

# **Aishwarya Technologies and Telecom Limited**

(Formerly Known as Aishwarya Telecom Limited)

**25th**  
**ANNUAL REPORT**  
**2019-20**

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

1. Mr. K. Hari Krishna Reddy	-	Chairman & Wholetime Director	(DIN: 01302713)
2. Mr. Srinivasa Rao Mandava	-	Managing Director	(DIN: 03456187)
3. Mr. G. Rama Manohar Reddy	-	Whole-time Director	(DIN: 00135900)
4. Mr. D. Venkateswara Rao	-	Whole time Director cum CFO	(DIN: 03616715)
5. Mr. Mahesh Ambalal Kuvadia	-	Independent Director	(DIN: 07195042)
6. Mr. D. Venkata Subbiah	-	Independent Director	(DIN: 00006618)
7. Mr. Satish Kumar Maddineni	-	Independent Director	(DIN: 03452107)
8. Ms. Arpitha Reddy Mettu	-	Independent Director	(DIN: 03553277)
9. Mr. Bolla Sreekanth	-	Additional Director	(DIN: 05306196)

\*appointed on 04.09.2020

**COMPANY SECRETARY AND COMPLIANCE OFFICER:** Mr. Khush Mohammad

**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. CSVR and Associates  
Chartered Accountants,  
Flat No. F2, Trendset Ville,  
Road No.3, Banjara hills,  
Hyderabad – 500 034

**INTERNAL AUDITOR**

M/s. Ramana Reddy & Associates,  
Chartered Accountants

**BANKERS**

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

**AUDIT COMMITTEE:**

1. Mr. D. Venkata Subbiah	-	Chairman
2. Ms. Arpitha Reddy Mettu	-	Member
3. Mr. Mahesh A. Kuvadia	-	Member

**NOMINATION & REMUNERATION COMMITTEE:**

1. Mr. D. Venkata Subbiah	-	Chairman
2. Ms. Arpitha Reddy Mettu	-	Member
3. Mr. Mahesh A. Kuvadia	-	Member

**STAKEHOLDER RELATIONSHIP COMMITTEE:**

- |                            |   |          |
|----------------------------|---|----------|
| 1. Mr. D. Venkata Subbiah  | - | Chairman |
| 2. Ms. Arpitha Reddy Mettu | - | Member   |
| 3. Mr. Mahesh A. Kuvadia   | - | Member   |

**INDEPENDENT DIRECTORS COMMITTEE:**

- |                               |   |          |
|-------------------------------|---|----------|
| 1. Mr. D. Venkata Subbiah     | - | Chairman |
| 2. Mr. Mahesh Ambalal Kuvadia | - | Member   |
| 3. Ms. Arpitha Reddy Mettu    | - | Member   |
| 4. Mr. Satish Kumar Maddineni | - | Member   |

**RISK MANAGEMENT COMMITTEE:**

- |                              |   |          |
|------------------------------|---|----------|
| 1. Ms. Arpitha Reddy Mettu   | - | Chairman |
| 2. Mr. G. Rama Manohar Reddy | - | Member   |
| 3. Mr. Srinivasa Rao Mandava | - | 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

**LISTED AT** : BSE Limited

**ISIN** : INE778101024

**WEBSITE** : [www.aishwaryatechtele.com](http://www.aishwaryatechtele.com)

**INVESTOR E-MAIL ID** : [accounting@aishwaryatechtele.com](mailto:accounting@aishwaryatechtele.com)

**NOTICE**

NOTICE is hereby given that the 25th Annual General Meeting of the Members of Aishwarya Technologies and Telecom Limited will be held on Monday, the 19th day of October, 2020 at 11:00a.m through Video Conferencing/ Other Audio Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year ended as on that date along with Cash Flow Statement and notes (including consolidated financial statements) appended thereto together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in the place of Mr. G. Rama Manohar Reddy (DIN:00135900), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:****3. Sale of Investment in Subsidiary Company (Bhashwanth Power Projects Private Limited):**

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

RESOLVED THAT pursuant to Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such approvals, consents, sanctions and permissions, as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board", which term shall include a Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) for sale/transfer/disposal of up to 100% of its shareholding in its subsidiary Bhashwanth Power Projects Private Limited (hereinafter referred to as "BPPPL") for a consideration not less than the fair value

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution the Board of Directors of the Company or a duly authorized Committee thereof, be and is hereby authorized to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the sale/transfer/disposal of shares of BPPPL and to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith.

**4. Sale of property of the Company:**

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

RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 (the "Act") and rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the approval of the Lenders and all such approvals, consents, sanctions and permissions, as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), of the Company (hereinafter referred to as the "Seller"), to sell, dispose, hive-off and/or transfer "Kavadiguda property", including the building and all appurtenances thereto together with all assets, interests, privileges, titles, resources, debts, liabilities, encumbrances/mortgages and obligations of every nature related thereto for a consideration not less than Rs. 2,50,00,000/- (Rupees Two crores and fifty lakhs only) and with powers to the Board to agree to and accept such terms and conditions as may be stipulated by the lenders or any other authorities while according their consent or otherwise, as the Board of the Company may deem fit and appropriate in the interest of the Company;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution the Board of Directors of the Company or a duly authorized Committee thereof, be and is hereby authorized to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the sale/transfer of the aforementioned 'Kavadiguda property" and to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith.

**5. APPOINTMENT OF MR. BOLLA SREEKANTH AS INDEPENDENT DIRECTOR OF THE COMPNAY:**

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 Sections 149, 152 of the Companies Act, 2013 and Rules made their under, Mr. Bolla Sreekanth (DIN:05306196) who was appointed as 'Additional Director' in the category of Non-Executive Independent Director in the Board of the Company on 04.09.2020 and pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 ("the Act") read with Articles of Association of the Company , and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which the Annual General Meeting would have been held, whichever is earlier and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Bolla Sreekanth (DIN:05306196) as a candidate for the office of a Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from 4th September, 2020 to 3rd September, 2025."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to approve the terms and conditions and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

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

**Sd/-  
(K. Hari Krishna Reddy)  
Chairman and Whole-time Director  
(DIN: 01302713)**

**Place: Hyderabad  
Date: 25.09.2020**

**NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.aishwaryatechtele.com](http://www.aishwaryatechtele.com)
7. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
9. 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.
10. Shareholders holding shares in physical form may write to the company/company’s R&T agents for any change in their address/bank mandate; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.
11. The Register of Members and Share Transfer books of the company will remain closed from 13.10.2020 to 19.10.2020 (both days inclusive).
12. 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.
13. 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 Bigshare Services Private Ltd.,

14. 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 Bigshare Services Private Ltd., Share Transfer Agents of the Company for doing the needful.
15. Since securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, members holding shares in physical form are requested to get their shares dematerialized at the earliest.
16. 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.
17. 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.
18. 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.
19. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
20. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for 2019 - 20 will also be available on the Company's website [www.aishwaryatechtele.com](http://www.aishwaryatechtele.com) for their download. For any communication, the shareholders may also send requests to the Company's investor email id: [accounting@aishwaryatechtele.com](mailto:accounting@aishwaryatechtele.com).
21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
22. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
23. The attendance of the Members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
24. Instructions for e-voting and joining the AGM are as follows:

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- II. The remote e-voting period commences on 16th day, October 2020 (9:00 a.m. IST) and ends on 18th day, October, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on 12th day, October, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

- IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- V. The details of the process and manner for remote e-voting are explained herein below:
- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (ii) Click on Shareholders tab.
  - (iii) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (iv) Next enter the Image Verification as displayed and Click on Login.
  - (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<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"> <li>• 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.</li> <li>• 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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>Date of Birth (DOB)</b>	<p>Enter the 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"> <li>• If the details are not recorded with the depository or company please enter the member id / folio number as mentioned in instruction (iii).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Aishwarya Technologies and Telecom Limited> on which you choose to vote.
- (xi) 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.



- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) 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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**B. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:**

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**C. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS:**

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (iii) 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.
- (iv) The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- (v) 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.
- (vi) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address [viveksurana24@gmail.com](mailto:viveksurana24@gmail.com) and to the Company at the email address viz; [accounting@aishwaryatechtele.com](mailto:accounting@aishwaryatechtele.com)., if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**D. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING:**

- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- (ii) For Demat shareholders -, please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16-digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.

- (iii) The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

**E. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- (i) Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id [vizaccounting@aishwaryatechtele.com](mailto:vizaccounting@aishwaryatechtele.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

- (v) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Shiva Prasad Venishetty, Senior Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

- 25. SEBI has decided that securities of the listed companies can be transferred only in dematerialized form which effective from 05.12.2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
- 26. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of 12.10.2020.
- 27. M/s. Vivek Surana & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in accordance with the law. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The Results shall be declared on or after the AGM of the Company.

28. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
29. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 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  
Aishwarya Technologies and Telecom Limited**

**Sd/-  
(K. Hari Krishna Reddy)  
Chairman and Whole-time Director  
(DIN: 01302713)**

**Place: Hyderabad  
Date: 25.09.2020**

**EXPLANATORY STATEMENT**

Pursuant to Section 102(1) of the Companies Act, 2013

**ITEM NO 3&4:**

Pursuant to the Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, to cease the exercise of control in Subsidiary Company requires the prior approval of the shareholders by way of a special resolution.

The Company proposes to dispose off its entire shareholding in Subsidiary Company i.e. Bhashwanth Power Projects Private Limited and the Consideration shall not be less than the Fair Value.

Pursuant to section 180(1)(a) of the Companies Act, 2013 the board of Directors cannot sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings unless approval of the Members is obtained by way of a Special Resolution.

In this Context, in order to arrange funds, the Board has decided to dispose of its Subsidiary company Bhashwanth Power Projects Private Limited and sell, dispose, hive-off and/or transfer "Kavadiguda property", including the building and all appurtenances thereto together with all assets, interests, privileges, titles, resources, debts, liabilities, encumbrances/mortgages and obligations of every nature related thereto to meet the One time Settlement and other working Capital Requirements subject to members approval.

The consideration shall not be less than Rs. 2,50,00,000/- (Rupees Two crores and fifty lakhs only).

The Company has an outstanding amount of Rs. 65,457,294.77 to be paid to State Bank of India. The Company has received one time settlement from State Bank of India for settling its dues of Rs. 65,457,294.77 for a consolidated agreed amount of Rs. 5,85,00,000/-

None of the Director or Key Managerial Personnel of the Company or their respective relatives, except Mr. G. Rama Manohar Reddy, Whole-time Director and his relatives is in any way concerned or interested in the above Special Resolutions set out in the Notice.

Accordingly the Board of Directors recommend passing of the above Resolution as Special Resolution as set out in item Nos. 3&4 of the Notice.

**ITEM No. 5****APPOINTMENT OF MR. BOLLA SREEKANTH (DIN: 05306196) AS INDEPENDENT DIRECTOR OF THE COMPANY:**

Mr. Bolla Sreekanth (DIN: 05306196) was appointed as Additional Director on 4th September, 2020 in terms of Section 161 (1) of the Companies Act, 2013 in the category of 'Non-Executive Independent' in terms of the Companies Act, 2013, an Additional Director shall hold office up to the date of the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and be eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under Section 160 of the Companies Act 2013, for appointment of Mr. Bolla Sreekanth (DIN: 05306196) for the office of Director in Independent category.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. Bolla Sreekanth as 'Non-executive Independent Director' for a term up to 5 consecutive years commencing from the date of her appointment as Additional Director i.e. 4th September, 2020 to 3rd September, 2025.

Accordingly, the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no.5 of the notice for appointment of Mr. Bolla Sreekanth.

Save and except Mr. Bolla Sreekanth, Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:-

<b>Name of the Director</b>	<b>Mr. G. Rama Manohar Reddy</b>	<b>Mr. Bolla Sreekanth</b>
Date of Birth	04/05/1964	25/06/1985
Qualification	B. tech ,Electronics	MSc Mechanical Engineering
Expertise in specific functional areas	Has an experience of 25 years in Telecom Industry	Has an experiences as engineer for 10 years
Names of Listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL	NIL
No. of Shares held in the Company	4493026	NIL
Inter se relationship with any Director	NIL	NIL

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

**Sd/-  
(K. Hari Krishna Reddy)  
Chairman and Whole-time Director  
(DIN: 01302713)**

**Place: Hyderabad  
Date:25.09.2020**

## BOARDS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Directors' Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March 2020.

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

The performance of the Company during the year has been as under:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Total Income	<b>1131.58</b>	1315.18	<b>1131.58</b>	1315.18
Total Expenditure	<b>1985.94</b>	3335.56	<b>1986.32</b>	3336.00
Profit Before Tax	<b>(854.36)</b>	(2020.38)	<b>(854.74)</b>	(2020.82)
Provision for Tax	<b>(183.31)</b>	(572.54)	<b>(183.31)</b>	(572.54)
Profit after Tax	<b>(671.05)</b>	(1447.84)	<b>(671.43)</b>	(1448.28)
Minority interest	-	-	<b>0.81</b>	-
Other Comprehensive Income	<b>(8.16)</b>	13.24	<b>(8.16)</b>	13.24
Total Comprehensive Income	<b>(662.89)</b>	(1461.09)	<b>(662.46)</b>	(1461.53)
Earning per Equity Share- Basic & Diluted (in Rs.)	<b>(2.77)&amp;(2.77)</b>	(6.58)&(6.58)	<b>(2.77)&amp;(2.77)</b>	(6.12)&(6.12)

### REVIEW OF OPERATIONS:

#### Standalone

During the year under review your company has achieved sales and other income of Rs.1131.58 Lakhs and net loss of Rs.671.05 Lakhs as compared to sales and other income of Rs.1315.18 Lakhs and net loss of Rs.1447.84 Lakhs achieved in the previous financial year.

#### Consolidated

During the year under review your company has achieved sales and other income of Rs.1131.58 Lakhs and net loss of Rs.671.43 Lakhs as compared to sales and other income of Rs.1315.18 Lakhs and net loss of Rs.1448.28 Lakhs achieved in the previous financial year.

### 2. IMPACT OF COVID -19

The Company has not been impacted critically due to Covid-19 Pandemic. During most of the Lock down period there were issues due to various reasons (logistics, availability of man power etc.,) normal operating capacity utilization was not reached. The premise of going concern has not been impacted. The company did not avail any working capital or term loans to meet exigencies due to the pandemic.

### 3. CHANGE IN THE NATURE OF THE 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. RESERVES**

During the year your Company has not transferred any amount to General Reserve Account.

**5. DIVIDEND**

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

**UNPAID / UNCLAIMED DIVIDEND**

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor education and Protection Fund established by the Central Government.

During the year, no Unpaid Dividend to be transferred to Investor Education and Protection Fund as required under Section 124 read with Section 125 of the Companies Act 2013.

**6. MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report. 31.07.2020)

**7. BOARD MEETINGS:**

The Board of Directors duly met seven (7) times during the financial year from 1st April 2019 to 31st March 2020. The dates on which the meetings were held are 06.05.2019, 09.08.2019, 14.08.2019, 06.09.2019, 30.09.2019, 14.11.2019 and 13.02.2020.

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

- Mr. G. Rama Manohar Reddy is liable to retire by rotation, being eligible offers himself for reappointment.
- Mr. Venkateswara Rao Devineni is appointed as CFO with effect from 06.05.2019.
- Mrs. G. Amulya Reddy resigned as Whole-time Director with effect from 06.05.2019.
- Mr. G. Rama Manohar Reddy designation has been changed from Managing Director to Whole time Director of the Company w.e.f. 06.05.2019.
- Mr. Kesavaiah Modipalli and Mr. K. Rajender Reddy resigned as Independent Director with effect from 06.05.2019. The Board places on record their sincere appreciation for the services rendered by them during their tenure.
- Ms. Arpitha Reddy was appointed as Additional Director and was regularised as Independent Director in the Annual general Meeting w.e.f 14.08.2019.

**9. REVISION OF FINANCIAL STATEMENTS**

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

**10. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received declarations from Mr. Mahesh Ambalal Kuvadiah, Mr. D. Venkata Subbiah, Mr. Satish Kumar Maddineni Mrs. Arpitha Reddy Mettu 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.

The Independent Directors have also confirmed that they have complied Company's Code of Conduct.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

#### **11. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2019-20 are also disclosed on the Company's website at <https://www.aishwaryatechtele.com>.

#### **12. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:**

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

In accordance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is attached as an Annexure to the Corporate Governance Report.

#### **13. 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.

#### **14. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(3)(C) and 134(5) of the Companies Act, 2013 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts of the Company from time to time, we state as under:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That 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 or loss of the Company for that period;
3. That the Directors have 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;
4. That the Directors have prepared the annual accounts on a going concern basis;
5. That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **15. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

During the year, no amount is transferred to Investor Education and Provident Fund.



**16. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES / JOINT VENTURES:**

Bhashwanth Power Projects Private Limited is the subsidiary of the Company and there are no operations in the company.

**17. 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 is a part of this Annual Report in enclosed as Annexure-I.

**18. STATUTORY AUDITORS:**

The members of the Company in accordance with Section 139 of the Companies Act, 2013 had passed a resolution for appointment of M/s. CSV& Associates., as Statutory Auditors of the Company for a period of 5 years in the AGM held on 29.09.2017 to hold office up to the conclusion of 27th Annual General Meeting of the Company to be held in the financial year 2021 - 22 which was subject to ratification as per the provisions of Companies Act, 2013.

However, pursuant to notification from the MCA dated 07.05.2018, ratification of appointment of statutory auditors at every Annual General Meeting has been dispensed with.

**19. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

There have been no frauds reported by the auditor's u/s 143(12).

**20. INTERNAL AUDITORS:**

Pursuant to the provisions of Section 138 of the Companies read with rules made there under, the Board has appointed M/s. Ramana Reddy & associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2020-21.

**21. DISCLOSURE ABOUT COST AUDIT:**

Cost Audit is not applicable to the Company.

**22. SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, the Board has appointed M/s. Vivek Surana & Associates, Practising Company Secretaries to undertake Secretarial Audit of the Company for financial year ending 31.03.2020. The report of the Secretarial Auditor is enclosed herewith vide Annexure-II of this Report.

**23. QUALIFICATIONS IN AUDIT REPORTS:**

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made—

**(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2020. M/s CSV& Associates & Co., has issued the Audit report with unmodified opinion /unqualified opinion. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in the coming years.

**(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2020 on the Compliances according to the provisions of Section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks delay in filing the financial Results for the Year ended 31.03.2019 and delay in filing the unaudited financial Results (consolidated) for the Year ended 30.09.2019.

**24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given loans, Guarantees or made any investments during the year under review.

**25. RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature.

None of the Directors have any pecuniary relationship or transactions with the Company, except payments made to them in the form of remuneration, sitting fees and interest on unsecured loans.

The Company has not entered into any contracts/arrangements with related parties referred to Section 188(1) of the Companies Act, 2013 including certain arm length transaction during the year. Accordingly no disclosure or reporting is required covered under this Section.

**26. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

During the year under review no Company has become or ceased to become its subsidiaries, joint ventures or associate Company.

**27. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The required information as per Sec.134 (3) (m) 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. 12,47,135
Foreign Exchange Outgo	: Rs. 16,33,128

**28. COMMITTEES:****(I). AUDIT COMMITTEE:**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of SEBI (LODR) Regulations with the Stock Exchanges read with Section 177 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

**(II). NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of SEBI (LODR) Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

**(III). STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of

Regulation 20 of SEBI (LODR) Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

**(IV). RISK MANAGEMENT COMMITTEE AND POLICY:**

The Company has constituted a Risk Management Committee. The details of constitution of the Committee and its terms of reference are set out in the Report on Corporate Governance. The Company as formulated a Risk Management Policy under which various risks associated with the business operations is identified and risk mitigation plans have been put in place.

**29. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

In pursuant to the provisions of Section 177(9) &(10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements), 2015, a vigil Mechanism for Directors and employees to report genuine concerns has been established. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith.

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company.

**30. CORPORATE SOCIAL RESPONSIBILITY (CSR, COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY):**

Since the Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, 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.

**31. PUBLIC DEPOSITS:**

Your Company has not accepted any deposits falling within the meaning of Sec73, 74 & 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

**32. SIGNIFICANT & MATERIAL ORDERS PASSED BY COURTS / REGULATORS/ TRIBUNALS:**

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations except below:

**33. DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. 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.

**34. INSURANCE:**

The properties and assets of Company are adequately insured.

**35. CREDIT & GUARANTEE FACILITIES:**

The Company has availed Working Capital facilities and Term Loan from Banks. The Company has also given counter guarantee to Bankers for obtaining Bank Guarantee.

**36. SHARE CAPITAL**

The authorised share capital of the Company stands at Rs. 15,50,00,000/-.

The paid up share capital of the Company stands at Rs. 11,94,69,710/- divided into 2,38,93,942 equity shares of Rs.5/- each.

**37. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

The Company has implemented all of its major stipulations as applicable to the Company. As stipulated under Regulation 34 read with schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance duly audited is appended as Annexure III for information of the Members. A requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

**38. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report, pursuant to the SEBI (LODR) Regulation appended as Annexure IV for information of the Members.

**39. POLICIES:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website (<https://www.aishwaryatechtele.com>). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

Name of the policy	Brief Description	Website link
Board Diversity Policy	At Aishwarya Technologies and Telecom Limited, we believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.	<a href="https://www.aishwaryatechtele.com">www.aishwaryatechtele.com</a>
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel and other employees.	<a href="https://www.aishwaryatechtele.com">www.aishwaryatechtele.com</a>
Corporate Social Responsibility Policy	The policy is framed to outline the formation of the committee which directs the Company in implementing the programs relating to education and any other program as the Board may think fit.	<a href="https://www.aishwaryatechtele.com">www.aishwaryatechtele.com</a>
Policy on Material Subsidiaries	The policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company and to provide the governance framework for them.	<a href="https://www.aishwaryatechtele.com">www.aishwaryatechtele.com</a>
Related Party Transaction Policy	The policy regulates all transactions between the Company and its related parties	<a href="https://www.aishwaryatechtele.com">www.aishwaryatechtele.com</a>

**40. ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT:**

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

**41. STATUTORY COMPLIANCE:**

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

**42. 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.

**Committee:**

<b>Name</b>	<b>Designation</b>
Neha Bajaj	Presiding Officer
Vamsi Priya V	Member
Saritha A	Member
Disraeli Joji	External Member

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

- No. of complaints received during the financial year: Nil
- No. of complaints disposed of during the financial year: Nil
- No. of complaints pending at the end of the financial year: Nil

All employees are covered under this policy. During the year 2019-20, there were no complaints received by the Committee.

**43. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure V.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee in the said annexure is open for inspection at the registered office of the company during the working hours.

During the year NONE of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**44. 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 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr.K. Hari Krishna Reddy, Chairman and Whole-time Director, Mr. M. Srinivasa Rao , Managing Director, Mr. G. Rama Manohar Reddy, Whole-Time director and Mr. D. Venkateswara Rao, Whole-time Director and CFO to the median remuneration of the employees are 16:1, Nil, 4:1, 3:1 respectively.

**45. Consolidated IND AS financial statements:**

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') and Section 129 of the Companies Act, 2013, the Consolidated Financial Statements which have been prepared by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards (Ind AS) forms part of this Annual Report.

**46. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website (<http://aishwaryatechtele.com/Newsite/investors.php>)

**47. SECRETARIAL STANDARDS**

The Company is in compliance with the applicable secretarial standards.

**48. 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: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment of Shares: NA

**48 CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):**

There is no application filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT

**49. CEO/ CFO Certification**

The Managing Director cum CEO and CFO certification of the financial statements for the year 2019-20 is annexed in this Annual Report.

**50. ACKNOWLEDGEMENTS:**

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

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

**Sd/-  
(K. Hari Krishna Reddy)  
Chairman and Whole-time Director  
(DIN: 01302713)**

**Place: Hyderabad  
Date: 31.07.2020**

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**CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2019-20**

The shareholders,

**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 2019-20 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Aishwarya Technologies and Telecom Limited are 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.

I 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 2019-2020.

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

**Sd/-  
(K. Hari Krishna Reddy)  
Chairman and Whole-time Director  
(DIN: 01302713)**

**Place: Hyderabad  
Date: 31.07.2020**

**ANNEXURE - I  
FORM NO. MGT – 9**

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31st March, 2020**

**[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	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, Kawadiguda Hyderabad- 500080, Telangana
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Share 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	Telecommunication Equipment and Parts	4652	100%

**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.	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 Shareholders	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	
<b>A. Promoter</b>									
(1) Indian									
a) Individual / HUIF	6491941	1680000	8171941	34.20	6119941	1680000	7799941	32.64	(1.56)
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI's	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub Total (A) (1)</b>	6491941	1680000	8171941	34.20	6119941	1680000	7799941	32.64	(1.56)
(2) Foreign	--	--	--	--	--	--	--	--	--
a) NRI Individuals	--	--	--	--	--	--	--	--	--
b) Other Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub Total (A) (2)</b>	--	--	--	--	--	--	--	--	--
<b>Total Shareholding of Promoter (A)=(A)(1) + (A)(2)</b>	6491941	1680000	8171941	34.20	6119941	1680000	7799941	32.64	(1.56)
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--

c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt (s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
i) Others	--	--	--	--	--	--	--	--	--
<b>Sub Total (B) (1)</b>	--	--	--	--	-	--	-	-	-
<b>2. Non Institutions</b>									
a) Bodies Corporate									
i) Indian	2644453	--	2644453	11.07	3009659	-	3009659	12.60	1.53
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders holding nominal share capital up to Rs.1 Lakh	4109066	55241	4164307	17.43	3868513	55241	3923754	16.42	(1.01)
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh	8524110	24000	8548110	35.77	8440591	24000	8464591	35.42	(0.35)
c) Others									
i) IEPF	-	-	-	-	-	-	-	-	-
ii) Clearing members	39215	--	39215	0.16	34428	-	34428	0.14	(0.02)
iii) Non-Resident Indian (NRI)	140644	0	140644	0.59	150643	0	150643	0.63	0.04
iv) Employees	101466	1224	102690	0.43	101466	1224	102690	0.43	-
v) NBFC registered with RBI	82582	-	82582	0.35	82582	-	82582	0.35	-
vi) HUF	-	-	-	-	325654	-	325654	1.36	1.36
<b>Sub Total (B) (2)</b>	15641536	80465	15722001	65.80	16013536	80465	16094001	67.36	(1.56)
<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	15641536	80465	15722001	65.80	16013536	80465	16094001	67.36	(1.56)
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>	--	--	--	--	--	--	--	--	--
<b>GRAND TOTAL (A+B+C)</b>	<b>22133477</b>	<b>1760465</b>	<b>23893942</b>	<b>100</b>	<b>22133477</b>	<b>1760465</b>	<b>23893942</b>	<b>100</b>	<b>--</b>

**(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year(as on 01-04-2019)			Shareholding at the end of the year (as on 31-03-2020)			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	G Rama Manohar Reddy	5900990	24.70	--	5900990	24.70	--	--
2.	G Rama krishna Reddy	372000	1.56	--	--	--	--	(1.56)
3.	C Peda Bapulu	224329	0.94	--	224329	0.94	--	--
4.	G Amulya Reddy	605608	2.53	--	605608	2.53	--	--
5.	Veera Baba Reddy Pendru	45117	0.19	--	45117	0.19	--	(0.01)
6.	Venkata Rami Reddy Gorla	30895	0.13	--	30895	0.13	--	(0.01)
7.	G Manda Reddy	30040	0.13	--	30040	0.13	--	(0.01)
8.	Venkata Sundara Ramgopal Achanta	6000	0.03	--	6000	0.03	--	-
9.	Pidugu Ganga Reddy	6000	0.03	--	6000	0.03	--	-
10.	Binu Bhansali	4800	0.02	--	4800	0.02	--	-
11.	Yemula Pavani	1000	0.00	--	1000	0.00	--	-
12.	NayansukhReddy Baddam	619132	2.59	--	619132	2.59	--	(0.28)
13.	G. Shailaja	152167	0.64	--	152167	0.64	--	(0.07)
14.	Rahul Katpally	112457	0.47	--	112457	0.47	--	(0.05)
15.	K. Prashanthi Reddy	54668	0.23	--	54668	0.23	--	(0.02)
16.	K V Ramana Reddy	6738	0.03	--	6738	0.03	--	-

## (iii) Change in Promoters' Shareholding:

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.	G Rama Krishna Reddy				
	At the beginning of the year	372000	1.56	372000	1.56
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/sweat equity etc.):	Sale:		372000	1.56
	At the End of the year			--	--

## (iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS):

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase /Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Srinidhi Infin Limited	0	0.00	10.05.2019	260000	Transfer	260000	1.088
				24.05.2019	200000	Transfer	460000	1.92
				14.06.2019	51359	Transfer	511359	2.14
				23.08.2019	(325000)	Transfer	186359	0.77

				30.08.2019	32397	Transfer	218756	0.91
				06.09.2019	676550	Transfer	895306	3.74
2.	Invest Smart India Private Limited	936169	3.92	23.08.2019	175000	Transfer	761169	3.18
3.	Invest Direct India Private Limited	773552	3.23	23.08.2019	225000	Transfer	548552	2.29
4.	P. Sateesh Chand	462910	1.93	-	-	-	462910	1.93
5	Sudha Rani Kallam	579867	2.61	14.02.2020	(336016)	Transfer	243851	1.02
				06.03.2020	434093	Transfer	677944	2.83
				20.03.2020	(434093)	Transfer	243851	1.02
				27.03.2020	434093	Transfer	677944	2.83
6	Rajeev Reddy Yeduguru	229492	0.96	27.09.2019	100000	Transfer	329492	1.38
7.	Rajendra Nani Wadekar	415612	1.74	07.06.2019	(4300)	Transfer	411312	1.72
				14.06.2019	(8337)	Transfer	402975	1.68
				27.09.2019	1000	Transfer	403975	1.69
				04.10.2019	(11002)	Transfer	392973	1.64
				11.10.2019	7618	Transfer	400591	1.67
				18.10.2019	(517)	Transfer	400074	1.67
				21.02.2020	10	Transfer	400084	1.67
8.	Veni Veeramachaneni	314903	1.32	-	-	-	314903	1.31
9.	Endreddy Koti Reddy	189239	0.79	05.04.2019	300	Transfer	189539	0.79
				12.04.2019	4307	Transfer	193846	0.81
				19.04.2019	3256	Transfer	197102	0.82
				26.04.2019	5000	Transfer	202102	0.84
				24.05.2019	77001	Transfer	279103	1.16
				21.06.2019	2700	Transfer	281803	1.17
				09.08.2019	1180	Transfer	282983	1.18
				16.08.2019	3270	Transfer	286253	1.19
				13.09.2019	2429	Transfer	288682	1.20
				20.09.2019	1700	Transfer	290382	1.21
				27.09.2019	7431	Transfer	297813	1.24
30.09.2019	805	Transfer	298618	1.244				

				04.10.2019	6637	Transfer	305255	1.27
				11.10.2019	7165	Transfer	312420	1.30
				18.10.2019	1	Transfer	312421	1.30
10.	Nayansikh Reddy Baddam	308000		10.05.2019	260000	Transfer	48000	0.20

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase /Decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company
<b>A</b>	<b>Directors</b>							
1	K. Harikrishna Reddy	1320046	5.34	-	-	-	1320046	5.34
2	G. Rama Manohar Reddy	5900990	24.70	-	-	-	5900990	24.70
3	D. Venkata Subbiah	-	-	-	-	-	-	-
4	Mahesh Ambalal Kuvadia	-	-	-	-	-	-	-
5	M. Srinivasa Rao	-	-	-	-	-	-	-
6	Satish Kumar Maddineni	-	-	-	-	-	-	-
7.	D. Venkateswara Rao	-	-	-	-	-	-	-
8.	Arpitha Reddy Mettu	-	-	-	-	-	-	-
<b>B.</b>	<b>Key Managerial Personnel</b>							
1.	Khush Mohammad	-	-	-	-	-	-	-

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	72,89,600	-	72,89,600
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	72,89,600	-	72,89,600
<b>Change in Indebtedness during the financial year</b>				
Addition	-	1,49,60,000	-	1,49,60,000
Reduction	-	58,30,012	-	58,30,012
<b>Net Change</b>	-	<b>91,29,988</b>	-	<b>91,29,988</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	1,64,19,588	-	1,64,19,588
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	1,64,19,588	-	1,64,19,588

**V. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S. No	Particulars of Directors	G. Rama Manohar Reddy (Whole-time Director)	K. Hari Krishna Reddy (Executive Director)	M. Srinivasa Rao (Managing Director)	D.V. Rao	Total Amount (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.	18,00,000	66,00,000	NIL	13,20,000	97,20,000
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-

4.	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	Others	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	18,00,000	66,00,000	--	13,20,000	97,20,000
	<b>Ceiling as per the Act</b>	As per ceiling limit	As per ceiling limit	As per ceiling limit	As per ceiling limit	As per ceiling limit

**B. Remuneration to other Directors:**

SL No	Particulars of Remuneration	Name of Directors				Total Amount (Rs)
		D. Venkata Subbaiah	Mahesh Ambalal Kuvadia	M Satish Kumar	Arpitha Reddy Mettu	
1	<b>Independent Directors</b>					
	Fee for attending Board /Committee Meetings	35,000	35,000	35,000	20,000	1,25,000
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	<b>Total (1)</b>					
2	<b>Other Non-Executive Directors</b>					
	Fee for attending Board/Committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B) = (1+2)</b>	35,000	35,000	35,000	20,000	1,25,000
	Total Managerial Remuneration					98,45,000
	Overall Ceiling as per the Act					As per ceiling limit



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

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary Khush Mohammad	CFO	Total (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	-	2,40,000	*mentioned in above table A. in respect of remuneration of MD, WTD etc.	2,40,000
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify.....	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	-	2,40,000	-	2,40,000

**VI. 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)
<b>A. COMPANY</b>					
Penalty					
Punishment	<b>NIL</b>				
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment	<b>NIL</b>				
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment	<b>NIL</b>				
Compounding					

**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 of Managerial Personnel) Rules, 2014  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

To,

The Members

**Aishwarya Technologies and Telecom Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 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, Minutes 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, 2019 and ended 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes 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, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2020 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under;
  - (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 there under;
  - (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;
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 2019-20:-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures, wherever applicable.**
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. www.aishwaryatechtele.com**
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable as the company has not issued any shares during the year under review.**
  - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
  - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities during the year under review.**

- vi. 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 as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the company has Bigshare Services Private Limited as its Share Transfer Agent.**
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- ix. Other applicable laws include the following:
- ix. Other applicable laws include the following:
  - 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

**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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above including the following:

- a) During the year the Company has conducted 7 meetings of the Board of Directors, 4 meetings of the Audit committee, 1 Meetings of Stakeholder Relationship Committee, 2 Nomination and Remuneration Committee Meeting and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
- b) 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
  - (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 Company has a CFO, D. Venkateswara Rao and Mr. Khush Mohammad as Company Secretary and Compliance officer. .
- The Company has internal auditors namely M/s. Ramana Reddy & Associates, Chartered Accountants, Hyderabad.

- The Company has made a delay in filing the Audited financial results for the year ended 31.03.2019 and delay in filing the unaudited financial Results(consolidated) for the quarter ended 30.09.2019 with BSE Limited.
- 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.
FY 2009-10	91,507
FY 2010-11	60,545

- The Company has made a delay in filing the Audited financial results for the year ended 31.03.2019 and delay in filing the unaudited financial Results(consolidated) for the quarter ended 30.09.2019 with BSE Limited.
- The website of the Company contains policies as specified by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013.
- 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.
- The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.
- 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**

**UDIN:A024531B000523326**

**Place: Hyderabad**

**Date: 29.07.2020**

**Annexure A**

To

The Members of

Aishwarya Technologies and Telecom Limited

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

1. Maintenance of secretarial record 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**

**UDIN:A024531B000523326**

**Place: Hyderabad**

**Date: 29.07.2020**

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of

Aishwarya Technologies and Telecom Limited

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of corporate governance by Aishwarya Technologies and Telecom Limited ("the company") for the year ended 31st March, 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with BSE Limited.

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.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations

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  
UDIN:A024531B000523326**

**Place: Hyderabad  
Date: 29.07.2020**

**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.

**ANNEXURE-III****CORPORATE GOVERNANCE REPORT**

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Aishwarya Technologies and Telecom Limited as follows:

Aishwarya Technologies and Telecom Limited are 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 CORPORATE 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, 2020. The Report is updated as on the date of the report wherever applicable.

**BOARD DIVERSITY:**

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website.

**1. BOARD OF DIRECTORS****A. COMPOSITION OF THE BOARD**

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive and Independent Directors headed by the Chairman & Whole-time Director. As on date of this report, the Board of Directors of the Company has 8 members (including four independent Non-Executive Directors) with vast experience and knowledge. 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/she is a Director.

The Board has been enriched with the advices and skills of the Independent Directors. The composition of the Board of Directors and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:



Sl. No	Name of the Director	Category	Number/Name of Directorships in other Listed Companies		Number of Board Committee memberships held in other Companies		Attendance Particulars		
					Member	Chairman	Last AGM 28.09.2019	Board meetings 19-20'	
			Number	Name				Held	Attended
1.	Mr. K. Hari Krishna Reddy	Chairman & Whole-time Director	-	-	-	-	Yes	7	7
2.	Mr. G. Rama Manohar Reddy	Whole-Time Director	-	-	-	-	Yes	7	7
3.	*Mrs. G. Amulya Reddy	Whole-Time Director	-	-	-	-	--	1	1
4.	Mr. Srinivasa Rao Mandava	Managing Director	-	-	1	-	Yes	7	7
5.	Mr. D. Venkateswara Rao	Whole-Time Director cum CFO	-	-	-	-	Yes	7	7
6.	Mr. D. Venkata Subbiah	Non Executive Independent Director	-	-	-	-	Yes	7	7
7.	Mr. Mahesh Ambalal Kuvadla	Non Executive Independent Director	1	Kesar Enterprises Limited	3	1	--	7	7
8.	Mr. Satish Kumar Maddineni	Non Executive Independent Director	-	-	-	-	Yes	7	7
9.	#Mr. B. Lakshmi Narayana	Non Executive Independent Director	-	-	-	-	--	1	1
10.	^Mrs. Arpitha Reddy Mettu	Non Executive Independent Director	-	-	-	-	Yes	5	5

\* Resigned w.e.f. 06.05.2019

# Appointed on 06.05.2019 and resigned on 14.08.2019

^ Appointed w.e.f. 14.08.2019

**B. DETAILS OF SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:**

S. No	Names of the Director	Existing Skills/Expertise/Competence
1	Mr. K. Hari Krishna Reddy	Chartered Accountant
2	Mr. G. Rama Manohar Reddy	B Tech Electronics
3	Mr. Srinivasa Rao Mandava	B Tech Mechanical engineer
4	Mr. D. Venkateswara Rao	B Com
5	Mr. Mahesh Ambalal Kuvadia	Fellow Company Secretary
6	Mr. D. Venkata Subbiah	B tech
7.	Mr. Satish Kumar Maddineni	MBA
8.	Mrs. Arpitha Reddy Mettu	B tech

**C. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE**

No Directors have any inter se relation with each other.

**D. INFORMATION SUPPLIED TO THE BOARD:**

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CFO is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and its status monitoring
- Fatal or serious accidents, injuries or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Significant labor problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes

- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Non-Executive Directors of the Company does not holds any Shares/ Convertible warrants in their name.

**F. INDEPENDENT DIRECTORS**

The Company has complied with the definition of Independence as per Regulation 16(1) (b) of the SEBI (LODR), Regulations, 2015 and according to the Provisions of Section 149(6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013.

The Board has confirmed that in its opinion, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

During the year under review, Mr. Kesavaiah Modipalli and Mr. K. Rajender Reddy resigned as Independent Director with effect from 06.05.2019, i.e. before expiry of their tenure due to the their commitments and Preoccupations. There is no other material reason other than this.

**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 13.02.2020, 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 eligible to attend 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.

**H. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2019-20 are also disclosed on the Company's website at <https://www.aishwaryatechtele.com>.

**I. Performance Evaluation of Board, Committees and Directors:**

An Independent Directors' meeting, in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations, was convened on February 13, 2020, mainly to review the performance of Independent Directors and the Whole Time Director as also the Board as a whole. All Independent Directors were present at the said meeting.

- Board: Composition, responsibilities, stakeholder value and responsibility, Board development, diversity, governance, leadership, directions, strategic input, etc.

- Executive Directors: Skill, knowledge, performance, compliances, ethical standards, risk mitigation, sustainability, strategy formulation and execution, financial planning & performance, managing human relations, appropriate succession plan, external relations including CSR, community involvement and image building, etc.
- Independent Directors: Participation, managing relationship, ethics and integrity, Objectivity, bringing independent judgement, time devotion, protecting interest of minority shareholders, domain knowledge contribution, etc.
- Chairman: Managing relationships, commitment, leadership effectiveness, promotion of training and development of directors etc.
- Committees: Terms of reference, participation of members, responsibility delegated, functions and duties, objectives alignment with company strategy, composition of committee, committee meetings and procedures, management relations.

Performance evaluation was done on the scale of 1 to 5, 1 being very poor and 5 being outstanding. The outcome of performance evaluation is given below:

Categories	Rating (out of 5)
Board as a whole	4.90
<b>Individual Directors</b>	
Mr. K. Hari Krishna Reddy	4.95
Mr. G. Rama Manohar Reddy	4.94
Mr. Srinivasa Rao Mandava	4.95
Mr. D. Venkateswara Rao	4.90
Mr. Mahesh Ambalal Kuvadia	4.46
Mr. D. Venkata Subbiah	4.72
Mr. Satish Kumar Maddineni	4.3
Ms. Arpitha Reddy Mettu	4.1
Audit Committee	5.00
Stakeholder Relationship Committee	4.93
Nomination & Remuneration Committee	4.92
Independent Directors Committee	4.85

2. AUDIT COMMITTEE: (Audit Committee constituted in terms of sec. 177 of Companies Act, 2013 read with reg. 18 of SEBI (LODR) Regulations, 2015)

#### A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, interalia, includes

1. Over view of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement reflects a true and fair position and that sufficient and credible information is disclosed.
2. Recommending the appointment and removal of statutory auditors, internal auditors and cost auditors, fixation of their audit fees and approval for payment of any other services.
3. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

4. Reviewing the financial statement and draft audit report, including quarterly/half yearly financial information.
5. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
  - i) Any changes in accounting policies and practices.
  - ii) Major accounting entries based on excises of judgment by the management.
  - iii) Qualifications in draft audit report.
  - iv) Significant adjustment arises out of audit.
  - v) The going concern assumption.
  - vi) Compliance with accounting standards, stock exchange and legal requirement concerning financial statements.
  - vii) Review and approval of related party transactions.
6. Reviewing the company's financial and risk management's policies.
7. Disclosure of contingent liabilities.
8. Reviewing with management, external and internal auditors, the adequacy of internal control systems.
9. 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.
10. Discussion with internal auditors of any significant findings and follow-up thereon.
11. 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.
12. 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.
13. Reviewing compliances as regards the Company's Whistle Blower Policy.
14. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
15. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
16. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

#### B. COMPOSITION, MEETINGS & ATTENDANCE

There were four (4) Audit Committee Meetings held during the year on 06.05.2019, 14.08.2019, 14.11.2019 and 13.02.2020.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr.Venkata Subbiah Dintakurthi	Chairman	Independent, Non-Executive	4	4
^Mrs. Arpitha Reddy Mettu	Member	Independent, Non-Executive	3	3
\$Mr. Mahesh A Kuvadia	Member	Independent, Non-Executive	4	4
\$\$Mr. B. Laxminarayana	Member	Independent, Non-Executive	1	1

^ appointed w.e.f. 14.08.2019

\$ appointed as member w.e.f. 06.05.2019

\$\$ appointed w.e.f 06.05.2019 and resigned on 14.08.2019

- C. Previous Annual General Meeting of the Company was held on 28th September 2019 and Mr. Venkata Subbiah Dintakurthi, Chairman of the Audit Committee for that period, attended previous AGM.

### 3. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

#### 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.
- devising a policy on diversity of board of directors;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.
- 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 & ATTENDANCE

There were two Nomination and Remuneration Committee Meetings held during the financial year on 06.05.2019, 14.08.2019.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. Venkata Subbiah Dintakurthi	Chairman	Independent, Non-Executive	2	2
^Mrs. Arpitha Reddy Mettu	Member	Independent, Non-Executive	1	1
\$Mr. Mahesh A Kuvadia	Member	Independent, Non-Executive	2	2
\$\$Mr. B. Laxminarayana	Member	Independent, Non-Executive	1	1

^ appointed w.e.f. 14.08.2019

\$ appointed as member w.e.f. 06.05.2019

\$\$ appointed w.e.f 06.05.2019 and resigned on 14.08.2019

**C. 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.

**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 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 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 prescribed, from time to time, under the companies Act, 2013, 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 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-

- who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- who is or was not a promoter of the Company or its holding, subsidiary or associate Company;
  - who is not related to promoters or Directors of the Company its holding, subsidiary or associate Company
- 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;
- 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;
- who, neither himself nor any of his relative-
  - 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;
  - 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 firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
    - 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;
  - holds together with his relatives two per cent or more of the total voting power of the Company; or
  - 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
  - is a material supplier, service provider or customer or a lesser or lessee of the Company.
- 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 for Directors, key managerial personnel and other employees:

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.

### **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) Retrial 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.

### D. MECHANISM FOR EVALUATION OF THE BOARD

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given six Forms for evaluation of the following:

- (i) Evaluation of Board;
- (ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson;
- (v) Evaluation of Non-Executive and Non-Independent Directors; and
- (vi) Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

1. Could do more to meet expectations;
2. Meets expectations; and
3. Exceeds expectations.

The Directors have sent the duly filled forms to Nomination & Remuneration committee. Based on the evaluation done by the Directors, the Committee has prepared a report and submitted the Evaluation Report. Based on the report, the Board of Directors has informed the rankings to each Director and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

#### E. REMUNERATION TO DIRECTORS

- (a) all pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity shall be disclosed in the annual report;
- (b) criteria of making payments to non-executive directors. alternatively, this may be disseminated on the listed entity's website and reference drawn thereto in the annual report;
- (c) disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made:
  - (i) all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;
  - (ii) details of fixed component and performance linked incentives, along with the performance criteria;
  - (iii) service contracts, notice period, severance fees;
  - (iv) stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

Name of the Director	Remuneration	Sitting Fees	Total (Rs)	No. of Shares held
Mr. K. Hari Krishna Reddy	66,00,000	-	66,00,000	13,20,046
Mr. G. Rama Manohar Reddy	18,00,000	-	18,00,000	59,00,990
Mr. D. Venkata Subbiah	-	35,000	35,000	-
Mr. Srinivasa Rao Mandava	-	-	-	-
Mr. D. Venkateswara Rao	12,10,000	-	12,10,000	-
Mr. Mahesh Ambalal Kuvadiah	-	35,000	35,000	-
Mr. M. Srinivas Kumar	-	35,000	35,000	-
Mrs. Arpitha Reddy Mettu	-	20,000	20,000	-

**4. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the year April 2019 to March 2020, one (1) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are 13.02.2020.

**A. COMPOSITION AND ATTENDANCE FOR MEETINGS:**

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr.Venkata Subbiah Dintakurthi	Chairman	Independent, Non-Executive	1	1
Mrs. Arpitha Reddy Mettu	Member	Independent, Non-Executive	1	1
\$Mr. Mahesh A Kuvadia	Member	Independent, Non-Executive	1	1

**B. NAME AND DESIGNATION OF COMPLIANCE OFFICER**

Mr. Khush Mohammad, Company Secretary of the Company is the compliance officer of the Company.

**C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2019-20**

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2020
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**

The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of Regulation 21 of SEBI (LODR) Regulations, 2015

**A. 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.

**B. COMPOSITION**

The composition of the Risk Management Committee as under:

Name	Designation	Category
Arpitha Reddy Mettu	Chairman	Non-Executive Independent
G. Rama Manohar Reddy	Member	Executive
Mr. M. Srinivasa Rao	Member	Executive

No meeting held during the year 2019-20.

## 7. GENERAL BODY MEETINGS

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

Year	Date	Time	Venue	Special Resolution Passed
2016-17	29.09.2017	10:30 A.M.	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	Yes
2017-18	30.11.2018	11.00 A.M	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	--
2018-19	28.09.2019	11.00 A.M	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	Yes

No Extra-ordinary General Meetings / Postal ballot was held during the year 2019-20.

## 8. MEANS OF COMMUNICATION:

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Regulation 33 of SEBI (LODR), Regulations, 2015 within forty five days/sixty days of the close of the respective period.
- The approved financial results are forthwith sent to the listed Stock Exchanges and are published in the newspapers namely, The Financial Express and Andhra Prabha within forty-eight hours of approval thereof.
- As the Company's quarterly/half yearly financial results are published in press, the same are not mailed to the Shareholders.
- These financial statements, press releases are also posted on the Company's website [www.aishwaryatechtele.com](http://www.aishwaryatechtele.com)

## 9. General Shareholders Information:

•	Company Registration Details	The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is
•	Date	19th October, 2020
•	Time	11:00 A.M
•	Venue of AGM	Video Conference

•	Tentative Schedule for considering Financial Results:	
•	For the Quarter ending June, 2020	August /September, 2020
•	For the Quarter ending September, 2020	October/ November,2020
•	For the Quarter ending December, 2020	January/ February, 2021
•	For the Quarter/year ending March, 2021	April/ May,2021
•	Date of Book Closure	13.10.2020 to 19.10.2020
•	Dividend Payment date	--
•	Listing on Stock Exchanges	BSE Limited
•	Scrip Code	539287
•	ISIN Number for NSDL & CDSL	INE778I01024
•	Payment of annual listing fees to stock exchanges	Paid to BSE, where the shares of the Company are listed
•	Registrars & Transfer Agents Address for correspondence:	To be addressed to: Bigshare Services Private Limited 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital Somajiguda, Rajbhavan Road, Hyderabad 500082, Telangana
•	Investor Correspondence / Query on Annual Report, etc.	Mr. Khush Mohhamad Company Secretary Aishwarya Technologies and Telecom Limited 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad-500080, Andhra Pradesh. Ph.Nos:040- 27531324/25/26 Fax: 040-27535423 Email: sales@aishwaryatechtele.com Web: www.aishwaryatechtele.com
•	The company is in compliance with Corporate Governance requirements specified in Regulations 17 to 27 and Clause (b) to (i) of Sub- Regulation (2) of Regulation 46	

**A. Depository Services:**

For guidance on Depository services, shareholders may write to the Company or to the respective Depositories

<p>National Securities Depository Ltd, Trade World, 4th Floor, Kamala Mills Compound, SenapatiBapatMarg, Lower Patel, Mumbai - 400 013. Tel: 022-24994200 Fax: 022-24972993/24976351 Email: info@nsdl.co.in</p>	<p>Central Depository Services (I) Ltd. PhirozeJeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai– 400 023. Tel: 022-22723333, 022-22723224 Fax: 022-22723199 Email: investors@cDSLindia.com</p>
<p>Nomination Facility :</p>	<p>Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under the provisions of the Companies Act,2013 are requested to submit to the RTA in the prescribed form for this purpose.</p>
<p>Company's Policy on prevention of insider trading :</p>	<p>Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company had framed a Code of Conduct for prevention of insider trading. Mr. Khush Mohhamad, Company Secretary, has been appointed as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company, who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.</p>

**B. Share Transfer System:**

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized form. Transfer of these shares is done through depositories with no involvement of the Company. However, all requests received for transfer of shares for off market transaction in physical form furnishing with a copy of PAN card of the transferee(s) in compliance with the SEBI circular in that behalf, are processed by the Registrars and Transfer Agents. The Share Transfers are registered and returned within a period of 15 day from the date of lodgement, if documents are complete in all respect.

All matters pertaining to share transfer in physical form are handled by the Registrars and Share Transfer Agents M/s. Bigshare Services Private Limited, Hyderabad, who is registrar to the Company. The share transfer requests are processed by them and a transfer register is sent to the Company for approval once in a fortnight. There were no share transfers pending as on 31st March 2020.

Outstanding GCRs/ADRs/Warrants or any convertible instruments, Conversion date and likely impact of equity:

We have no GDRs/ADRs or any commercial instrument.

**C. Market price data:**

Monthly High/Low of market price of the Company's shares traded on the BSE Limited.

S. No.	Month	High (Rs.)	Low (Rs.)
1	April, 2019	2.29	2.20
2	May, 2019	2.28	2.00
3	June, 2019	2.69	2.00
4	July, 2019	2.19	1.61
5	August, 2019	1.75	1.52
6	September, 2019	2.64	1.58
7	October, 2019	3.73	2.58
8	November, 2019	3.15	2.82
9	December, 2019	2.87	1.58
10	January, 2020	1.58	1.52
11	February, 2020	1.75	1.49
12	March, 2020	1.49	0.97

**D. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2020:**

Category code	Category of Shareholder	Total Number of shares	% of share holding	Shares pledged or otherwise encumbered	
				Number of Shares	As a percentage
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian				
a.	Individuals/Hindu Undivided Family	77,99,941	32.64	--	--
b.	Central Government/State Government(s)	--	--	--	--
c.	Bodies Corporate	--	--	--	--
d.	Financial Institutions/Banks	--	--	--	--
	Others :-	--	--	--	--
e.	Mutual Funds	--	--	--	--
f.	Trusts	--	--	--	--
	Sub Total (A)(1)	77,99,941	32.64	--	--
(2)	Foreign				
a.	Individuals (Non Resident Individuals/Foreign Individuals)	--	--	--	--
b.	Bodies Corporate	--	--	--	--
c.	Institutions	--	--	--	--
	Others :-	--	--	--	--



d.	Overseas Corporate Bodies	--	--	--	--
	Sub Total (A)(2)	--	--	--	--
	Total Shareholding of Promoter and Promoter Group	77,99,941	32.64	--	--
	(A)=(A)(1)+(A)(2)	77,99,941	32.64	--	--
(B)	Public Shareholding			--	--
(1)	Institutions	--	--	--	--
a.	Mutual Funds/UTI	--	--	--	--
b.	Financial Institutions/Banks	--	--	--	--
c.	Central Government/State Government(s)	--	--	--	--
d.	Venture Capital Funds	--	--	--	--
e.	Insurance Companies	--	--	--	--
f.	Foreign Institutional Investors	--	--	--	--
g.	Foreign Venture Capital Investors	--	--	--	--
h.	Foreign Companies	--	--	--	--
	Sub Total (B)(1)	--	--	--	--
(2)	Non-Institutions			--	--
a.	Bodies Corporate	2644453	11.07	--	--
b.	Individuals			--	--
	i)Individual shareholders holding nominal share capital up to Rs.2 lakh	47,91,329	20.05	--	--
	ii)Individual shareholders holding nominal share capital in excess of Rs.2 lakh	75,97,016	31.79	--	--
c.	Any Others : -			--	--
	i) Non Resident Individuals	1,50,643	0.63	--	--
	ii) Overseas Corporate Bodies	--	--	--	--
	iii)Trusts	--	--	--	--
	iv)Employees	102690	0.43	--	--
	v)Clearing Members	34428	0.14	--	--
	vi)Foreign Nationals	--	--	--	--
	vii) NBFCs registered with RBI	82582	0.35	--	--
	Viii) HUF	325654	1.36		
	Sub Total (B)(2)	1,60,94,001	67.36	--	--
	Total Public Shareholding (B)=(B)(1)+(B)(2)	1,60,94,001	67.36	--	--
	Total (A)+(B)	<b>23893942</b>	<b>100.00</b>	--	--
(C)	Shares held by Custodians and against Depository Receipts have been Issued	--	--	--	--
	Grand Total (A)+(B)+(C)	<b>23893942</b>	<b>100.00</b>	--	--

**E. Distribution of Shareholding as on 31.03.2020**

SL. NO.	Nominal Value	Holders	Holders %	Amount	Amount %
1	Upto - 5000	4970	84.7978	1217942	5.09
2	5001 - 10000	328	5.5963	523403	2.19
3	10001 - 20000	201	3.4294	589350	2.47
4	20001 - 30000	106	1.8086	532013	2.22
5	30001 - 40000	42	0.7166	299612	1.25
6	40001 - 50000	34	0.5801	321287	1.34
7	50001 - 100000	57	0.9725	831723	3.48
8	100001 and above	123	2.0986	18234612	76.31
	<b>TOTAL</b>	<b>5961</b>	<b>100.00</b>	<b>23893942</b>	<b>100.00</b>

**F. DEMATERIALISATION & LIQUIDITY OF SHARES:**

Dematerialization and 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 INE778101024. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

Mode	No. of shares	% of total paid up
CDSL	1,46,06,737	61.13
NSDL	75,26,740	31.5
Physical	17,60,465	7.37
Total	<b>2,38,93,942</b>	<b>100.00</b>

**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 during the financial year: Nil
- No. of complaints disposed off during the financial year: Nil
- No. of complaints pending at the end of the financial year: Nil

**8. 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:

Sl. No	Action taken by	Details of Violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company secretary, if any
1.	BSE	Regulation 33- Delay in filing financial results for the quarter ended 31.03.2019	Penalty imposed	The Company is yet to pay the Penalty.
2.	BSE	Regulation 33- Delay in filing financial results by for the quarter ended 30.09.2019	Penalty imposed	The Company is yet to pay the Penalty.
3.	BSE	Regulation 34 – Late Submission of Annual report for the Financial year 2018-19	Penalty imposed	Penalty waived off by BSE
4.	BSE	Regulation 6(1) – non appointment of company secretary and compliance officer for the period 01.01.2019 -31.03.2019	Penalty imposed	The Company is yet to pay the Penalty.

#### C. WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI Regulations 2015 and in terms of Section 177 of the Companies Act, 2013

With a view to adopt the highest ethical standards in the course of business, 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 has been denied access to the Chairman of 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.

#### E. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2019-20

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, 2020 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015

**F. 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:

The Company has an Executive Chairman and the Board is having required number of Independent directors.

The financial Statements are free from any Audit Qualifications.

**G. NON COMPLAINE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT**

The Company has complied with all the requirements relating to the Corporate Governance Regulation as per SEBI (LODR) Regulations, 2015.

**H. WEB LINKS**

Policy for determining material subsidiaries - [https://www.ortinlabsindia.com/investors/Policies/Material subsidiaries.pdf](https://www.ortinlabsindia.com/investors/Policies/Material%20subsidiaries.pdf)

Policy on dealing with related party transactions - [https://www.aishwaryatechtele.com/investors/Policies/Related Party transaction policy.pdf](https://www.aishwaryatechtele.com/investors/Policies/Related%20Party%20transaction%20policy.pdf)

**I. 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.

**I. RECONCILIATION OF SHARE CAPITAL:**

A qualified Practicing Company Secretary carry out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Reconciliation of Share Capital Audit Report confirms that the total paid up capital was in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**J. 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 133 of the Companies Act, 2013.

K. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

L. The Company has established an appropriate mechanism for dealing with complaints in relation to Sexual Harassment of Women at Workplace, in accordance with its Policy on Prevention of Sexual Harassment at Workplace ('POSH'). There were No complaints received during the period under review.

**M. CEO/WTD Certification**

The Certificate from Managing Director and Whole – Time Director as required under Part D of Schedule V of the Listing Regulations containing declaration as to affirming compliance with the Code of Conduct of Board of Directors and Senior Management attached as **Annexure VII**

**N. CEO/CFO CERTIFICATE**

In terms of regulation 17(8) of the Listing Regulations, the Managing Director & CEO and the CFO made a certification to the Board of Directors in the prescribed format for the year at the review, which has been reviewed by the Audit Committees and taken on record by the Board. The same is attached as Annexure VI.

- O. The Company is in compliance with the disclosures required to be made under this report in accordance with Regulation 34(3) read together with Schedule V(c) to the SEBI Listing Regulations.
- P. Appropriate information has been placed on the Company's website pursuant to clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.
- Q. Commodity price risk and commodity hedging activities: Not Applicable

**R. AUDITORS FEES**

The total fees payable to the auditor for the Financial Year 2019-20 is Rs. 6,19,500/-

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

**Sd/-  
(K. Hari Krishna Reddy)  
Chairman and Whole-time Director  
(DIN: 01302713)**

**Place: Hyderabad  
Date: 31.07.2020**

**ANNEXURE -IV****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****OVERVIEW OF FY 2019-20**

Aishwarya Technologies and Telecom Ltd, is diversified business from Defence sector apart from dealing in Telecom Testing and Measuring Equipment. The year under review saw Aishwarya Technologies and Telecom Limited (ATTL) entered into a growth momentum in Defence sector. ATTL is receiving good orders from Defence and Telecom Sector, especially from new projects like NFS, Defence Research Labs, NOFN, Cable TV operators.

**HIGH END TECHNOLOGIES**

Due to digitization of cable TV and Data demand from 4G Networks, the demand for fiber optic testers is very good till the year 2023. Especially Cables for the defence labs and few samples are approved by DRDO ISRO and confident of getting good business for these products also. ATTL has added new products like fiber optic speciality cables, High power EDFA, TWT Amplifiers, Solid State Power Amplifiers, RF cable assemblies and RF components.

ATTL has taken Approval from Department of Telecommunication for the new specifications for Data Testers, Fiber Optic Test Equipment's.

Currently, ATTL manufacturers products for Telephone Service Providers, Defence Sector, Cable TV Operators and Railways and has added prestigious clients like HFCL, DRDO, ISRO, SAC, URRAO, LEOS, LASTEC, NPOL, AIRTEL, VTL, ACT Fibre, BHARAT FORGE, and Sterlite Technologies in this financial year. We added a new product form ADAVA Germany, like Remote Fibre Monitoring System and Network Synchronization equipment for Optical fibre network solutions which supports 5G testing like Emmb (Enhanced Mobile Broad Band) and Multi machine type communications (MMTC)

**INDUSTRY SCENARIO (Test & Measuring Instruments Sector)**

The T&M Segment in Telecom Sector and in other sectors Like Defence, Research and Educational, has great potential as there are many pending network expansions in Telecom sector, 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 5 years span with existing technologies in networks. There are 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 equipment's in India having 20 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.
- The segment, in which the company presently operated, is majorly dominated by MNC, whereas the company being a MSME company have certain privileges in getting the orders from Central Government, State Government and PSUs. In addition to this, as the company over-heads are much lower than the MNCs, bagging any tender is easily conceivable.

**WEAKNESSES**

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

**OPPURTUNITIES**

- The coming 3-4 years the telecom sector will have great opportunity and there is a tender from Bharat Broad band Nigam Limited to provide Broad band connectivity for 4,50,000 villages which has 29000 crores project under National Optical Fiber Network (NOFN), we are anticipating an order of Rs. 20 crores from this project. All telecom operators are expanding their Fibre networks due to data demand and requirement for Testers is increasing. We are approved vendors for 6 products for ASCON a Defence Project and this order will give us business continuously for one year.
- The biggest customer BSNL is presently regaining its financial capability with the help of Central Government. This will certainly help the company to increase top-line and bottom-line.
- 5G is an upcoming technology where all the telecom operators, telecom network providers and maintenance companies shall gear up for new and updated technologies and this trend will give a boost for the company in getting new and increased business.

**THREATS**

There is a possibility that margins of our company will get affected due to sudden restriction on import of Chinese products and also due to Foreign Exchange Fluctuations.

**Mitigating Factors:**

We are trying to manufacture our own products, and trying to avoid Chinese as much as possible. This will also relieve the company from foreign exchange loss.

- To circumvent Chinese import invasion we are redesigning technologies to produce products at lower cost indigenously.
- Proposing to manufacture indigenously for Competing the prices with other Non-Chinese imports, with at par with international technology.
- The company is diversifying its range operations to Railways, Defence Labs, Army and other public and private sector requirements.

**Internal control systems and their adequacy:**

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.

**Discussion on financial performance with respect to operational performance:**

During the year under review, the Company has recorded revenue of Rs. 1131.58 lakhs and incurred a net loss of Rs. 671.05 crores

There were no operations in the subsidiary and therefore there is no change in revenue and negligible change in net loss

Material developments in Human Resources / Industrial Relations front, including number of people employed.

There are no material developments in the Human Resources area. The Industrial relations have been considered to be satisfactory. The Company constantly reviews the manpower requirements and effective steps are being taken to meet the requirements. The total number of people directly and indirectly employed by the

Company is 50.

Details of significant changes in key financial ratios, along with detailed explanation thereof: There significant change in net profit margin owing to the factors as discussed above.

Key financial ratios are:

Debtor Turnover Ratio	: 1.08
Inventory Turnover Ratio	: 1.79
Current ratio	: 0.68
Debt Equity Ratio	: 5.85
Operation Profit Margin (%)	: -73%
Net profit margin (%)	: -62%

**Details of any change in return on net worth as compared to the immediately previous financial year along with a detailed explanation thereof:** There is change in net worth as compared to the immediately previous financial year.

**Disclosure of Accounting Treatment:**

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

**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.

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**Practicing Company Secretary's Certificate on Directors**

To the Members of Aishwarya Technologies and Telecom Limited

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

**For Vivek Surana & Associates**

**Sd/-  
Vivek Surana  
Proprietor**

**C.P.No: 12901, M.No. 24531  
UDIN:A024531B000523326**

**Place: Hyderabad  
Date: 29.07.2020**



## ANNEXURE-V

The details of remuneration during the year 2019-2020 as per Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2015 are as follows:

Sl. No	Disclosure Requirement	Disclosure Details	
i	Ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the Financial year	Executive Directors	Ratio to median remuneration
		G. Rama Manohar Reddy	4:1
		K. Hari Krishna Reddy	16:1
		M. Srinivasa Rao	NIL
		D.V Rao	3:1
ii	Ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the Financial year	Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
			NIL
Note: During the year 2019-20, Non-Executive/Independent Directors being paid only sitting fees for the meeting attended by them.			

- iii. Number of permanent employees on the rolls of the Company as on 31st March, 2020: 45
- iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details if there are any exceptional circumstances for increase in the managerial remuneration: NIL
- v. Affirmation that the remuneration is per the remuneration policy of the Company:  
The Company is in compliance with its remuneration policy.

## Annexure –VI

**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 arm's length transactions under third proviso thereto

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
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) 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**

- (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) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

Form shall be signed by the persons who have signed the Board's report.

## Form AOC - 1

Statement containing salient features of the financial statements of Subsidiaries(Pursuant to proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

1. Name of the Subsidiary: Bhashawanth Power Projects Private Limited
2. Reporting Period: 01.04.2019 to 31.03.2020
3. Reporting Currency: Indian Rupee

S.No.	Particulars	Amount in Rupees
1.	Share Capital	1970000
2.	Reserves and surplus for the year ending	(2031974)
3.	Total Assets	48176
4.	Total Liabilities	48176
5.	Investments	-
6.	Turnover (Income)	-
7.	Profit / loss before Taxation	-
8.	Provision for Taxation	-
9.	Profit / loss after Taxation	-
10.	Proposed Dividend	-
11.	% of Shareholding	75

1. Names of Subsidiaries which are yet to commence operation: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

For and on behalf of the Board

Sd/-  
(K. Hari Krishna Reddy)  
Chairman and WTD

Sd/-  
(M. Srinivasa Rao)  
Managing Director

Place: Hyderabad  
Date: 31.07.2020

Sd/-  
(D Venkateswara Rao)  
Whole-Time Director cum CFO

**Part B Associates and Joint Ventures: NIL****Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

<b>Name of Associates or Joint Ventures</b>	<b>Name 1</b>	<b>Name 2</b>	<b>Name 3</b>
1. Latest audited Balance Sheet Date 2. Date on which the Associate or Joint Venture was associated or acquired 3. Shares of Associate or Joint Ventures held by the company on the year end No. Amount of Investment in Associates or Joint Venture Extent of Holding (in percentage) 4. Description of how there is significant influence 5. Reason why the associate/joint venture is not consolidated 6. Net worth attributable to shareholding as per latest audited Balance Sheet 7. Profit or Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified”.

## Annexure – VII

## 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 2020 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 my 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, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I 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: 31.07.2020**

**Sd/-  
(M. Srinivasa Rao)  
Managing Director  
(DIN:03456187)**

**Sd/-  
(D.VenkateswaraRao)  
Whole-Time Director cum CFO  
(DIN: 03616715)**

**INDEPENDENT AUDITOR'S REPORT**

To

The Members of

**AISHWARYA TECHNOLOGIES AND TELECOM LIMITED**

Report on the Audit of the Standalone Ind AS Financial Statements

**Opinion**

We have audited the accompanying standalone Ind AS financial statements of AISHWARYA TECHNOLOGIES AND TELECOM LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date

**Basis for Opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for

safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "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 based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration has not been paid by the Company to its directors during the year.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were 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.
FY 2009-10	91,507
FY 2010-11	60,545

**for CSVR & ASSOCIATES**

**CHARTERED ACCOUNTANTS**  
Firm Regn. No.012121S

**Sd/-**  
**(CA. VENKATESH G.)**  
**PARTNER**

**Membership No.239608**  
**UDIN:20239608AAAADF2140**

**Place: Hyderabad**  
**Date:31.07.2020**



**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 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 provisions of paragraph 3 Clause (iii) of the Order are not applicable to this 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 given any loans, investments, guarantees and security during the year as per the provisions of 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 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) In our opinion and according to the information and explanations given to us, the company does not fall under the threshold limits prescribed for the maintenance of cost records under subsection (1) of section 148 of the Companies Act.
- (vii) (a) The company is irregular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Services Tax (GST), custom 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, Goods and Services Tax (GST), customs duty and cess were in arrears, wherever applicable, as at 31st March, 2020 for a period of more than six months from the date they became payable except the following.

<b>Particulars</b>	<b>Amount Rs.</b>
Vat & CST	82,23,886
Service Tax	5,21,675
TDS	53,84,236
PF	51,32,154
ESI	8,457
PT	2,22,700
Income Tax	15,38,788
<b>TOTAL</b>	<b>2,10,31,896</b>

- (b) According to the information and explanations given to us, there are no dues of income tax, Goods and Services Tax (GST), customs duty and cess which have not been deposited on account of any dispute.
- (viii) The company has defaulted in repayment of loans to State Bank of India in the earlier years due to which account has become NPA and the amount outstanding as on 31.03.2020 payable to State Bank of India is 6.53 Crores. As informed the company is in the process of settling the dues through OTS scheme.
- (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 CSV & ASSOCIATES**

**CHARTERED ACCOUNTANTS**  
**Firm Regn. No.012121S**

**Sd/-**

**(CA. VENKATESH G.)**

**PARTNER**

**Membership No.239608**

**UDIN:20239608AAAADF2140**

**Place: Hyderabad**  
**Date:31.07.2020**

**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 AISHWARYA TECHNOLOGIES AND TELECOM LIMITED ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 standalone Ind AS 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 of the company.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS 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 standalone Ind AS 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 2020, 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**

**Sd/-**

**(CA. VENKATESH G.)**  
**PARTNER**

**Membership No.239608**  
**UDIN:20239608AAAADF2140**

**Place: Hyderabad**  
**Date:31.07.2020**

**Balance Sheet as at March 31st, 2020**  
(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	3,41,79,682	3,97,89,334
Other Intangible Assets	3	25,340	27,540
Financial Assets			
(a) Investments	4	15,00,000	15,00,000
Deferred Tax Assets (Net)		11,00,33,627	9,19,89,092
<b>Total Non - Current Assets</b>		<b>14,57,38,650</b>	<b>13,33,05,966</b>
<b>Current Assets</b>			
Inventories	5	5,31,32,997	6,51,55,432
Financial Assets			
(a) Trade Receivables	6	10,68,43,135	9,24,54,304
(b) Cash and Cash Equivalents	7	25,48,986	9,06,358
(c) Bank Balances other than (b) Above	7	1,58,06,297	1,42,93,248
(d) Other Financial Assets	8	1,24,75,504	1,12,78,819
Current Tax Assets		14,51,215	13,27,363
Other Current Assets	9	1,05,50,928	1,63,99,647
<b>Total Current Assets</b>		<b>20,28,09,063</b>	<b>20,18,15,171</b>
<b>Total Assets</b>		<b>34,85,47,713</b>	<b>33,51,21,138</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	11,94,69,710	11,94,69,710
Other Equity	11	(6,85,85,123)	(22,97,036)
<b>Total Equity</b>		<b>5,08,84,587</b>	<b>11,71,72,674</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
(a) Borrowings	12	-	-
Employee benefit obligations	13	2,29,963	2,35,591
<b>Total Non-current liabilities</b>		<b>2,29,963</b>	<b>2,35,591</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(a) Borrowings	14	7,71,69,592	6,93,55,423
(b) Trade Payables	15	12,73,25,391	4,86,41,390
(c) Other Financial Liabilities	16	5,25,99,236	5,43,50,878
Employee Benefit Obligations	13	74,54,425	65,31,380
Other Current Liabilities	17	3,28,84,518	3,88,33,803
<b>Total Current Liabilities</b>		<b>29,74,33,162</b>	<b>21,77,12,874</b>
<b>Total Liabilities</b>		<b>29,76,63,125</b>	<b>21,79,48,465</b>
<b>Total Equity and Liabilities</b>		<b>34,85,47,713</b>	<b>33,51,21,138</b>
<b>Corporate information and significant accounting policies</b>			

VIDE OUR REPORT OF EVEN DATE

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

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

Place : Hyderabad  
Date : 31.07.2020

FOR AND ON BEHALF OF THE BOARD

Sd/-  
(M.SRINIVASA RAO)  
MANAGING DIRECTOR  
DIN: 03456187

Sd/-  
(D.VENKATESWARA RAO)  
WHOLE-TIME DIRECTOR & CFO  
DIN : 03616715

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

Sd/-  
(KHUSH MOHAMMAD)  
COMPANY SECRETARY  
M.No.A24743

## Balance Sheet as at March 31st, 2020

(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	Notes	For the Year ended March 31, 2020	For the Year ended March 31, 2019
<b>INCOME</b>			
Revenue from Operations	18	10,76,21,160	9,99,55,260
Other Income (Net)	19	55,37,097	3,15,62,535
<b>Total Income</b>		<b>11,31,58,257</b>	<b>13,15,17,795</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	20	8,59,920	55,03,641
Purchase of Stock in Trade		8,72,69,818	5,64,74,138
Changes in Inventories of Finished Goods and Work-in-Progress	21	1,35,57,135	3,80,68,253
Employee Benefits Expense	22	3,55,04,471	2,66,53,622
Finance Costs	23	65,28,809	1,58,50,587
Depreciation and Amortisation Expense	3	56,87,282	80,41,760
Other Expenses	24	4,91,86,755	18,29,63,633
<b>Total Expenses</b>		<b>19,85,94,189</b>	<b>33,35,55,634</b>
<b>Profit Before Exceptional Items and Tax</b>		(8,54,35,932)	(20,20,37,839)
Exceptional Items (Net)		-	-
<b>Profit Before Tax</b>		<b>(8,54,35,932)</b>	<b>(20,20,37,839)</b>
<b>Tax Expense</b>			
Current Tax		-	-
Deferred Tax		(1,83,31,396)	(5,72,54,137)
<b>Total Tax Expense</b>		<b>(1,83,31,396)</b>	<b>(5,72,54,137)</b>
<b>Profit for the year</b>		<b>(6,71,04,536)</b>	<b>(14,47,83,702)</b>
<b>Other comprehensive income</b>			
A Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the defined benefit plans		(11,03,309)	17,89,399
(b) Deferred tax relating to items that will not be reclassified to profit or loss		2,86,860	(4,65,244)
<b>Total other comprehensive income</b>		<b>(8,16,449)</b>	<b>13,24,155</b>
<b>Total comprehensive income for the year</b>		<b>(6,62,88,088)</b>	<b>(14,61,07,857)</b>
<b>Earnings per equity share</b>			
(Equity shares, par value of ` 5 each)			
Basic		(2.77)	(6.58)
Diluted		(2.77)	(6.58)
<b>Corporate information and significant accounting policies</b>			

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M.No.A24743

Place : Hyderabad  
Date : 31.07.2020

**Statement of changes in equity for the year ended March 31, 2020**

(All amounts are in Indian rupees, except share data and where otherwise stated)

**a. Equity**

Particulars	Number of Shares	Amount
<b>Balance at March 31, 2019</b>	<b>2,38,93,942</b>	<b>11,94,69,710</b>
Changes in equity share capital during the year	-	-
<b>Balance at March 31, 2020</b>	<b>2,38,93,942</b>	<b>11,94,69,710</b>

**b. Other Equity**

Particulars	Reserves and Surplus				
	Securities Premium Reserve	Share Warrants	General Reserve	Retained Earnings	Total
<b>Balance at April 1, 2018</b>	11,86,08,770	54,37,500	1,13,26,000	1,05,38,551	<b>14,59,10,821</b>
Profit for the year	-	-	-	(14,61,07,857)	(14,61,07,857)
Additions during the year	-	(21,00,000)	-	-	(21,00,000)
<b>Balance at March 31, 2019</b>	<b>11,86,08,770</b>	<b>33,37,500</b>	<b>1,13,26,000</b>	<b>(13,55,69,306)</b>	<b>(22,97,036)</b>
Profit for the year	-	-	-	(6,62,88,088)	(6,62,88,088)
Shares Allotted	-	-	-	-	-
<b>Balance at March 31, 2020</b>	<b>11,86,08,770</b>	<b>33,37,500</b>	<b>1,13,26,000</b>	<b>(20,18,57,393)</b>	<b>(6,85,85,123)</b>

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Place : Hyderabad  
Date : 31.07.2020

## Balance Sheet as at March 31st, 2020

(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	3/31/2020	3/31/2019
<b>Cash flow from operating activities</b>		
<b>Profit Before Tax</b>	(8,54,35,932)	(20,20,37,839)
<b>Adjustment for</b>		
Depreciation	56,87,282	80,41,760
<b>Cash flow before working capital changes</b>		
(Increase)/Decrease in Inventories	1,20,22,435	3,99,38,912
(Increase)/Decrease in Trade receivables	(1,43,88,831)	9,03,67,260
(Increase)/Decrease in Other Financial Assets	(11,96,685)	5,09,558
(Increase)/Decrease in Other Assets	57,24,867	(4,39,512)
(Increase)/Decrease in Other Bank balances	(15,13,049)	33,26,557
Increase/(Decrease) in Trade Payables	7,86,84,001	2,81,80,178
Increase/(Decrease) in Other Financial Liabilities	(16,92,080)	(14,07,068)
Increase/(Decrease) in Provisions	20,20,726	7,56,757
Increase/(Decrease) in Other Liabilities	(59,49,285)	3,50,71,010
<b>Cash flow from Operating Activities</b>	<b>(60,36,552)</b>	<b>23,07,573</b>
Less: Tax Paid	-	-
<b>Net Cash Flow From Operating Activities</b>	<b>(60,36,552)</b>	<b>23,07,573</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(3,49,441)	(2,60,051)
Sale of Fixed Assets	2,74,016	3,45,000
Intangible Assets	-	-
<b>Net Cash Flow From Investing Activities</b>	<b>(75,425)</b>	<b>84,949</b>
<b>Cash Flow From Financing Activities</b>		
Issue of Equity Shares	-	84,00,000
Issue of Share Warrants	-	(21,00,000)
Chit Liability	-	-
Long Term Loan	-	(19,438)
Short Term Loan	78,14,169	(51,36,562)
Current Maturities of Long Term Borrowings	(59,562)	(48,93,953)
Interest Paid	-	-
<b>Net Cash Flow From Financing Activities</b>	<b>77,54,607</b>	<b>(37,49,953)</b>
<b>Net Cash Flow During the Year</b>	<b>16,42,630</b>	<b>(13,57,432)</b>
<b>Cash &amp; Cash Equivalent At the Beginning of the Year</b>	<b>9,06,359</b>	<b>22,63,791</b>
<b>Cash &amp; Cash Equivalent At the End of the Year</b>	<b>25,48,988</b>	<b>9,06,359</b>

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M.No.A24743

Place : Hyderabad  
Date : 31.07.2020



**Notes forming part of the financial statements****NOTE 1. Background**

Aishwarya Technologies and Telecom Limited is a manufacturer and distributor of Test and measuring instruments in Telecom field. It designs, develops, manufactures and markets over 25 Telecom testers like OTDR, Optical Power Meter, Laser sources, Variable attenuators etc.

**NOTE 2. Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a) Basis of preparation**

The financial statements of the company have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time.

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- Employee defined benefit assets/(liabilities) are remeasured at the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

**b) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors are identified as chief operating decision makers. Refer note 36 for segment information presented.

**c) Functional and Presentation Currency:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are prepared in Indian rupee, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest Lakhs.

**d) Revenue Recognition:****• Sale of Goods:**

Revenue is recognized when significant risks and rewards of ownership have been transferred to the buyer, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Revenue from the sale of goods includes excise duty is measured at fair value of the consideration received or receivable, net of returns, sales tax, applicable trade discounts, allowances, Goods and Service Tax (GST) and amounts collected on behalf of third parties.

**• Sales Returns:**

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale.

**• Interest Income:**

Interest income primarily comprises of interest from term deposits and electricity deposits. Interest income is recorded using the effective rate of interest. Interest income is included in other income in the statement of profit and loss.

- **Dividend Income:**

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

- e) **Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

- f) **Leases**

At the commencement date of lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use of asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to measure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of measurement of lease liability as an adjustment to the right-of-use asset.

- g) **Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

- h) **Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**i) Trade receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

**j) Inventories**

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**k) Investments and other financial assets****1) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

**2) Measurement**

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### Equity instruments

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### 3) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 25 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### 4) Derecognition of financial assets

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flow from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### l) Impairment of non-financial assets:

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment

### m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### n) Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. General and Specific borrowing costs that are attributable to the construction of a qualifying asset are capitalized as part of the cost of the asset during the period of time that is required to complete and prepare the asset for its intended use or sale.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as Capital Advances under other non-current assets.

#### **Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### **Depreciation/Amortisation methods, estimated useful lives and residual value**

Depreciation is recognized in the statement of profit and loss on a Written Down Value (WDV) basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

<b>Description of the Asset</b>	<b>Useful Life in Years</b>
Building	30 years
Optical Testing Equipment	15 years
R&D Equipment	18 Years
Computers	3 years
Furniture	15 years
Office Equipment	5 years
Vehicles	8 to 10 years

The useful lives have been determined based on the estimated useful life of assets and in the manner laid down under Schedule II of the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposal are determined by comparing proceeds with carrying amount.

#### **o) Intangible assets**

Recognition:

In-tangible assets consist of software licenses etc. which are measured at cost on initial recognition and amortized over their estimated useful life.

Amortization methods and periods:

The Company amortizes intangible assets on a straight-line method over a period of three years.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

#### **p) Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within

12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**q) Borrowings**

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**r) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

**s) Provisions, contingent liabilities and contingent assets:**

**Provision:** A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**Contingent Liability:** A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**Contingent Asset:** Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an outflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

**t) Employee benefits:**

**i) Short-term employee benefits:**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**ii) Other long-term employee benefit obligations:**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

**iii) Post-Employment Obligations:**

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund.

**Gratuity obligations**

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

**Defined contribution plans**

The company pays provident fund contributions to publicly administered funds as per regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

**Compensated Absences:**

Liability toward earned leaves is provided on the basis of actual leaves earned outstanding for payment.

**u) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**v) Earnings per share****(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equities shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**w) Use of Estimates and Judgements**

The preparation of financial statements in conformity with Ind AS required management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates may change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and if material, their effects are disclosed in the notes to the standalone financial statements.

**x) Current and Non- Current classification:**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

**An asset is treated as current when it is:**

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**y) Foreign Currencies:**

The financial statements are presented in Indian Rupees, which is the functional currency of the company.

**Transactions and Balances:**

Transactions in foreign currencies are initially recorded by the company in INR at spot rates at the date of transaction first qualifies for recognition.

**Monetary assets and liabilities** denominated in foreign currencies are translated at INR spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit / loss.

**Non-Monetary items** that are measured in terms of the historical cost in a foreign currency are translated using the exchange rates at the dates of initial transactions. Non-monetary items are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined.



## 3. Property, Plant and Equipment

Description of Assets	Tangible Assets										Intangible Assets		
	Freehold Land	Buildings	Computers	Optical Test Equipment	R&D Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Computer Software			
<b>I. Cost or deemed cost</b>													
Balance as at April 1, 2018	1,97,14,537	1,51,10,663	49,24,415	5,59,79,123	5,24,56,332	12,79,233	25,56,131	46,89,880	15,67,10,314	58,98,950			
Additions	-	-	1,87,542	-	-	10,500	39,209	(8,87,000)	2,37,251	22,800			
Disposals	-	-	-	-	-	-	-	-	(8,87,000)	-			
Balance as at March 31, 2019	1,97,14,537	1,51,10,663	51,11,957	5,59,79,123	5,24,56,332	12,89,733	25,95,340	38,02,880	15,60,60,565	59,21,750			
Additions	-	-	-	-	-	92,822	2,56,619	-	3,49,441	-			
Disposals	-	-	-	-	-	-	-	(14,57,873)	(14,57,873)	-			
Balance as at March 31, 2020	1,97,14,537	1,51,10,663	51,11,957	5,59,79,123	5,24,56,332	13,82,555	28,51,959	23,45,007	15,49,52,133	59,21,750			
<b>II. Accumulated depreciation</b>													
Balance as at 1 April, 2018	-	99,20,339	48,09,097	4,74,71,185	3,94,40,167	11,44,956	24,73,082	35,51,357	10,88,10,182	58,71,144			
Depreciation expense for the year	-	11,11,376	1,36,588	27,64,248	35,75,005	45,552	62,358	3,23,567	80,18,694	23,066			
Eliminated on disposal of assets	-	-	-	-	-	-	-	(5,57,645)	(5,57,645)	-			
Balance as at March 31, 2019	-	1,10,31,715	49,45,684	5,02,35,433	4,30,15,172	11,90,508	25,35,440	33,17,279	11,62,71,231	58,94,210			
Depreciation expense for the year	-	7,77,040	1,47,140	18,87,631	25,75,844	44,101	1,66,302	87,023	56,85,082	2,200			
Eliminated on disposal of assets	-	-	-	-	-	-	-	(11,83,857)	(11,83,857)	-			
Balance as at March 31, 2020	-	1,18,08,755	50,92,824	5,21,23,064	4,55,91,016	12,34,608	27,01,741	22,20,446	12,07,72,456	58,96,410			
<b>III. Carrying Amount</b>													
Balance as at March 31, 2019	1,97,14,537	40,78,948	1,66,273	57,43,690	94,41,160	99,225	59,900	4,85,601	3,97,89,334	27,540			
Balance as at March 31, 2020	1,97,14,537	33,01,908	19,133	38,56,059	68,65,316	1,47,947	1,50,218	1,24,561	3,41,79,677	25,340			

Notes forming part of the financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**4. Investments**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
A. Non-current investments Investment carried at cost		
(i) Equity instruments of Subsidiaries (unquoted)	15,00,000	15,00,000
<b>Total</b>	<b>15,00,000</b>	<b>15,00,000</b>

**5. Inventories**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Current Inventories (lower of cost and net realisable value)		
Raw materials	34,90,767	19,56,066
Stock in trade (including Finished goods)	4,96,42,231	6,31,99,366
<b>Total</b>	<b>5,31,32,997</b>	<b>6,51,55,432</b>

**6. Trade receivables**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Trade receivables - Current		
Unsecured, considered good	-	9,24,54,304
Doubtful	-	-
Less: Allowance for doubtful debts (expected credit loss allowance)	(80,28,177)	-
<b>Total</b>	<b>(80,28,177)</b>	<b>9,24,54,304</b>

**Note - 7: Cash and Bank Balances****7A. Cash and Cash Equivalents**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
in current accounts	14,95,904	3,36,919
Cash on hand	10,53,082	5,69,439
<b>Total Cash and cash equivalents</b>	<b>25,48,986</b>	<b>9,06,358</b>

Notes forming part of the financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**7B. Other Bank balances**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Unpaid dividend account (Fy 2009-10 - Rs.91507/-, Fy 2010-11 - Rs.60,545/-)	1,52,052	1,52,052
Deposits held as margin money/security for bank guarantees	-	-
	1,56,54,245	1,41,41,196
<b>Total</b>	<b>1,58,06,297</b>	<b>1,42,93,248</b>

**8. Other financial assets**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Current		
Interest accrued on deposits	56,44,327	48,94,446
Security deposits	68,31,177	63,84,373
<b>Total current other financial assets</b>	<b>1,24,75,504</b>	<b>1,12,78,819</b>

**9. Other assets**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Current		
Prepaid expenses	44,921	54,843
Advances to suppliers	45,26,678	1,14,96,643
Other advances		
- Unsecured, considered good	52,09,439	40,78,271
Other receivables	7,69,890	7,69,890
<b>Total current assets</b>	<b>1,05,50,928</b>	<b>1,63,99,647</b>

Notes forming part of the financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**10. Equity share capital**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Authorised share capital:</b>		
3,10,00,000 fully paid up equity shares of Rs. 5/- each	15,50,00,000	15,50,00,000
Issued and subscribed capital:		
2,38,93,942 Equity Shares of Rs.5/- each fully paid up	11,94,69,710	11,94,69,710
<b>Total</b>	<b>11,94,69,710</b>	<b>11,94,69,710</b>

**(A) Reconciliation of the number of shares outstanding:**

PARTICULARS	Number of shares	Amount
<b>Balance at April 1, 2018</b>	<b>2,22,13,942</b>	<b>10,78,19,710</b>
Issue of Shares	16,80,000	32,50,000
<b>Balance at March 31, 2019</b>	<b>2,38,93,942</b>	<b>11,10,69,710</b>
Issue of shares	-	84,00,000
<b>Balance at March 31, 2020</b>	<b>2,38,93,942</b>	<b>11,94,69,710</b>

**(B) Details of shares held by each shareholder holding more than 5% shares**

PARTICULARS	As at 31.12.2020		As at 31.03.2019	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<b>Fully paid equity shares</b>				
G.Rama Manohar Reddy	56,23,026	23.53	59,00,990	24.70
K.Hari Krishna Reddy	13,20,046	5.52	13,19,046	5.52

**(C) Rights, preferences and restrictions 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.

**11. Other equity**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
General Reserve	1,13,26,000	1,13,26,000
Securities Premium Account	11,86,08,770	11,86,08,770
Share Warrants	33,37,500	33,37,500
Retained Earnings	(20,18,57,393)	(13,55,69,306)
<b>Balance at end of year</b>	<b>(6,85,85,123)</b>	<b>(22,97,036)</b>

**11.1 General Reserve**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	1,13,26,000	1,13,26,000
<b>Balance at end of year</b>	<b>1,13,26,000</b>	<b>1,13,26,000</b>

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**11.2 Securities premium reserve**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	11,86,08,770	11,86,08,770
<b>Balance at end of year</b>	<b>11,86,08,770</b>	<b>11,86,08,770</b>

**11.3 Retained earnings**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	(13,55,69,306)	1,05,38,551
Net profit for the year	(6,62,88,088)	(14,61,07,857)
<b>Balance at end of year</b>	<b>(20,18,57,393)</b>	<b>(13,55,69,306)</b>

**11.4 Share warrants**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	33,37,500	33,37,500
Additions during the year	-	-
<b>Balance at end of year</b>	<b>33,37,500</b>	<b>33,37,500</b>

Notes forming part of the financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**12. Non-current borrowings**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Unsecured - at amortised cost</b>		
Term loans	-	-
from banks	-	-
<b>Total non-current borrowings</b>	<b>-</b>	<b>-</b>

**13. Employee benefit obligations**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Non - Current</b>		
- Leave encashment	-	-
- Gratuity	2,29,963	2,35,591
	<b>2,29,963</b>	<b>2,35,591</b>
<b>Current</b>		
- Leave encashment	23,36,415	12,31,764
- Gratuity	51,18,010	52,99,616
	74,54,425	65,31,380
<b>Total</b>	<b>76,84,388</b>	<b>67,66,971</b>

**14. Current borrowings**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Unsecured - at amortised cost</b>		
Loans from Related Parties	1,64,19,588	72,89,600
<b>Secured - at amortised cost</b>		
Loans repayable on demand		
from banks (bank overdraft)	6,07,50,004	6,20,65,823
<b>Total</b>	<b>7,71,69,592</b>	<b>6,93,55,423</b>

Notes forming part of the financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**Notes:**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>i) Loan from related parties:</b>		
G Rama Manohar Reddy	3,62,500	53,62,500
G.Amulya Reddy	1,27,100	1,27,100
K.Hari Krishna Reddy	18,00,000	18,00,000
D.Venkateswara Rao	1,41,29,988	-
	<b>1,64,19,588</b>	<b>72,89,600</b>

**ii) Loan from banks**

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.

**15. Trade Payables**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Trade Payables - Current</b>		
Dues to micro enterprises and small enterprises (Refer Note 27)	-	-
Dues to creditors other than micro enterprises and small enterprises	12,73,25,391	4,86,41,390
<b>Total</b>	<b>12,73,25,391</b>	<b>4,86,41,390</b>

**16. Other financial liabilities**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Current</b>		
Current maturities of long term borrowings	45,99,998	45,99,998
Current Maturities of finance lease obligation	-	59,562
Creditors for expenses	4,79,99,238	4,96,91,318
<b>Total</b>	<b>5,25,99,236</b>	<b>5,43,50,878</b>

Notes forming part of the financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**17. Other liabilities**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Current</b>		
Advance from customers	3,28,84,518	3,88,33,803
<b>Total</b>	<b>3,28,84,518</b>	<b>3,88,33,803</b>

**18. Revenue from operations**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Services	21,85,033	55,56,578
Sale of Products		
Manufacturing	41,54,800	76,62,191
Trading	10,12,81,327	8,67,36,490
<b>Total</b>	<b>10,76,21,160</b>	<b>9,99,55,260</b>

**19. Other income (net)**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Interest income on financial assets carried at amortised cost</b>		
Bank deposits	8,38,215	10,36,586
	<b>8,38,215</b>	<b>10,36,586</b>
Other non-operating income		
Dividend from Chit Investment	26,50,125	25,01,950
Commission Received	12,47,135	8,79,366
Bad Debts Recovered	8,01,622	-
Excess Provision for Doubtful Debts	-	2,63,43,805
Foreign Exchange Fluctuation Loss	-	7,33,515
Miscellaneous income (Net)	-	67,313
	46,98,882	3,05,25,949
<b>Total</b>	<b>55,37,097</b>	<b>3,15,62,535</b>



Notes forming part of the financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**20. Cost of materials consumed**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening stock	19,56,066	38,26,725
Add: Purchases	23,94,621	36,32,982
Less: Closing stock	34,90,767	19,56,066
<b>Material Consumed</b>	<b>8,59,920</b>	<b>55,03,641</b>

**21. Changes in inventories of finished goods and work-in-progress**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Opening Stock:</b>		
Finished Goods	6,31,99,366	10,12,67,619
Closing Stock:	-	-
Finished Goods	4,96,42,231	6,31,99,366
<b>Net (increase) / decrease</b>	<b>1,35,57,135</b>	<b>3,80,68,253</b>

**22. Employee Benefits Expense**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Wages, including Bonus	3,27,22,313	2,54,36,560
Leave Encashment	11,04,651	2,32,530
Gratuity	9,16,075	6,62,251
Staff Welfare Expenses	7,61,432	3,22,281
<b>Total</b>	<b>3,55,04,471</b>	<b>2,66,53,622</b>

**23. Finance costs**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Interest expense</b>		
- Interest on Working Capital Loan	-	51,06,103
- Interest on Hire Purchase Loan	-	44,972
- Finance Cost on Chit Liability	55,06,985	69,63,566
- Interest Others	10,21,824	37,35,946
<b>Total</b>	<b>65,28,809</b>	<b>1,58,50,587</b>

Notes forming part of the financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**20. Cost of materials consumed**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
- Rent	6,93,600	8,24,600
- Rates & Taxes	1,50,59,729	5,00,791
- Office Electricity & Maintenance	12,06,893	7,83,410
- Conveyance	9,34,173	8,82,469
- Subscription, Books & Periodicals	1,10,627	51,811
- Postage & Telegrams	91,356	1,87,790
- Printing & Stationery	4,17,760	4,06,372
- Regn. Licence & Filing Fees	5,64,188	3,65,822
- Advertisement Expenses	6,50,204	20,34,095
- Agency Commission	2,24,100	1,72,000
- Auditors Remmuration	5,25,000	5,25,000
- Bank Charges	1,71,043	7,83,095
- Business Promotion Expenses	4,72,018	7,294
- Carriage Outwards	5,90,512	15,89,117
- Donations	55,000	90,000
- Foreign Exchange Fluctuation Loss	27,50,168	-
- Insurance	1,30,604	1,79,188
- Recruitment Charges	-	35,754
- Penalties	96,050	4,57,063
- Professional & Consultancy Charges Including Legal Charges	20,64,011	56,53,822
- Provision for Doubtful debts	80,28,177	
- Bad debts written off	-	14,89,62,932
- Other Advances & deposits written off (Non Recoverable)	87,36,785	-
- Repairs & Maintenance	5,56,274	3,76,968
- Telephone & Fax Expenses	2,80,194	1,90,141
- Tender Expenses	7,553	1,15,000
- Testing & Calibration Expenses	2,27,820	6,63,075
- Tour & Travelling Expenses		
a) Directors	7,28,967	18,71,753
b) Others	22,58,983	22,84,685
- Penal Charges on Delay in payment of Chits	15,54,968	1,29,69,587
<b>Total</b>	<b>4,91,86,755</b>	<b>18,29,63,633</b>

## 25 Capital and Financial risk management objectives and policies

### A. Capital management and Gearing Ratio

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

### B. Financial Risk Management Framework

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management oversees that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### Interest rate risk

"Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings."

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

PARTICULARS	Impact on Profit before tax	
	31-Mar-20	31-Mar-19
Interest rates-increase by 0.5%	-	(2,00,239)
Interest rates-decrease by 0.5%	-	2,00,239

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets.

#### (i) Year ended 31 March, 2020:

##### (a) Expected credit loss for financial assets where general model is applied

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at 12 month expected credit losses	Other financial assets	13,76,73,923	--	13,76,73,923
Loss allowance measured at Life time expected credit losses	--	--	--	--

##### (b) Expected credit loss for financial assets where simplified approach is followed

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at Life time expected credit losses	Trade Receivables	11,48,71,312	--	11,48,71,312

## (ii) Year ended 31 March, 2019:

## (a) Expected credit loss for financial assets where general model is applied

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at 12 month expected credit losses	Other financial assets Loans	11,89,32,729	--	11,89,32,729
Loss allowance measured at Life time expected credit losses	--	--	--	--

## (b) Expected credit loss for financial assets where simplified approach is followed

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at Life time expected credit losses	Trade Receivables	9,24,54,304	--	9,24,54,304

## (iv) Reconciliation of Loss allowance provision

Particulars	Provision on Trade Receivables	Allowance for bad & doubtful deposits	Allowance for bad & doubtful loans
Loss allowance as at March 31, 2019	-	-	-
Add/(Less):	-	-	-
Provision made during the period	80,28,177	-	-
Provision reversed during the period	80,28,177	-	-
Loss allowance as at March 31, 2020	-	-	-

**Significant estimates and judgements**

"Impairment of financial assets The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period."

**Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

## (iv) Reconciliation of Loss allowance provision

Particulars	On Demand	in next 12 months	>1 year	Total
Year ended March 31, 2020				
Borrowings	-	7,71,69,592	-	7,71,69,592
Trade and other payables	-	12,73,25,391	-	12,73,25,391
Other financial liabilities	-	5,25,99,236	-	5,25,99,236
	-	<b>25,70,94,219</b>	-	<b>25,70,94,219</b>
Year ended March 31, 2019				
Borrowings	-	6,93,55,423	-	6,93,55,423
Trade and other payables	-	4,86,41,390	-	4,86,41,390
Other financial liabilities	-	5,43,50,878	-	5,43,50,878
	-	<b>17,23,47,691</b>	-	<b>17,23,47,691</b>

**Market risk - Foreign exchange exposure:**

Foreign exchange risk sensitivity A reasonably possible strengthening (weakening) of the INR, against the foreign currency would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasts sales and purchases.

PARTICULARS	Impact on Profit and loss account	
	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>EUR Sensitivity</b>		
Increase of USD by Rs. 1/-	(4,75,433)	(3,35,357)
Decrease of USD by Rs. 1/-	4,75,433	3,35,357
<b>EUR Sensitivity</b>		
Increase of EUR by Rs. 1/-	(7,663)	-
Decrease of EUR by Rs. 1/-	7,663	-
<b>Pound sensitivity</b>		
Increase of Pound by Rs. 1/-	-	-
Decrease of Pound by Rs. 1/-	-	-
<b>JPY Sensitivity</b>		
Increase of JPY by Rs. 1/-	-	-
Decrease of JPY by Rs. 1/-	-	-

## 26 Financial Instruments

- (i) Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying Values			Fair value	
	Fair value hierarchy	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Assets:					
Current					
i) Trade receivables	Level 3	10,68,43,135	9,24,54,304	10,68,43,135	9,24,54,304
ii) Cash and cash equivalents	Level 3	25,52,771	9,14,332	25,52,771	9,14,332
iii) Other balances with banks	Level 3	1,58,06,297	1,42,93,248	1,58,06,297	1,42,93,248
iv) Other financial assets	Level 3	1,24,75,504	1,12,78,819	1,24,75,504	1,12,78,819
Liabilities:					
Non-Current					
(i) Borrowings	Level 3	-	-	-	-
Current					
i) Borrowings	Level 3	7,71,69,592	6,93,55,423	7,71,69,592	6,93,55,423
ii) Trade payables	Level 3	12,74,35,541	4,87,17,140	12,74,35,541	4,87,17,140
iii) Other current financial liabilities	Level 3	5,25,99,242	5,43,50,878	5,25,99,242	5,43,50,878

### Fair value hierarchy

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period.

Level 2 – The fair value of financial instruments not actively traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If the significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

- i) The Carrying values of Current financial liabilities and current financial assets are taken as their fair value because of their short term nature.
- ii) The Carrying values of Non-Current financial liabilities and Non-current financial assets are taken as their fair value based on their discounted cash flows.
- iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realised or paid in sale transactions as of respective dates. as such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

- iv) There have been no transfers between level 1 , level 2 and level 3 for the years ended March 31, 2019 and March 31, 2018.

**Significant estimate:**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

**NOTE NO.27**

**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
(I) Principal amount remaining unpaid to any supplier as at the end of the accounting year	--	--
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	--	--
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	--	--
(iv) The amount of interest due and payable for the year	--	--
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	--	--
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	--	--

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors

**NOTE NO.28**

**Earnings per Share:**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.



The following reflects the income and share data used in the basic and diluted EPS computations:

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit after tax	(6,62,88,088)	(14,61,07,857)
Basic & Diluted:	-	-
Number of shares outstanding at the year end	2,38,93,942	2,38,93,942
Weighted average number of equity shares	2,38,93,942	2,22,18,545
Earnings per share	-2.77	-6.58

Note: EPS is calculated based on profits excluding the other comprehensive income

#### NOTE NO. 29

##### Post-Employment Benefit Plans

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for every completed year of service.

The following tables summarize the components of net benefit expenses recognized in the statement of profit and loss and the amounts recognized in the balance sheet for the respective plans.

##### a) Reconciliation of Defined Benefit Obligation:

PARTICULARS	31-Mar-20	31-Mar-19
Liability at the beginning of the period / year	55,35,207	32,04,572
Current Services Cost	4,92,632	4,14,858
Interest Cost	4,23,443	2,47,393
Benefits Cost	-	-
Actuarial (gain)/Loss	(11,03,309)	16,68,384
Liability at the end of the period / year	53,47,973	55,35,207

##### b) Amount recognized in the Balance Sheet

PARTICULARS	31-Mar-20	31-Mar-19
Liability at the end of the Period / Year	53,47,973	55,35,207
Amount to be recognised in Balance Sheet	53,47,973	55,35,207

##### c) Expenses recognized in the Statement of Profit and Loss under employee benefits expense

PARTICULARS	31-Mar-20	31-Mar-19
Current Service Cost	4,92,632	4,14,858
Interest Cost	4,23,443	2,47,393
Expense recognized in Statement of Profit and Loss	9,16,075	6,62,251

**d) Re-measurement costs for the period recognized in Other Comprehensive Income**

PARTICULARS	31-Mar-20	31-Mar-19
Experience (gain)/Loss on plan liabilities	(11,03,309)	17,89,399
Demographic (gain)/Loss on plan liabilities	-	-

**e) Principal assumptions used in determining gratuity:**

PARTICULARS	31-Mar-20	31-Mar-19
Salary Escalation	5%	5%
Discount Rate	6.80%	7.65%
Employee Turnover	4%	4%

**f) Sensitivity Analysis**

Assumptions	As at March 31, 2020	As at March 31, 2019
Discount Rate		
1% Increase	(3,73,056)	(3,56,910)
1% Decrease	4,34,742	4,02,611
Salary Rate		
1% Increase	7,09,656	7,97,572
1% Decrease	(5,82,204)	(6,64,028)
Attrition Rate		
1% Increase	2,54,284	2,63,813
1% Decrease	(2,85,185)	(2,90,669)

**NOTE NO. 30**

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 one crore two lakh rupees, the information of which could form part of the Director's Report for the year ended 31st March 2020.

**NOTE NO. 31**

Foreign Exchange Earnings and Outflow:

PARTICULARS	Current Year Rs. in Lakhs	Previous Year Rs. in lakhs
Foreign Exchange Earnings	12.47	8.79
Foreign Exchange Outflow	16.33	42.59

**NOTE NO. 32****Contingent Liabilities not provided for**

PARTICULARS	Current Year Rs. in Lakhs	Previous Year Rs. in lakhs
Bank Guarantee	175.87	138.99
Letter of Credit	-	-

**NOTE NO. 33****Deferred Tax:**

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 recognised Rs.1,80,44,535/- towards deferred tax deferred tax asset in the year 2019-20. The major components of deferred tax asset / liability are on account of timing differences in depreciation.

**NOTE NO.34**

Trade Receivables, Deposits, Advances, Creditors and Trade Payables are subject to the confirmation with the respective parties/authorities.

**NOTE NO.35****Impact of Covid:**

The Company has not been impacted critically due to Covid-19 Pandemic. During most of the Lock down period there were issues due to various reasons (logistics, availability of man power etc.,) normal operating capacity utilization was not reached. The premise of going concern has not been impacted. The company did not avail any working capital or term loans to meet exigencies due to the pandemic.

**NOTE NO. 36****Segment Reporting:**

Information about primary business segments:

The Company is mainly in the segment of manufacture and trading of telecommunication products.

Information about secondary business segment:

The Company operates in one geographical segment i.e., India

**NOTE NO. 37**

Transactions with the related parties pursuant to Accounting Standard 18:

**List of Related Parties**

Key managerial personnel	<ul style="list-style-type: none"> <li>- K.Harikrishna Reddy (Chairman)</li> <li>- M. Srinivasa Rao (Managing Director)</li> <li>- D. Venkateswara Rao (CFO)</li> <li>- G. Rama Manohar Reddy</li> <li>- Khush Mohammad</li> </ul>
Subsidiary Company	Bhaswanth Power Projects Private Limited

**Transaction with the Related Parties:**

Particulars	Subsidiary Company		Key Management personnel	
	2019-20	2018-19	2019-20	2018-19
Remuneration	--	--	99,60,000	78,96,000
Loans Taken	--	--	1,49,60,000	51,05,000
Loans Repaid	--	--	58,30,011	29,75,400

**Balance as at 31st March**

Particulars	Enterprise significantly influenced by KMP		Key Management Personnel	
	2019-20	2018-19	2019-20	2018-19
Remuneration	--	--	32,04,131	26,03,039
Loans Taken	--	--	1,64,19,588	72,89,600
Investments	--	--	15,00,000	15,00,000

**NOTE NO. 38****Bank Overdraft classified as Non-Performing Asset:**

The company has been enjoying credit limits with state bank of Hyderabad since 1997, having credit limits up-to 18.50 Cr both fund based and non-fund based. During the Financial year 2014-15, there was inter changeability of Rs.4 crores from LC Facility to Cash Credit.

Whereas, State Bank of Hyderabad has merged with State Bank of India during April 2017 and later State Bank of India has cancelled the inter changeability facility from LC to CC as policy matter and advised the company to repay Rs.4 crores in 3 months' time. Subsequently the account was classified as NPA for non-payment within 3 month of overdue amount of Rs.4 crores. Interest has been charged by the bank up-to august 2018 and accounted for in the books. Further interest has not been charged by the bank and not provided in the books of account as the account has become NPA. The SARB branch of SBI is now reviewing the account and proposal for settlement of dues is under progress.

**NOTE NO. 39**

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

Notes to the financial statements and statement on accounting policies form an integral part of the balance sheet and profit and loss statement. 1

**SIGNATURES TO NOTE "1" TO "39"**

VIDE OUR REPORT OF EVEN DATE

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

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

Place : Hyderabad  
Date : 31.07.2020

FOR AND ON BEHALF OF THE BOARD

Sd/-  
(M.SRINIVASA RAO)  
MANAGING DIRECTOR  
DIN: 03456187

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

Sd/-  
(D.VENKATESWARA RAO)  
WHOLE-TIME DIRECTOR & CFO  
DIN : 03616715

Sd/-  
(KHUSH MOHAMMAD)  
COMPANY SECRETARY  
M.No.A24743

**INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED****IND AS FINANCIAL STATEMENTS**

To

The Members of

**M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED**

Report on the Audit of the Consolidated Ind AS financial statements

**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of M/s.AISHWARYA TECHNOLOGIES AND TELECOM LIMITED ("the Company"), its subsidiary Namely Bhashwanth Power Projects Private Limited (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including consolidated Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity 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").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2020, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

**Management's Responsibility for the Consolidated Ind AS financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the 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 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- 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 Ind AS financial statements.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
  - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including Consolidated Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of the consolidated Ind AS financial statements.
  - In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors as on 31st March, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in the “Annexure A”; and
  - With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- 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:
  - The Group does not have any pending litigations which would impact its financial position in its consolidated Ind AS financial statements.
  - 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
  - There were amounts required to be transferred, to the Investor Education and Protection Fund by the holding company in accordance with the relevant provisions of the Companies Act, 2013.

Financial Year	Amount Rs.
FY 2009-10	91,507
FY 2010-11	60,545

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

Sd/-  
(CA. VENKATESH G.)  
PARTNER  
Membership No.239608  
UDIN:20239608AAAADG7509

Place: Hyderabad  
Date:31.07.2020

**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 Ind AS financial statements of the group as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED (“the Company”) and its subsidiary company 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 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 (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 group’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’s internal financial controls over financial reporting of the company and its subsidiary companies, which are incorporated in India, 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 Ind AS 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 of the company and its subsidiary companies, which are incorporated in India.

**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 Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. The group’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 group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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 group’s assets that could have a material effect on the Ind AS 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 company, 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 2020, 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.

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

Sd/-  
(CA. VENKATESH G.)  
PARTNER

Membership No.239608  
UDIN:20239608AAAADG7509

Place: Hyderabad  
Date:31.07.2020

**Consolidated Balance Sheet as at March 31, 2020**

(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	3,41,79,682	3,97,89,334
Other Intangible Assets	3	25,340	27,540
Goodwill	4	22,500	22,500
Deferred Tax Assets (Net)		11,00,33,627	9,19,89,092
<b>Total Non - Current Assets</b>		<b>14,42,61,150</b>	<b>13,18,28,466</b>
<b>Current Assets</b>			
Inventories	5	5,31,32,997	6,51,55,432
Financial Assets			
(a) Trade Receivables	6	10,68,43,135	9,24,54,304
(b) Cash and Cash Equivalents	7	25,52,771	9,14,332
(c) Bank Balances other than (b) Above	7	1,58,06,297	1,42,93,248
(d) Other Financial Assets	8	1,24,75,504	1,12,78,819
Current Tax Assets		14,51,215	20,97,253
Other Current Assets	9	1,05,97,928	1,56,76,757
<b>Total Current Assets</b>		<b>20,28,59,848</b>	<b>20,18,70,146</b>
<b>Total Assets</b>		<b>34,71,21,001</b>	<b>33,36,98,612</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	11,94,69,710	11,94,69,710
Other Equity	11	(7,06,24,068)	(43,07,039)
<b>Equity attribute to owners of the company</b>		<b>4,88,45,642</b>	<b>11,51,62,671</b>
Non-controlling Interest		5,02,078	5,11,725
<b>Total Equity</b>		<b>4,93,47,720</b>	<b>11,56,74,396</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
(a) Borrowings	12	-	-
Employee benefit obligations	13	2,29,963	2,35,592
<b>Total Non-current liabilities</b>		<b>2,29,963</b>	<b>2,35,592</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(a) Borrowings	14	7,71,69,592	6,93,55,423
(b) Trade Payables	15	12,74,35,541	4,87,17,140
(c) Other Financial Liabilities	16	5,25,99,242	5,43,50,878
Employee Benefit Obligations	13	74,54,425	65,31,380
Other Current Liabilities	17	3,28,84,518	3,88,33,803
<b>Total Current Liabilities</b>		<b>29,75,43,318</b>	<b>21,77,88,624</b>
<b>Total Liabilities</b>		<b>29,77,73,281</b>	<b>21,80,24,216</b>
<b>Total Equity and Liabilities</b>		<b>34,71,21,001</b>	<b>33,36,98,612</b>
<b>Corporate information and significant accounting policies</b>			

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for CSVR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 012121SSd/-  
(M.SRINIVASA RAO)  
MANAGING DIRECTOR  
DIN: 03456187Sd/-  
(D.VENKATESWARA RAO)  
WHOLE-TIME DIRECTOR & CFO  
DIN : 03616715Sd/-  
(CA.VENKATESH G.)  
PARTNER  
M.No.239608Sd/-  
Sd/-  
(G. RAMA MANOHAR REDDY)  
WHOLE TIME DIRECTOR  
DIN:00135900Sd/-  
(KHUSH MOHAMMAD)  
COMPANY SECRETARY  
M.No.A24743Place : Hyderabad  
Date : 31.07.2020

**Consolidated Statement of Profit and Loss for the year ended March 31, 2020**

(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	Notes	For the Year ended March 31, 2020	For the Year ended March 31, 2019
<b>INCOME</b>			
Revenue from Operations	18	10,76,21,160	9,99,55,259
Other Income (Net)	19	55,37,097	3,15,62,535
<b>Total Income</b>		<b>11,31,58,257</b>	<b>13,15,17,794</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	20	8,59,920	55,03,641
Purchase of Stock in Trade		8,72,69,818	5,64,74,138
Changes in Inventories of Finished Goods and Work-in-Progress	21	1,35,57,135	3,80,68,253
Employee Benefits Expense	22	3,55,04,471	2,66,53,622
Finance Costs	23	65,28,809	1,58,50,587
Depreciation and Amortisation Expense	3	56,87,282	80,41,760
Other Expenses	24	4,92,25,344	18,30,07,643
<b>Total Expenses</b>		<b>19,86,32,778</b>	<b>33,35,99,644</b>
<b>Profit Before Exceptional Items and Tax</b>		<b>(8,54,74,521)</b>	<b>(20,20,81,850)</b>
Exceptional Items (Net)		-	-
<b>Profit Before Tax</b>		<b>(8,54,74,521)</b>	<b>(20,20,81,850)</b>
<b>Tax Expense</b>			
Current Tax		-	-
Deferred Tax		(1,83,31,396)	(5,72,54,137)
<b>Total Tax Expense</b>		<b>(1,83,31,396)</b>	<b>(5,72,54,137)</b>
<b>Profit for the year</b>		<b>(6,71,43,125)</b>	<b>(14,48,27,712)</b>
<b>Other comprehensive income</b>			
A Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the defined benefit plans		(11,03,309)	17,89,399
(b) Deferred tax relating to items that will not be reclassified to profit or loss		2,86,860	(4,65,244)
<b>Total other comprehensive income</b>		<b>(8,16,449)</b>	<b>13,24,155</b>
<b>Total comprehensive income for the year</b>		<b>(6,63,26,677)</b>	<b>(14,61,51,868)</b>
<b>Total comprehensive income for the year attributable to:</b>			
- Owners of the Company		(6,63,17,029)	(14,61,62,870)
- Non-Controlling Interests		(9,647)	11,003
		<b>(6,63,26,677)</b>	<b>(14,61,51,868)</b>
<b>Earnings per equity share</b>			
(Equity shares, par value of ` 5 each)			
Basic		(2.78)	(6.12)
Diluted		(2.78)	(6.12)
<b>Corporate information and significant accounting policies</b>			

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

Sd/-  
(M.SRINIVASA RAO)  
MANAGING DIRECTOR  
DIN: 03456187

Sd/-  
(D.VENKATESWARA RAO)  
WHOLE-TIME DIRECTOR & CFO  
DIN : 03616715

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

Place : Hyderabad  
Date : 31.07.2020

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

Sd/-  
(KHUSH MOHAMMAD)  
COMPANY SECRETARY  
M.No.A24743

**Consolidated Statement of changes in equity for the year ended March 31, 2020**

(All amounts are in Indian rupees, except share data and where otherwise stated)

**a. Equity**

Particulars	Number of Shares	Amount
<b>Balance at March 31, 2019</b>	<b>2,38,93,942</b>	<b>11,94,69,710</b>
Changes in equity share capital during the year	-	-
<b>Balance at March 31, 2020</b>	<b>2,38,93,942</b>	<b>11,94,69,710</b>

**b. Other Equity**

Particulars	Reserves and Surplus				
	Securities Premium Reserve	Share Warrants	General Reserve	Retained Earnings	Total
<b>Balance at April 1, 2018</b>	11,86,08,770	54,37,500	1,13,26,000	85,83,560	<b>14,39,55,830</b>
Profit for the year	-	-	-	(14,61,62,870)	(14,61,62,870)
Additions during the year	-	(21,00,000)	-	-	(21,00,000)
<b>Balance at March 31, 2019</b>	<b>11,86,08,770</b>	<b>33,37,500</b>	<b>1,13,26,000</b>	<b>(13,75,79,310)</b>	<b>(43,07,040)</b>
Profit for the year	-	-	-	(6,63,17,029)	(6,63,17,029)
Shares Allotted	-	-	-	-	-
<b>Balance at March 31, 2020</b>	<b>11,86,08,770</b>	<b>33,37,500</b>	<b>1,13,26,000</b>	<b>(20,38,96,340)</b>	<b>(7,06,24,070)</b>

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for CSVR & ASSOCIATES  
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Sd/-  
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Sd/-  
 (KHUSH MOHAMMAD)  
 COMPANY SECRETARY  
 M.No.A24743

Place : Hyderabad  
 Date : 31.07.2020

**Consolidated Cash Flow statement for the year ended March 31st, 2020**  
(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	43,921	43,555
<b>Cash flow from operating activities</b>		
<b>Profit Before Tax</b>	(8,54,74,521)	(20,20,81,850)
<b>Adjustment for</b>		
Depreciation	56,87,282	80,41,760
<b>Cash flow before working capital changes</b>		
(Increase)/Decrease in Inventories	1,20,22,435	3,99,38,912
(Increase)/Decrease in Trade receivables	(1,43,88,831)	9,03,67,260
(Increase)/Decrease in Other Financial Assets	(11,96,685)	5,09,558
(Increase)/Decrease in Other Assets	57,24,867	(4,39,512)
(Increase)/Decrease in Other Bank balances	(15,13,049)	33,26,557
Increase/(Decrease) in Trade Payables	7,87,18,401	2,82,24,188
Increase/(Decrease) in Other Financial Liabilities	(16,92,080)	(13,99,094)
Increase/(Decrease) in Provisions	20,20,725	7,56,757
Increase/(Decrease) in Other Liabilities	(59,49,284)	3,50,71,010
<b>Cash flow from Operating Activities</b>	<b>(60,40,742)</b>	<b>23,15,546</b>
Less: Tax Paid	-	-
<b>Net Cash Flow From Operating Activities</b>	<b>(60,40,742)</b>	<b>23,15,546</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(3,49,441)	(2,60,051)
Sale of Fixed Assets	2,74,016	3,45,000
Intangible Assets	-	-
<b>Net Cash Flow From Investing Activities</b>	<b>(75,425)</b>	<b>84,949</b>
<b>Cash Flow From Financing Activities</b>		
Issue of Equity Shares	-	84,00,000
Issue of Share Warrants	-	(21,00,000)
Chit Liability	-	-
Long Term Loan	-	(19,438)
Short Term Loan	78,14,169	(51,36,562)
Current Maturities of Long Term Borrowings	(59,562)	(48,93,953)
Interest Paid	-	-
<b>Net Cash Flow From Financing Activities</b>	<b>77,54,607</b>	<b>(37,49,953)</b>
<b>Net Cash Flow During the Year</b>	<b>16,38,440</b>	<b>(13,49,459)</b>
<b>Cash &amp; Cash Equivalent At the Beginning Of the Year</b>	<b>9,14,332</b>	<b>22,63,791</b>
<b>Cash &amp; Cash Equivalent At the End Of the Year</b>	<b>25,52,772</b>	<b>9,14,332</b>

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  
M.No.239608

Place : Hyderabad  
Date : 31.07.2020

Sd/-  
(M.SRINIVASA RAO)  
MANAGING DIRECTOR  
DIN: 03456187

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WHOLE TIME DIRECTOR  
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WHOLE-TIME DIRECTOR & CFO  
DIN : 03616715

Sd/-  
(KHUSH MOHAMMAD)  
COMPANY SECRETARY  
M.No.A24743

## Background

Aishwarya Technologies and Telecom Limited is a manufacturer and distributor of Test and measuring instruments in Telecom field. It designs, develops, manufactures and markets over 25 Telecom testers like OTDR, Optical Power Meter, Laser sources, Variable attenuators etc. Bhashawanth Power Projects Private Limited is engaged in the business of generation and distribution of Power.

### 1. Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### a) Basis of preparation

##### (i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis

##### (iii) Principles of consolidation

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains/losses on transactions between group companies are eliminated.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

#### b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors are identified as chief operating decision makers. Refer note 33 for segment information presented.

#### c) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is group's functional and presentation currency.

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

**d) Revenue Recognition:**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below.

**e) Sale of products**

Timing of recognition- Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the terms of sale.

Measurement of revenue- Revenue from sales is based on the price specified in the sales contracts, net of volume discounts and returns at the time of sale.

**f) Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

**g) Leases**

At the commencement date of lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use of asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to measure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of measurement of lease liability as an adjustment to the right-of-use asset.

**h) Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair

value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**i) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**j) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

**k) Inventories**

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**l) Investments and other financial assets**

**1) Classification**

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

**2) Measurement**

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is



recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### **Equity instruments**

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### **3) Impairment of financial assets**

The group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 25 details how the group determines whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### **4) Derecognition of financial assets**

A financial asset is derecognized only when

- The group has transferred the rights to receive cash flow from the financial asset or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**m) Income recognition**

## Interest income

Interest income is recognised using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. when calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit losses

**n) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**o) Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

## Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

## Depreciation/Amortisation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013 or as per the management's estimated life. The group follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed-off during the year.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal are determined by comparing proceeds with carrying amount.

**p) Intangible assets****(i) Recognition**

Intangible assets are recognised only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

**(ii) Amortization methods and periods**

The group amortizes intangible assets on a straight-line method over a period of three years.

**(iii) Transition to Ind AS**

On transition to Ind AS, the group has elected to continue with the carrying value of all of intangible assets recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

**q) Trade and other payables**

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**r) Borrowings**

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

**s) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

**t) Provisions**

Provisions for legal claims, volume discounts and returns are recognised when the group has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

**u) Employee benefits****(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(iii) Post-employment obligations**

The group operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund.

**Gratuity obligations**

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than ₹, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

**Defined contribution plans**

The group pays provident fund contributions to publicly administered funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Bonus plans**

The group recognizes a liability and an expense for bonuses. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**v) Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**w) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**x) Earnings per share****(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the group
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**2. Critical estimates and Judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

1. Estimation of current tax expense and payable
2. Estimation of defined benefit obligation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

**z) Current and Non- Current classification:**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**aa) Foreign Currencies:**

The financial statements are presented in Indian Rupees, which is the functional currency of the company.

Transactions and Balances:

Transactions in foreign currencies are initially recorded by the company in INR at spot rates at the date of transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at INR spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit / loss.

Non-Monetary items that are measured in terms of the historical cost in a foreign currency are translated using the exchange rates at the dates of initial transactions. Non-monetary items are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined.

Description of Assets	Tangible Assets										Intangible Assets	
	Freehold Land	Buildings	Computers	Optical Test Equipment	R&D Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Computer Software		
<b>I. Cost or deemed cost</b>												
Balance as at April 1, 2018	1,97,14,537	1,51,10,663	49,24,415	5,59,79,123	5,24,56,332	12,79,233	25,56,131	46,89,880	15,67,10,314	58,98,950		
Additions	-	-	1,87,542	-	-	10,500	39,209	(8,87,000)	2,37,251	22,800		
Disposals	-	-	-	-	-	-	-	-	(8,87,000)	-		
Balance as at March 31, 2019	1,97,14,537	1,51,10,663	51,11,957	5,59,79,123	5,24,56,332	12,89,733	25,95,340	38,02,880	15,60,60,565	59,21,750		
Additions	-	-	-	-	-	92,822	2,56,619	-	3,49,441	-		
Disposals	-	-	-	-	-	-	-	(14,57,873)	(14,57,873)	-		
Balance as at March 31, 2020	1,97,14,537	1,51,10,663	51,11,957	5,59,79,123	5,24,56,332	13,82,555	28,51,959	23,45,007	15,49,52,133	59,21,750		
<b>II. Accumulated depreciation</b>												
Balance as at 1 April, 2018	-	99,20,339	48,09,097	4,74,71,185	3,94,40,167	11,44,956	24,73,082	35,51,357	10,88,10,182	58,71,144		
Depreciation expense for the year	-	11,11,376	1,36,588	27,64,248	35,75,005	45,552	62,358	3,23,567	80,18,694	23,066		
Eliminated on disposal of assets	-	-	-	-	-	-	-	(5,57,645)	(5,57,645)	-		
Balance as at March 31, 2019	-	1,10,31,715	49,45,684	5,02,35,433	4,30,15,172	11,90,508	25,35,440	33,17,279	11,62,71,231	58,94,210		
Depreciation expense for the year	-	7,77,040	1,47,140	18,87,631	25,75,844	44,101	1,66,302	87,023	56,85,082	2,200		
Eliminated on disposal of assets	-	-	-	-	-	-	-	(11,83,857)	(11,83,857)	-		
Balance as at March 31, 2020	-	1,18,08,755	50,92,824	5,21,23,064	4,55,91,016	12,34,608	27,01,741	22,20,446	12,07,72,456	58,96,410		
<b>III. Carrying Amount</b>												
Balance as at March 31, 2019	1,97,14,537	40,78,948	1,66,273	57,43,690	94,41,160	99,225	59,900	4,85,601	3,97,89,334	27,540		
Balance as at March 31, 2020	1,97,14,537	33,01,908	19,133	38,56,059	68,65,316	1,47,947	1,50,218	1,24,561	3,41,79,677	25,340		

Notes forming part of the consolidated financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**4. Goodwill**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	22500	22500
Balance at the end of the year	22500	22500

**5. Inventories**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Current Inventories (lower of cost and net realisable value)		
Raw materials	34,90,767	19,56,066
Stock in trade (including Finished goods)	4,96,42,231	6,31,99,366
<b>Total</b>	<b>5,31,32,997</b>	<b>6,51,55,432</b>

**6. Trade receivables**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Trade receivables - Current		
Unsecured, considered good	11,48,71,312	9,24,54,304
Doubtful	-	-
Less: Allowance for doubtful debts (expected credit loss allowance)	(80,28,177)	-
<b>Total</b>	<b>10,68,43,135</b>	<b>9,24,54,304</b>

**Note - 7: Cash and Bank Balances****7A. Cash and Cash Equivalent**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
in current accounts	14,95,904	3,43,717
Cash on hand	10,56,867	5,70,615
<b>Total Cash and cash equivalents</b>	<b>25,52,771</b>	<b>9,14,332</b>



Notes forming part of the consolidated financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**7B. Other Bank balances**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Unpaid dividend account	1,52,052	1,52,052
Deposits held as margin money/security for bank guarantees	1,56,54,245	1,41,41,196
<b>Total</b>	<b>1,58,06,297</b>	<b>1,42,93,248</b>

**8. Other financial assets**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Current		
Interest accrued on deposits	56,44,327	48,94,446
Security deposits	68,31,177	63,84,373
<b>Total current other financial assets</b>	<b>1,24,75,504</b>	<b>1,12,78,819</b>

**9. Other assets**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Current		
Prepaid expenses	44,921	54,843
Advances to suppliers	45,26,678	1,14,96,643
Other advances	-	-
- Unsecured, considered good	52,56,439	41,25,271
Other receivables	7,69,890	7,69,890
<b>Total current assets</b>	<b>1,05,97,928</b>	<b>1,64,46,647</b>

**10. Equity share capital**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Authorised share capital:</b>		
3,10,00,000 fully paid up equity shares of Rs. 5/- each	15,50,00,000	15,50,00,000
<b>Issued and subscribed capital:</b>		
2,38,93,942 Equity Shares of Rs.5/- each fully paid up	11,94,69,710	11,94,69,710
<b>Total</b>	<b>11,94,69,710</b>	<b>11,94,69,710</b>

**(A) Reconciliation of the number of shares outstanding:**

PARTICULARS	Number of shares	Amount
<b>Balance at April 1, 2017</b>	<b>2,22,13,942</b>	<b>10,78,19,710</b>
Issue of Shares	16,80,000	32,50,000
<b>Balance at March 31, 2018</b>	<b>2,38,93,942</b>	<b>11,10,69,710</b>
Issue of shares	-	84,00,000
<b>Balance at March 31, 2019</b>	<b>2,38,93,942</b>	<b>11,94,69,710</b>

**(B) Details of shares held by each shareholder holding more than 5% shares**

PARTICULARS	As at 31.12.2020		As at 31.03.2019	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<b>Fully paid equity shares</b>				
G.Rama Manohar Reddy	56,23,026	23.53	59,00,990	24.70
K.Hari Krishna Reddy	13,20,046	5.52	13,19,046	5.52

**(C) Rights, preferences and restrictions 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.

**11. Other equity**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
General Reserve	1,13,26,000	1,13,26,000
Securities Premium Account	11,86,08,770	11,86,08,770
Share Warrants	33,37,500	33,37,500
Retained Earnings	(20,38,96,338)	(13,75,79,309)
Balance at end of year	(7,06,24,068)	(43,07,039)

**11.1 General Reserve**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	1,13,26,000	1,13,26,000
<b>Balance at end of year</b>	<b>1,13,26,000</b>	<b>1,13,26,000</b>

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**11.2 Securities premium reserve**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	11,86,08,770	11,86,08,770
<b>Balance at end of year</b>	<b>11,86,08,770</b>	<b>11,86,08,770</b>

**11.3 Retained earnings**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	(13,55,69,306)	1,05,38,551
Net profit for the year	(6,62,88,088)	(14,61,07,857)
<b>Balance at end of year</b>	<b>(20,18,57,393)</b>	<b>(13,55,69,306)</b>

**11.4 Share warrants**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	33,37,500	33,37,500
Additions during the year	-	-
<b>Balance at end of year</b>	<b>33,37,500</b>	<b>33,37,500</b>

**11.4 Share warrants**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	5,11,725	5,00,723
Share of Profit/ Loss	(9,647)	11,002
Balance at end of year	5,02,078	5,11,725

Notes forming part of the consolidated financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**12. Non-current borrowings**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Unsecured - at amortised cost</b>		
Term loans	-	-
from banks	-	-
<b>Total non-current borrowings</b>	<b>-</b>	<b>-</b>

Summary of borrowing arrangements

## 12.1 Term Loans

Nature of Security & Terms of Repayment :

Hire purchase loan from Indus Ind Bank and Sundaram fin (Secured by the relevant assets for which loan is taken)

**13. Employee benefit obligations**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Non - Current</b>		
- Leave encashment	-	-
- Gratuity	2,29,963	2,35,592
	<b>2,29,963</b>	<b>2,35,592</b>
<b>Current</b>		
- Leave encashment	23,36,415	12,31,764
- Gratuity	51,18,010	52,99,616
	74,54,425	65,31,380
<b>Total</b>	<b>76,84,388</b>	<b>67,66,972</b>

**14. Current borrowings**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Unsecured - at amortised cost</b>		
Loans from Related Parties	1,64,19,588	72,89,600
<b>Secured - at amortised cost</b>		
Loans repayable on demand		
from banks (bank overdraft)	6,07,50,004	6,20,65,823
<b>Total</b>	<b>7,71,69,592</b>	<b>6,93,55,423</b>

Notes forming part of the consolidated financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**Notes:****i) Loan from related parties:****ii) Loan from banks**

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.

**ii) Loan from banks**

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.

**15. Trade Payables**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Trade Payables - Current</b>		
Dues to micro enterprises and small enterprises (Refer Note 27)	-	-
Dues to creditors other than micro enterprises and small enterprises	12,73,25,391	4,86,41,390
<b>Total</b>	<b>12,73,25,391</b>	<b>4,86,41,390</b>

**16. Other financial liabilities**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Current</b>		
Current maturities of long term borrowings	45,99,998	45,99,998
Current Maturities of finance lease obligation	-	59,562
Creditors for expenses	4,79,99,244	4,96,91,318
<b>Total</b>	<b>5,25,99,242</b>	<b>5,43,50,878</b>

Notes forming part of the consolidated financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**17. Other liabilities**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Current</b>		
Advance from customers	3,28,84,518	3,88,33,803
<b>Total</b>	<b>3,28,84,518</b>	<b>3,88,33,803</b>

**18. Revenue from operations**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Services	21,85,033	55,56,578
Sale of Products		-
Manufacturing	41,54,800	76,62,191
Trading	10,12,81,327	8,67,36,490
<b>Total</b>	<b>10,76,21,160</b>	<b>9,99,55,259</b>

**19. Other income (net)**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2020
<b>Interest income on financial assets carried at amortised cost</b>		
Bank deposits	8,38,215	10,36,586
	<b>8,38,215</b>	<b>10,36,586</b>
Other non-operating income		
Dividend from Chit Investment	26,50,125	25,01,950
Commission Received	12,47,135	8,79,366
Bad Debts Recovered	8,01,622	-
Excess Provision for Doubtful Debts	-	2,63,43,805
Foreign Exchange Fluctuation Loss	-	7,33,515
Miscellaneous income (Net)	-	67,313
	46,98,882	3,05,25,949
<b>Total</b>	<b>55,37,097</b>	<b>3,15,62,535</b>

Notes forming part of the consolidated financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**20. Cost of materials consumed**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening stock	19,56,066	38,26,725
Add: Purchases	23,94,621	36,32,982
Less: Closing stock	34,90,767	19,56,066
<b>Material Consumed</b>	<b>8,59,920</b>	<b>55,03,641</b>

**21. Changes in inventories of finished goods and work-in-progress**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Opening Stock:</b>		
Finished Goods	6,31,99,366	10,12,67,619
Closing Stock:	-	-
Finished Goods	4,96,42,231	6,31,99,366
<b>Net (increase) / decrease</b>	<b>1,35,57,135</b>	<b>3,80,68,253</b>

**22. Employee Benefits Expense**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Wages, including Bonus	3,27,22,313	2,54,36,560
Leave Encashment	11,04,651	2,32,530
Gratuity	9,16,075	6,62,251
Staff Welfare Expenses	7,61,432	3,22,281
<b>Total</b>	<b>3,55,04,471</b>	<b>2,66,53,622</b>

**23. Finance costs**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Interest expense</b>		
- Interest on Working Capital Loan	-	51,06,103
- Interest on Hire Purchase Loan	-	44,972
- Finance Cost on Chit Liability	55,06,985	69,63,566
- Interest Others	10,21,824	37,35,946
<b>Total</b>	<b>65,28,809</b>	<b>1,58,50,587</b>

Notes forming part of the consolidated financial statements  
(All amounts are in Indian rupees, except share data and where otherwise stated)

**20. Cost of materials consumed**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
- Rent	6,93,600	8,24,600
- Rates & Taxes	1,50,59,729	5,00,791
- Office Electricity & Maintenance	12,06,893	7,83,410
- Conveyance	9,34,173	8,82,469
- Subscription, Books & Periodicals	1,10,627	51,811
- Postage & Telegrams	91,356	1,87,790
- Printing & Stationery	4,17,760	4,06,372
- Regn. Licence & Filing Fees	5,64,988	3,73,222
- Advertisement Expenses	6,50,204	20,34,095
- Agency Commission	2,24,100	1,72,000
- Auditors Remmuneration	5,35,000	5,35,000
- Bank Charges	1,75,232	7,86,104
- Business Promotion Expenses	4,72,018	7,294
- Carriage Outwards	5,90,512	15,89,117
- Donations	55,000	90,000
- Foreign Exchange Loss	27,50,168	-
- Insurance	1,30,604	1,79,188
- Recruitment Charges	-	35,754
- Penalties	96,050	4,57,063
- Professional & Consultancy Charges Including Legal Charges	20,87,611	56,77,422
- Provision for Doubtful debts	80,28,177	
- Bad debts written off	-	14,89,62,932
- Other Advances & deposits written off (Non Recoverable)	87,36,785	
- Repairs & Maintenance	5,56,274	3,76,968
- Telephone & Fax Expenses	2,80,194	1,90,141
- Tender Expenses	7,553	1,15,000
- Testing & Calibration Expenses	2,27,820	6,63,075
- Tour & Travelling Expenses		
a) Directors	7,28,967	18,71,753
b) Others	22,58,983	22,84,685
- Penal Charges on Delay in payment of Chits	15,54,968	1,29,69,587
<b>Total</b>	<b>4,92,25,344</b>	<b>18,30,07,643</b>



**25 Capital and Financial risk management objectives and policies****A. Capital management and Gearing Ratio**

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

**B. Financial Risk Management Framework**

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management oversees that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**Interest rate risk**

"Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings."

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

**22. Employee Benefits Expense**

PARTICULARS	Impact on Profit before tax	
	31-Mar-20	31-Mar-19
Interest rates-increase by 0.5%	-	(2,00,239)
Interest rates-decrease by 0.5%	-	2,00,239

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets.

#### (i) Year ended 31 March, 2020:

##### (a) Expected credit loss for financial assets where general model is applied

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at 12 month expected credit losses	Other financial assets	13,76,77,708	--	13,76,77,708
Loss allowance measured at Life time expected credit losses	--	--	--	--

##### (b) Expected credit loss for financial assets where simplified approach is followed

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at Life time expected credit losses	Trade Receivables	11,48,71,312	80,28,177	10,68,43,135

**(ii) Year ended 31 March, 2019:****(a) Expected credit loss for financial assets where general model is applied**

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at 12 month expected credit losses	Other financial assets Loans	11,89,40,704	--	11,89,40,704
Loss allowance measured at Life time expected credit losses	--	--	--	--

**(b) Expected credit loss for financial assets where simplified approach is followed**

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at Life time expected credit losses	Trade Receivables	9,24,54,304	--	9,24,54,304

**(iv) Reconciliation of Loss allowance provision**

Particulars	Provision on Trade Receivables	Allowance for bad & doubtful deposits	Allowance for bad & doubtful loans
Loss allowance as at March 31, 2019	-	-	-
Add/(Less):	-	-	-
Provision made during the period	80,28,177	-	-
Provision reversed during the period	80,28,177	-	-
Loss allowance as at March 31, 2020	-	-	-

**Significant estimates and judgements**

"Impairment of financial assets The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period."

**Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

**(iv) Reconciliation of Loss allowance provision**

Particulars	On Demand	in next 12 months	>1 year	Total
Year ended March 31, 2020				
Borrowings	-	7,71,69,592	-	7,71,69,592
Trade and other payables	-	12,74,35,541	-	12,74,35,541
Other financial liabilities	-	5,25,99,242	-	5,25,99,242
	-	<b>25,72,04,375</b>	-	<b>25,72,04,375</b>
Year ended March 31, 2019				
Borrowings	-	6,93,55,423	-	6,93,55,423
Trade and other payables	-	4,87,17,140	-	4,87,17,140
Other financial liabilities	-	5,43,50,878	-	5,43,50,878
	-	<b>17,24,23,441</b>	-	<b>17,24,23,441</b>

**Market risk - Foreign exchange exposure:**

Foreign exchange risk sensitivity A reasonably possible strengthening (weakening) of the INR, against the foreign currency would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasts sales and purchases.

PARTICULARS	Impact on Profit and loss account	
	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>EUR Sensitivity</b>		
Increase of USD by Rs. 1/-	(4,75,433)	(3,35,357)
Decrease of USD by Rs. 1/-	4,75,433	3,35,357
<b>EUR Sensitivity</b>		
Increase of EUR by Rs. 1/-	(7,663)	-
Decrease of EUR by Rs. 1/-	7,663	-
<b>Pound sensitivity</b>		
Increase of Pound by Rs. 1/-	-	-
Decrease of Pound by Rs. 1/-	-	-
<b>JPY Sensitivity</b>		
Increase of JPY by Rs. 1/-	-	-
Decrease of JPY by Rs. 1/-	-	-

**26 Financial Instruments**

- (i) Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying Values			Fair value	
	Fair value hierarchy	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Assets:					
Current					
i) Trade receivables	Level 3	10,68,43,135	9,24,54,304	10,68,43,135	9,24,54,304
ii) Cash and cash equivalents	Level 3	25,52,771	9,14,332	25,52,771	9,14,332
iii) Other balances with banks	Level 3	1,58,06,297	1,42,93,248	1,58,06,297	1,42,93,248
iv) Other financial assets	Level 3	1,24,75,504	1,12,78,819	1,24,75,504	1,12,78,819
Liabilities:					
Non-Current					
(i) Borrowings	Level 3	-	-	-	-
Current					
i) Borrowings	Level 3	7,71,69,592	6,93,55,423	7,71,69,592	6,93,55,423
ii) Trade payables	Level 3	12,74,35,541	4,87,17,140	12,74,35,541	4,87,17,140
iii) Other current financial liabilities	Level 3	5,25,99,242	5,43,50,878	5,25,99,242	5,43,50,878

**Fair value hierarchy**

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period.

Level 2 – The fair value of financial instruments not actively traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If the significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

- i) The Carrying values of Current financial liabilities and current financial assets are taken as their fair value because of their short term nature.
- ii) The Carrying values of Non-Current financial liabilities and Non-current financial assets are taken as their fair value based on their discounted cash flows.
- iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realised or paid in sale transactions as of respective dates. as such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

- iv) There have been no transfers between level 1 , level 2 and level 3 for the years ended March 31, 2019 and March 31, 2018.

**Significant estimate:**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

**NOTE NO.27**

**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
(I) Principal amount remaining unpaid to any supplier as at the end of the accounting year	--	--
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	--	--
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	--	--
(iv) The amount of interest due and payable for the year	--	--
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	--	--
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	--	--

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors

**NOTE NO.28**

**Earnings per Share:**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

<b>PARTICULARS</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
Profit after tax	(6,62,88,088)	(14,61,07,857)
Basic & Diluted:	-	-
Number of shares outstanding at the year end	2,38,93,942	2,38,93,942
Weighted average number of equity shares	2,38,93,942	2,22,18,545
Earnings per share	-2.78	-6.12

Note: EPS is calculated based on profits excluding the other comprehensive income

#### **NOTE NO. 29**

##### **Post-Employment Benefit Plans**

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for every completed year of service.

The following tables summarize the components of net benefit expenses recognized in the statement of profit and loss and the amounts recognized in the balance sheet for the respective plans.

##### **a) Reconciliation of Defined Benefit Obligation:**

<b>PARTICULARS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Liability at the beginning of the period / year	55,35,207	32,04,572
Current Services Cost	4,92,632	4,14,858
Interest Cost	4,23,443	2,47,393
Benefits Cost	-	-
Actuarial (gain)/Loss	(11,03,309)	16,68,384
Liability at the end of the period / year	53,47,973	55,35,207

##### **b) Amount recognized in the Balance Sheet**

<b>PARTICULARS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Liability at the end of the Period / Year	53,47,973	55,35,207
Amount to be recognised in Balance Sheet	53,47,973	55,35,207

##### **c) Expenses recognized in the Statement of Profit and Loss under employee benefits expense**

<b>PARTICULARS</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Current Service Cost	4,92,632	4,14,858
Interest Cost	4,23,443	2,47,393
Expense recognized in Statement of Profit and Loss	9,16,075	6,62,251

**d) Re-measurement costs for the period recognized in Other Comprehensive Income**

PARTICULARS	31-Mar-20	31-Mar-19
Experience (gain)/Loss on plan liabilities	(11,03,309)	17,89,399
Demographic (gain)/Loss on plan liabilities	-	-

**e) Principal assumptions used in determining gratuity:**

PARTICULARS	31-Mar-20	31-Mar-19
Salary Escalation	5%	5%
Discount Rate	6.80%	7.65%
Employee Turnover	4%	4%

**f) Sensitivity Analysis**

Assumptions	As at March 31, 2020	As at March 31, 2019
Discount Rate		
1% Increase	(3,73,056)	(3,56,910)
1% Decrease	4,34,742	4,02,611
Salary Rate		
1% Increase	7,09,656	7,97,572
1% Decrease	(5,82,204)	(6,64,028)
Attrition Rate		
1% Increase	2,54,284	2,63,813
1% Decrease	(2,85,185)	(2,90,669)

**NOTE NO. 30**

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 one crore two lakh rupees, the information of which could form part of the Director's Report for the year ended 31st March 2020.

**NOTE NO. 31**

Foreign Exchange Earnings and Outflow:

PARTICULARS	Current Year Rs. in Lakhs	Previous Year Rs. in lakhs
Foreign Exchange Earnings	12.47	8.79
Foreign Exchange Outflow	16.33	42.59



**NOTE NO. 32****Contingent Liabilities not provided for**

PARTICULARS	Current Year Rs. in Lakhs	Previous Year Rs. in lakhs
Bank Guarantee	175.87	138.99
Letter of Credit	-	-

**NOTE NO. 33****Segment Reporting:****Information about primary business segments:**

The Company is mainly in the segment of manufacture and trading of telecommunication products.

**Information about secondary business segment:**

The Company operates in one geographical segment i., India

**NOTE NO. 34**

Transactions with the related parties pursuant to Accounting Standard 18:

## List of Related Parties

Key managerial personnel	<ul style="list-style-type: none"> <li>- K.Harikrishna Reddy (Chairman)</li> <li>- M. Srinivasa Rao (Managing Director)</li> <li>- D. Venkateswara Rao (CFO)</li> <li>- G. Rama Manohar Reddy</li> <li>- Khush Mohammad</li> </ul>
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**Transaction with the Related Parties:**

Particulars	Subsidiary Company		Key Management personnel	
	2019-20	2018-19	2019-20	2018-19
Remuneration	--	--	99,60,000	78,96,000
Loans Taken	--	--	1,49,60,000	51,05,000
Loans Repaid	--	--	58,30,011	29,75,400

**Balance as at 31st March**

Particulars	Enterprise significantly influenced by KMP		Key Management Personnel	
	2019-20	2018-19	2019-20	2018-19
Remuneration	--	--	32,04,131	26,03,039
Loans Taken	--	--	1,64,19,588	72,89,600

**NOTE NO. 35****Deferred Tax:**

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 recognized Rs. 1,80,44,535/- towards deferred tax asset in the year 2018-19. The major components of deferred tax asset / liability are on account of timing differences in depreciation.

**NOTE NO.36****Impact of Covid:**

The Company has not been impacted critically due to Covid-19 Pandemic. During most of the Lock down period there were issues due to various reasons (logistics, availability of man power etc.,) normal operating capacity utilization was not reached. The premise of going concern has not been impacted. The company did not avail any working capital or term loans to meet exigencies due to the pandemic.

**NOTE NO. 37**

**Trade Receivables, Deposits, Advances, Creditors and Trade Payables are subject to the confirmation with the respective parties/authorities.**

**NOTE NO. 38****Bank Overdraft classified as Non-Performing Asset:**

The holding company has been enjoying credit limits with state bank of Hyderabad since 1997, having credit limits up-to 18.50 Cr both fund based and non-fund based. During the Financial year 2014-15, there was inter changeability of Rs.4 crores from LC Facility to Cash Credit.

Whereas, State Bank of Hyderabad has merged with State Bank of India during April 2017 and later State Bank of India has cancelled the inter changeability facility from LC to CC as policy matter and advised the company to repay Rs.4 crores in 3 months' time. Subsequently the account was classified as NPA for non-payment within 3 months of overdue amount of Rs.4 crores. Interest has been charged by the bank up-to august 2018 and accounted for in the books. Further interest has not been charged by the bank and not provided in the books of account as the account has become NPA. The SARB branch of SBI is now reviewing the account and proposal for reviving and restructuring of account is under progress.

**NOTE NO. 39****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.
Bhashawanth Power Projects Pvt. Ltd.	-0.12	-59,365	-0.06	-38,589

**NOTE NO. 40**

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

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

**SIGNATURES TO NOTE “1” TO “40”**

VIDE OUR REPORT OF EVEN DATE

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

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

Place : Hyderabad  
Date : 31.07.2020

FOR AND ON BEHALF OF THE BOARD

Sd/-  
(M.SRINIVASA RAO)  
MANAGING DIRECTOR  
DIN: 03456187

Sd/-  
(D.VENKATESWARA RAO)  
WHOLE-TIME DIRECTOR & CFO  
DIN : 03616715

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

Sd/-  
(KHUSH MOHAMMAD)  
COMPANY SECRETARY  
M.No.A24743

**INDEPENDENT AUDITOR'S REPORT**

To

The Members of

Bhashwanth Power Projects Private Limited

**Report on the Audit of the Standalone IND AS Financial Statements****Opinion**

We have audited the accompanying standalone Ind AS financial statements of Bhashwanth Power Projects Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date

**Basis for Opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for

safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
4. As required by Section 143(3) of the Act based on our audit, we report that:

- i) 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.
- j) 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.
- k) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- l) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- m) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- n) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- o) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration has not been paid by the Company to its directors during the year.

- p) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - iv. The Company does not have any pending litigations which would impact its financial position.
  - v. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - vi. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Hyderabad  
Date : 29.07.2020

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

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) According to the information and explanations given to us, the company do not hold any fixed assets during the financial year, hence maintenance and physical verification of fixed assets do not arise.
- (vii) As the Company does not hold any inventories during the year, the reporting requirement under the provisions of paragraph 3 Clause (ii) of the Order is not applicable to this Company.
- (viii) 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 provisions of paragraph 3 Clause (iii) of the Order are not applicable to this company.
- (ix) 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 given any loans, investments, guarantees and security during the year as per the provisions of sections 185 and 186 of the Companies Act, 2013.
- (x) 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.
- (xi) The maintenance of cost records has not been prescribed by the Central Government under subsection (1) of section 148 of the Companies Act.
- (viii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Services Tax (GST), custom 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, Goods and Services Tax (GST), customs duty and cess were in arrears, wherever applicable, as at 31st March, 2020 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us, there are no dues of income tax, Goods and Services Tax (GST), customs duty and cess which have not been deposited on account of any dispute.
- (xvii) 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.
- (xviii) 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.
- (xix) 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.
- (xx) 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.
- (xxi) 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.
- (xxii) 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.
- (xxiii) 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.

- (xxiv) 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.
- (xxv) 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

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

Place: Hyderabad  
Date : 29.07.2020

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## 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 Bhashwanth Power Projects Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 standalone Ind AS 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 of the company.



**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS 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 standalone Ind AS 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 2020, 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 CSV R & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No.012121S

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

Place: Hyderabad  
Date : 29.07.2020

## Balance Sheet as at March 31, 2020

(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment		-	-
<b>Total Non - Current Assets</b>		-	-
<b>Current Assets</b>			
Financial Assets			
(a) Cash and Cash Equivalents	3	3,785	7,974
Other Current Assets	4	47,000	47,000
<b>Total Current Assets</b>		<b>50,785</b>	<b>54,974</b>
<b>Total Assets</b>		<b>50,785</b>	<b>54,974</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	5	19,70,000	19,70,000
Other Equity	6	(20,29,365)	(19,90,776)
<b>Total Equity</b>		<b>(59,365)</b>	<b>(20,776)</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(a) Trade Payables	7	1,10,150	75,750
<b>Total Current Liabilities</b>		<b>1,10,150</b>	<b>75,750</b>
<b>Total Liabilities</b>		<b>1,10,150</b>	<b>75,750</b>
<b>Total Equity and Liabilities</b>		<b>50,785</b>	<b>54,974</b>
<b>Corporate information and significant accounting policies</b>			

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  
M.No.239608

Place : Hyderabad  
Date : 29.07.2020

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

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

**Statement of Profit and Loss for the quarter ended March 31, 2020**  
(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	Notes	For the Year ended March 31, 2020	For the Year ended March 31, 2019
<b>INCOME</b>			
<b>Total Income</b>		-	-
<b>EXPENSES</b>			
Other Expenses	8	38,589	44,009
<b>Total Expenses</b>		<b>38,589</b>	<b>44,009</b>
<b>Profit Before Exceptional Items and Tax</b>		(38,589)	(44,009)
Exceptional Items (Net)		-	-
<b>Profit Before Tax</b>		<b>(38,589)</b>	<b>(44,009)</b>
<b>Tax Expense</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>Total Tax Expense</b>		-	-
<b>Profit for the year</b>		<b>(38,589)</b>	<b>(44,009)</b>
<b>Total comprehensive income for the year</b>		<b>(38,589)</b>	<b>(44,009)</b>
<b>Earnings per equity share</b> (Equity shares, par value of ` 5 each)			
Basic & Dilluted		(0.20)	(0.22)
<b>Corporate information and significant accounting</b>			

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  
M.No.239608

Place : Hyderabad  
Date : 29.07.2020

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

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

**Statement of changes in equity for the year ended March 31, 2020**

(All amounts are in Indian rupees, except share data and where otherwise stated)

**a. Equity**

Particulars	Number of Shares	Amount
<b>Balance at April 1, 2018</b>	<b>1,97,000</b>	<b>19,70,000</b>
Changes in equity share capital during the year	-	
<b>Balance at March 31, 2019</b>	<b>1,97,000</b>	<b>19,70,000</b>
Changes in equity share capital during the year	-	
<b>Balance at March 31, 2020</b>	<b>1,97,000</b>	<b>19,70,000</b>

**b. Other Equity**

Particulars	Retained earnings	Total
<b>Balance at April 1, 2018</b>	(19,46,767)	(19,46,767)
Profit for the year	(44,009)	(44,009)
<b>Balance at March 31, 2019</b>	<b>(19,90,776)</b>	<b>(19,90,776)</b>
Profit for the year	(38,589)	(38,589)
<b>Balance at March 31, 2020</b>	<b>(20,29,365)</b>	<b>(20,29,365)</b>

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  
 M.No.239608

Place : Hyderabad  
 Date : 29.07.2020

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

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

**Cash Flow statement for the quarter ended March 31st, 2020**  
(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	31.03.2020	31.03.2019
<b>Cash flow from operating activities</b>		
<b>Profit Before Tax</b>	(38,589)	(44,009)
<b>Cash flow before working capital changes</b>		
(Increase)/Decrease in Other Assets	-	-
Increase/(Decrease) in Trade Payables	34,400	41,000
<b>Cash flow from Operating Activities</b>	<b>(4,189)</b>	<b>(3,009)</b>
Less: Tax Paid	-	-
<b>Net Cash Flow From Operating Activities</b>	<b>(4,189)</b>	<b>(3,009)</b>
<b>Net Cash Flow From Investing Activities</b>	-	-
<b>Net Cash Flow From Financing Activities</b>	-	-
<b>Net Cash Flow During the Year</b>	<b>(4,189)</b>	<b>(3,009)</b>
<b>Cash &amp; Cash Equivalent At the Beginning Of the Year</b>	<b>7,974</b>	<b>10,983</b>
<b>Cash &amp; Cash Equivalent At the End Of the Year</b>	<b>3,785</b>	<b>7,974</b>

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  
M.No.239608

Place : Hyderabad  
Date : 29.07.2020

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

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

**Notes forming part of the financial statements****NOTE 1. Background**

Bhashwanth Power Projects Private Limited is engaged in the business of generation and distribution of power.

**NOTE 2. Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**bb) Basis of preparation**

The financial statements of the company have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies ( Indian Accounting Standards) Rules, 2015 and as amended from time to time.

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- Employee defined benefit assets/(liabilities) are remeasured at the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

**cc) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors are identified as chief operating decision makers. Refer note 38 for segment information presented.

**dd) Functional and Presentation Currency:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are prepared in Indian rupee, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest Lakhs.

**ee) Revenue Recognition:**

- Sale of Goods:

Revenue is recognized when significant risks and rewards of ownership have been transferred to the buyer, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Revenue from the sale of goods includes excise duty is measured at fair value of the consideration received or receivable, net of returns, sales tax, applicable trade discounts, allowances, Goods and Service Tax (GST) and amounts collected on behalf of third parties.

- Sales Returns:

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale.

- Interest Income:

Interest income primarily comprises of interest from term deposits and electricity deposits. Interest income is recorded using the effective rate of interest. Interest income is included in other income in the statement of profit and loss.

- **Dividend Income:**

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

- ff) **Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

- gg) **Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

- hh) **Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

- ii) **Trade receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

- jj) **Inventories**

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**kk) Impairment of non-financial assets:**

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment

**ll) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**mm) Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. General and Specific borrowing costs that are attributable to the construction of a qualifying asset are capitalized as part of the cost of the asset during the period of time that is required to complete and prepare the asset for its intended use or sale.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as Capital Advances under other non-current assets.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**nn) Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**oo) Borrowings**

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.



**pp) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

**qq) Provisions, contingent liabilities and contingent assets:**

**Provision:** A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**Contingent Liability:** A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**Contingent Asset:** Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an outflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

**rr) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**ss) Earnings per share****(ii) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**tt) Use of Estimates and Judgements**

The preparation of financial statements in conformity with Ind AS required management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates may change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and if material, their effects are disclosed in the notes to the standalone financial statements.

**uu) Current and Non- Current classification:**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**vv) Foreign Currencies:**

The financial statements are presented in Indian Rupees, which is the functional currency of the company.

Transactions and Balances:

Transactions in foreign currencies are initially recorded by the company in INR at spot rates at the date of transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at INR spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit / loss.

Non-Monetary Items that are measured in terms of the historical cost in a foreign currency are translated using the exchange rates at the dates of initial transactions. Non-monetary items are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined.

**ww) Leases:**

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The standard includes two recognition exemptions for lessees - leases of 'low value' assets (eg. personal computers) and short term leases (i.e., leases with a lease term of 12 months or less).

At the commencement date of lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use of asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to measure the lease liability upon the occurrence of certain events (eg. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of measurement of lease liability as an adjustment to the right-of-use asset.

## Notes forming part of the financial statements

(All amounts are in Indian rupees, except share data and where otherwise stated)

## Note - 3: Cash and Bank Balances

## 3A. Cash and Cash Equivalents

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Balances with Banks</b>		
in current accounts	-	6,798
Cash on hand	3,785	1,176
<b>Total Cash and cash equivalents</b>	<b>3,785</b>	<b>7,974</b>

## 4. Other assets

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Current:</b>		
Advances recoverable in cash or kind -Current	47,000	47,000
<b>Total current assets</b>	<b>47,000</b>	<b>47,000</b>

## 5. Equity share capital

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Authorised share capital:</b>		
2,20,000 fully paid up equity shares of Rs. 10/- each	22,00,000	22,00,000
<b>Issued and subscribed capital:</b>		
1,97,000 Equity Shares of Rs.10/- each fully paid up	19,70,000	19,70,000
<b>Total</b>	<b>19,70,000</b>	<b>19,70,000</b>

## (A) Reconciliation of the number of shares outstanding:

PARTICULARS	Number of shares	Amount
<b>Balance at April 1, 2018</b>	<b>1,97,000</b>	<b>19,70,000</b>
Issue of Shares	-	-
<b>Balance at March 31, 2019</b>	<b>1,97,000</b>	<b>19,70,000</b>
Issue of shares	-	-
<b>Balance at March 31, 2020</b>	<b>1,97,000</b>	<b>19,70,000</b>

**(B) Details of shares held by each shareholder holding more than 5% shares**

PARTICULARS	As at 31.12.2020		As at 31.03.2019	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<b>Fully paid equity shares</b>				
G.Rama Manohar Reddy	49250	25%	49,250	25%
Aishwarya Technologies and Telecom Limited	147750	75%	1,47,750	75%

**(C). Rights, preferences and restrictions 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.

**6. Other equity**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Retained Earnings	(20,29,365)	(19,90,776)
<b>Balance at end of year</b>	<b>(20,29,365)</b>	<b>(19,90,776)</b>

**6.1. Retained earnings**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	(19,90,776)	(19,46,767)
Net profit for the year	(38,589)	(44,009)
<b>Balance at end of year</b>	<b>(20,29,365)</b>	<b>(19,90,776)</b>

**7. Trade Payables**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Trade Payables - Current		
Dues to micro enterprises and small enterprises (Refer Note 10)	-	-
Dues to creditors other than micro enterprises and small enterprises	1,10,150	75,750
<b>Total</b>	<b>1,10,150</b>	<b>75,750</b>

**8. Other expenses**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Registration , License and Filing fee	800	1,000
Professional Charges	23,600	30,000
Auditors' remuneration (Refer Note (i) below)	10,000	10,000
Miscellaneous expenses	4,189	3,009
<b>Total</b>	<b>38,589</b>	<b>44,009</b>

**Notes:****i) Auditors' remuneration (net of service tax) comprises of:**

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Company		
For statutory audit	10,000	10,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>

**9. Earnings per share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares

The following reflects the income and share data used in the basic and diluted EPS computations:

PARTICULARS	For the year ended	
	31-Mar-20	31-Mar-19
Profit after tax	(38,589)	(44,009)
Basic:	-	
Number of shares outstanding at the year end	197000	1,97,000
Weighted average number of equity shares	197000	197000
Earnings per share (Rs)	-0.20	-0.22

Note: EPS is calculated based on profits excluding the other comprehensive income

**10. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
(I) Principal amount remaining unpaid to any supplier as at the end of the accounting year	--	--
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	--	--
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	--	--
(iv) The amount of interest due and payable for the year	--	--
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	--	--
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	--	--

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors

**NOTE NO. 11**

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 one crore two lakh rupees, the information of which could form part of the Director's Report for the year ended 31st March 2020

**NOTE NO. 12****Foreign Exchange Earnings and Outflow:**

PARTICULARS	Current Year Rs. in Lakhs	Previous Year Rs. in lakhs
Foreign Exchange Earnings	--	--
Foreign Exchange Outflow	--	--

**NOTE NO. 13****Contingent Liabilities not provided for**

PARTICULARS	Current Year Rs. in Lakhs	Previous Year Rs. in lakhs
Bank Guarantee	--	--
Letter of Credit	--	--

**NOTE NO. 14****Segment Reporting:****Information about primary business segments:**

The Company is mainly in the segment of manufacture and trading of telecommunication products.

**Information about secondary business segment:**

The Company has not yet started the operations

**NOTE NO. 15**

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

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

**SIGNATURES TO NOTE “1” TO “15”**

VIDE OUR REPORT OF EVEN DATE

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

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

Place : Hyderabad  
Date : 29.07.2020

FOR AND ON BEHALF OF THE BOARD

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

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

*If undelivered please return to :*

**Aishwarya Technologies and Telecom Limited**  
1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad-500080,  
Ph.Nos:040- 27531324/25/26