hari Krishna Reddy

1117038

5.18%

1061483

4.92%

NOTE NO. 3

RESERVES & SURPLUS

General Reserve

Rs.

As at
31.03.17
Rs.

Rs.

As at
31.03.16
Rs.

Rs.

11326000

11326000

Surplus in the Statement of Profit & Loss

- Opening Balance

106590494

117609560

Add: Surplus for the year

-4684438-11013316

101906056

106596244

Less: Transferred to Minority Interest

-35255750

101909581

106590494

- Securities Premium A/c

118608770118608770

TOTAL

231844351236525264

NOTE NO. 4

LONG TERM BORROWINGS

A) Secured Loans

- Hire Purchase Loan from Indus Ind Bank

122533

0

(Secured by the relevant asset for which loan taken)

B) Unsecured Loans

- Loans from directors

12000002450062

TOTAL

13225332450062

Details of Loans Raised from Related Parties

- G.Rama Manohar Reddy

1200000

2450062

NOTE NO. 5**OTHER LONG TERM PROVISIONS**

Provision for employee benefits

- Leave Encashment
- Gratuity

As at
31.03.17
Rs.

As at
31.03.16
Rs.

575698
420250
995948

9010
394812
403822

NOTE NO. 6**SHORT TERM BORROWINGS**

- Cash Credit from SBH

TOTAL

59502020
59502020

35403316
35403316

Cash Credit from State Bank of Hyderabad is secured by Hypothecation of fixed assets and raw materials, semi-finished, finished goods and sundry debtors of the company and guaranteed by directors of the company in their personal capacities.

NOTE NO. 7**TRADE PAYABLES****Sundry Creditors**

- Outstanding due of micro enterprises and small enterprises
- Outstanding due of other than micro enterprises and small enterprises

TOTAL

0

0

52447286
52447286

67879502
67879502

NOTE NO. 8**OTHER CURRENT LIABILITIES**

- Current Maturities of Finance Lease Obligation
- Advances received from Customers
- Creditors for expenses
- Chit Liability

TOTAL

219396
363426
21743052
23354015
45679889

156566
1539344
18087449
18234821
38018180

NOTE NO. 9**SHORT TERM PROVISIONS**

- For Taxation
- For Leave Encashment
- For Gratuity

TOTAL

573498
31184
2080059
2684741

1369917
153643
1559567
3083127

NOTE NO. 10

TANGIBLE ASSETS

Description of the Asset	Gross Carrying Amount				Depreciation Block				Net Carrying Amount	
	Cost as at 01.04.17	Additions During the year	Deletions During the year	Total As at 31.03.17	As at 01.04.17	For the year	Deletions During the year	Total As at 31.03.17	As at 31.03.17	As at 31.03.16
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- Land	19714537	0	0	19714537	0	0	0	0	19714537	19714537
- Building	15110663	0	0	15110663	7348075	1415120	0	8763195	6347468	7762588
- Computers	4634578	134240	0	4768818	4488328	193842	0	4682170	86648	146250
- Furnitures & Fixtures	1240983	8250	0	1249233	1015328	77272	0	1092600	156633	225655
- Optical Test Equipment	55782523	0	0	55782523	37115678	6199955	0	43315633	12466890	18666845
- R & D Equipment	40766112	0	0	40766112	34346801	2181742	0	36528543	4237569	6419311
- Office Equipment	2343765	160659	0	2504424	2175063	178301	0	2353364	151060	168702
- Vehicles	3995428	535300	0	4530728	3536669	349785	0	3886454	644274	458759
TOTAL	143588589	838449	0	144427038	90025942	10596016	0	100621958	43805080	53562647

NOTE NO. 11

INTANGIBLE ASSETS

Description of the Asset	Gross Carrying Amount				Depreciation Block				Net Carrying Amount	
	Cost as at 01.04.17	Additions During the year	Deletions During the year	Total As at 31.03.17	As at 01.04.17	For the year	Deletions During the year	Total As at 31.03.17	As at 31.03.17	As at 31.03.16
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- Software	5768646	130304	0	5898950	5759205	16511	0	5775716	123234	9441
- Goodwill	22500	0	0	22500	0	0	0	0	22500	22500
TOTAL	5791146	130304	0	5921450	5759205	16511	0	5775716	145734	31941

NOTE NO. 12	As at 31.03.17 Rs.	As at 31.03.16 Rs.
INVENTORIES		
(Valued at cost or Net Ralisable Value Whichever Is Lower)		
- Raw Materials	8180522	14255850
- Stock-in-Trade (including Finished Goods)	105352919	87176300
TOTAL	<u>113533441</u>	<u>101432150</u>
 NOTE NO. 13		
TRADE RECEIVABLES		
(Unsecured, Considered Good)		
- Debts Outstanding for a period exceeding 6 months	157743226	174782111
- Other debts	120073255	75909980
	<u>277816481</u>	<u>250692091</u>
- Provision for bad & doubtful debts	35657307	35795841
TOTAL	<u>242159174</u>	<u>214896250</u>
 NOTE NO. 14		
CASH AND CASH EQUIVALENTS		
- Balance with Scheduled Banks in Current Accounts	11683184	5451566
in Margin Money Deposits	26535372	27978646
- Cash on Hand	623060	571370
- Earmarked Balances with Banks Unpaid Dividend Accounts	321323	446170
TOTAL	<u>39162939</u>	<u>34447752</u>
 NOTE NO. 15		
OTHER CURRENT ASSETS		
- Deposits	17261491	24106566
- Advance to Suppliers	34821414	45004042
- Other Advances	4403835	6807420
- Chit Investment	800000	0
- Tax Deducted at Source	267005	273874
- Interest Receivable	4698356	4331845
- Preoperative Expenses	1406659	1406659
- Prepaid Expenses	800224	1637828
- IT Refund Receivable	705574	705574
TOTAL	<u>65164558</u>	<u>84273808</u>

NOTE NO. 16	Current Year Rs.	Previous Year Rs.
REVENUE FROM OPERATIONS		
- Sales of Products		
Manufacturing	14336710	34411466
Trading	554058708	438820374
	<u>568395418</u>	<u>473231840</u>
- Less: Central Excise Duty	0	2058513
	<u>568395418</u>	<u>471173327</u>
- Sales of Services	2030318	749185
TOTAL	<u><u>570425736</u></u>	<u><u>471922512</u></u>

NOTE NO. 17**OTHER INCOME**

Interest Earned	1812741	1877997
Commission Received	737719	0
Excess Provision on Doubtful Debts	138535	0
TOTAL	<u><u>2688995</u></u>	<u><u>1877997</u></u>

NOTE NO. 18**MATERIAL CONSUMED**

- Opening Stock	14255850	10397221
Add: Purchases	6517514	24169753
	<u>20773364</u>	<u>34566974</u>
Less: Closing Stock	8180522	14255850
TOTAL	<u><u>12592842</u></u>	<u><u>20311124</u></u>

NOTE NO. 19**Changes in Inventories of finished goods, work-in-progress and stock-in-trade**

- Opening Stock		
Finished Goods	87176300	76039183
Less : Closing Stock		
Finished Goods	105352919	87176300
TOTAL	<u><u>-18176619</u></u>	<u><u>-11137117</u></u>

NOTE NO. 20	Current Year Rs.	Previous Year Rs.
OPERATION AND OTHER EXPENSES		
(a) OTHER MANUFACTURING EXPENSES		
- Trade Purchases	424250606	342747425
- Packing Material	165237	852429
- Testing & Calibration Expenses	1593247	170517
(b) ADMINISTRATIVE & SELLING EXPENSES:		
- Rent	2911900	1661000
- Rates & Taxes	674982	922837
- Office Electricity & Maintenance	1164876	1298541
- Conveyance	1323335	1302994
- Subscription, Books & Periodicals	55461	33582
- Postage & Telegrams	288518	549202
- Printing & Stationery	720247	939651
- Regn. Licence & Filing Fees	1295496	635304
- Professional & Consultancy Charges	1386423	912762
- Professional Tax	7500	7500
- Insurance	457855	423982
- Recruitment Charges	62035	70806
- Donations	27001	174001
- Repairs & Maintenance	588988	562618
- Testing & Calibration Expenses	967742	274316
- Telephone & Fax Expenses	851603	996714
- Directors Sitting Fee	30000	37500
- Tour & Travelling Expenses		
a) Directors	1513811	1643522
b) Others	2100555	3359289
- Auditors Remuneration	535000	485000
- Foreign Exchange Fluctuation Loss	-3365633	5287969
- Miscellaneous Expenses	0	1500
- Advertisement Expenses	2066190	1913089
- Agency Commission	1277903	637937
- Tender Expenses	127388	117062
- Business Promotion Expenses	319407	451664
- Discount on Sales	3024738	2918012
- Carriage Outwards	4303242	2589338
- VAT and CST Payment	13311820	9839289
- Loss on Chits	6719194	8697346
- Provisional for Bad & Doubtful Debts	0	13278377
- Bad Deposits written off	7412636	0
- Bad debts written off	45069150	18645152
- Preliminary expenses written of	0	8850
- Bank Charges	2895360	3161869
TOTAL	<u>526133813</u>	<u>427608946</u>

NOTE NO. 21

	Current Year Rs.	Previous Year Rs.
EMPLOYEE BENEFIT EXPENSES		
- Salaries, Wages & Other Benefits to employees	23845765	21159905
- Staff Welfare	840488	1215917
- Leave Encashment	444229	0
- Gratuity	701855	707844
TOTAL	<u>25832337</u>	<u>23083666</u>

NOTE NO. 22

FINANCE COSTS

- Interest on Working Capital Loan	9333260	9457976
- Interest on Hire Purchase Loan	39814	30026
- Interest on Buyers credit and Other FLC Charges	3062819	1826740
- Loan Processing Fees	531612	525000
- Interest Others	2746859	538722
TOTAL	<u>15714364</u>	<u>12378464</u>

NOTE NO. 23

EXCEPTIONAL ITEMS

- Profit on Sale of Vehicles	-100000	0
TOTAL	<u>-100000</u>	<u>0</u>

NOTE NO. 24**Contingent Liabilities not provided for by the Holding Company:**

Contingent Liabilities not provide for	Current Year Rs. Lakhs	Previous Year Rs. Lakhs
Bank Guarantees	215.67	243.02
Letters of Credit	399.56	443.43

NOTE NO. 25**Managerial Remuneration:**

Particulars	2016-17 Rs.	2015-16 Rs.
Managing Director	3000000	3000000
Whole Time Director	2100000	2100000
TOTAL	5100000	5100000

NOTE NO. 26**Segment Reporting:**

There are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting', specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

NOTE NO. 27**Foreign Exchange Earnings & Out Go:**

Particulars	2016-17 Amount (Lakhs)	2015-16 Amount (Lakhs)
Foreign Exchange Earnings	7.38	Nil
Foreign Exchange Outgo	1832.17	2786.87

NOTE NO. 28**Disclosure under Micro, Small and Medium Enterprises Development Act, 2006**

There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

NOTE NO. 29**Disclosure on Specified Bank Notes (SBNs)**

During the year, the Company had specified bank notes and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(Amount in Rs.)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	2316500	161475	2477975
(+) Permitted receipts (Withdrawal from Bank)	NIL	370000	370000
(-) Permitted payments	300000	233276	533276
(-) Amount deposited in Banks	2016500	NIL	2016500
Closing cash in hand as on 30.12.2016	NIL	298199	298199

NOTE NO. 30

These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous year figures have been regrouped wherever if thought necessary in conformity with the current year groupings. Paise have been rounded off to the nearest rupee.

Pursuant to the provisions of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the group does not have any employee or director, who was in receipt of remuneration for the year under consideration exceeding sixty lakh rupees the information of which could form part of the Director's Report for the year ended 31st March 2016.

NOTE NO. 31**Earnings per Share****The numerators and denominators used for calculation of EPS**

	Particulars	2016-17	2015-16
a)	Profit available to the Equity Shareholders (Rs.)	-11013316	-20181590
b)	No. of Equity Shares	21563942	21563942
c)	Nominal value of Share (Rs.)	10	5
d)	Earnings per Share (Rs.)	-0.51	-0.94

NOTE NO. 32

Additional Information for Consolidated Financial Statements

Name of the Entity	Net Assets i.e., Total Assets minus Total Liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount Rs.	As % of consolidated Profit or loss	Amount Rs.
Subsidiaries – Indian				
Bhashwanth Power Projects Private Limited	0.58	1985041	0.21	-23000
Subsidiaries – Foreign				
	Nil	Nil	Nil	Nil

Notes to the financial statements and statement on accounting policies form an integral part of the balance sheet, statement of profit and loss & cash flow statement.

SIGNATURES TO NOTES - 1 TO 32

VIDE OUR REPORT OF EVEN DATE
For RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-
(CA RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

PLACE : HYDERABAD
DATE : 29.05.2017

FOR AND ON BEHALF OF THE BOARD

Sd/-
(G. RAMA KRISHNA REDDY)
CHAIRMAN
DIN :00136203

Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN :00135900

Sd/-
(G.AMULYA REDDY)
WHOLE TIME DIRECTOR & CFO
DIN :00136428

Sd/-
(PARUL AGARWAL)
COMPANY SECRETARY
M.NO.A24570

BHASHWANTH POWER PROJECTS PRIVATE LIMITED

ELEVENTH ANNUAL REPORT

2016-2017

CORPORATE INFORMATION**1. BOARD OF DIRECTORS:**

- | | |
|--------------------------|----------------------------|
| 1. G Rama Manohar Reddy | - Director (DIN: 00135900) |
| 2. G. Rama Krishna Reddy | - Director (DIN: 00136203) |

2. REGISTERED OFFICE:

1-3-1026 & 1027, Singadikunta,
Kawadiguda, Hyderabad – 500080.

3. AUDITORS:

M/s. CSVR & Associates
Chartered Accountants
Hyderabad- 500 034

4. BANKERS:

State Bank of India
Raj Bhavan Road Branch,
Hyderabad – 500 082

5. CIN:

U40109TG2006PTC051674

NOTICE

Notice is hereby given that the 11th Annual General Meeting of the Shareholders of M/s. Bhashwanth Power Projects Private Limited will be held on Friday, the 29th day of September, 2017 at 10.00 A.M. at the registered office of the Company situated at Second Floor, 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Report of Auditors and Directors thereon.
2. To appoint M/s. CSVR & Associates., Chartered Accountants, Hyderabad as Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting at remuneration as may be fixed by the Board of Directors of the Company.

**For and on behalf of the Board
Bhashwanth Power Project Pvt. Ltd**

**Place: Hyderabad
Date: 28.08.2017**

**Sd/-
G. Rama Manohar Reddy
Director
(DIN: 00135900)**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.**
2. The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than **48 hours before the commencement of the Meeting.**

**For and on behalf of the Board
Bhashwanth Power Project Pvt. Ltd**

**Place: Hyderabad
Date: 28.08.2017**

**Sd/-
G. Rama Manohar Reddy
Director
(DIN: 00135900)**

DIRECTOR'S REPORT

To,

The Members of M/s. Bhashwanth Power Project Pvt. Ltd,

We have pleasure in presenting the 11th Annual report together with Audited accounts for the year ended 31st March, 2017.

1. FINANCIAL RESULTS:

(in Rs.)

Particulars	2016-17	2015-16
Income	Nil	Nil
Total Expenditure	(14,100)	(23,000)
Profit/Loss before Tax	Nil	Nil
Provision for taxation	Nil	Nil
Profit after Tax	Nil	Nil
Balance carried to Balance Sheet	Nil	Nil

PERFORMANCE REVIEW:

The Company has not carried out any operation during the year. However, it has incurred a loss of Rs. 14,100 in the current year against a Loss of Rs. 23,000 in the previous financial year ending 31.03.2016.

OPERATIONS:

The Company did not carry out any operations during the year.

DIVIDEND:

Your Directors do not recommend dividend for the year.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes taken place subsequent to the date of financial statements.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There were no material changes and commitments affecting financial position of the company between 31st March, 2017 and the date of Board's Report. (i.e. 28.08.2017)

BOARD MEETINGS:

The Board of Directors met 4 times during the year on 28.05.2016, 11.08.2016, 14.11.2016 and 14.02.2017 and the maximum gap between any two meetings was less than four months, as stipulated under the provisions of Companies Act, 2013.

TRANSFER TO RESERVES:

Directors have decided not to transfer any amount to reserves for the year.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec.73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review.

CAPITAL OF THE COMPANY:

Authorized Share capital and paid up share capital of the company stands at Rs. 22,00,000/- divided in to 2,20,000 equity shares of Rs.10/- each.

SUBSIDIARY COMPANY:

Your Company does not have any subsidiary.

DIRECTORS:

During the year there was no change in the Directors.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Sec. 134(5) of the Companies Act, 2013 the Board of Directors of your Company hereby certifies and confirms that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the Annual accounts on a going concern basis.
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy

Adequate measures have been taken to reduce energy consumption, wherever possible. Total energy consumption and energy consumption per unit of production is not applicable as company is not included in the industries specified in the schedule.

B. Technology Absorption

- | | | |
|---|---|-----|
| 1. Research and Development (R&D) | : | Nil |
| 2. Technology absorption, adoption and innovation | : | Nil |

C. Foreign Exchange Earnings and Out Go

- | | | |
|---------------------------|---|-----|
| Foreign Exchange Earnings | : | Nil |
| Foreign Exchange Outgo | : | Nil |

PARTICULARS OF EMPLOYEES:

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 8,50,000/- and above per month or Rs. 1,02,00,000/- and above in aggregate per annum, the limits prescribed under Section 134 of the Companies Act, 2013.

AUDITORS:

M/s. CSV & Associates., Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, have expressed their willingness for re-appointment. Your directors propose the appointment of M/s. CSV & Associates., Chartered Accountants, as statutory auditors to hold office until the conclusion of the next Annual General Meeting of the company.

EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report (ANNEXURE I)

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not taken any loan, guarantee or made investment as specified under section 186 of the Companies Act, 2013.

RISK MANAGEMENT POLICY:

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well structured risk management process.

CORPORATE SOCIAL RESPONSIBILITY POLICY:

Since your Company does not has the net worth of Rs. 500 crores or more, or turnover of Rs. 1000 crores or more, or a net profit of Rs. 5 crores or more during the financial year, so section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company and hence the Company need not adopt any Corporate Social Responsibility Policy.

RELATED PARTY TRANSACTIONS:

There are no related party transactions during the financial year 2016-17.

INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

EVENT BASED DISCLOSURES

There were no instances which require event based disclosures during the year.

ACKNOWLEDGEMENTS:

Your directors would like to express their grateful appreciation for assistance and co-operation received from clients, banks, investors, Government, other statutory authorities and all others associated with the company. Your directors also wish to place on record their deep sense of appreciation for the excellent contribution made by the employees at all levels, which enabled the company to achieve sustained growth in the operational performance during the year under review.

**For and on behalf of the Board
Bhashwanth Power Project Pvt. Ltd**

**Place: Hyderabad
Date: 28.08.2017**

**Sd/-
G. Rama Manohar Reddy
Director
(DIN: 00135900)**

MGT 9**Extract of Annual Return****As on the Financial Year 31.03.2017****[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]****I. REGISTRATION AND OTHER DETAILS:**

i.	CIN:-	U40109TG2006PTC051674
ii.	Registration Date	16.11.2006
iii.	Name of the Company	Bhashwanth Power Project Private Limited
iv.	Category / Sub-Category of the Company	Company limited by shares/Non government company
v.	Address of the Registered office and contact details	1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad, Telangana - 500080
vi.	Whether listed company Yes / No	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	-

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company
1.	Generation and distribution of other non-conventional energy (bio-mass)	4390	0

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.NO	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	Aishwarya Technologies & Telecom Limited 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad, Telangana - 500080	L72200TG1995PLC020569	Holding Company	75%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding:-**

Category of Share-holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Individual/ HUF (as nominee u/sec.187 of the Companies Act, 2013)	-	49,250	49,250	25	-	49,250	49,250	25	-
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	-	1,47,750	1,47,750	75		1,47,750	1,47,750	75	-
Banks / FI									
Any Other....									
Sub-total (A) (1) :-	0	1,97,000	1,97,000	100		1,97,000	1,97,000	100	
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	00	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	1,97,000	1,97,000	100	0	1,97,000	1,97,000	100	0

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)									
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	1,97,000	1,97,000	100	0	1,97,000	1,97,000	100	0

(ii) Shareholding of Promoters

Si. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			%Change during the year
		No. of Shares	% of Total Shares of the company	% of shares pledge/encumbered to total shares	No. of Shares	% of Total Shares	% of shares pledge/encumbered to total shares	
1.	G. Rama Manohar Reddy	49,250	25	--	49,250	25	--	--
2.	Aishwarya Technologies and Telecom Limited	1,47,750	75	--	1,47,750	75	--	--

(iii) Change in Promoters' Shareholding (please specify, if there is no change) No, change during the year

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer /bonus/sweat equity etc):	N.A	N.A	N.A	N.A
	At the End of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of The company	No. of shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise Increase / Decrease in Promoters Share Holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA	NA	NA	NA
	At the End of the year	NA	NA	NA	NA

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total shares of the company
	G. Rama Manohar Reddy	49,250	25		
	At the beginning of the year	49,250	25		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA	NA	NA	NA
	At the End of the year	49,250	25		

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount	-	-	-	-
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year	-	-	-	-
Addition				
Reduction				
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL*A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable*

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager:				Total Amount(in Rs)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961					
2.	Stock Option	-				
3.	Sweat Equity	-				
4.	Commission - as % of profit - Others, specify...	-				
5.	Others, please specify	-				
6.	Total (A)					
7.	Ceiling as per the Act					

<i>B. Remuneration to other directors:</i>						
Sl. no.	Particulars of Remuneration	Name of Director				Total Amount
	3. Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	4. Other Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

<i>C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD</i>						
Sl. no.	Particulars of Remuneration	Key Managerial Personnel				
		CEO	Company Secretary	CFO	Total	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	
2.	Stock Option	-	-	-	-	
3.	Sweat Equity	-	-	-	-	
4.	Commission - as % of profit - others, specify...	-	-	-	-	
5.	Others, please specify	-	-	-	-	
6.	Total	-	-	-	-	

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: Not applicable					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

CSVR & Associates

Chartered Accountants



Flat No.F-2, Trendset Ville,
Road No.3, Banjara Hills,
Hyderabad – 500 034
Ph: 8885142303

INDEPENDENT AUDITOR'S REPORT

To
The Members of
M/s. Bhashwanth Power Projects Private Limited.,

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s. Bhashwanth Power Projects Private Limited**, (“the Company”), which comprise the Balance sheet as at 31st March, 2017, the Statement of Profit and Loss for the year then ended, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers the internal financial control relevant to the Company's preparation of the financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;
- (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in the "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company does not have any pending litigations which would impact its financial positions in its financial statements.
- (ii) The Company has not entered into any long-term contracts including derivatives contracts requiring provision under applicable laws or accounting standards, for material foreseeable losses and
- (iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 2013.
- (iv) The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note 14.

**for CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 012121S**

**PLACE : HYDERABAD
DATE : 25.05.2017**

**Sd/-
(CA.VENKATESH G.)
PARTNER
Membership No.239608**

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements, of our report of even date)

- (i) (a) The Company does not have any fixed assets thereby the maintenance of proper records, physical verification does not arise.
- (ii) The Company is not holding any inventories. Accordingly, the provisions of paragraph 3 Clause (ii) of the Companies (Auditor's Report) Order, 2016 is not applicable to this company.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the sub-clauses (a) (b) and (c) are not applicable to the company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any loans, investments, guarantees, and security during the year as referred to in sections 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.
- (vi) The maintenance of cost records has not been prescribed by the Central Government under subsection (1) of section 148 of the Companies Act.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, cess and other material statutory dues as applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, wherever applicable, as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, service tax, excise duty and cess which have not been deposited on account of any dispute.
- (viii) The company has not availed any loans or borrowing from a financial institution or banks. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

- (xi) The company is a Private Limited company. Hence, the provisions of section 197 read with Schedule V to the Companies Act are not applicable to the company. Accordingly, paragraph 3 (xi) is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3 (xii) is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, there were no transactions with related parties during the year as referred to in section 188 of the Companies Act.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**for CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 012121S**

PLACE : HYDERABAD

DATE : 25.05.2017

**Sd/-
(CA.VENKATESH G.)
PARTNER
Membership No.239608**

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **M/s. Bhashwanth Power Projects Private Limited** ("the Company") as of 31 March 2017 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**for CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 012121S**

**PLACE : HYDERABAD
DATE : 25.05.2017**

**Sd/-
(CA.VENKATESH G.)
PARTNER
Membership No.239608**

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
1	2	3	4
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	1970000	1970000
(b) Reserves and Surplus	3	941	15041
(2) Current Liabilities			
(a) Other current liabilities	4	22950	45158
Total		<u>1993891</u>	<u>2030199</u>
II. ASSETS			
(1) Current assets			
(a) Trade receivables	5	527000	527000
(b) Cash and cash equivalents	6	13232	11540
(c) Other current assets	7	47000	85000
(d) Preoperative Expenses	8	1406659	1406659
Total		<u>1993891</u>	<u>2030199</u>
Notes forming part of the financial statements	1 - 16		

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for CSV & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Regn. No. 012121S

Sd/-
 (CA.VENKATESH G.)
 PARTNER
 Membership No. 239608

PLACE : HYDERABAD
 DATE : 25.05.2017

Sd/-
 (G. RAMA MANOHAR REDDY)
 DIRECTOR
 DIN: 00135900

Sd/-
 (G. RAMA KRISHNA REDDY)
 DIRECTOR
 DIN: 00136203

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No	Current Year	Previous Year
1	2	3	4
		Rs.	Rs.
I. Revenue from operations		0	0
II. Other Income		0	0
III. Total Revenue (I +II)		0	0
IV. <u>Expenses:</u>			
Other expenses	9	14100	23000
Total Expenses		14100	23000
V. Loss before exceptional and extraordinary items and tax (III - IV)		-14100	-23000
VI. Exceptional Items		0	0
VII. Loss before extraordinary items and tax (V - VI)		-14100	-23000
VIII. Extraordinary Items		0	0
IX. Loss before tax (VII - VIII)		-14100	-23000
X. Tax expense:			
(1) Current tax		0	0
(2) Deferred tax		0	0
XI. Loss for the year from continuing operations (IX - X)		-14100	-23000
XII. Profit/(Loss) from discontinuing operations		0	0
XIII. Tax expense of discounting operations		0	0
XIV. Profit/(Loss) from discontinuing operations (XII - XIII)		0	0
XV. Loss for the year (XI + XIV)		-14100	-23000
XVI. Earning per equity share:			
(1) Basic		-0.07	-0.12
(2) Diluted		-0.07	-0.12

Notes forming part of the financial statements

1 - 16

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for CSVR & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Regn. No. 012121S

Sd/-
 (CA.VENKATESH G.)
 PARTNER
 Membership No. 239608

PLACE : HYDERABAD
 DATE : 25.05.2017

Sd/-
 (G. RAMA MANOHAR REDDY)
 DIRECTOR
 DIN: 00135900

Sd/-
 (G. RAMA KRISHNA REDDY)
 DIRECTOR
 DIN: 00136203

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Current Year Rs.	Previous Year Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (+/-)	-14100	-23000
Add: Adjustments for:		
Depreciation	0	0
Operating Profit before Working Capital	-14100	-23000
Adjustments for working capital charges:		
Other Current Assets	38000	8850
Current Liabilities	-22208	11450
Cash generated from Operations Before Extra-Ordinary items	1692	-2700
Taxes Paid	0	0
Net cash flow from operating activities (A)	1692	-2700
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	0	0
Sale of Fixed Assets	0	0
Net Cash Flow from investing Activities (B)	0	0
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long Term Borrowings	0	0
Short Term Borrowings	0	0
Net Cash Flow from Financing Activities (C)	0	0
Net Increase in Cash and Cash Equivalents (A+B+C)	1692	-2700
Cash & Cash Equivalents at the beginning of the year	11540	14240
Cash & Cash Equivalents at the end of the year	13232	11540

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for CSV & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Regn. No. 012121S

Sd/-
 (CA.VENKATESH G.)
 PARTNER
 Membership No. 239608

PLACE : HYDERABAD
 DATE : 25.05.2017

Sd/-
 (G. RAMA MANOHAR REDDY)
 DIRECTOR
 DIN: 00135900

Sd/-
 (G. RAMA KRISHNA REDDY)
 DIRECTOR
 DIN: 00136203

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**NOTE NO. 1****Disclosure of Accounting Policies:****a) General:**

The financial statements are prepared under the historical cost convention and comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013 and the same is prepared as a going concern basis.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known or materialised.

c) Revenue Recognition:

All revenue income and expenditure are recognized on accrual concept of accounting. Interest income is recognised on a time proportion basis into account the amount outstanding and the rate applicable.

d) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

e) Earnings per Share

The Company reports its Earnings per Share (EPS) in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

f) Provision, Contingent Liabilities and contingent Assets.

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

g) Impairment of Assets

An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired.

h) Investments

Investments made by the company in various securities are primarily need to be held over long term period and are valued at cost. Provision will be made for decline, other than temporary in the value of investments

i) Earning Per Share:

The Company reports its Earnings per Share (EPS) in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

NOTE NO. 2	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
SHARE CAPITAL		
Equity Share Capital		
Authorised Share capital		
- 2,20,000 Equity Shares of Rs.10/- each	<u>2200000</u>	<u>2200000</u>
Issued, Subscribed & Fully paid share capital		
- 1,97,000 Equity Shares of Rs.10/- each fully paid up	<u>1970000</u>	<u>1970000</u>
Total	<u><u>1970000</u></u>	<u><u>1970000</u></u>

Terms attached to equity shares

The company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

List of shareholders holding more than 5%	No.of shares	% of Holding	No.of shares	% of Holding
Name of the Shareholder				
G.Rama Manohar Reddy	49250	25.00%	49250	25.00%
Aishwarya Technologies and Telecom Limited	147750	75.00%	147750	75.00%

NOTE NO. 3

RESERVES AND SURPLUS

Surplus in the Statement of Profit & Loss		
- Opening Balance	15041	38041
Add: Surplus for the year	<u>-14100</u>	<u>-23000</u>
Total	<u><u>941</u></u>	<u><u>15041</u></u>

NOTE NO. 4

OTHER CURRENT LIABILITIES

- Creditors for expenses	22950	45158
Total	<u><u>22950</u></u>	<u><u>45158</u></u>

NOTE NO. 5	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
TRADE RECEIVABLES		
(Unsecured, Considered Good)		
- Debts outstanding for a period exceeding six months	527000	527000
- Other Debts	0	0
Total	<u><u>527000</u></u>	<u><u>527000</u></u>
NOTE NO. 6		
CASH AND CASH EQUIVALENTS		
- Balances with banks	10456	10756
- Cash on hand	2776	784
Total	<u><u>13232</u></u>	<u><u>11540</u></u>
NOTE NO. 7		
OTHER CURRENT ASSETS		
- Loans & Advances	47000	85000
Total	<u><u>47000</u></u>	<u><u>85000</u></u>
NOTE NO. 8		
PREOPERATIVE EXPENSES		
- Rates & Taxes	2878	2878
- Salaries & Wages	752150	752150
- Bank Charges	449	449
- Audit Fees	25000	25000
- Professional & Consultancy	343605	343605
- Office Expenses	282577	282577
Total	<u><u>1406659</u></u>	<u><u>1406659</u></u>
NOTE NO. 9	Current Year Rs.	Previous Year Rs.
OTHER EXPENSES		
- Bank Charges	300	300
- Rates & Taxes	1500	1450
- Audit Fees	10000	10000
- Preliminary Expenses written-off	0	8850
- Registration, Licence & Filing fee	2300	2400
Total	<u><u>14100</u></u>	<u><u>23000</u></u>

NOTE NO. 10

Pursuant to the provisions of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee or director, who was in receipt of remuneration for the year under consideration exceeding rupees 1.02 crores, the information of which could form part of the Director's Report for the year ended 31st March 2017.

NOTE NO. 11**Foreign Exchange Earnings & Out Go:**

- Foreign Exchange Earnings – Rs. Nil
- Foreign Exchange Outgo – Rs. Nil

NOTE NO. 12

Auditors Remuneration:	2016-17 Rs.	2015-16 Rs.
- As Auditors	10000	10000

NOTE NO. 13

Earnings per Share:Particulars	2016-17 Rs.	2015-16 Rs.
Profit attributable to the Equity Share Holders	-14100	-23000
No. of Equity Shares	197000	197000
Nominal Value of Share1010Earnings Per Share	-0.07	-0.12

NOTE NO.14**Disclosure on Specified Bank Notes (SBNs)**

During the year, the Company had specified bank notes and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	Nil	2776	2776
(+) Permitted receipts (Withdrawal from Bank)	Nil	Nil	Nil
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016	Nil	2776	2776

NOTE NO. 15

Micro Small and Medium enterprises under the micro Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

	In Rupees	
	2016-17	2015-16
A Principal amount remaining unpaid as on 31st March	-	-
B Interest due thereon as on 31st March	-	-
C Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
D Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E Interest accrued and remaining unpaid as at 31st March	-	-
F Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

NOTE NO. 16

Previous year figures have been regrouped or rearranged wherever if thought necessary in conformity with the current year groupings. Paise have been rounded off to the nearest rupee.

Notes, Schedules and statement on accounting policies form an integral part of the balance sheet and Statement of profit and Loss.

SIGNATURE TO NOTES - 1 TO 16

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for CSVR & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Regn.No. 012121S

Sd/-
 (CA.VENKATESH G.)
 PARTNER
 Membership No 239608

PLACE: HYDERABAD
 DATE : 25.05.2017

Sd/-
 (G.RAMA MANOHAR REDDY)
 DIRECTOR
 DIN: 00135900
 Sd/-
 (G.RAMA KRISHNA REDDY)
 DIRECTOR
 DIN: 00136203

Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L72200TG1995PLC020569
Name of the company : M/s. Aishwarya Technologies and Telecom Limited
Registered office : 1-3-1026 &1027, Singadikunta, Kavadiguda, Hyderabad, 500080 Telangana.

Name of the member(s):
Registered Address:
E-mail Id:
Folio No./Client Id:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
Address : _____
E-mail Id : _____
Signature:, or failing him
2. Name :
Address: _____
E-mail Id : _____
Signature:, or failing him
3. Name:
Address: _____
E-mail Id: _____
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Friday, 29th day of September, 2017 at 10:30 a.m. at 1-3-1026 &1027, Singadikunta, Kavadiguda, Hyderabad, 500080 Telangana and at any adjourned meeting thereof in respect of such resolutions as are indicated below:

Resolutions:

1. **Approval of financial statements (including consolidated financial statements) for the year ended 31.03.2017**
2. **Appointment of Mrs. G. Amulya Reddy as a director who retires by rotation**
3. **Appointment of statutory auditors and fixation of their remuneration**
4. **Reappointment of Mr. G. Rama Manohar Reddy as Managing Director of the Company**
5. **Reappointment and continuation Mrs. G. Amulya Reddy as Whole-Time Director and CFO of the Company**
6. **Aishwarya Technologies and Telecom Limited (ATTL) Employees Stock Option Scheme-2017**
7. **Aishwarya Technologies and Telecom Limited (ATTL) Employees Stock Option Scheme-2017 to the employees of subsidiary companies**
8. **Allotment of Equity Shares Exceeding 1% of the Paid Up Capital of Aishwarya Technologies and Telecom Limited (ATTL) Under ESOP Scheme-2017**
9. **Issue of Convertible Warrants on Preferential basis to the promoters**
10. **Increase in Authorised Capital of the company from Rs.12,00,00,000/- to Rs. 15,50,00,000/-**

Signed this day of..... 2017

Signature of shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Aishwarya Technologies and Telecom Limited
1-3-1026 & 1027, Singadikunta, Kavadiguda, Hyderabad, 500080 Telangana

ATTENDANCE SLIP
(Please present this slip at the Meeting venue)

I hereby record my presence for the 22nd Annual General Meeting of the members to be held on Friday, 29th day of September, 2017 at 10.30 a.m. at 1-3-1026 & 1027, Singadikunta, Kavadiguda, Hyderabad, 500080 Telangana

and at any adjourned meeting thereof.

Shareholders/Proxy's Signature _____
Shareholders/Proxy's full name _____
(In block letters)

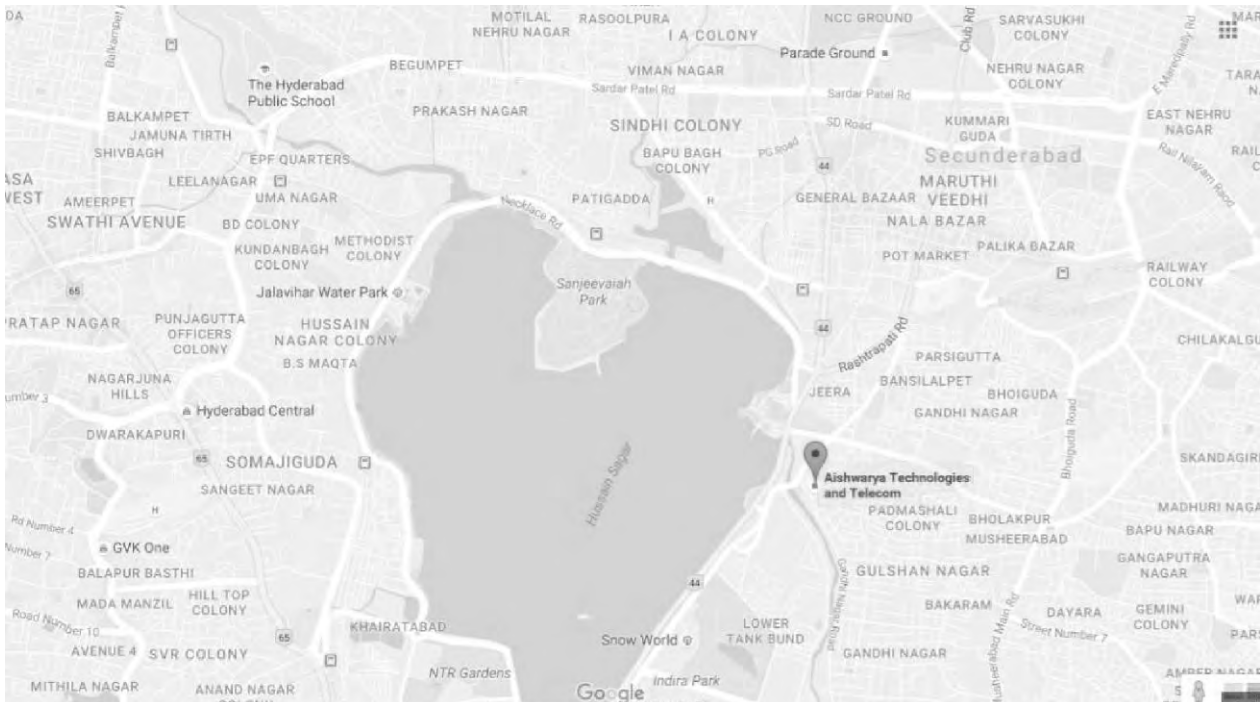
Folio No./ Client ID _____

No. of shares held _____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

ROUTE MAP FOR AGM VENUE



BOOK-POST
PRINTED MATTER

To

If Undelivered Please return to :



AISHWARYA TECHNOLOGIES AND TELECOM LTD.

(Formerly known as AISHWARYA TELECOM LIMITED)

1-3-1026 & 1027, Singadikunta, Kawadiguda,

Hyderabad - 500 080. Telangana State, India.

Phone : +91-40-2753 1324, Fax : 2753 5423

E-mail : sales@aishwaryatechtele.com

Web : www.aishwaryatechtele.com

