

# ANNUAL REPORT 2017-18



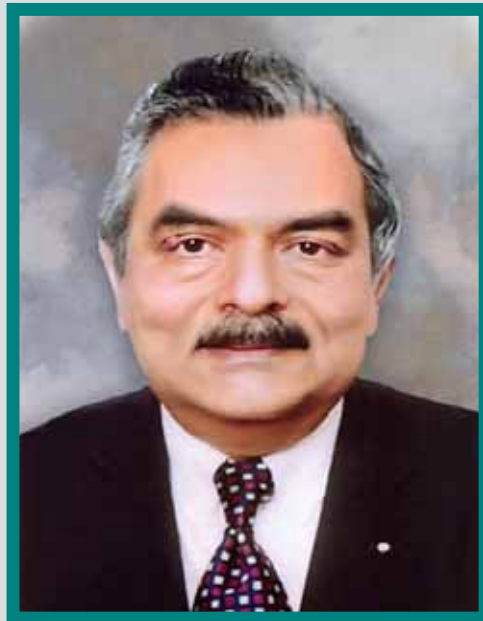
**VINDHYA TELELINKS LIMITED**



**Syt. Madhav Prasadji Birla**  
(1918-1990)



**Smt. Priyamvadaji Birla**  
(1928-2004)



**Syt. Rajendra Singhji Lodha**  
(1942-2008)

*Our source of Inspiration*

# VINDHYA TELELINKS LIMITED

## ANNUAL REPORT 2017-18

### BOARD OF DIRECTORS

SHRI HARSH V.LODHA  
SHRI J.VEERARAGHAVAN  
SHRI S.K.MISRA  
SHRI R.C.TAPURIAH  
SHRI D.R. BANSAL  
SHRI PRACHETA MAJUMDAR  
SHRI SHIV DAYAL KAPOOR  
SMT KIRAN AGGARWAL  
SHRI DILIP GANESH KARNIK  
SHRI Y.S.LODHA

*Chairman*

*Managing Director & CEO*

### AUDIT COMMITTEE

SHRI R.C.TAPURIAH  
SHRI J.VEERARAGHAVAN  
SHRI S.K.MISRA  
SHRI PRACHETA MAJUMDAR

*Chairman*

### MANAGEMENT TEAM

SHRI SANDEEP CHAWLA  
SHRI RAMESH SINGH  
SHRI R.K. SHARMA  
SHRI V.P. SINGH  
SHRI VINEET SHRIVASTAVA  
SHRI SAURABH CHHAJER  
SHRI SATYENDU PATNAIK

*President/CEO (EPC Division)*  
*President (Works)*  
*President (Projects)*  
*Vice President (Works)*  
*Vice President (Business Development)*  
*Chief Financial Officer*  
*Company Secretary*

### AUDITORS

V.SANKAR AIYAR & CO.  
CHARTERED ACCOUNTANTS  
NEW DELHI

### BANKERS

STATE BANK OF INDIA  
IDBI BANK LTD.  
HDFC BANK LTD.  
RBL BANK LTD.

### REGISTERED OFFICE & WORKS

UDYOG VIHAR  
P.O.CHORHATA  
REWA - 486 006 (M.P.)  
Phone : (07662) 400 400  
Fax : (07662) 400 591  
Email : headoffice@vtlrewa.com  
Website : www.vtlrewa.com  
CIN : L31300MP1983PLC002134  
PAN : AAACV7757J

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## NOTICE

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the Members of Vindhya Telelinks Limited will be held on Tuesday, the July 31, 2018 at 4.30 P.M. at the Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa - 486 006 (M.P.) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - (a) the audited Financial Statements of the Company for the financial year ended March 31, 2018, and the Reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated Financial Statements of the Company for the financial year ended March 31, 2018, and the Report of Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2018.
3. To appoint a Director in place of Shri D.R. Bansal (DIN: 00050612), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. 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, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment thereof for the time being in force), Shri Dilip Ganesh Karnik (DIN: 06419513), who was appointed as an Additional Director of the Company by the Board of Directors with effect from November 14, 2017 pursuant to Section 161 of the Companies Act, 2013 and Article 94 of the Articles of Association of the Company and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment thereof for the time being in force), the remuneration of Rs.55,000/- (Rupees Fifty Five Thousand) Only plus applicable taxes thereon and reimbursement of out of pocket expenses as fixed by the Board of Directors and to be paid to Messrs D. Sabyasachi & Co., Cost Accountants (Registration No.000369), who are appointed as Cost Auditors of the Company by the Board of Directors for conducting the audit of the cost accounting records of the Company for the financial year ending March 31, 2019, be and is hereby ratified and approved.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

Registered Office:  
Udyog Vihar,  
P.O.Chorhata,  
Rewa - 486 006 (M.P.)

By Order of the Board of Directors  
for Vindhya Telelinks Limited

Satyendu Pattnaik  
Company Secretary

May 23, 2018

### NOTES FOR MEMBERS' ATTENTION

1. The explanatory statements setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013, relating to the special business to be transacted at the Annual General Meeting is annexed hereto.
2. Members of the Company had approved appointment of Messrs V. Sankar Aiyar & Co., Chartered Accountants, as the Statutory Auditors at the 32<sup>nd</sup> (Thirty Second) Annual General Meeting of the Company held on July 23, 2015 for a term of consecutive five (5) years. The amended provisions of the Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 by the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018 respectively, omitted the provisions relating to annual ratification of the Auditors with effect from May 7, 2018. As such, the appointment of Auditors is not required to be ratified each year at the Annual General Meeting of the Company and accordingly, Messrs V.Sankar Aiyar & Co., Chartered Accountants (Registration No. 109208W) hold office for a consecutive period of five (5) years until the conclusion of 37<sup>th</sup> (Thirty Seventh) Annual General Meeting of the Company to be held for the financial year 2019-20 without following the requirement of ratification of their appointment every year.



3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing Proxies, in order to be effective, must be received in the annexed Proxy Form at the Registered Office of the Company not less than forty eight (48) hours before the time fixed for commencement of the Meeting, i.e. by 4.30 P.M. on July 29, 2018.

A person shall not act as Proxy on behalf of members for more than Fifty (50) in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

4. Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. In case of joint holders attending the Meeting, only one such joint holder whose name appears first in the joint holders list will be entitled to vote. Corporate members, Societies, etc. intending to attend Meeting through their authorised representatives are requested to send to the Company, a certified copy of the Board Resolution, Power of Attorney or such other valid authorisations, authorising them to attend and vote on their behalf at the Meeting. Members who hold shares in de-materialized form are requested to bring their DP I.D. and Client I.D. No.(s) for easier identification of attendance at the Meeting.
5. During the period beginning twenty four (24) hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays, upto and including the date of the Meeting. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Meeting.
6. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the July 25, 2018 to Tuesday, the July 31, 2018 (both days inclusive) for the purposes of Meeting and determining the names of members eligible for dividend on equity shares, if declared at the Meeting.
7. If the dividend as recommended by the Board of Directors is declared at the Meeting, payment of such dividend will be made on or before August 29, 2018 as under:
  - (a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on July 24, 2018; and
  - (b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on July 24, 2018.
8. Members holding shares in dematerialised form may please note that their bank account details as furnished by the respective depositories to the Company will be considered for payment/remittance of dividend as per the applicable regulations of the Depositories. The Company or its Registrar and Share Transfer Agents will neither entertain nor act on any direct request from such members for change/deletion in such bank account details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend to be paid on shares held in dematerialised form. Members may therefore, give instructions regarding bank account details in which they wish to receive dividend to the Depository Participants. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company/Registrar and Share Transfer Agents.
9. Non-resident Indian Members are requested to inform Registrar and Share Transfer Agents, immediately of:
  - (i) the change in the residential status on return to India for permanent Settlement; and
  - (ii) the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
10. Members who have so far not encashed the dividend warrant(s) for the year ended March 31, 2014 or any subsequent financial years, are requested to write to the Company or its Registrar and Share Transfer Agents, viz. Messrs Link Intime India Pvt. Ltd. for issuance of demand draft in lieu of unencashed/unclaimed dividend warrant, if any. The detail of such unpaid and unclaimed dividends has been uploaded on Company's website. The Company was not required to transfer the unclaimed dividends during the financial year 2017-18 to the Investor Education and Protection Fund (IEPF) established by the Central Government.
11. This Notice of the Meeting along with the Attendance Slip, Proxy Form, Route map of the venue of the Meeting and the Annual Report 2017-18 of the Company are being sent by email to all the members whose e-mail addresses (IDs) are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard / physical copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by the permitted mode. Members who wish to update or register their e-mail addresses with the Company or with the Depository Participants, may use the Form for updation/registration. The Form can also be downloaded from the Company's website: [www.vtlrewa.com](http://www.vtlrewa.com) under the section 'Investor Relation'. The Annual Report 2017-18 circulated to the Members of the Company will also be made available on the Company's website, [www.vtlrewa.com](http://www.vtlrewa.com).

12. Members desirous of obtaining any information on Annual Financial Statements of the Company at the Meeting are requested to write to the Company at least 10 (ten) days before the date of the Meeting, so that the information required may be made available at the Meeting.
13. Members are requested to note that the Company's shares are under compulsory demat trading for all the investors. The Company has connectivity from the NSDL and CDSL and equity shares of the Company may be held in the dematerialised form with any Depository Participant (DP) with whom the members/investors are having their depository account. The ISIN No. for the Equity Shares of the Company is INE707A01012. In case of any query/difficulty in any matter relating thereto may be addressed to the Registrar and Share Transfer Agents.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialised form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN details to the Company at its Registered Office or to the Registrar and Share Transfer Agents.
15. Information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking re-appointment/appointment in the ensuing Annual General Meeting are furnished in the Annexure to the Notice and forms a part of the Notice. The Directors have furnished the requisite consent/declaration for their re-appointment/appointment.
16. Messrs Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 continue to act in the capacity of Registrar and Share Transfer Agents for physical shares of the Company. Messrs Link Intime India Pvt. Ltd. is also the depository interface of the Company with both NSDL and CDSL. Members are requested to address all correspondences, including dividend matters, to the said Registrar and Share Transfer Agents.
17. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with 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 Company is pleased to provide to the Members the facility of voting and remote e-voting on resolutions proposed to be considered at the Meeting and as such all business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system for a place other than venue of the Meeting ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The Members who have cast their votes by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their votes again. The e-voting rights of the shareholders/beneficial owners shall be reckoned on the Equity Share held by them as on July 24, 2018 (cut-off date).
18. The instructions for shareholders voting electronically through remote e-voting facility are as under:
  - (i) The remote e-voting period begins on Friday, the July 27, 2018 at 9.00 a.m. and ends on Monday, the July 30, 2018 at 5.00 p.m. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 24, 2018, may cast their vote by remote e-voting. Once the vote on a resolution is cast by e-voting, the Members shall not be allowed to change it subsequently. Thereafter, the e-voting module shall be disabled by CDSL and Members shall not be allowed to vote electronically upon disablement of such remote e-voting facility. Any person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
  - (ii) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on SHAREHOLDERS/MEMBERS tab.
  - (iv) 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.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/ Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to log in. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding equity 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 account holders for voting for resolutions of any other company on which they are eligible to vote, provided that such company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in the Notice.
- (xi) Click on the EVSN for Vindhya Telelinks Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on “Forgot Password” and enter the details as prompted by the system.
- (xviii) Members 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Members and Custodians
  - (a) Non-Individual Members (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.
  - (b) 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).
  - (c) 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.
  - (d) 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.
  - (e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 19. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date, i.e. July 24, 2018.
- 20. The Company has appointed Shri Rajesh Kumar Mishra, Practicing Company Secretary or failing him Shri R.S.Bajaj, Practicing Company Secretary as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.
- 21. The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ‘Ballot Paper’ or ‘Polling Paper’ for all those members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.
- 22. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Meeting, 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 in that behalf, who shall countersign the same and declare the result of the voting forthwith.
- 23. The results shall be declared on or after the Meeting of the Company and shall be deemed to be passed on the date of Meeting. The results declared, alongwith the report of the Scrutinizer shall be placed on the website of the Company, [www.vtlrewa.com](http://www.vtlrewa.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing in that behalf. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Ltd.



**ANNEXURE TO NOTICE**
**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice dated May 23, 2018:

**Item No.4**

The Board of Directors at its Meeting held on November 14, 2017 has, based upon recommendation of the Nomination and Remuneration Committee, appointed Shri Dilip Ganesh Karnik (DIN: 06419513) as an Additional Director of the Company with effect from November 14, 2017. Pursuant to Section(s) 149 and 161 of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 94 of the Articles of Association of the Company, he holds office as such upto the date of this Annual General Meeting of the Company.

The Nomination and Remuneration Committee at its Meeting held on May 23, 2018, recommended the appointment of Shri Dilip Ganesh Karnik as a Director of the Company, liable to retire by rotation. The Company has also received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing the candidature of Shri Dilip Ganesh Karnik for the office of Director of the Company.

Shri Dilip Ganesh Karnik is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The information/details of Shri Dilip Ganesh Karnik pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) are provided in the Annexure to the Notice.

Save and except Shri Dilip Ganesh Karnik, being an appointee, none of the other Directors / Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice. The relatives of Shri Dilip Ganesh Karnik may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Shri Dilip Ganesh Karnik is not related to any Director of the Company.

The Board commends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members of the Company.

**Item No. 5**

The Board of Directors in its Meeting held on May 23, 2018, on the recommendation of the Audit Committee has appointed Messrs D. Sabyasachi & Co., Cost Accountants, as Cost Auditors at a remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand) Only plus applicable taxes thereon and reimbursement of out of pocket expenses for conducting audit of the cost accounting records of the Company for the financial year 2018-19 in accordance with the Companies (Cost Records and Audit) Rules, 2014, as amended to the extent apply and extend to the Company. As per the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of The Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration to be paid to the Cost Auditors is subject to ratification by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 5 of the accompanying Notice.

The Board commends the Ordinary Resolution set out at Item no. 5 of the accompanying Notice for approval of the Members of the Company.

**Details of Directors seeking re-appointment and appointment in the ensuing Annual General Meeting scheduled to be held on July 31, 2018.**

<b>Name of Director</b>	Shri D.R. Bansal
<b>Date of Birth</b>	01.08.1939
<b>Nationality</b>	Indian
<b>Age</b>	79 years
<b>Date of first Appointment on the Board</b>	06.11.1987
<b>Qualification &amp; Experience, Expertise</b>	Possesses rich and varied experience of over 55 years in various facets of cable and other industries including in the field of administration, production and marketing. His strength also includes strong relationship management, international alliances/tie ups and business development. He is actively associated with various cable industry forums in India and abroad and also served at the helm of all renowned power & telecommunication cables industry association(s) in India for several years.
<b>Terms and conditions of appointment/re-appointment along with details of remuneration sought to be paid and the remuneration last drawn, if applicable</b>	Liable to retire by rotation. No remuneration is paid save and except Sitting Fees for attending the Meeting(s) of the Board of Directors or any Committee thereof.
<b>Number of Shares held in the Company</b>	Nil
<b>Relationship with other Directors, Manager and other Key Managerial Personnel</b>	None

<b>Number of Board meeting attended during the financial year 2017-18</b>	5 (Five)
<b>List of outside Directorships held*</b>	Birla Cable Limited Birla Furukawa Fibre Optics Private Limited Hindustan Gum & Chemicals Limited
<b>Chairman/Member of the Committee of the Board of Directors of the Company</b>	Chairman - Corporate Social Responsibility Committee Member - Stakeholders Relationship Committee - Nomination and Remuneration Committee
<b>Chairman/Member of the Committee of the Board of Directors of other Public Companies</b>	Chairman - Corporate Social Responsibility Committee of Birla Cable Limited and Birla Furukawa Fibre Optics Private Limited Member - Stakeholders Relationship Committee and Nomination and Remuneration Committee of Birla Cable Limited

<b>Name of Director</b>	Shri Dilip Ganesh Karnik
<b>Date of Birth</b>	10.05.1950
<b>Nationality</b>	Indian
<b>Age</b>	68 years
<b>Date of first Appointment on the Board</b>	14.11.2017
<b>Qualification &amp; Experience, Expertise</b>	Science Graduate from University of Pune and Gold Medalist in Law from University of Pune. He was a Practicing Advocate from 1972 to 2001 and was elevated as Additional Judge of Hon'ble Bombay High Court on October 12, 2001 and thereafter sworn in as a permanent Judge on October 4, 2010. He retired on May 9, 2012 and is presently practicing as Arbitration and Legal Consultant.
<b>Terms and conditions of appointment/re-appointment along with details of remuneration sought to be paid and the remuneration last drawn, if applicable</b>	Liable to retire by rotation. No remuneration is paid save and except Sitting Fees for attending the Meeting(s) of the Board of Directors.
<b>Number of Shares held in the Company</b>	500
<b>Relationship with other Directors, Manager and other Key Managerial Personnel</b>	None
<b>Number of Board meeting attended during the financial year 2017-18</b>	1 (One)
<b>List of outside Directorships held*</b>	Birla Corporation Limited ICICI Securities Primary Dealership Limited ICICI Prudential Life Insurance Company Limited ICICI Prudential Asset Management Company Limited Universal Cables Limited
<b>Chairman/Member of the Committee of the Board of Directors of the Company</b>	None
<b>Chairman/Member of the Committee of the Board of Directors of other Public Companies</b>	Chairman - Nomination & Remuneration Committee and Corporate Social Responsibility Committee of ICICI Securities Primary Dealership Limited Member - Audit Committee of ICICI Securities Primary Dealership Limited and ICICI Prudential Asset Management Company Limited - Corporate Social Responsibility Committee of ICICI Prudential Life Insurance Company Limited - Risk Management & IT Strategy Committee of ICICI Securities Primary Dealership Limited - Risk Management Committee of ICICI Prudential Asset Management Company Limited - Customer Service & Policy Holders Protection Committee of ICICI Prudential Life Insurance Company Limited

\* Number of other Directorships held by the Director, as mentioned above, excludes Directorships in foreign bodies corporate, companies incorporated under Section 8 of the Companies Act, 2013 and LLP's besides trustees/membership of Managing Committees of various trusts and other bodies/chambers and are based on the latest declarations received from the Director.

Registered Office:  
Udyog Vihar,  
P.O.Chorhata,  
Rewa - 486 006 (M.P.)

By Order of the Board of Directors  
for Vindhya Telelinks Limited

May 23, 2018

Satyendu Pattnaik  
Company Secretary

# Directors' Report

## TO THE SHAREHOLDERS

Your Directors have the pleasure of presenting their Thirty Fifth Annual Report, together with the Audited Financial Statements of the Company for the year ended March 31, 2018.

### SUMMARY OF FINANCIAL RESULTS & STATE OF COMPANY'S AFFAIRS

Description	Amount (₹ in lakhs)	
	2017-18	2016-17
Revenue from Operations	135138.46	102654.84
Other Income	1073.50	1835.41
Earnings before Finance Costs, Depreciation and Tax	18811.43	14699.58
Finance Costs	4719.93	4074.28
Profit before Depreciation and Tax	14091.50	10625.30
Depreciation and Amortisation	1490.80	1266.41
Profit before Tax	12600.70	9358.89
Tax Expenses / (Credit)	4267.63	2795.02
Net Profit for the year	8333.07	6563.87

Your Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2017 (transition date being April 1, 2016). Accordingly, the financial statements for the year ended March 31, 2018 have been prepared in accordance with Ind AS in terms of the provisions of Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. Previous year figures have been restated as per Ind AS to make them comparable.

### GENERAL & CORPORATE MATTERS

Your Company continues to operate in two business segments i.e. Cables and Engineering Procurement and Construction (EPC). The detailed operational working of your Company for the year is provided in the Management Discussion and Analysis forming a part of this Report.

During the year under review, your Company achieved Gross Revenue from operations of ₹ 135138.46 lakhs as compared to ₹ 102654.84 lakhs in the previous year, registering a growth of about 31.64%. The revenue from exports including project exports increased substantially to ₹ 3617.37 lakhs as compared to ₹ 1841.45 lakhs during the previous year. During the year under review, the EPC business segment clocked increase in Gross Revenue by 26.61 % mainly due to robust order inflow and strong project execution capabilities through improved monitoring systems and cost control initiatives. The Cables business segment has also registered a significant growth of 44.99% in Gross Revenue in comparison with the previous financial year due to robust orders inflow, capacity augmentation, product diversification and improved operational efficiencies. The leadership at shop floor has enabled the Company to achieve manufacturing excellence at all levels of the organization and deliver the improved financial performance during the year under review. The Profit before Depreciation and Tax for the year stood at ₹ 14091.50 lakhs as compared to ₹ 10625.30 lakhs in the previous year.

The first stage of expansion-cum-diversification of the Company's Copper Cable facility has been successfully implemented and became operational during the year under review, which enabled the Company to launch certain variants of cables and conductors for Indian Railways, Solar Energy and Power distribution segments. The second and final stage of the said expansion-cum-diversification project for manufacturing of Electron Beam Irradiated Cross-linked Cables including installation of Electron Beam Accelerator of appropriate rated capacity is progressing as per schedule and barring unforeseen circumstances, is likely to be operational by end of the 2<sup>nd</sup> quarter of the current fiscal year. Once fully operational, this would enable your Company to expand its products portfolio by diversification into the high end market of specialised electrical cables and electron beam irradiated cross-linked cables. Your Company is also in the process of implementing substantial expansion of its Optical Fibre Cables facility (OFC Unit) at Rewa to be executed in phases. The first phase of the said substantial expansion project for doubling the existing production capacity of Optical Fibre Cables is likely to be operational by November/December, 2018 with an estimated incremental capital outlay of ₹ 5171.00 lakhs, to be funded by a mix of internal accruals and debt. Although demand for optical fibre cables presently is robust, current level of investments in the industry could result in overcapacity and create fierce competition in the market. Your Company is, therefore, putting focus on automation and operational efficiency with production capacity additions in phased manner in order to insulate itself from the contingencies of intense competition during downturn in business cycle.

At a global level, telecom network building is growing very rapidly across all regions driving higher than expected optical fibre cable market growth resulting in optical fibre supply constraints. As per available reports, the global optical fibre cable consumption increased 14.90% from 429 Million FKM to 493 Million FKM during the calendar year 2017, out of which China's consumption stood at 286 Million FKM (approx.58% of the total global consumption) and South Asia/Indian Subcontinent accounted for approx.23 Million FKM. South Asia sub-region anchored by India, which accounts for 90% of the region's optical fibre cable consumption, is likely to witness a strong growth in demand for optical fibre cables as the government seeks to unlock the transformative power of digital communications networks, inter alia, through focus on fibre connectivity with a plan to standardize policy and costs for obtaining the RoW for laying optical fibre cables and development of fibre infrastructure needed for broadband connectivity across the country and all layers of government. India is extremely low in fibre connectivity

and the telecom operators need to vastly expand and upgrade the digital infrastructure of optical fibre and backhaul facilities across the country in order to catchup with the peers in the global arena. The proliferation of 4G and Voice over Long Term Evolution services are paving the way for more fibre based deployment across the country. India is also in the process of aligning itself with global road map of 5G deployment for which expansion and improvement of optical fibre infrastructure will be pre-requisite to meet its criteria. Further, with the increasing competition in mobility, the telecom operators in India are also envisaging deployment of various version of FTTx networks to derive competitive advantages and improved quality of services, which will also need substantial quantum of fibre backhaul. The draft National Digital Communication Policy, 2018, recently unveiled by the Government of India, therefore, rightly lays down a fibre-first initiative to take fibre to the home, to enterprise and to key development institutions and the establishment of a National Digital Grid and creation of a National Fibre Authority which augers well for the Company.

The Company also foresees robust demand for its Copper Cables product portfolio including Railway Signaling and Quad Cables with the planned increased infrastructure spending in public and private sectors and also due to focus of the Government on strengthening, capacity augmentation, modernisation and electrification of Railways/Metro Railways/Dedicated Freight Corridors network across the country.

The EPC business segment of the Company has established itself as a known and reputed total solution provider from project concept to commissioning in certain infrastructure segments and is continually exploring new business opportunities in the evolving technology landscape in ICT, the Government's Digital India Initiatives and Smart Cities Mission, Power sub-transmission and distribution, Sewerage systems and projects, etc. The EPC business segment having successfully executed some of the very prestigious projects including Network For Spectrum (NFS) and IP-1 in hilly and difficult terrains in India is in the process of securing new and prestigious optical fibre infrastructure projects from Bharat Sanchar Nigam Ltd. and Bharat Broadband Networks Ltd. Given the renewed thrust of the governments, both Central and State Governments, on creating world class infrastructure in the country, your Company as a leading turn-key solution provider, is well poised to grab these upcoming business opportunities in the fields of Telecom, Power sub-transmission and distribution, Sewerage, Water/Irrigation and related Civil Infrastructure, as an end-to-end solutions provider with huge expertise gained over a period.

## **DIVIDEND AND RESERVES**

After considering the Company's profitability, free cash flow and overall financial performance, the Board of Directors of the Company is pleased to recommend a Dividend of ₹ 10/- (previous year ₹ 7/-) per equity share of face value ₹ 10/- each (i.e. 100%) for the financial year ended on March 31, 2018. The distribution of Dividend on equity shares, if approved by the Members at the ensuing Annual General Meeting, will result in payout of ₹ 1185.09 lakhs excluding Tax on Dividend and Surcharge/Education Cess thereon, as applicable.

During the year under review, your Company transferred a sum of ₹835 lakhs (previous year ₹ 418 lakhs) to the Debenture Redemption Reserve.

## **SHARE CAPITAL**

The paid-up Equity Share Capital of the Company as at March 31, 2018 stood at ₹ 1184.21 lakhs. During the year under review, the Company has neither issued shares with differential rights as to dividend, voting or otherwise nor has granted stock options or sweat equity under any scheme. Further, none of the Directors of the Company holds investments convertible into equity shares of the Company as on March 31, 2018.

## **DEPOSITS/FINANCE**

Your Company has not accepted any public deposits during the year within the meaning of Section(s) 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and as such no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

Your Company continued to optimise bank borrowings by focusing on cash flows and working capital management. Your Company achieved measurable reduction in its finance costs during the year under review by issuance of Commercial Papers at a very competitive coupon rate(s), significant reduction in charges for non-fund based credit facilities and replacement of comparatively high interest bearing Inter-corporate Loans with low coupon rate long term Non-Convertible Debentures, etc.

During the year under review, your Company issued and allotted second tranche of Unsecured, Unlisted, Rated, Redeemable, Non-Convertible Debentures (NCDs) aggregating to ₹ 5000.00 lakhs, at a coupon rate of 8.40% p.a., on a private placement basis to a scheduled bank. The said NCDs are redeemable at par in three annual installments over a period of five years, commencing from end of third year of the date of issuance of the NCDs. The said NCDs carries credit rating CARE AA-; Stable (Double A Minus; Outlook Stable) assigned by CARE Ratings Ltd.

## **CORPORATE GOVERNANCE**

Pursuant to Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis, Report on Corporate Governance and a Certificate by the Managing Director & CEO confirming compliance by all the Board Members and Senior Management Personnel with Company's Code of Conduct and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

As a part of its initiative under Corporate Social Responsibility (CSR), your Company has undertaken CSR activities in the areas of (i) Animal welfare; (ii) Education promoting employment enhancing vocation skills especially among children and livelihood enhancement projects; (iii) Promoting Girl Child education; (iv) Ensuring Environmental Sustainability, Ecological balance, Conservation of natural resources and maintaining quality of Soil, Air and Water; and (v) Rural Development Projects in the local area where the Company operates and also



in other parts of India. These activities are largely in accordance with Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Company's CSR Policy.

The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure-I, which is attached hereto and forms a part of the Directors' Report. The Corporate Social Responsibility Policy of the Company is available on the website of the Company i.e. [www.vtlrewa.com](http://www.vtlrewa.com).

### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;
- (b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and the profit of the Company for the year ended on that date. The Company adopted Indian Accounting Standards (Ind AS) effective from April 1, 2017 with transition date being April 1, 2016 and accordingly, the transition was carried out and applied in the accounting policies in accordance with the applicable Ind AS as stated in the Notes to Financial Statements. The impact of transition has been recorded in opening reserves as at April 1, 2016 and the periods presented have been restated accordingly;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- (f) that system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Your Company's system of financial and compliance controls with reference to the financial statements and risk management is embedded in the business process by which the Company pursues its objectives. Additionally, the Audit Committee and the Board of Directors assess and monitor regularly the framework for identification, evaluation and prioritization of risks, mechanism to mitigate risks, process that methodically track governance objectives, risk ownership/accountability, compliance with policies and decisions that are set through the governance process, risks to those objectives and effectiveness of risk mitigation and controls besides inherent risks associated with the products/goods dealt with by the Company as well as execution of turnkey projects of EPC business segment. Your Company's approach to address business risks and compliance functions is comprehensive across both the business segments and includes periodic review of such risks and a framework for mitigating and reporting mechanism of such risks. In view of the Board of Directors, there are no material risks, which may threaten the existence of the Company.

The Company has laid down the policies and procedures for internal financial controls for ensuring the orderly and efficient conduct of its business, in order to achieve the strategic, operational and other objectives over a long period and that its exposure to risks are within acceptable limits. In addition, the policies and procedures have been designed with an intent to ensure safeguarding of Company's assets, the prevention and detection of frauds and errors, the accuracy in completeness of the accounting records and the timely preparation of reliable financial information.

The management is committed to ensure effective internal financial controls environment, which provides assurance on the efficiency of its business operations coupled with adherence to its established policies, safety/security of its assets besides orderly and legitimate conduct of Company's business in the circumstances, which may reasonably be foreseen. The Company has defined organisation structure, authority levels, delegated powers, internal procedures, rules and guidelines for conducting business transactions. The Company's system and process relating to internal controls and procedures for financial reporting have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and rules made thereunder and all other applicable regulatory/statutory guidelines, etc. for disclosures with reference to financial statements.

Your Company's internal control systems are supplemented by an extensive program of internal audit by independent firms of Chartered Accountants. Internal audits are conducted at regular intervals and a summary of the observations and recommendations of such audits are placed before the Audit Committee. The Internal Auditors, the Audit Committee as well as the Board of Directors conduct an evaluation of the adequacy and effectiveness of the system of internal financial controls system on an ongoing basis.

The Board has also implemented systems to ensure compliance of all applicable laws to the Company which were effective and operative. At quarterly intervals the Company Secretary & Compliance Officer places before the Board a certificate alongwith a detailed statement certifying compliance of various laws and regulations as applicable to the business and operations of the Company after obtaining confirmation from all functional heads responsible for compliance of such applicable laws and regulations. The Company Secretary is responsible for compliance of corporate laws including Companies Act, 2013, SEBI Act and rules/guidelines and listing regulations including any statutory amendment(s), modification(s) or enactment(s) thereto applicable to the Company.



## INDUSTRIAL RELATIONS AND SAFETY

Industrial relations remained cordial throughout the year. Your Directors recognize and appreciate the sincere and hard work, loyalty, dedicated efforts and contribution of all the employees in the growth and performance of the Company during the year. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled your Company to remain at the forefront of the industry.

Your Company continues to accord a very high priority to both industrial safety and environmental protection and these are ongoing process at the Company's plant and facilities to maintain high awareness levels. The Company has also stressed the need to adopt the highest safety standards on projects undertaken by the Engineering, Procurement and Construction (EPC) business segment with the emphasis on ensuring that safety on all projects under execution. Your Company is conscious of the importance of environmentally clean and safe operations so as to ensure safety of all concerned and compliance of applicable environmental regulations and to this end working continuously towards reduction in waste for disposal. The Company as a policy re-evaluates safety standards and practices from time to time in order to raise the bar of safety standards for its people as well as users and customers.

## RECOGNITION

Yours Company's manufacturing facilities continue to remain certified by independent and reputed external agency as being compliant as well as aligned with the external standards for Quality Management System ISO 9001:2015 and TL 9000 R5.5/R5.0H, Environmental Management System ISO 14001:2015 and Occupational Health and Safety Management System OHSAS 18001:2007. During the year, the audits for these Certifications established continuous improvement in performance against these standards.

During the year under review, your Company successfully obtained certification under ISO 27001:2013 for Information Security Management System.

## DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri D.R. Bansal (DIN:00050612), Director, shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment as a Director of the Company. The Board recommends his re-appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.

Pursuant to provisions contained in Article 94 of the Articles of Association of the Company and Sections 149 and 161 of the Companies Act, 2013, Shri Dilip Ganesh Karnik (DIN: 06419513) was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on November 14, 2017 and he holds the office as such upto the date of this ensuing Annual General Meeting. Shri Dilip Ganesh Karnik is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing the candidature of Shri Dilip Ganesh Karnik for the office of Director of the Company. The Nomination and Remuneration Committee at its Meeting held on May 23, 2018 has recommended the appointment of Shri Dilip Ganesh Karnik as Director, liable to retire by rotation at this ensuing Annual General Meeting.

The brief resume and other details of Director(s) seeking re-appointment/appointment as required under Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) are given in the Notice of the ensuing Annual General Meeting, which is being sent to the shareholders along with Annual Report.

## KEY MANAGERIAL PERSONNEL

Shri Y.S. Lodha, Managing Director & CEO, Shri Saurabh Chhajer, Chief Financial Officer and Shri Satyendu Pattnaik, Company Secretary are the Key Managerial Personnel of the Company. Shri Satyendu Pattnaik was appointed as Company Secretary of the Company with effect from August 10, 2017 in place of Shri Raj Kumar Agrawal, who resigned from the services of the Company on August 9, 2017.

## DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of your Company viz. Shri J.Veeraraghavan, Shri S.K. Misra, Shri R.C.Tapuriah, Shri Shiv Dayal Kapoor and Smt. Kiran Aggarwal have individually and severally given a declaration pursuant to Section 149(7) of the Companies Act, 2013, affirming compliance to the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013. Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as specified under the governing provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

## MEETINGS OF BOARD AND COMPOSITION OF COMMITTEES

During the year under review, the Board met six times viz. on May 15, 2017, August 09, 2017, September 15, 2017, November 14, 2017, February 06, 2018 and March 09, 2018.

As required under Section 177(8) read with Section 134(3) of the Companies Act, 2013, and the rules framed thereunder, the composition and meetings of the Audit Committee were in line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of which alongwith composition, number of meetings of all other Board Committees held during the year under review and attendance at the meetings are provided in the Report on Corporate Governance, forming a part of the Annual Report. During the year under review, all the recommendations of the Audit Committee were accepted by the Board of Directors.

## PERFORMANCE EVALUATION OF BOARD, COMMITTEES & DIRECTORS

Pursuant to the Provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015 and the Guidance Note on Board evaluation issued by SEBI, the Board of Directors of the Company carried out the formal annual evaluation of its own performance and that of its Committees and individual Directors, inter alia, to assess the skill set and contribution that are desired, recognising that competencies and experiences evolves over time. The evaluation process also covered various aspects of the Board functioning such as composition of the Board and its Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. The process was conducted by allowing the Board to engage in candid discussions with each Director with the underlying objective of taking best possible decisions in the interest of the Company and its stakeholders. The Directors were individually evaluated on well defined parameters which, inter alia, comprised of level of engagement and their contribution to strategic planning and other criteria based on performance and personal attributes of the Directors. During the process of evaluation, the Board of Directors also considered the criteria for evaluation of performance of Independent Directors and the Board of Directors formulated by the Nomination and Remuneration Committee. The Board of Directors also reviewed and deliberated the review of performance of the Chairman (taking into account the views of non-executive directors and the Managing Director), the Non-independent Directors and the Board as a whole carried out by the Independent Directors. In conclusion, the Board of Directors was satisfied with the performance and functioning of the Board, its Committees and individual members. A statement indicating the manner, in which formal annual evaluation has been made by the Board of Directors, is given in the Report on Corporate Governance which forms a part of the Annual Report.

## **SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee (NRC) has adopted a terms of reference which, inter alia, deals with the criteria for identification of members of the Board of Directors and selection/appointment of the Key Managerial Personnel/Senior Management Personnel of the Company. The NRC recommends appointment of Director/appointment or re-appointment of Managing Director based on their qualifications, expertise, positive attributes and independence in accordance with prescribed provisions of the Companies Act, 2013 and rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The NRC, in addition to ensuring diversity of race and gender, also considers the impact the appointee would have on Board's balance of professional experience, background, view points, skills and areas of expertise.

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee has also adopted the Remuneration Policy for the members of the Board and Executive Management. The guiding principles of the Remuneration Policy are stated in the Report on Corporate Governance, which forms a part of the Annual Report.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In terms of the provisions of Section 177(9) of the Companies Act, 2013, the Company has implemented a Vigil Mechanism which includes implementation of the Whistle Blower Policy to deal with instances of fraud and mis-management, if any, and conducting business with integrity, including in accordance with all applicable laws and regulations. No employee has been denied access to the Vigilance Officer as well as Chairman of the Audit Committee. The details of the Vigil Mechanism and Whistle-Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

## **AUDITORS**

In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended vide the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018 respectively, Messrs V. Sankar Aiyar & Co., Chartered Accountants (Registration No. 109208W), the Auditors of the Company, hold office for a consecutive period of five years until the conclusion of Thirty Seventh (37<sup>th</sup>) Annual General Meeting of the Company to be held for the financial year 2019-20 and their appointment is not required to be ratified each year at Annual General Meeting of the Company. The Auditors have confirmed to the Company that they continue to remain eligible to hold office as the Auditors and not disqualified for being so appointed under the Companies Act, 2013, the Chartered Accountants Act, 1949 and the rules and regulations made thereunder.

The Board of Directors has re-appointed Messrs D. Sabyasachi & Co., Cost Accountants (Registration No. 000369), as Cost Auditors for conducting the audit of the cost records maintained by the Company in respect of specified products of the Company covered under the Companies (Cost Records and Audit) Rules, 2014 and fixed their remuneration plus applicable taxes thereon and reimbursement of out of pocket expenses based on the recommendation of the Audit Committee. The remuneration and applicable taxes thereon and reimbursement of out of pocket expenses to be paid to the Cost Auditors is subject to ratification by the members in the ensuing Annual General Meeting of the Company.

## **AUDITORS' REPORT**

The Auditors' Report on the financial statements of the Company forms a part of the Annual Report. There is no qualification, reservation, adverse remark, disclaimer or modified opinion in the Auditors' Report, which calls for any further comments or explanations. Further, during the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013, therefore, no detail is required to be disclosed in pursuance to Section 134(3)(ca) of the Companies Act, 2013.

## **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Messrs R.K. Mishra & Associates, Company Secretaries (PCS Registration no. 14474) were appointed to undertake the Secretarial Audit of the Company for the year ended March 31, 2018. The Report of the Secretarial Auditor is given in Annexure-II, which is attached hereto and forms a part of the Directors' Report.

No qualification or observation or other remarks have been made by Messrs R.K. Mishra & Associates in the Secretarial Audit Report, which calls for any comments or explanations.

## **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has proper system in place to ensure compliance with the provisions of applicable Secretarial Standards. During the year under review, your Company has complied with applicable provisions of Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

## **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into by the Company during the financial year under review were generally on arms' length basis and in the ordinary course of business. The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in prescribed Form AOC-2 is given in Annexure III, which is attached hereto and forms a part of the Directors' Report. There are no material significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the meeting(s) of Audit Committee for its approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis, for a financial year, for the transactions which are of a foreseen and repetitive in nature. The statement giving details of all related party transactions entered into pursuant to the omnibus approval together with relevant documents/information are placed before the Audit Committee for review and updation on quarterly basis. The Company's Policy on materiality of Related Party Transactions and dealing with Related Party Transactions, as approved by the Board of Directors, is uploaded on the Company's website and can be accessed at weblink: [http://www.vtlrewa.com/pdf/RPTPolicy%20\\_VTL.pdf](http://www.vtlrewa.com/pdf/RPTPolicy%20_VTL.pdf).

## **SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE(S)**

Your Company has three wholly owned subsidiaries namely August Agents Limited, Insilco Agents Limited and Laneseda Agents Limited. None of the subsidiary companies is a material non-listed Indian Subsidiary company as defined under Regulation 24(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. During the year under review there was no change in the number of subsidiaries or in nature of business of subsidiaries. The subsidiaries have achieved satisfactory financial performance during the year under review.

Birla Visabeira Private Limited, an existing joint venture company engaged primarily in EPC and Operation & Maintenance business in the areas of telecommunications and infrastructure. The joint venture's financial performance was in consonance with planned business strategy.

Universal Cables Ltd. (UCL), Birla Corporation Ltd. (BCL) and Punjab Produce Holdings Ltd. (PPHL) are Associate companies within the meaning of Section 2(6) of the Companies Act, 2013 read with definition of the term 'Associate' as per Indian Accounting Standard (Ind AS)-28, UCL and BCL have achieved sustained growth in business with improved financial performances during the year under review and the financial performance of PPHL was satisfactory.

A Statement containing the salient features of the financial statements of subsidiaries, associate companies and a joint venture as prescribed under the first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of The Companies (Accounts) Rules, 2014 is attached as per the prescribed format and forms a part of the Annual Report.

A report on the performance of financial position of each of three wholly owned subsidiaries, three associate companies and a joint venture company, as per the provisions of the Companies Act, 2013 is provided as part of the consolidated financial statements and hence not repeated herein for the sake of brevity.

## **CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements of the Company for the Financial Year ended March 31, 2018 have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under the Companies Act, 2013 ("the act"), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and rules made thereunder [including the statutory amendment(s) thereof if any].

In accordance with the applicable provisions of the Act and the rules and regulations made thereunder, read with Indian Accounting Standard (Ind AS)-110 "Consolidated Financial Statements" and Indian Accounting Standard (Ind AS)-28 "Accounting for Investments in Associates and Joint Ventures", the audited Consolidated Financial Statements of the Company as of and for the year ended March 31, 2018, forms a part of the Annual Report.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of Loans, Guarantees and Investments in pursuance to Section 186 of the Companies Act, 2013 have been disclosed in the financial statements read together with Notes annexed to and forming an integral part of the financial statements.

## **DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL, ETC.**

As required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Statement of Disclosure of Remuneration and such other details as prescribed therein are given in Annexure-IV, which is attached hereto and forms a part of the Directors' Report.

## **EXTRACT OF ANNUAL RETURN**

An Extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 is given in Annexure-V, which is attached hereto and forms a part of the Directors' Report.

## Particulars of Employees

The information required pursuant to Section 197 of the Companies Act, 2013, read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of an employee of the Company are given in Annexure-VI, which is attached hereto and forms a part of the Directors' Report.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, the information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in Annexure-VII, which is attached hereto and forms a part of the Directors' Report.

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions or events on these items during the year under review:

- (a) The Managing Director of the Company does not receive any remuneration or commission from any of the subsidiaries of the Company.
- (b) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its operations in future.
- (c) The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and Rules made thereunder. During the year under review, there were no cases filed or reported pursuant to the provisions of the said Act.
- (d) There are no material changes or commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.
- (e) No frauds were reported by Auditors in terms of Section 143(2) of the Companies Act, 2013 and rules, if any, made thereunder.

## ACKNOWLEDGEMENT

The Board desires to place on record its grateful appreciations for the excellent assistance and co-operation received from the State Government and continued support extended to the Company by the bankers, investors, vendors and esteemed customers and other business associates/institutions. Your Directors also wish to place on record their sincere thanks and infinite appreciations to all the employees of the Company for their unstinted commitment and continued contribution in the performance of the Company.

Yours faithfully,

Harsh V. Lodha  
(DIN: 00394094)

Chairman

J. Veeraraghavan  
(DIN: 00078998)

S.K. Misra  
(DIN: 00009411)

R.C. Tapuriah  
(DIN: 00395997)

D.R. Bansal  
(DIN: 00050612)

Pracheta Majumdar  
(DIN: 00179118)

Shiv Dayal Kapoor  
(DIN: 00043634)

Kiran Aggarwal  
(DIN: 06991807)

Dilip Ganesh Karnik  
(DIN: 06419513)

Directors

Y.S. Lodha  
(DIN: 00052861)

Managing Director

New Delhi, May 23, 2018

**ANNUAL REPORT ON  
CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

**(1) A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

As per the provisions of the Companies Act, 2013 and rules framed thereunder, the Company has formulated its CSR Policy with the vision to actively contribute to spreading education by promoting employment enhancing vocation skills especially among children and livelihood enhancement project(s), ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water, promoting health care including preventive health care, animal welfare, etc. The CSR Policy is stated and disclosed on the website of the Company and can be accessed from weblink: [www.vtlrewa.com](http://www.vtlrewa.com).

**(2) The Composition of the CSR Committee:**

- (a) Shri D.R. Bansal, Chairman (Non – Executive Director)
- (b) Shri J. Veeraraghavan (Independent Director)
- (c) Shri S. K. Misra (Independent Director)

**(3) Average net profit of the Company for last three financial years:**

Average Net Profit : ₹ 8955.99 lakhs

**(4) Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

The Company was required to spend ₹ 179.12 lakhs towards CSR Expenditure for the financial year 2017-18.

**(5) Details of CSR spent during the financial year:**

**(a) Total amount spent for the financial year :** Direct: ₹ 1.70 lakhs and Contribution paid to the Implementing Agency - ₹ 177.42 lakhs.

**(b) Amount unspent, if any :** Nil except that a part of cash outflow from Implementing Agency in respect of certain ongoing/pending CSR projects or activities will happen in the current financial year 2018-19.

**(c) Manner in which the amount spent during the financial year is detailed below:**

(₹ in Lakhs)

CSR Project or Activities	Sector	Location	Amount outlay (budget) project or programme wise	Amount spent on the projects or Programmes*	Cumulative Expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1. Contribution to Gaushala (Cow Ranch) administered by Gaushala Committee under the Chairmanship of District Collector.	Animal Welfare.	Laxmanbag, Rewa City, Rewa (M.P.)	1.20	1.20	2.40	Direct
2. Contribution to Udbhav School, Secunderabad for promotion of Girl child education and overall growth and development thereof.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently-abled and livelihood enhancement projects.	Udbhav School, Secunderabad	0.50	0.50	0.50	Direct



(₹ in Lakhs)

CSR Project or Activities	Sector	Location	Amount outlay (budget) project or programme wise	Amount spent on the projects or Programmes*	Cumulative Expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
3. Widening of storm water canal including Stone masonry and Hume pipe work to mitigate the risks of flood and inundation of water and proper flow of water during rainy season in Udyog Vihar Industrial Area, Rewa (M.P.) and surrounding villages/localities	Ensuring Environmental Sustainability, Ecological balance, Conservation of natural resources and maintaining quality of Soil, Air and Water.	At local area / nearby place where manufacturing facility of the Company is situated (District-Rewa in the state of Madhya Pradesh).	75.62	7.00 (Ongoing project)	25.80 (from Financial Years 2016-17 to 2017-18)	Through the implementing agency, "Madhav Prasad Priyamvada Birla Apex Charitable Trust" which is duly registered under Section 12A of the Income Tax Act, 1961.
4. Infrastructure Development at M.P. Birla Foundation Industrial Training Centre, Rewa (M.P.) by: (i) Fencing of Razor barbed wire on the boundary wall to restrict trespassing by the surrounding locals and strengthening of security and (ii) Installation of electric fans and providing of safe drinking water	Education- promoting Employment Enhancing Vocation Skills among children and Livelihood Enhancement Project(s).	-do-	9.80  4.00	9.00 (On going project)  4.00	105.01 (from Financial Years 2014-15 to 2017-18)	
5. Contribution towards strengthening and enhancement of infrastructure and meeting operational expenditure of M.P. Birla Foundation Industrial Training Centre, Rewa (M.P.).	-do-	-do-	79.00	79.00	79.00	
6. Contribution to 'Divisional Forest Officer, Uttarkashi Forest Division, Uttarkashi' for development of a children park and renovation of Recreation Centre/ Interpretation Room at Ganga Vatika in Gangotri Region of Uttarkashi.	Rural Development Projects and Ensuring environmental sustainability, ecological balance, animal welfare, conservation of natural resources.	Gangotri Region, Uttarkashi, Uttarakhand	9.00	9.00	9.00	
7. Fire/natural calamity relief and prevention-Fire Tender and Equipments required therefor.#	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water.	At local area / nearby place where manufacturing facility of the Company is situated (District-Rewa in the state of Madhya Pradesh).	40.00	14.54 (Ongoing project)	-	
8. New Dispensary equipped with modern Test Laboratory equipment.#	Promoting health care including preventive health care.	-do-	27.00	To be implemented in the current F.Y. 2018-19 upon identification and approval of suitable location by the District/ Industrial Area authorities/ agencies.	-	

\*The entire allocated amount has been spent on the specified projects/activities directly without any element of overhead having been included therein.

# CSR activity(ies) pertaining to F.Y. 2016-17.

**(6) In case the Company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount:**

The cash outflow by the implementing agency pertaining to certain ongoing/pending CSR projects/activities will happen in the current financial year 2018-19 upon completion of such CSR activities/projects, subject to receiving requisite consent from the District/Industrial Area authorities/agencies. As a socially responsible citizen, the Company is committed to increase its CSR impact and spend over the coming years with the aim of playing a larger role in development of local area by embedding wider economic, social and environmental objectives.

**(7) Responsibility Statement by the Corporate Social Responsibility Committee:**

The Company's CSR Committee confirms that the selection, implementation and monitoring of the CSR projects/activities is in compliance with the CSR objectives and Policy of the Company and certifies that all CSR activities/projects implemented/funded by the Company during the financial year 2017-18 adhere to the objectives set in its CSR Policy.

**Y. S. Lodha**  
Managing Director

**D. R. Bansal**  
Chairman-CSR Committee

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]

To,  
The Members,  
Vindhya Telelinks Limited  
Udyog Vihar,  
P.O. Chorhata,  
REWA - 486 006(M.P.)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vindhya Telelinks Limited (CIN:L31300MP1983PLC002134)(hereinafter called "the Company"). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder including statutory amendment(s), modification(s) or re-enactment(s) thereof in force and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 as amended by the Securities Laws (Amendment) Act, 2014 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the audit period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 relating to the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).
- (vi) The Factories Act, 1948;
- (vii) The Industrial Dispute Act, 1947;
- (viii) The Payment of Wages Act, 1936;
- (ix) The Minimum Wages Act, 1948;
- (x) The Employees State Insurance Act, 1948;

- (xi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (xii) The Payment of Bonus Act, 1965 and Payment of Bonus (Amendment Act, 2015);
- (xiii) The Payment of Gratuity Act, 1972;
- (xiv) The Contract Labour (Regulation and Abolition) Act, 1970;
- (xv) The Maternity Benefits Act, 1961;
- (xvi) The Child Labour Prohibition and Regulation Act, 1986;
- (xvii) The Apprentices Act, 1961;
- (xviii) The Equal Remuneration Act, 1976;
- (xix) The Employment Exchange (Vacancies) Act, 1976;
- (xx) The Environment (Protection) Act, 1986;
- (xxi) The Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2008;
- (xxii) The Water (Prevention and Control of Pollution) Act, 1974;
- (xxiii) The Air (Prevention and Control of Pollution) Act, 1981;
- (xxiv) The Indian Contract Act, 1872;
- (xxv) The Income Tax Act, 1961 and Indirect Tax Laws including Goods and Services Tax Act, 2017 and relevant Rules made thereunder;
- (xxvi) The Indian Stamp Act, 1899;
- (xxvii) Other Labour Laws and Laws incidental thereto related to labour and employees appointed by the Company including Labour Welfare Act of respective States; and
- (xxviii) Acts as prescribed under Shop and Establishment Act of various local authorities.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited; and
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

I further report that Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors. The change in the composition of the Board of Directors by way of appointment of an Additional Director (Non-Executive, Non-Independent) that took place during the audit period was carried out in compliance with the provisions of the Act and rules made thereunder.

Adequate notice is given to all Directors to schedule the Board Meetings and Committee Meetings at least seven days before the date of the Meeting, agenda and detailed notes on agenda were sent within the time prescribed therefor (including with respect to price sensitive information at a shorter period in certain exceptional cases with the unanimous general consent of all Directors including Independent Directors) in the Secretarial Standard issued by the Institute of Company Secretaries of India and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

All decisions at Board Meetings and Committee Meetings held during the audit period were carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee(s) of the Board, as the case may be.

I 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.

I further report that during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares /sweat equity.
- (ii) Redemption / buy-back of equity shares.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaboration.

I further report that during the audit period, members of the Company accorded their approval by way of passing Special Resolution(s) through postal ballot on October 27, 2017 for effecting the modification(s), alteration and amendment(s) in the Object(s) Clause and Liability Clause of the Memorandum of Association of the Company.

For R.K. Mishra & Associates  
Company Secretaries

Kishor Kumar Gupta  
Partner

CP No. 14474  
ACS No. 38776

Place : Satna  
Date : May 23, 2018

This report is to be read with my letter of even date which is annexed as Annexure-A and forms an integral part of this report.

**‘Annexure A’**

To,  
The Members,  
Vindhya Telelinks Limited  
Udyog Vihar,  
P.O. Chorhata,  
REWA - 486 006(M.P.)

Our report of even date provided to Vindhya Telelinks Limited (“the Company”) for the year ended March 31, 2018 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records and legal compliances based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records and records of legal compliances. The verification was done on test basis to ensure that correct facts are reflected in secretarial and other relevant records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as it is a part of financial audit as per the provisions of the Companies Act, 2013 and rules framed thereunder.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R.K. Mishra & Associates  
Company Secretaries

Kishor Kumar Gupta  
Partner

CP No. 14474  
ACS No. 38776

Place : Satna  
Date : May 23, 2018

**FORM 'AOC-2'**
**[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

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:** The Company has not entered into any contract or arrangement or transaction with its related parties, which is not at arm's length during the year ended on March 31, 2018.
- (2) **Details of material contracts or arrangement or transactions at arm's length basis:**

(a)	<b>Name of the related party and nature of relationship</b>	Birla Furukawa Fibre Optics Private Limited (BFFOPL), a private limited company having common Directors.	Universal Cables Limited (UCL), a public limited company having common Chairman and also the Managing Director of Vindhya Telelinks Ltd. ("the Company") is the Manager & CEO of UCL.
(b)	<b>Nature of contracts/ arrangements/ transactions</b>	Purchase of various types and grades of optical fibre, a principal raw material for manufacturing optical fibre cable, sale of raw materials besides other transactions including reimbursement of expenses or other obligations, etc.	Sale, purchase, supply, outsourcing of goods including raw materials, stores and consumables, semi-finished goods, finished goods, etc., carry out/avail job work, avail/render marketing/ business and other services (including services under a turnkey contract by way of co-bidding/ consortium bidding), leasing of factory/ office premises/ godowns/facilities, reimbursement/ recovery of cost or other obligations or other business transactions as mutually agreed between the Company and UCL.
(c)	<b>Duration of the contracts/ arrangements/ transactions</b>	Ongoing and new contracts/agreements from time to time. The unrelated shareholders of the Company, through postal ballot, accorded their approval on January 14, 2016, by way of an ordinary resolution for entering into contracts/ arrangements/transactions with Birla Furukawa Fibre Optics Private Limited upto a maximum amount of ₹250 Crores (Rupees Two Hundred and Fifty Crores) per financial year.	Ongoing and new contracts/agreements from time to time. The unrelated shareholders of the Company, at the Annual General Meeting of the Company held on July 24, 2017, accorded their approval by way of an ordinary resolution for entering into contracts/ arrangements/ transactions with Universal Cables Limited upto a maximum amount of ₹250 Crores (Rupees Two Hundred and Fifty Crores) per financial year upto and including the financial year 2019-20.
(d)	<b>Salient terms of the contracts or arrangement or transactions including the value, if any, (Financial Year 2017-18)</b>	<p>(i) Purchase of various types and grades of optical fibre(s), a principal raw material for manufacturing optical fibre cable – ₹ 9427.13 lakhs.</p> <p>(ii) Sale of raw material – ₹ 3.97 lakhs.</p> <p>The contracts or arrangements or transactions for Purchase and sale of raw materials were entered into as per mutually agreed commercial terms and conditions in line with the prevalent business practices and generally comparable with unrelated parties in all material aspects.</p>	<p>(i) Purchase of finished goods/traded goods/raw materials/consumables – ₹6374.68 lakhs.</p> <p>(ii) Sale of finished goods/traded goods/raw materials/ consumables – ₹ 55.53 lakhs.</p> <p>(iii) Processing Charges received – ₹ 1.15 lakhs.</p> <p>(iv) Processing Charges paid – ₹ 4.61 lakhs.</p> <p>(v) Dividend paid – ₹ 241.82 lakhs.</p> <p>The salient terms of contracts or arrangements or transaction were:</p> <p>(i) Purchase and sale of finished goods/traded goods/ raw materials/ consumables - As per mutually agreed commercial terms and conditions in line with the prevalent business practices and generally comparable with unrelated parties in all material aspects.</p> <p>(ii) Other service charges paid/received pertains to job work as per terms and conditions mutually agreed by the Parties.</p> <p>(iii) Dividend paid by the Company pertains to the Financial Year 2016-17.</p>



(e)	<b>Date of approval by the Board, if any</b>	Shareholders' approval was obtained on January 14, 2016 and in pursuance thereto an omnibus approval pertaining to the financial year 2017-18 was accorded by the Audit Committee in its Meeting held on February 10, 2017.	Shareholders' approval was obtained on July 24, 2017 and in pursuance thereto an omnibus approval pertaining to the financial year 2017-18 was accorded by the Audit Committee in its Meeting held on February 06, 2018.
(f)	<b>Amount paid as advances</b>	Nil	Nil

Harsh V.Lodha  
(DIN: 00394094)

Chairman

J. Veeraraghavan  
(DIN: 00078998)

S.K. Misra  
(DIN: 00009411)

R.C. Tapuriah  
(DIN: 00395997)

D.R. Bansal  
(DIN: 00050612)

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(DIN: 00043634)

Kiran Aggarwal  
(DIN: 06991807)

Dilip Ganesh Karnik  
(DIN: 06419513)

Y.S. Lodha  
(DIN: 00052861)

Directors

Managing Director

New Delhi, May 23, 2018

**ANNEXURE-‘IV’**
**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18 are as under:

SL. No.	Name of Director/ KMP and Designation	Ratio of remuneration of each Director to the median remuneration of employees	% increase in Remuneration during the financial year 2017-18
1	Shri Y.S.Lodha (Managing Director)	67.42:1	15.55
2	Shri Saurabh Chhajer (Chief Financial Officer)	N.A.	61.51
3	Shri Raj Kumar Agarwal [Vice President (Commercial) & Secretary]	N.A.	N.A.
4	Shri Satyendu Pattnaik (Company Secretary)	N.A.	N.A.

**Note(s):**

- (a) Shri Raj Kumar Agarwal, Vice President (Commercial) & Secretary and Shri Satyendu Pattnaik, Company Secretary were employed for a part of the year during the financial year 2017-18 and as such the percentage increase in Remuneration as compared to previous year remuneration is not given being not comparable.
- (b) None of the Directors of the Company except the Managing Director has received any remuneration, other than Sitting Fees for attending Meeting(s) of the Board of Directors or any Committee thereof during the financial year 2017-18.
- (c) “Median” means the numerical value separating the higher half of employees of the Company from the lower half and the median of a finite list of number may be found by arranging all the observations from lowest value to highest value and picking the middle one.
- (ii) The percentage increase in the median remuneration of employees during the financial year 2017-18 was 7.43% as compared to the previous year.
- (iii) There were 579 permanent employees on the rolls of the Company as on March 31, 2018.
- (iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year 2017-18 was around 12.42% whereas the average percentile increase in the remuneration of managerial personnel for the same financial year was around 15.55%. The average increase in remuneration of the employees was guided by various factors such as inflation, salary revision based on detailed performance evaluation, the overall financial performance of the Company, talent retention and reward for individual performance, etc. Remuneration of managerial personnel is adjusted periodically against the industry benchmark besides overall key indicators of financial performance of the Company.
- (v) It is hereby affirmed that the remuneration paid during the year ended March 31, 2018 is as per the Remuneration Policy of the Company.

Harsh V.Lodha  
(DIN: 00394094) Chairman

J. Veeraraghavan  
(DIN: 00078998)

S.K. Misra  
(DIN: 00009411)

R.C. Tapuriah  
(DIN: 00395997)

D.R. Bansal  
(DIN: 00050612)

Pracheta Majumdar  
(DIN: 00179118)

Shiv Dayal Kapoor  
(DIN: 00043634)

Kiran Aggarwal  
(DIN: 06991807)

Dilip Ganesh Karnik  
(DIN: 06419513)

Y.S. Lodha  
(DIN: 00052861) Managing Director

New Delhi, May 23, 2018

**Form No.MGT-9**
**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018**

[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 : L31300MP1983PLC002134
- (ii) Registration Date : January 27, 1983
- (iii) Name of the Company : Vindhya Telelinks Limited
- (iv) Category/Sub-Category of the Company : Public Company limited by Shares
- (v) Address of the Registered Office and contact details : Udyog Vihar, P.O. Chorhata, Rewa-486006 (M.P.)  
Telephone No.(07662) 400400, Fax No.(07662) 400591  
E-mail: headoffice@vtlrewa.com
- (vi) Whether listed Company : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime India Private Limited  
C-101, 247 Park  
L.B.S.Marg, Vikhroli (West), Mumbai-400083  
Telephone No.(022) 49186000, Fax No.(022)49186060  
E-mail: mumbai@linkintime.co.in

**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.	Cables	2731 & 2732	30.14
2.	Engineering, Procurement and Construction (EPC)	4220	69.86

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	August Agents Limited , C/o Birla Building, 4 <sup>th</sup> Floor, 9/1,R.N.Mukherjee Road, Kolkata-700001(W.B.)	U51109WB1996PLC076597	Subsidiary	100.00	2(87)(ii)
2.	Insilco Agents Limited, C/o Birla Building, 4 <sup>th</sup> Floor, 9/1,R.N.Mukherjee Road, Kolkata-700001(W.B.)	U51109WB1995PLC074406	Subsidiary	100.00	2(87)(ii)
3.	Laneseda Agents Limited, C/o Birla Building, 4 <sup>th</sup> Floor, 9/1, R.N.Mukherjee Road, Kolkata-700001(W.B.)	U51909WB1995PLC075959	Subsidiary	100.00	2(87)(ii)
4.	Punjab Produce Holdings Limited, C/o Birla Building, 9/1,R.N.Mukherjee Road, Kolkata-700001(W.B.)	U70109WB1995PLC074449	Associate	48.00	2(6)
5.	Birla Visabeira Private Limited, Commercial Plaza, 2 <sup>nd</sup> Floor, Wing-B, Radisson Blu Hotel, N.H. No.8, Mahipalpur, New Delhi-110037	U45400DL2015PTC285164	Associate	40.00	2(6)
6.	Universal Cables Limited, P.O. Birla Vikas, Satna-485005 (M.P.)	L31300MP1945PLC001114	Associate	23.85*	2(6)
7.	Birla Corporation Limited, C/o Birla Building, 4 <sup>th</sup> Floor, 9/1,R.N.Mukherjee Road, Kolkata-700001(W.B.)	L01132WB1919PLC003334	Associate	8.29	2(6)

\* The Company received a Letter of Allotment confirming allotment of 34,35,055 equity shares on 20th October, 2015, subscribed in the Rights Issue of Universal Cables Ltd. (UCL) out of which 10,15,101 equity shares are pending to be credited to Company's designated demat account, in view of the status-quo Order passed by the Hon'ble High Court of Delhi on 18th November, 2015, as intimated by UCL.

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2017)				No. of Shares held at the end of the year (as on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	-	-	-	-	-	-	-	-	NIL
(b) Central Government	-	-	-	-	-	-	-	-	NIL
(c) State Government(s) – through a Corporation	28000	-	28000	0.24	28000	-	28000	0.24	NIL
(d) Bodies Corporate	5129305	-	5129305	43.28	5129305	-	5129305	43.28	NIL
(e) Bank/FI	-	-	-	-	-	-	-	-	NIL
(f) Any other	-	-	-	-	-	-	-	-	NIL
<b>Sub-Total (A) (1)</b>	<b>5157305</b>	<b>-</b>	<b>5157305</b>	<b>43.52</b>	<b>5157305</b>	<b>-</b>	<b>5157305</b>	<b>43.52</b>	<b>NIL</b>
<b>(2) Foreign</b>									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	NIL
(b) Other-Individuals	-	-	-	-	-	-	-	-	NIL
(c) Bodies Corporate	-	-	-	-	-	-	-	-	NIL
(d) Bank/FI	-	-	-	-	-	-	-	-	NIL
(e) Any other	-	-	-	-	-	-	-	-	NIL
<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NIL</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>5157305</b>	<b>-</b>	<b>5157305</b>	<b>43.52</b>	<b>5157305</b>	<b>-</b>	<b>5157305</b>	<b>43.52</b>	<b>NIL</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds	1206708	400	1207108	10.19	1062316	400	1062716	8.97	(-) 1.22
(b) Banks/FI	12212	4754	16966	0.14	6343	4754	11097	0.09	(-) 0.05
(c) Central Government	-	-	-	-	-	-	-	-	NIL
(d) State Government(s)	-	-	-	-	-	-	-	-	NIL
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(f) Insurance Companies	-	-	-	-	-	-	-	-	NIL
(g) FII's	322768	700	323468	2.73	256008	700	256708	2.17	(-) 0.56
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(i) Other (Specify) - Alternate Investment Funds	-	-	-	-	92129	-	92129	0.78	(+) 0.78
<b>Sub-Total (B) (1)</b>	<b>1541688</b>	<b>5854</b>	<b>1547542</b>	<b>13.06</b>	<b>1416796</b>	<b>5854</b>	<b>1422650</b>	<b>12.01</b>	<b>(-) 1.05</b>
<b>(2) Non-Institutions</b>									
(a) Bodies Corporate									
(i) Indian	925655	10080	935735	7.90	1037918	10080	1047998	8.84	(+) 0.94
(ii) Overseas	-	-	-	-	-	-	-	-	NIL
(b) Individuals									
(i) Individual Shareholders holding nominal Share Capital upto ₹1 lakh	1241972	258999	1500971	12.67	1226924	245514	1472438	12.42	(-) 0.25
(ii) Individual Shareholders holding nominal Share Capital in excess of ₹1 lakh	1109619	-	1109619	9.36	1137861	-	1137861	9.60	(+) 0.24
(c) Others (Specify) -									
(i) Hindu Undivided Family	109773	-	109773	0.93	168541	-	168541	1.42	(+) 0.49
(ii) Non Resident Indians	100367	34020	134387	1.13	90617	30920	121537	1.03	(-) 0.10
(iii) Directors and their Relatives	-	-	-	-	500	-	500	0.01	(+) 0.01
(iv) Persons Acting in Concert	1257086	500	1257586	10.61	1257086	500	1257586	10.61	NIL
(v) Unclaimed Shares	1701	-	1701	0.01	1701	-	1701	0.01	NIL
(vi) Clearing Members	96244	-	96244	0.81	62746	-	62746	0.53	(-) 0.28
(vii) IEPF Authority	-	-	-	-	-	-	-	-	NIL
<b>Sub-Total (B) (2)</b>	<b>4842417</b>	<b>303599</b>	<b>5146016</b>	<b>43.42</b>	<b>4983894</b>	<b>287014</b>	<b>5270908</b>	<b>44.47</b>	<b>(+) 1.05</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>6384105</b>	<b>309453</b>	<b>6693558</b>	<b>56.48</b>	<b>6400690</b>	<b>292868</b>	<b>6693558</b>	<b>56.48</b>	<b>NIL</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NIL</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>11541410</b>	<b>309453</b>	<b>11850863</b>	<b>100.00</b>	<b>11557995</b>	<b>292868</b>	<b>11850863</b>	<b>100.00</b>	<b>NIL</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2017)			Shareholding at the end of the year (as on 31.03.2018)			% change in Share holding 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.	Universal Cables Ltd.	3454530	29.15	-	3454530	29.15	-	NIL
2.	The Punjab Produce And Trading Co. Pvt. Ltd.	1291374	10.90	-	1291374	10.90	-	NIL
3.	Trilochan Vyapaar Private Ltd.	237211	2.00	-	237211	2.00	-	NIL
4.	Punjab Produce Holdings Ltd.	121842	1.03	-	121842	1.03	-	NIL
5.	M.P.State Industrial Development Corporation Ltd.	28000	0.24	-	28000	0.24	-	NIL
6.	Baroda Agents & Trading Co.Pvt.Ltd.	15100	0.13	-	15100	0.13	-	NIL
7.	Gwalior Webbing Co.Pvt.Ltd.	8848	0.07	-	8848	0.07	-	NIL
8.	Birla Financial Corporation Ltd.	100	-	-	100	-	-	NIL
9.	East India Investment Co.Pvt.Ltd.	100	-	-	100	-	-	NIL
10.	Hindustan Gum & Chemicals Ltd.	100	-	-	100	-	-	NIL
11.	Birla Cable Ltd.	100	-	-	100	-	-	NIL
		<b>5157305</b>	<b>43.52</b>	<b>-</b>	<b>5157305</b>	<b>43.52</b>	<b>-</b>	<b>NIL</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

	Shareholding at the beginning of the year (as on 01.04.2017)		Cumulative Shareholding during the year (as on 31.03.2018)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	There were no changes in the Shareholding of Promoters during the financial year 2017-18.			
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
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.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2017)		Cumulative Shareholding during the year (as on 31.03.2018)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Belle Vue Clinic	1164286	9.82		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	No change			
	At the end of the year			1164286	9.82
2.	Reliance Capital Trustee Co. Ltd.-A/c Reliancesmall Cap Fund	979016	8.26		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 18.08.2017 (Transfer)			8208	0.07
	Date: 02.02.2018 (Transfer)			75000	0.63
	At the end of the year			1062224	8.96



Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2017)		Cumulative Shareholding during the year (as on 31.03.2018)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3.	Shyamadevi Agrawal	372395	3.14		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 11.08.2017 (Transfer)			(7003)	(0.06)
	Date: 24.11.2017 (Transfer)			(576)	(0.00)
	Date: 01.12.2017 (Transfer)			(141)	(0.00)
	At the end of the year			364675	3.08
4.	Rajasthan Global Securities Pvt. Ltd.	276722	2.34		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 29.09.2017 (Transfer)			(23586)	(0.20)
	Date: 06.10.2017 (Transfer)			(22307)	(0.19)
	Date: 13.10.2017 (Transfer)			(3983)	(0.03)
	Date: 20.10.2017 (Transfer)			6401	0.05
	Date: 03.11.2017 (Transfer)			(86)	(0.00)
	Date: 10.11.2017 (Transfer)			(1715)	(0.01)
	Date: 17.11.2017 (Transfer)			(3969)	(0.03)
	Date: 24.11.2017 (Transfer)			(615)	(0.01)
	Date: 08.12.2017 (Transfer)			(4919)	(0.04)
	Date: 15.12.2017 (Transfer)			(4803)	(0.04)
	Date: 22.12.2017 (Transfer)			(862)	(0.01)
	Date: 29.12.2017 (Transfer)			(4531)	(0.04)
	Date: 05.01.2018 (Transfer)			(222)	(0.00)
	Date: 12.01.2018 (Transfer)			(747)	(0.01)
	Date: 19.01.2018 (Transfer)			(13366)	(0.11)
	Date: 26.01.2018 (Transfer)			(13051)	(0.11)
	Date: 02.02.2018 (Transfer)			(10633)	(0.09)
	Date: 23.02.2018 (Transfer)			(4986)	(0.04)
	At the end of the year			168742	1.42
5.	Cohesion India Best Ideas (Master) Fund Ltd.	247000	2.08		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 19.05.2017 (Transfer)			20000	0.17
	Date: 18.08.2017 (Transfer)			20000	0.17
	Date: 13.10.2017 (Transfer)			(6788)	(0.06)
	Date: 20.10.2017 (Transfer)			(9970)	(0.08)
	Date: 27.10.2017 (Transfer)			(26242)	(0.22)
	Date: 03.11.2017 (Transfer)			(19000)	(0.16)
	Date: 24.11.2017 (Transfer)			(7436)	(0.06)
	Date: 15.12.2017 (Transfer)			(2000)	(0.02)
	Date: 22.12.2017 (Transfer)			(4500)	(0.04)
	At the end of the year			211064	1.78

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2017)		Cumulative Shareholding during the year (as on 31.03.2018)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
6.	Rachnadevi Raju Agarwal	172747	1.46		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 02.06.2017 (Transfer)			(12507)	(0.11)
	Date: 07.07.2017 (Transfer)			(7000)	(0.06)
	Date: 02.02.2018 (Transfer)			(75000)	(0.63)
	At the end of the year			78240	0.66
7.	IIFL Best of Class Fund 1- Class 2	150000	1.27		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 19.01.2018 (Transfer)			(18715)	(0.16)
	Date: 23.02.2018 (Transfer)			(6374)	(0.05)
	Date: 02.03.2018 (Transfer)			(29974)	(0.26)
	Date: 09.03.2018 (Transfer)			(2808)	(0.02)
	At the end of the year			92129	0.78
8.	Anand Omprakash Agarwal	120581	1.02		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	_____ No change _____			
	At the end of the year			120581	1.02
9.	Seetha Kumari	105917	0.89		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 07.04.2017 (Transfer)			(22633)	(0.19)
	Date: 14.04.2017 (Transfer)			(3792)	(0.03)
	Date: 21.04.2017 (Transfer)			(32301)	(0.27)
	Date: 28.04.2017 (Transfer)			(6552)	(0.06)
	Date: 05.05.2017 (Transfer)			(14607)	(0.12)
	Date: 12.05.2017 (Transfer)			(4865)	(0.04)
	Date: 19.05.2017 (Transfer)			(8080)	(0.07)
	Date: 28.07.2017 (Transfer)			(1387)	(0.01)
	Date: 13.10.2017 (Transfer)			(500)	(0.01)
	Date: 10.11.2017 (Transfer)			(469)	(0.00)
	Date: 17.11.2017 (Transfer)			(6976)	(0.06)
	Date: 09.02.2018 (Transfer)			(492)	(0.00)
	Date: 16.02.2018 (Transfer)			(3263)	(0.03)
	At the end of the year			0	0.00
10.	City Consultants Ltd.	80371	0.68		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 31.03.2018 (Transfer)			6750	0.06
	At the end of the year			87121	0.74
11.	Meenakshi Industries Ltd.	66079	0.56		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	_____ No change _____			
	At the end of the year			66079	0.56

**(v) Shareholding of Directors and Key Managerial Personnel(KMP)**

None of the Directors and Key Managerial Personnel (KMP) held any shares in the paid-up equity share capital of the Company except Shri Dilip Ganesh Karnik, an additional Director appointed during the year 2017-18. Details of shareholding of Shri Dilip Ganesh Karnik is furnished below:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (as on 01.04.2017)		Cumulative Shareholding during the year (as on 31.03.2018)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Shri Dilip Ganesh Karnik	-	-		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 21.12.2017 (Transfer)			500	0.01
	At the end of the year			500	0.01

**V. INDEBTEDNESS**

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

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	19493.85	8000.00	-	27493.85
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	22.25	52.39	-	74.64
<b>Total (i+ii+iii)</b>	<b>19516.10</b>	<b>8052.39</b>	<b>-</b>	<b>27568.49</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition				
- Principal Amount	8264.44	34925.68	-	43190.12
- Interest due but not paid	-	-	-	-
- Interest accrued but not due	13.04	231.87	-	244.91
• Reduction(-)				
- Principal Amount	(-)6365.96	(-)17500.00	-	(-)23865.96
- Interest due but not paid	-	-	-	-
- Interest accrued but not due	(-)22.25	(-)52.39	-	(-)74.64
<b>Net Change [(+)/(-)]</b>	<b>(+)1889.27</b>	<b>(+)17605.16</b>	<b>-</b>	<b>(+)19494.43</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	21392.33	25425.68	-	46818.01
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	13.04	231.87	-	244.91
<b>Total (i+ii+iii)</b>	<b>21405.37</b>	<b>25657.55</b>	<b>-</b>	<b>47062.92</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to the Managing Director**

Sl. No.	Particulars of Remuneration	Name of Managing Director–Shri Y.S. Lodha Amount (₹ in lakhs)
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	104.13
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	22.81
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	
	- as % of profit	-
	- others, specify	-
5.	Others (Company's contribution to Provident and Superannuation Fund(s) to the extent not taxable)	9.92
<b>Total (A)</b>		<b>136.86</b>
	Ceiling as per the Act – Being 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 and rules made thereunder.	627.70

**B. Remuneration to other Directors**

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹ in lakhs)
1.	Independent Directors	Shri J. Veeraraghavan	Shri S.K.Misra	Shri R.C. Tapuriah	Shri Shiv Dayal Kapoor	Smt. Kiran Aggarwal	
	Fees for attending Board/ Committee Meetings	4.05	3.50	4.25	2.70	2.60	17.10
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
Total (1)		4.05	3.50	4.25	2.70	2.60	17.10
2.	Other Non-Executive Directors	Shri Harsh V. Lodha		Shri D.R. Bansal	Shri Pracheta Majumdar	Shri Dilip Ganesh Karnik	
	Fee for attending Board/ Committee meetings	2.40		2.30	3.20	0.40	8.30
	Commission	-		-	-	-	-
	Others, please specify	-		-	-	-	-
Total (2)		2.40		2.30	3.20	0.40	8.30
Total (B)=(1+2)							25.40
Total Managerial Remuneration							162.26
Overall Ceiling as per the Act		Being 6% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 and rules made thereunder. The ceiling, however, does not apply on Sitting Fee paid to other Directors for attending Meetings of the Board or Committee thereof in pursuance to Section 197(2) and (5) of the Act.					753.24

**C. Remuneration to Key Managerial Personnel other than Managing Director/Manager/Wholetime Director**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Shri Saurabh Chhajer CFO	Shri Satyendu Pattnaik* Company Secretary (w.e.f. August 10, 2017)	Shri R.K. Agarwal* Company Secretary (Upto August 9, 2017)	Total (₹ in lakhs)
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	33.96	9.55	8.58	52.09
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	1.73	0.68	0.72	3.13
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Options	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5.	Others, please specify – Company's contribution to Provident and Superannuation Fund(s) to the extent not taxable	1.15	0.42	0.48	2.05
<b>Total (C)</b>		<b>36.84</b>	<b>10.65</b>	<b>9.78</b>	<b>57.27</b>

\* Employed for the part of the year.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
<b>A. Company/B. Directors/C. Other Officers in Default</b>					
Penalty			NONE		
Punishment			NONE		
Compounding			NONE		

Harsh V.Lodha  
(DIN: 00394094)

Chairman

J. Veeraraghavan  
(DIN: 00078998)

S.K. Misra  
(DIN: 00009411)

R.C. Tapuriah  
(DIN: 00395997)

D.R. Bansal  
(DIN: 00050612)

Directors

Pracheta Majumdar  
(DIN: 00179118)

Shiv Dayal Kapoor  
(DIN: 00043634)

Kiran Aggarwal  
(DIN: 06991807)

Dilip Ganesh Karnik  
(DIN: 06419513)

Y.S. Lodha  
(DIN: 00052861)

Managing Director

New Delhi, May 23, 2018



**ANNEXURE-VI**
**STATEMENT OF PARTICULARS OF EMPLOYEE AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2018.**

Name	Designation	Nature of Employment whether contractual or otherwise	Qualification(s)	Age (in years)	Date of commencement of Employment	Total Experience (in years)	Gross Remuneration Per Annum (₹ in lakhs)	Previous employment/ designation before joining the Company
Shri Y.S. Lodha	Managing Director	Contractual	B.Com, F.C.A., A.C.S.	54	04.11.2006	31	136.86	Birla Cable Ltd., Rewa President & Secretary

**Notes:**

- Gross remuneration comprises of Salary and Allowances, Company's contribution to provident fund, superannuation fund, perquisites/ benefits but specifically does not include provision/payment towards incremental liability on account of gratuity and compensated absences since actuarial variation for such provision/payment is done for the Company as a whole.
- Shri Y.S.Lodha himself or alongwith his spouse and dependent children, neither holds 2% or more of the equity share capital of the Company nor he is a relative of any Director of the Company.
- No employee of the Company received gross remuneration higher than that of the Managing Director.

Harsh V.Lodha  
(DIN: 00394094)

Chairman

J. Veeraraghavan  
(DIN: 00078998)

S.K. Misra  
(DIN: 00009411)

R.C. Tapuriah  
(DIN: 00395997)

D.R. Bansal  
(DIN: 00050612)

Directors

Pracheta Majumdar  
(DIN: 00179118)

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Kiran Aggarwal  
(DIN: 06991807)

Dilip Ganesh Karnik  
(DIN: 06419513)

Y.S. Lodha  
(DIN: 00052861)

Managing Director

New Delhi, May 23, 2018

**DISCLOSURE OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.**

**(A) Conservation of Energy:**

As in the past, the Company continued to stress upon measures for the energy conservation in all the areas of its operations by adhering to a well structured energy management system. Regular efforts are made to optimize process parameters and energy conservation, improving the operational efficiencies and reducing water and energy consumption. Additionally, while undertaking modernization and technological upgradation of production facilities, due consideration is also given in selection of plant and equipments which conforms to the best in class energy conservation parameters. The other identified key initiatives for conservation of energy during the year were -

**(i) The steps taken or impact on conservation of energy:**

- Installation of APFC Panel at load end for reduced power losses;
- Sustained maintenance of Power Factor at the level higher than 0.99 in order to save overall energy consumption and costs;
- Installation of LED Lights in Plant areas and Company's township;
- Continual efforts towards reduction in water consumption and also re-use of recycled water in a more efficient manner;
- Tandemisation of certain manufacturing processes and improvisation in throughput for reduced energy consumption; and
- Re-alignment of plant layout for smooth process flow, better efficiency and minimum material movement.

**(ii) The steps taken by the Company for utilizing alternate sources of energy:**

- In addition to contribution from ongoing energy reduction measures, the Company is also evaluating offers for installation of rooftop Solar Power Plant.

**(iii) The capital investment on energy conservation equipments:**

- Capital expenditure has not been accounted for separately.

**(B) Technology absorption:**

**(i) The efforts made towards technology absorption:**

- Proactively embraced compelling adjacencies to the core business, products and services by imperceptible innovations;
- Transforming the products development as per evolving industry's standards to adapt to the changing landscape in the wire & cable industry;
- Improving and maintaining the quality of certain key raw materials and consumables;
- Redefining the market place with disruptive innovation and development of newer products; and
- Investment in people and processes to consciously seed and steer work place innovation in manufacturing, packaging, promotion and customer services.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution, etc:**

- Flexible and agile manufacturing, keeping pace with rapidly changing market needs. Launch of new products, input substitution, improvements in productivity and overall operating efficiency;
- Enhanced products range to address emerging market opportunities;
- Development of products meeting wider applications by modifying manufacturing processes;
- Differentiated products, improved service delivery and customer satisfaction; and
- Reduced impact on environment, consistency in quality of the products and improved productivity.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

- Not applicable as no technology was imported during the last three years.

**(iv) The expenditure incurred on Research and Development:**

- R & D expenditure has not been accounted for separately.

**(C) Foreign exchange earnings and Outgo:**

During the year, the foreign exchange outgo in terms of actual outflows was ₹ 11909.13 lakhs while foreign exchange earned in terms of actual inflows was ₹ 2369.80 lakhs. The Company continues to make concerted efforts to improve its export turnover by exporting to neighbouring countries, Europe, MENA and other parts of the world.

Harsh V.Lodha (DIN: 00394094)		Chairman
J. Veeraraghavan (DIN: 00078998)	}	
S.K. Misra (DIN: 00009411)		
R.C. Tapuriah (DIN: 00395997)		
D.R. Bansal (DIN: 00050612)		Directors
Pracheta Majumdar (DIN: 00179118)		
Shiv Dayal Kapoor (DIN: 00043634)		
Kiran Aggarwal (DIN: 06991807)		
Dilip Ganesh Karnik (DIN: 06419513)		
Y.S. Lodha (DIN: 00052861)		Managing Director
New Delhi, May 23, 2018		

# Management Discussion and Analysis

## INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is primarily engaged in the business of manufacturing and sale of all types of Telecommunication Cables, other types of Wires & Cables, FRP Rods/ Glass Rovings, Connectorized Cable Products, Solar PV Cable, etc. and Engineering, Procurement and Construction (EPC) business.

With the boom of Data Centric Networks taking centre stage all across the telecommunication sector, the usage of optical fibre cables has become imminent, thereby unleashing the enormous bandwidth capability of optical fibre to achieve the true potential of ultra-high speed internet surfing experience.

As part of Government of India's ambitious "Digital India" mission, a dedicated network of Optical Fibre Cable is being implemented under the aegis of "Bhartnet" Project. As part of this program, the Phase I has got over in December, 2017 which connected 100,000 Gram Panchayats with Broadband connections. Now, the Phase II of this program is in full swing to connect the balance Gram Panchayats out of the total of 250,000 all across our country. Government PSUs like BSNL and BBNL are spearheading the implementation of this project and are being undertaken on both supply and turn-key solution basis. The roll-out of 4G technology in all the telecommunication networks of telecom operators, has catapulted the requirement of optical fibre cables in a big way, ultimately paving the way for the construction of a futuristic network which is capable of handling the new generation data centric applications. The planning for 5G technology is already underway and testing is going on with various system configurations which will be introduced in the telecom ecosystem in 2020 as widely expected. As 5G technology promises to fulfill ultra-high speed bandwidth requirements, it is obvious that the usage of optical fibre cables will multiply by 6 times than the current consumption pattern.

The requirement for specialty optical fibre cables which are to be used in ultimately connecting the antenna positioned in the cell sites with the base stations has also been gradually increasing over the year. This clearly shows the inherent quality of optical fibre in providing unlimited bandwidth capacities, thereby necessitating its use even in the final access networks also. This entire eco-system is known under the name of Fibre-to-the-Antenna (FTTA) which has contributed in a great way during the year 2017-18 under review. Further, the Company has ventured into the manufacturing of Solar PV Cables to cater to the booming requirements in the Solar Energy Market which is clearly in line with the Government's Solar Mission initiatives as part of its Clear Energy Program. The Company, is positioning itself to become a formidable player in this segment looking to reap the benefits on a long term basis.

As such, the usage of Copper telecom cable is shrinking very rapidly in the network and it is getting replaced with Optical Fibre Cables.

The Company has a well established EPC Division (Engineering, Procurement and Contracting) which undertakes complete survey, design, supply, installation, commissioning, operators and maintenance including complete system integration services of telecom cable networks, power cable networks, rural electrification networks, Smart City networks including electric sub-station installations, sewerage system, irrigation systems, etc. Over a period of time, the Company has gained tremendous expertise and experience in delivering quality installations with a sole aim of becoming a total infrastructure solution provider leveraging the world class manufacturing capabilities.

There is no material change in the industry structure as was reported last year.

## BUSINESS REVIEW AND OUTLOOK

The exponential growth in data traffic has made it imperative for the telecom industry to undertake greater investments in fibre based infrastructure. Optical Fibre offers several benefits such as virtually unlimited capacity, low cost of ownership and the ability to support multiple technologies. Fibre is also an ideal communication medium for next generation technologies such as the Internet of Things (IoT). Therefore, most leading global telecom operators are augmenting their optical fibre cable network to deliver high speed data services.

The OFC network in India has reached a level 1.4 million KM in the past 2-3 years from its previous length of 0.7 million KM Increasing fibre deployments in the backhaul and last mile access networks, government initiatives such as BharatNet and Network for Spectrum and pan-Indian cable TV digitization have been the key drivers for the OFC market in the country. Apart from government driven projects, huge OFC network building and expansion in the last couple of years by a greenfield 4G LTE telecom operator and other incumbent telecom operators have taken the level of fibre penetration to new heights thereby making the country's telecom infrastructure as a future ready network.

The rapid deployment of 4G networks and exponential growth in data consumption are driving telecom operators to connect their tower sites with optical fibre. With the launch of advanced technologies like Artificial Intelligence (AI), 5G, Virtual Reality and Internet-of-Things (IoT), more and more towers will have to be connected to fibre to manage the ever increasing data traffic, which cannot be handled by conventional microwave based solutions. With less than 25% towers fiberized till date, the fibre requirement in connecting the towers to the access and ultimately to the backbone networks represents one of the biggest market opportunities for the optical fibre cable industry.

The Indian market, has taken early steps to create a favourable ecosystem for 5G deployment. Fibre based backhaul is a critical element in the deployment of 5G, which requires low latency, low interferences and high network capacity in order to transfer data back and forth to the core network. Therefore, the percentage of fibre based backhaul in India needs to be increased from the current 20 % to 70-80 %. 5G will also require a significant increase in small cell deployment, with each small cell backhauled through fibre.

The EPC Division of the Company has made a strong brand image for business in terms of timely delivery of materials, quality of the supplied goods, excellent execution work and maintenance of the network as per desired guidelines to the utmost delight of the customers.

The Telecom Vertical of the EPC business segment strongly placed to bag substantial portion of the work order under the BhartNet Phase II roll out which is to be executed on turnkey basis.

The Company is already involved in creating IP-1 OFC network (Infrastructure Provider status / license from Department of Telecommunications, Government of India), and thereby leasing out the fibre capacity to the telecom operators who are interested in choosing this IP-1 model of business, wherein the Indefeasible rights to use the telecom network along with Operations & Maintenance Services can be enjoyed by the telecom operators. The EPC business segment is also exploring similar big and challenging business opportunities in Power, Sewerage and Irrigation sectors.

## **SEGMENT-WISE PERFORMANCE**

### **Sale of Products (Cables, etc.)**

The Company's Gross Revenue from Operations on account of sale of products comprising of Telecommunication cables, other wires and cables, FRP Rod/Glass Rovings and traded goods, etc. witnessed an increase from ₹ 28330.05 lakhs in the previous year to ₹ 40286.16 lakhs, during the year under review, due to huge orders inflows and swift execution by the Company.

Although the plant operations are reasonably booked due to regular orders inflow, the Company is always keeping abreast with the latest technology trends which are prevailing globally by way of continuous product development and implementing state-of-the-art process control methodologies in the manufacturing systems.

### **Sale of Services (EPC Contracting/Turnkey Services)**

The Company's Gross Revenue from EPC Contracting/Turnkey Services witnessed an increase from ₹ 77401.48 lakhs in the previous year to ₹ 94228.67 lakhs during the year under review. The Company has put up a stellar performance in offering its services portfolio to the variety of customers in Telecom, Power and Sewerage verticals, thereby getting customers' trust by way of bagging more projects. The EPC division is definitely on its course to achieve more laurels in the years to come increasing its contribution to the overall growth of the Company.

Company's performance in executing the projects in a competitive manner has helped in bagging some big and prestigious orders during the last twelve months.

The EPC business segment has planned expansion as IP-1 Service Provider and is laying Telecom Cable Network in the states of Jammu & Kashmir, Himachal Pradesh, Punjab, Haryana, Uttarakhand, Uttar Pradesh, Delhi NCR, Bihar and Arunachal Pradesh, etc. and the Company is started to become the biggest IP-1 Service Provider on standalone basis. It has tied up with various big telecom operators for the Indefeasible right to use the same alongwith Operational and Maintenance services (O & M). In view of the huge investments expected on the optical fiber rollout by PSUs and private operators significant business prospects exist for the EPC business segment in the near term.

## **OVERALL REVIEW**

During the year under review, the Company has reported sustained financial performance. The Company has increased its market share in domestic cables business and also achieved excellent growth in EPC business vertical during the year under review.

## **FINANCIAL REVIEW**

- The revenue from operations (gross) increased by 31.64% to ₹ 135138.46 lakhs during the year 2017-18 as compared to ₹ 102654.84 lakhs in the previous year.
- The aggregate other income during the year 2017-18 decreased to ₹ 1073.50 lakhs as against ₹ 1835.41 lakhs in the previous year, mainly due to decrease in dividend income on investments and non-receipt of any gain in foreign currency transaction.
- The Company achieved profit before interest, depreciation/amortisation and tax of ₹ 17834.92 lakhs during the year 2017-18 as compared to ₹ 13385.05 lakhs in previous year. Profit before depreciation and tax during the year 2017-18 stood at ₹ 14091.50 lakhs as against ₹ 10625.30 lakhs in the previous year, due to contribution from both EPC and Cable business segment.
- The finance costs has been increased to ₹ 4713.93 lakhs (previous year ₹ 4074.28 lakhs) due to increase in exposure of working capital limits and Debentures.
- There was no change in the capital structure during the year. The Other Equity of the Company stood at ₹ 51726.66 lakhs during the year under review as compared to ₹ 42993.07 lakhs in the previous year.
- The additions to the fixed assets of ₹ 3501.49 lakhs during the year mainly consist of normal capital expenditure pertaining to EPC business segment, additional capex on expansion of OFC Unit and Capital expenditure for setting up Solar Energy Cable facility at the Company's existing manufacturing location at Rewa (M.P.).
- The inventories increased to ₹ 37285.45 lakhs as on March 31, 2018 from ₹ 19051.45 lakhs as at the end of the previous year, mainly due to increase in inventories at various projects of EPC business segment.
- The increase in trade receivables level at ₹ 72054.11 lakhs as on March 31, 2018 as compared to ₹ 46501.85 lakhs as on March 31, 2017 was mainly due to progressive payment schedule and retention money withheld by customers in certain projects of EPC business segment as per the governing terms of the contracts awarded to the Company.



- Key Financial Information (Standalone & Consolidated):

Particulars	(₹ in lakhs)			
	Standalone		Consolidated	
	F.Y 2017-18	F.Y 2016-17	F.Y 2017-18	F.Y 2016-17
Revenue from Operations (Gross)	<b>135138.46</b>	102654.84	<b>135138.46</b>	102654.84
Profit before Finance Costs, Depreciation/Amortisation and Tax	<b>18811.43</b>	14699.58	<b>26009.98</b>	25366.52
Net Profit after Tax	<b>8333.07</b>	6563.87	<b>15341.07</b>	17004.16
Fixed Assets	<b>9621.46</b>	8625.12	<b>9621.46</b>	8625.12
Investments	<b>16715.13</b>	15433.56	<b>168727.62</b>	135019.40

- For detailed information on the financial performance with respect to operational performance, a reference may please be made to the financial statements.

## OPPORTUNITIES, THREATS & BUSINESS OUTLOOK

- The Government driven projects coupled with huge roll-out plan from private sector telecom operators which are on-going will definitely help the optical fibre cable manufacturers to run their plants to the fullest capacity. As the demand is far outstripping the supply, capacity expansion which is currently underway is also expected to be fully utilized due to huge requirements of optical fibre cables.
- Data driven telecom networks will obviously require huge deployment of optical fibre cables and this should help the industry in a big way.
- New product development coupled with offering of innovative solutions to wide range of customers should auger well for the Company in the long run.
- Due to huge demand supply gap, the Company has been able to reasonably improve the profitability.
- Competitive scenario amongst the Telecom Operators has already witnessed a huge consolidation phase in the Industry. This will definitely impact the network roll-out, as the industry is dependent on huge investment of capital to sustain the network which is a short-term effect only. However, in the long run, the industry is slated to bounce back and grow in a big way due to huge opportunities existing in a data driven network.
- Telecom Industry always dependent on Government's policy initiatives and conducive policies coupled with helpful ecosystem will bring out excellent results for the Industry.
- As part of the new National Digital Communication Policy 2018 which is to be announced/approved by the Government of India by July/August, 2018, should see favourable RoW (Right of Way) policies thereby giving a fillip to the industry.
- Rising Human Resource challenges like workforce planning, retention, succession planning and skill gaps and increasing wage/social security benefits trend will play crucial role for the sustained viability and continuing success of the Company's businesses and can be categorized as Human Capital Risk to be dealt with as an important matter for future growth of both Cables and EPC business segments.

## RISKS AND CONCERNS

The risks that may affect the functioning of the Company include, but are not limited to:

- Economic conditions;
- Dependence on limited number of major clients;
- Increasing cost of raw materials and logistics;
- Volatile forex fluctuations;
- Technology challenges/information technology risks;
- Competitive market conditions;
- Inverted duty structure;
- Compliance and regulatory pressures including changes in tax laws;
- Delay in execution of turn-key projects leading to financial penalties and cost overrun;
- Retention of skilled manpower in the relevant vehicles of EPC business segment; and
- Environment and safety risks.

Your Company has a defined risk management strategy with senior management identifying potential risk, evolving mitigation responses and monitoring the occurrence of risk. The risks are identified on a regular basis, across functions and business segments and the Company strives to link each risk with mitigation step to ensure business continuity. Risk mapping updates are made available to Audit Committee and senior management team.

## **INTERNAL CONTROL FRAMEWORK**

The Company's system of financial, operational and compliance control and risk management is embedded in the business process by which the Company pursues its objectives. The Company is also required to comply with the provisions of the Companies Act, 2013 as regards to maintaining adequate internal financial controls over financial reporting. The management is committed to ensuring an effective internal control environment, commensurate with the size and complexity of the business, which provides assurance on the efficiency of the Company's operations and safety/security of its assets besides orderly and legitimate conduct of Company's business in the circumstances, which may reasonably be foreseen. The Company has a defined organization structure, authority levels, delegated powers, internal procedures/SOPs, rules and guidelines, code of conduct, etc. for conducting business transactions, ensuring reliability of financial controls and compliance with applicable laws and regulations. To manage the risks profile of the Company, proper organization structures, EHS/other compliances, whistle blower mechanism, compliance management, performance reviews conducted at regular intervals.

Further, to augment the internal controls, the Company has engaged firm(s) of Chartered Accountants for internal auditing, who besides conducting periodic audits, independently reviews and strengthens the control measures. The Internal Audit programmes cover the entire operations and both the business segments of the Company. The Internal Auditors regularly brief the Management and the Audit Committee on their significant audit observations/findings, steps to be taken with regard to deviations, if any, and the remedial measures as required are implemented by changing processes and/or setting up additional internal controls. The Audit Committee also reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, if any.

## **ENVIRONMENT & SAFETY**

The Company successfully continued with the implementation of occupational health and safety, quality and environmental protection measures and these are ongoing processes at the Company's plant and facilities. Various proactive measures have also been adopted and implemented which, inter alia, include adoption of cleaner technologies wherever feasible, conservation of resources through waste reduction and training of employees with a focus on sustainable development by improving standards on safety and environment protection. As a recognition of these objectives, the entire range of products of the Company continue to remain certified to the requirement of international standard ISO 14001:2015 and OHSAS 18001:2007 by the Det Norske Veritas (DNV) GL.

## **INDUSTRIAL RELATIONS AND HUMAN RESOURCE DEVELOPMENT**

The Company sees its relationship with its employees as critical to the future and its employee relations agenda focuses on ensuring that employees feel valued, on managing change constructively, and on creating an environment and culture within which every employee can maximize his contribution. The Company follows the core values of "be thorough on safety first and compliance" and takes great pride in being compliant to all laws and regulations governing labour and employees and continues to exercise strong governance over all established procedures and practices.

Your Company believes that the competence and commitment of the people are the principle drivers of competitive advantage which enhances competitive strength by differentiating it from competitors. The focus is therefore increasingly going to be retaining talent and try to develop human resources capable of opening up the next generation by identification of key people, knowing their aspirations, designing their growth paths and realigning responsibilities, etc. The industrial relation climate of your Company continues to remain harmonious with focus on improving productivity, quality and safety. Efforts are being made to strengthen organisational culture in order to attract and retain the best talent in the industry by redefining HR policies and processes in line with contemporary market practices. Training needs are identified in systematic manner and regular training programmes are organised both in house and external. The Board records its appreciation of the commitment and support of the employees. The Company employed 579 numbers of permanent employees on its Roll as on March 31, 2018.

The Industrial Training Institute established by the Company and functional under the aegis of M.P. Birla Foundation Educational Society for providing vocational training to students from surrounding villages continues to get encouraging response and students passing out from this Institute are either self-employed or have been successfully absorbed in various industries nationwide.

## **CAUTIONARY STATEMENT**

The Management Discussion and Analysis Report may contain certain statements that might be considered "forward looking statements". These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed or implied in the Statement as important factors could influence the Company's operations such as demand supply conditions, Government policies, local, political and economic development, industrial relations, risks inherent to the Company's growth and such other factors. The Company does not undertake any obligation to publicly update, inform or revise such statements, whether as a result of developments, events or actual materialization. Market data and product analysis contained in this report has been taken from internal company reports, industry & research publications, but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

# Report on Corporate Governance

Pursuant to Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Report on Corporate Governance for the year ended March 31, 2018 is set out below:

## 1. CORPORATE GOVERNANCE PHILOSOPHY

Good Corporate Governance is an integral part of the Company's management and business philosophy.

The importance of Corporate Governance lies in its contribution both to business prosperity and to accountability. Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability and business prosperity with the ultimate objective of realising long term shareholder value, whilst taking into account the interest of all other stakeholders for wealth creation.

The Company will continue its efforts towards raising its standard in Corporate Governance and will also review its systems and procedures constantly in order to keep pace with the changing economic environment. The Company has complied with the applicable requirements of Corporate Governance and the Disclosures as contained in this Report are in accordance with Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations").

## 2. BOARD OF DIRECTORS

The present strength of the Board of Directors is Ten (10) including one Woman Director. The Company has a regular Non-Executive Chairman. The number of Independent Directors on the Board is Five (5), which is half of the total number of Directors and the number of Non-Executive Directors is Nine (9), which is more than fifty percent of the total number of Directors, as laid down under Regulation 17 of the Listing Regulations. The composition of the Board of Directors is also in conformity with the provisions of Section 149 of the Companies Act, 2013.

None of the Directors on the Board is a member in more than Ten (10) Board level committees or acts as chairman of more than Five (5) Board level committees across all the public limited companies (listed or unlisted) in which he/she is a Director. The necessary disclosures regarding Committee memberships/ chairmanships have been made by the Directors. Further, none of the independent directors serves as such on the Board of more than Seven (7) listed companies. Also, they do not serve as whole-time directors on the Board of any listed company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company other than the sitting fees payable and reimbursement of incidental expenses incurred by them for attending the Meeting(s) of Board of Directors and Committee thereof. The Independent Non-Executive Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(6) of the Listing Regulations. The terms and conditions of appointment of Independent Directors can be accessed on the Company's website viz: [www.vtlrewa.com/http://www.vtlrewa.com/pdf/T&C\\_Appt\\_Independent\\_Directors\\_VTL.pdf](http://www.vtlrewa.com/http://www.vtlrewa.com/pdf/T&C_Appt_Independent_Directors_VTL.pdf).

During the financial year ended on March 31, 2018, six Board Meetings were held on May 15, 2017, August 9, 2017, September 15, 2017, November 14, 2017, February 6, 2018 and March 9, 2018. The maximum time gap between any two consecutive meetings was not more than one hundred and twenty days, as stipulated under Section 173(1) of the Companies Act, 2013, Regulation 17(2) of the Listing Regulations and the Secretarial Standard (SS-1) issued by the Institute of Company Secretaries of India.

The following table gives the composition and category of the Directors on the Board, their attendance at the Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships/ Chairmanships held by them in other companies:

Name of the Director	Category	Attendance Particulars		No. of other Directorship(s) and Committee Membership(s)/Chairmanship(s)		
		Board Meetings	Last AGM	Other Directorship(s)	Committee Membership(s)	Committee Chairmanship(s)
Shri Harsh V. Lodha (Chairman)	Non-Executive	6	Yes	7	None	1
Shri J. Veeraraghavan	Independent Non-Executive	5	No	None	None	None
Shri S.K. Misra	Independent Non-Executive	4	No	None	None	None
Shri R.C. Tapuriah	Independent Non-Executive	6	Yes	6	4	2
Shri D.R. Bansal	Non-Executive	5	No	2	1	None
Shri Pracheta Majumdar	Non-Executive	5	No	1	1	None

Name of the Director	Category	Attendance Particulars		No. of other Directorship(s) and Committee Membership(s)/Chairmanship(s)		
		Board Meetings	Last AGM	Other Directorship(s)	Committee Membership(s)	Committee Chairmanship(s)
Shri Shiv Dayal Kapoor	Independent Non-Executive	6	No	2	2	None
Smt. Kiran Aggarwal	Independent Non-Executive	6	No	None	None	None
Shri Dilip Ganesh Karnik (w.e.f. November 14, 2017)	Non-Executive	1	No	5	2	None
Shri Y.S. Lodha (Managing Director)	Executive	6	Yes	None	None	None

**Notes:**

- Number of other Directorships held by the Directors, as mentioned above, excludes Directorships in private limited companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and LLP's besides trustee/membership of managing committees of various trusts and other bodies / chambers and are based on the latest declarations received from the Directors. The details of Committee Membership/Chairmanship is in accordance with Regulation 26(1)(b) of the Listing Regulations and reflect the Membership/Chairmanship of the Audit Committee and the Stakeholders Relationship Committee of all other Indian public limited companies.
- None of the Non-Executive Directors/Managing Director holds any Equity Shares of the Company as per the declarations received from them except Shri Dilip Ganesh Karnik who holds 500 Equity Shares of the Company.
- None of the Directors on the Board has inter-se relationship with other Directors of the Company.

The Companies Act, 2013 read with the relevant rules made thereunder and revised Secretarial Standard (SS-1), facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting(s) through video conferencing was made available for the Directors except in respect of Meetings/items which were not permitted to be transacted through video conferencing. During the financial year 2017-18, none of the Directors of the Company participated in the Board/Committee Meetings through video conferencing or other audio visual mode.

The notice and detailed agenda alongwith the relevant notes and other material information are circulated to the Directors before the meeting including minimum information as required under Regulation 17(7) read with Schedule-II of the Listing Regulations, to the extent applicable and relevant and in exceptional cases tabled at the meeting with the approval of the Board of Directors. All the Directors have complete and unrestricted access to any information required by them to understand the transactions and take decisions. This enables the Board to discharge its responsibilities effectively and make an informed decision. The compliance report of all laws applicable to the Company as prepared and compiled by the Company Secretary is circulated to all the Directors along with the Agenda and is placed/reviewed on quarterly basis in the Board Meeting.

The Board has laid down a Code of Conduct for its Board Members and senior management personnel of the Company and the same has been posted on the website of the Company and can be accessed on the Company's website at: [http://www.vtlrewa.com/pdf/VTL\\_REVISIED\\_CODE\\_OF\\_CONDUCT.pdf](http://www.vtlrewa.com/pdf/VTL_REVISIED_CODE_OF_CONDUCT.pdf). For the year under review, all Board Members and senior management personnel of the Company have affirmed their adherence to the provisions of the said Code.

In accordance with Regulation 36(3) of the Listing Regulations, the information including brief resume and profile of Directors retiring by rotation and eligible for re-appointment and appointment at the ensuing 35<sup>th</sup> Annual General Meeting (AGM) are given in the Notice of AGM of the Company, annexed to the Annual Report 2017-18 of the Company.

### 3. AUDIT COMMITTEE

The Audit Committee has been re-constituted from time to time over the years as per applicable legal and regulatory requirements. The Audit Committee as at March 31, 2018 consists of three Independent Non-Executive Directors and one Non-Executive Director as specified below:

Name of the Member	Designation	Category
Shri R.C. Tapuriah	Chairman	Independent Non-Executive Director
Shri J. Veeraraghavan	Member	Independent Non-Executive Director
Shri S.K. Misra	Member	Independent Non-Executive Director
Shri Pracheta Majumdar	Member	Non-Executive Director

All the members of the Audit Committee are financially literate and possess expertise in accounting and financial management.

The Secretary of the Company acts as the Secretary to the Audit Committee as required by Regulation 18(1)(e) of the Listing Regulations.

The composition, quorum, powers, role and scope of Audit Committee and information being reviewed by the Audit Committee are in accordance with Regulation 18(3) read with Part-C of Schedule-II of the Listing Regulations as well as Section 177 of the Companies

Act, 2013. The Terms of Reference of Audit Committee, interalia, include the following:

- (i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in the draft audit report.
- (v) Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- (vi) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into 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;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the Whistle Blower mechanism;
- (xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
- (xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Details of Meetings of the Audit Committee held during the year and attendance thereof are given below:

Name of Members	Meetings held and attendance particulars			
	May 15, 2017	August 9, 2017	November 14, 2017	February 6, 2018
Shri R.C. Tapuriah	Yes	Yes	Yes	Yes
Shri J. Veeraraghavan	Yes	Yes	Yes	Yes
Shri S.K. Misra	Yes	Yes	Yes	Yes
Shri Pracheta Majumdar	No	Yes	Yes	Yes

The Meetings of Audit Committee were also attended by the Secretary of the Committee and the necessary quorum were present at all



the meetings. The Statutory Auditors are permanent invitees to the Audit Committee Meetings. The Internal Auditors and Cost Auditors, as needed, are also invitees to the Meetings. The Managing Director, Chief Financial Officer and other invited executives also attended the Meetings to answer and clarify the issues raised at the Meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on July 24, 2017.

#### **4. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee constituted by the Board of Directors of the Company, acts in consonance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part-D of Schedule-II of the Listing Regulations. The Terms of Reference of the Nomination and Remuneration Committee as approved by the Board of Directors are briefly set out below:

- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal;
- 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 criteria for evaluation of Independent Directors and the Board and to carry out evaluation of every director's performance; and
- to devise a policy on Board diversity.

During the year three meetings of the Nomination and Remuneration Committee were held on May 15, 2017, August 9, 2017 and September 27, 2017. The requisite quorum was present at each of the meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company. The Composition of the Nomination and Remuneration Committee and the details of meetings attended by the members thereof are given below:

<b>Name of the Member</b>	<b>Designation</b>	<b>Category</b>	<b>Number of Meeting attended</b>
Shri R.C. Tapuriah	Chairman	Independent Non-Executive Director	3
Shri J. Veeraraghavan	Member	Independent Non-Executive Director	3
Shri D.R. Bansal	Member	Non-Executive Director	3

The Company Secretary of the Company who acts as Secretary of the Committee was present in the Meetings of Nomination and Remuneration Committee. The Minutes of the Nomination and Remuneration Committee Meeting were noted at the Board Meeting(s).

The criteria for performance evaluation as specified by the Nomination and Remuneration Committee cover the areas relevant to the functioning as Independent Director such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Director(s) who is subject to evaluation did not participate.

##### **4.1 Remuneration Policy**

The Company's Remuneration Policy, interalia, provides a framework for remuneration to the members of the Board of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs). The said Policy earmarks the principles of remuneration to enable the Company to provide a well-balanced and performance related compensation package to KMPs/SMPs, taking into account shareholders' interests, industry practices and relevant corporate regulations in India. The remuneration for the Senior Management including Managing Director and other KMPs mainly consists of salary, allowances, benefits, perquisites and retirement/post-retirement benefits which are fixed components. The overall performance of the individual is a key consideration when determining salary increases. The competitive remuneration package for the Managing Director is recommended by the Nomination and Remuneration Committee to the Board for its consideration, based on criteria laid down in the Remuneration Policy. Independent Directors/Non-Executive Directors are paid remuneration by way of Sitting Fees and reimbursement of expenses for participation in the Meeting(s) of the Board of Directors of the Company or any duly constituted Committee thereof and/or such other payments/benefits (excluding stock options, if any), subject to the governing provisions of the Companies Act, 2013 and rules made thereunder. Further, the maximum remuneration payable to any one Managing Director or Whole-time Director or maximum overall remuneration payable to all Directors including Managing Director shall be within overall limits as defined in the Companies Act, 2013 and rules framed thereunder read with Circulars/Guidelines issued by the Central Government and other authorities from time to time, subject to such approvals of shareholders and Central Government, as and when required. The premium paid by the Company for the Directors and Officers Liability Insurance Policy taken by the Company on behalf of its Directors for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust is not treated as part of the remuneration.

##### **4.2 Remuneration of Directors/Managing Director**

The details of remuneration of Non-Executive Directors/Managing Director for the financial year ended March 31, 2018, are set out below:

- (a) Apart from payment of Sitting Fees for attending the Meetings of the Board of Directors and /or Committee thereof, no other remuneration is paid to Independent/Non-executive Directors of the Company.

The details of Remuneration paid to the Independent/ Non-Executive Directors during the year are as under:

<b>Name of the Director</b>	<b>Sitting Fees (₹ in lakhs)</b>
Shri Harsh V. Lodha	2.40
Shri J. Veeraraghavan	4.05
Shri S.K. Misra	3.50
Shri R.C. Tapuriah	4.25
Shri D.R. Bansal	2.30
Shri Pracheta Majumdar	3.20
Shri Shiv Dayal Kapoor	2.70
Smt. Kiran Aggarwal	2.60
Shri Dilip Ganesh Karnik	0.40

- (b) Remuneration to the Managing Director is paid in accordance with the applicable provisions of the Companies Act, 2013. Annual increment to the existing remuneration/compensation structure is recommended by the Nomination and Remuneration Committee to the Board in accordance with the terms of appointment as approved by the shareholders for the Managing Director of the Company.

The details of Remuneration to the Managing Director for the year are as under:

(₹ in lakhs)

<b>Name</b>	<b>Salary</b>	<b>Perquisites, etc.</b>	<b>Total</b>
Shri Y.S. Lodha	104.13	32.73	136.86

**Notes:**

- (1) Sitting fees include fees paid for attending Committee Meetings.
- (2) All appointments are non-contractual except that of the Managing Director which is for 5 (Five) years with effect from November 4, 2015. The appointment of the Managing Director is conditional upon and subject to termination by either party (the Company or the Managing Director) by giving to other party six calendar month's prior notice in writing of such termination or the Company paying six month's remuneration (including allowances and perquisites/benefits) in lieu of the notice.
- (3) The above remuneration of Managing Director does not include provision/payment towards incremental liability on account of gratuity and compensated absences since actuarial variation is done for the Company as a whole.
- (4) As per the terms of agreement, for the purpose of gratuity, contribution to superannuation fund and leave encashment benefits, the services of the Managing Director will be considered continuous service with the Company from the date he joined the services of sister concern(s) or this Company in any capacity from time to time.
- (5) The Company does not have any scheme for grant of Stock Options to its Directors, Managing Director or other employees.
- (6) None of the employees is related to any of the Directors/Managing Director of the Company.

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee constituted by the Board of Directors of the Company is in compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20(1) of the Listing Regulations.

The terms of reference of Stakeholders Relationship Committee as approved by the Board of Directors are briefly set out below:

- to consider and resolve the grievances of security holders of the Company;
- to approve or authorise transfer/transmission/refusal of transfer/consolidation/ sub-division/ dematerialisation or rematerialisation of equity shares of the Company;
- to approve issuance of duplicate share certificate(s), issue of fresh certificate(s) on consolidation/sub-division of share Certificate(s) and also for issuance of share Certificate(s) on rematerialisation of equity shares of the Company; and
- to redress stakeholders grievances pertaining to non-receipt of balance sheet, non receipt of declared dividends/interest/deposits, etc.

During the year two meetings of the Stakeholders Relationship Committee were held on May 15, 2017 and November 14, 2017. The composition of the Stakeholders Relationship Committee and the details of meetings attended by the members thereof are given below:

<b>Name of the Member</b>	<b>Designation</b>	<b>Category</b>	<b>Number of Meetings attended</b>
Shri R.C. Tapuriah	Chairman	Independent Non-Executive Director	2
Shri D.R. Bansal	Member	Non-Executive Director	2
Shri Shiv Dayal Kapoor	Member	Independent Non-Executive Director	2

The Company Secretary also functions as the Compliance Officer.

The Secretarial Department of the Company and the Registrar and Share Transfer Agents viz. Link Intime India Private Ltd. attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board of Directors for its noting at the Board Meetings.

During the year under review, 6 (Six) complaints (excluding those correspondences which are not in the nature of complaints) were received from shareholders and investors directly or through regulatory authorities, which were promptly attended to and resolved to the satisfaction of the complainants. No investor grievances remained unattended/pending for more than thirty days as on March 31, 2018 except disputed cases and sub-judice matters, which would be resolved on final disposal of the cases by the judicial and other authorities. No request for share transfer was pending for approval as on March 31, 2018.

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was constituted by the Board of Directors of the Company in pursuance to the provisions of Section 135 of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Terms of Reference of the Corporate Social Responsibility Committee of the Company are as under:

- To formulate and recommend to the Board, a Corporate Social Responsibility(CSR) Policy which shall indicate the CSR activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendment(s) thereof if any from time to time;
- To recommend the amount of expenditure to be incurred on the CSR activities in a financial year;
- To monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- Any other matter/things as may be considered expedient by the members in furtherance of and to comply with the Corporate Social Responsibility Policy of the Company.

During the year two meetings of the Corporate Social Responsibility Committee were held on May 15, 2017 and February 6, 2018. The requisite quorum was present at both the meetings. The Composition of the Corporate Social Responsibility Committee and the details of meetings attended by the members thereof are given below :

Name of the Member	Designation	Category	Number of Meeting attended
Shri D.R. Bansal	Chairman	Non-Executive Director	1
Shri J. Veeraraghavan	Member	Independent Non-Executive Director	2
Shri S.K. Misra	Member	Independent Non-Executive Director	2

## 7. INDEPENDENT DIRECTORS' MEETING

During the year under review, a separate meeting of Independent Directors was held on March 9, 2018, interalia, to discuss:

- Bringing in an objective view in the formal annual evaluation of the performance of the Board of Directors and Management of the Company;
- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and
- Evaluation of the quality, content and timeliness of flow of information between the Company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform its duties.

All the Independent Directors of the Company except Shri S.K.Misra were present at the meeting.

## 8. PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to the governing provisions of the Companies Act, 2013, the Listing Regulations and Guidance Note on Board Evaluation issued by SEBI, a formal annual evaluation was carried out by the Board of its own performance and that of its committees and Independent directors. During the year under review, one meeting of the Independent Directors was held, without the presence of non-independent directors and members of the management, wherein the performance of non-independent directors, Chairman (Non-executive) and the Board of Directors as a whole were reviewed. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The performance evaluation of Committees and Independent Directors was carried out by the entire Board, excluding the director being evaluated, interalia, taking into account the criteria for evaluation formulated by the Nomination and Remuneration Committee. The Board, its Committees and Directors evaluation provided a formal process of communication in raising issues that might not otherwise be vetted by the Board, with the underlying objectives to develop an action plan to enhance the Board performance, interalia, by ensuring compliance with the requirements of the Companies Act, 2013 and code of corporate governance as enshrined in the Listing Regulations.

The structured evaluation process was focused on identifying areas of improvement, if any, such as creating balance of power between the Board and management, long term strategy, more effectively fulfilling the Board's oversight responsibilities, the adequacy of committee(s) structures, the assessment of Board culture to ascertain whether the same is conducive to attract right individuals to join the Board and updating the evaluation process itself.

A review of fiduciary duties of the Board, governance policy adopted by the Company and acquaintance and familiarisation of Independent Directors with the Company and its business model, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. and contribution by each director, committees of the Board was also carried out during the process of evaluation. The appraisal of the Managing Director & Chief Executive Officer and his level of engagement in the affairs of the Company was an important component of the Board evaluation.

The final evaluation was thereafter deliberated and assessed taking into account inputs from the Board about evaluation of independent directors and various Committees of the Board and suggesting action plan for further enhancing Board performance and plan for next Board, its Committee(s) and individual directors evaluation.

## 9. GENERAL BODY MEETINGS

Location and time where General Body Meetings were held in the last three years are given below:

Financial Year	Venue of the Meeting	Type of Meeting	Date of Meeting	Time of Meeting
2016-17	Registered Office of the Company - Udyog Vihar, P.O.Chorhata, Rewa - 486 006 (M.P.)	34 <sup>th</sup> AGM	July 24, 2017	11.30 a.m.
2015-16	Same as above	33 <sup>rd</sup> AGM	August 19, 2016	11.30 a.m.
2014-15	Same as above	32 <sup>nd</sup> AGM	July 23, 2015	10.30 a.m.

All the resolutions set out in the respective notices of the above meetings were passed by the members as ordinary resolutions except the following:

- (i) Special Resolutions concerning: (a) Increase in the borrowing powers/limit of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 upto an amount not exceeding in aggregate ₹1800 Crores outstanding at any time.; (b) Authority to the Board of Directors pursuant to Section 180(1)(a) of the Companies Act, 2013 for creation of charge / mortgages / hypothecations/ pledges/other security etc. in any form on the Company's assets, both present and future, for securing the borrowings for an amount not exceeding the limit of ₹2500 Crores.; and (c) Place of keeping Register of Members, Index of Members and any other Register required to be maintained under Section 88 of the Companies Act, 2013 at Mumbai (Maharashtra) instead of Registered office of the Company pursuant to Section 94 of the Companies Act, 2013, which were passed by requisite majority at the 33<sup>rd</sup> AGM of the Company held on August 19, 2016; and
- (ii) Special Resolution concerning re-appointment of Shri Y.S.Lodha as the Managing Director for a further period of five years with effect from November 4, 2015, which was passed by requisite majority at the 32<sup>nd</sup> AGM of the Company held on July 23, 2015.
- (iii) None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a Special Resolution through Postal Ballot mandatorily.
- (iv) Special Resolutions passed through postal ballot:

The Company has taken consent/approval of the Members by way of Special Resolution for two items (Resolution No. 1 & 2 of the Postal Ballot Notice) through postal ballot for alteration in Objects Clause and amendment in Liability Clause of the Memorandum and Association of the Company pursuant to Section(s) 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder.

The results were announced at the registered office of the Company on October 30, 2017. Summary of the voting pattern was as under:

Description	Resolution No.1 [Alteration in Objects Clause]		Resolution No.2 [Amendment in Liability Clause]	
	No. of valid vote cast	Percentage of vote cast	No. of valid vote cast	Percentage of vote cast
Total number of votes cast in favour of the resolution	8206710	99.99	8206710	99.99
Total number of votes cast against the resolution	734	0.01	734	0.01

The above Special Resolutions were passed with the requisite majority. The procedure prescribed under Section 110 of the Companies Act, 2013 read with Rules 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(1) of the Listing Regulations were duly followed for the Postal Ballot while seeking approval/consent of Members on the above items of special business. Shri Rajesh Kumar Mishra, Practicing Company Secretary was appointed as Scrutinizer for business transacted under the Postal Ballot Notice dated September 15, 2017.

## 10. DISCLOSURES

- (a) There were no materially significant related party transactions during the financial year 2017-18 which are considered to have potential conflict with the interests of the Company at large. Particulars and nature of transactions with the related parties in summary form, entered into during the year ended March 31, 2018, in the ordinary course of business of the Company and at arm's length basis are disclosed in compliance with the Indian Accounting Standard on "Related Party Disclosures" in Note No. 42 of Notes to financial statements in the Annual Report.
- (b) The Company has complied with the requirements of Stock Exchanges, Securities and Exchange Board of India and other statutory authorities /regulatory on matters relating to capital markets during the last three years and consequently no penalties or strictures have been imposed on the Company by any of these authorities.
- (c) The Company has adopted a Vigil Mechanism/Whistle Blower Policy for developing a culture where it is safe for all directors/ employees to raise concerns about any unacceptable practice and any event of misconduct. The Policy allows unrestricted access to all employees and others to approach the Audit Committee and there has been no instance during the year where any personnel has been denied access to the Audit Committee. The quarterly report with number of complaints received, if any, under the policy and their outcome is placed before the Audit Committee.
- (d) The Company has generally complied with all the mandatory requirements as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations, to the extent applicable to the Company.
- (e) None of the wholly owned subsidiary companies of the Company is a material non-listed Indian subsidiary as defined in Regulation 24 of the Listing Regulations. Accordingly, requirement to nominate an independent director of the Company on the Board of any subsidiary is not applicable for the time being. The Audit Committee of the Company periodically reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies. The Minutes of the Board Meetings and financial statements of all wholly owned unlisted subsidiary Companies are circulated alongwith agenda and are also placed before the Meeting(s) of the Board of Directors of the Company. The Policy for determining the 'material' subsidiaries is in accordance with the definition of 'material subsidiary' as contained in Regulation 16(1)(c) of the Listing Regulations and the same is available on the website of the Company through weblink:[http://www.vtlrewa.com/pdf/policy\\_for\\_determining\\_material\\_subsidiaries\\_VTL.pdf](http://www.vtlrewa.com/pdf/policy_for_determining_material_subsidiaries_VTL.pdf).
- (f) The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The said Policy is available on the website of the Company and can be accessed through weblink: [http://www.vtlrewa.com/pdf/RPTPolicy%20\\_VTL.pdf](http://www.vtlrewa.com/pdf/RPTPolicy%20_VTL.pdf).
- (g) In the preparation of the financial statements for the year under review, no accounting treatment which was different from that prescribed in the applicable Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 was followed. The significant accounting policies applied in preparation and presentation of financial statements have been set out in Note No.1 of Notes to financial statements in the Annual Report.
- (h) The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures covering the entire gamut of business operations of the Company including but not limited to commodity price risk. These procedures are periodically reviewed to ensure that executive management controls risks by means of a properly defined framework.
- (i) The designated senior management personnel of the Company have disclosed to the Board that no material, financial and/or commercial transactions have been entered into during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large. Further, none of the Non-Executive Directors has any material pecuniary relationship or transactions with the Company other than sitting fees payable to them. Disclosure of transactions in the ordinary course of business and at arm's length with an enterprise over which a non-executive director is able to exercise significant influence has been made under "Related Party Transactions" in the Notes to the Financial Statements.
- (j) In accordance with Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director & CEO and the Chief Financial Officer have furnished a duly signed Compliance Certificate to the Board of Directors for the year ended March 31, 2018.
- (k) In accordance with the Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by Insiders as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 2015, Shri Satyendu Pattnaik, Company Secretary has been designated as the Compliance Officer of the Company under the Company's Code of Conduct for Prevention of Insider Trading. He is responsible for adherence to and ensuring compliance with the Code by the Company and its designated employees.
- (l) The Company also has a familiarization programmes/arrangements for its Independent Directors about the nature of operation/ business of the Company and also the roles and responsibilities of Independent Directors, which can be accessed at: [http://www.vtlrewa.com/pdf/familiarisation\\_programme\\_VTL.pdf](http://www.vtlrewa.com/pdf/familiarisation_programme_VTL.pdf). Further, during the course of Board/Committee Meeting(s), presentations are made on various matters, interalia, covering the Company's and its subsidiaries / associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, roles, rights, responsibilities of Independent Directors under various statutes and other relevant matters as a part of familiarization programmes.
- (m) The Company has presently not adopted certain discretionary requirements in regard to maintenance of Non-Executive Chairman's office, sending half-yearly declaration of financial performance including summary of the significant events in last six months to each household of shareholders and reporting of internal auditors directly to the Audit Committee. However, other discretionary



requirements viz. separate persons to the post of the Chairman and Managing Director/Chief Executive Officer and regime of financial statements with unmodified audit opinion, have generally been complied with.

- (n) The disclosure of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations are given below:

Regulation	Particulars of Regulations	Compliance status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Not Applicable
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes (The Company, however, does not have any material or listed subsidiary)
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

- (o) The applicable Secretarial Standards as issued by the Institute of Company Secretaries of India and approved by the Central Government has been duly complied with and adhered to by the Company.

## 11. MEANS OF COMMUNICATION

### (a) Quarterly Financial Results:

Quarterly financial results are taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirements of the Listing Regulations.

### (b) Newspapers wherein results are normally published:

English Newspaper – Financial Express (All editions)

Vernacular Newspaper – Dainik Jagran (Rewa edition)

### (c) Any website, where displayed:

www.vtlrewa.com

### (d) Whether it also displays official news releases: No

### (e) The presentations made to institutional investors or to the analysts: Nil

## 12. GENERAL SHAREHOLDER INFORMATION

12.1 Company Registration Details : L31300MP1983PLC002134

### 12.2 Annual General Meeting:

- Date and Time : July 31, 2018 at 4.30 P.M.
- Venue : Registered Office of the Company at  
Udyog Vihar, P.O. Chorhata,  
Rewa – 486 006 (M.P.)

12.3 Financial Year : Begins on 1<sup>st</sup> April and ends on 31<sup>st</sup> March of the following year.

### 12.4 Financial Calendar (2018-19):

(tentative)

Quarterly Financial Results :

- ending June 30, 2018 : In or before second week of August, 2018
- ending September 30, 2018 : In or before second week of November, 2018
- ending December 31, 2018 : In or before second week of February, 2019
- ending March 31, 2019 : In or before third week of May, 2019

- 12.5 **Book Closure date(s)** : Wednesday, the July 25, 2018 to Tuesday, the July 31, 2018 (both days inclusive)
- 12.6 **Dividend Payment date** : On or after August 4, 2018
- 12.7 **Listing on Stock Exchanges** : (a) BSE Limited(BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Fort, Mumbai - 400 001
- (b) National Stock Exchange of India Ltd. (NSE)  
Exchange Plaza, C-1, G.Block,  
Bandra-Kurla Complex,  
Bandra (East),  
Mumbai - 400 051

The Company has timely paid the annual listing fees for the financial year 2017-18 as well as 2018-19 to BSE & NSE.

- 12.8 **Stock Code - Physical** : BSE, Mumbai - 517015  
NSE, Mumbai - VINDHYATEL EQ

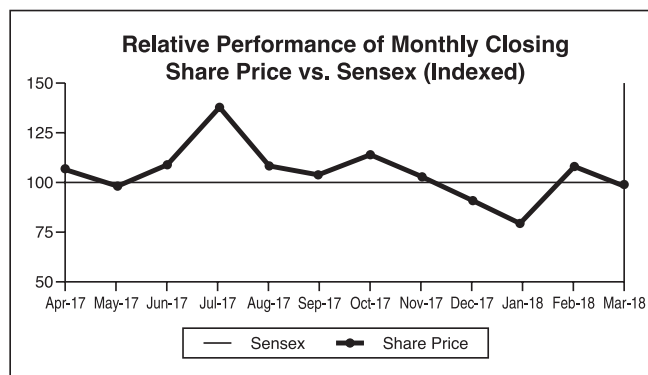
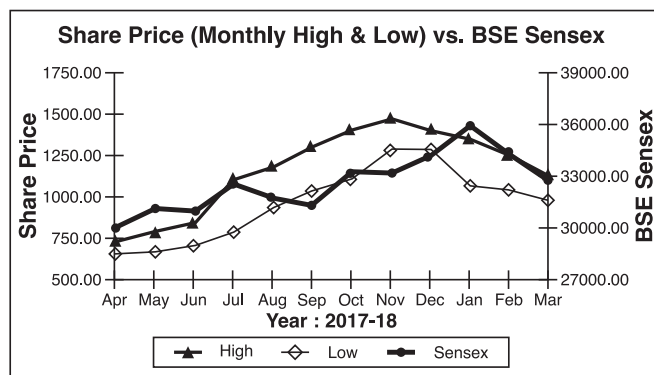
**Demat ISIN Number for NSDL & CDSL** : INE707A01012

**12.9 Stock Market Data :**

Monthly high and low quotations of Shares and volume of Equity Shares traded on BSE Limited (BSE), Mumbai and National Stock Exchange of India Ltd. (NSE), Mumbai are as follows :

Month	BSE			NSE		
	High (in ₹)	Low (in ₹)	Monthly Volume (in Nos.)	High (in ₹)	Low (in ₹)	Monthly Volume (in Nos.)
April, 2017	730.00	654.50	81943	728.90	651.00	444251
May, 2017	790.00	670.00	132403	790.00	669.40	892403
June, 2017	840.00	705.00	100122	840.00	702.00	460119
July, 2017	1097.85	780.00	301673	1096.25	779.00	1284314
August, 2017	1172.70	935.00	117330	1174.00	935.20	577391
September, 2017	1295.00	1031.45	112777	1311.45	1028.00	360876
October, 2017	1398.90	1106.05	57178	1409.00	1146.05	318494
November, 2017	1472.00	1285.00	55604	1475.25	1280.05	328949
December, 2017	1397.00	1285.00	26410	1400.00	1282.20	174796
January, 2018	1344.00	1075.05	97451	1319.25	1075.50	363336
February, 2018	1254.00	1037.05	61146	1264.00	1041.00	297265
March, 2018	1130.50	970.05	168451	1124.40	973.50	264681

**12.10 Share price performance in comparison to broad based indices – BSE Sensex:**



- 12.11 **Registrar and Share Transfer Agents:** Messrs Link Intime India Pvt.Ltd.  
C-101, 247, Park  
L.B.S. Marg, Vikhroli (West)  
Mumbai – 400 083  
Phone:+91-22-49186000  
Fax :+91-22-49186060  
Email : mumbai@linkintime.co.in

## 12.12 Share Transfer System :

As per notification issued by the Securities and Exchange Board of India (SEBI), the trading in Company's equity shares on the stock exchanges is permitted only in dematerialised form for all classes of investors.

All transactions in connection with transfer, transmission, etc. are processed by the Registrar and Share Transfer Agents of the Company on weekly basis and the same are placed before the Committee of Directors/Committee of Officers, as the case may be, for approval at regular interval. With a view to expedite the process of share transfer in physical segment, the Board of Directors has delegated the authority to a Committee of Officers for approving transfer upto 1000 equity shares in each request. Further, to expedite the process of share transfer, the powers for processing of share transfer have been delegated to the Registrar and Share Transfer Agent of the Company in compliance with SEBI Circular No. CIR/MIRSD/8/2012 dated 05.07.2012. A summary of transfer/transmission of equity shares so approved by the Committee of officers is placed at every Board Meeting on quarterly basis. The process of share transfer requests in physical form including despatch of share certificates is completed within 15 days on receipt of duly completed documents in all respects. The request for dematerialisation of equity shares is generally confirmed/rejected within an average period of 15 days. The Company obtains from a Company Secretary in practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

The Company's representatives visit the office of the Registrar and Share Transfer Agents from time to time to monitor, supervise and ensure that there are no delays or lapses in the system.

## 12.13 (a) Distribution of Shareholding as on March 31, 2018 :

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	9463	92.21	887683	7.49
501 - 1000	382	3.72	286814	2.42
1001 - 2000	172	1.68	255404	2.16
2001 - 3000	73	0.71	187377	1.58
3001 - 4000	34	0.33	117457	0.99
4001 - 5000	24	0.23	111172	0.94
5001 - 10000	48	0.47	372230	3.14
10001 and above	67	0.65	9632726	81.28
<b>GRAND TOTAL</b>	<b>10263</b>	<b>100.00</b>	<b>11850863</b>	<b>100.00</b>
<b>Physical Mode</b>	<b>1966</b>	<b>19.16</b>	<b>292868</b>	<b>2.47</b>
<b>Electronic Mode</b>	<b>8297</b>	<b>80.84</b>	<b>11557995</b>	<b>97.53</b>

## (b) Category of Shareholders as on March 31, 2018:

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Promoter and Promoter Group	11	0.11	5157305	43.52
Mutual Funds/Unit Trust of India	7	0.07	1064816	8.99
Alternate Investment Funds	1	0.01	92129	0.78
Foreign Portfolio Investor	17	0.17	256708	2.17
Financial Institutions/Banks	14	0.14	8997	0.08
Individuals	9038	88.06	2610299	22.03
Hindu Undivided Family	294	2.86	168541	1.42
Non Resident Indians	423	4.12	121537	1.02
Directors and their Relatives	1	0.01	500	0.00
Persons Acting in Concert	13	0.13	1257586	10.61
Unclaimed Shares	1	0.01	1701	0.01
Clearing Member	109	1.06	62746	0.53
Bodies Corporate	334	3.25	1047998	8.84
<b>GRAND TOTAL</b>	<b>10263</b>	<b>100.00</b>	<b>11850863</b>	<b>100.00</b>

**12.14 Dematerialisation of Shares and liquidity:** 11557995 Equity Shares representing 97.53% of total equity capital of the Company are held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on March 31, 2018.

Company's shares are reasonably liquid and are traded on the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE) during the financial year 2017-18. Relevant data for the approximate average daily turnover in terms of volume for the financial year 2017-18 is given below :

BSE	NSE	BSE + NSE
5335	23443	28778

[Source: This information is compiled from the data available from the websites of BSE and NSE]

- 12.15 **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely Impact on equity:** The Company has not issued any of these instruments so far.
- 12.16 **Commodity price risk or foreign exchange risk and hedging activities :** During the year 2017-18, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against imports. The details of foreign currency exposure are enclosed in Note No.49 to the annual financial statements.
- 12.17 **Disclosure with respect to demat suspense account/unclaimed suspense account:** Pursuant to Regulation 39(4) read with Schedule VI of the Listing Regulations, the Company has transferred to the 'Unclaimed Suspense Account' the unclaimed equity shares which were issued in physical form from time to time. The details of such unclaimed shares are as under:

Sl. No.	Particulars	No. of Shareholders	No. of Shares
(a)	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2017	10	1701
(b)	Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the financial year 2017-18	Nil	Nil
(c)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the financial year 2017-18	Nil	Nil
(d)	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2018	10	1701

The voting rights on the shares outstanding in the Unclaimed Suspense Account shall continue to remain frozen till the rightful owners of such shares claim the shares.

- 12.18 **Unclaimed Dividends:** The amount of dividends remaining unpaid/unclaimed for seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company is required to be transferred to the Investor Education and Production Fund (IEPF) administered by the Central Government. As of now, no amount is yet due for transfer to IEPF. The unpaid/unclaimed dividend details are available on the website of the Company on [www.vtlrewa.com](http://www.vtlrewa.com).

12.19 **Plant Location:**

Udyog Vihar Industrial Area, P.O. Chorhata, Rewa - 486 006 (M.P.), India

12.20 **Address for Correspondence:**

Messrs Link Intime India Pvt.Ltd.  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai – 400 083  
Phone : +91-22-49186000  
Fax : +91-22-49186060  
Email : [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

OR Share Department  
Vindhya Telelinks Limited,  
Udyog Vihar, P.O. Chorhata, Rewa - 486 006 (M.P.)  
Phone : +91-7662-400400  
Fax : +91-7662-400591  
Email : [headoffice@vtlrewa.com](mailto:headoffice@vtlrewa.com);  
[investorgrievance@vindhyaatelelinks.com](mailto:investorgrievance@vindhyaatelelinks.com)

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

As provided under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is stated that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management, for the financial year ended March 31, 2018.

For Vindhya Telelinks Limited

Place : New Delhi  
Date : May 3, 2018

Y.S. LODHA  
Managing Director & CEO

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**INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE  
TO THE MEMBERS OF VINDHYA TELELINKS LIMITED**

1. We have examined the compliance of regulations of Corporate Governance by Vindhya Telelinks Limited ('the Company') for the year ended March 31, 2018 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

**Management's Responsibility**

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

**Auditor's Responsibility**

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended March 31, 2018. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

7. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
ICAI Firm Regn. No. 109208W

Place : New Delhi  
Date : May 23, 2018

R. Raghuraman  
Partner  
Membership No. 081350

# Independent Auditor's Report

## TO THE MEMBERS OF VINDHYA TELELINKS LIMITED

### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **Vindhya Telelinks Limited** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2018, 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 then ended and a summary of the significant accounting policies and other explanatory information.

### 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, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

### Opinion

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report 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 standalone Ind AS financial statements dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) We have also audited the internal financial Controls with reference to financial statements of the company as on 31<sup>st</sup> March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date and our report as per “Annexure A” expressed unmodified opinion and
  - (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact, if any, of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note. 38 to the standalone Ind AS financial statements;
    - (ii) The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any on long-term contracts including derivative contracts;
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the “Annexure B” a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
ICAI Firm Regn. No. 109208W

R. Raghuraman  
Partner  
Membership No. 081350

Place : New Delhi  
Dated : May 23, 2018

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

**(Referred to in Paragraph 1(f) under ‘Report on Other Legal and Regulatory requirements’ of our report on even date)**

#### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls with reference to financial statement of the Company as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statement (the “Guidance Note”) 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 Act.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial control with reference to financial statement and the Guidance Note issued by the ICAI. 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 control with reference to financial statement were 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 with reference to financial statement and their operating effectiveness. Our audit of internal financial control with reference to financial statement included obtaining an understanding of internal financial control with reference to financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial control with reference to financial statement.

#### **Meaning of Internal Financial Controls with reference to financial statement**

A Company’s internal financial control with reference to financial statement is a process designed to provide reasonable assurance regarding

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

#### **Inherent Limitations of Internal Financial Controls with reference to financial statement**

Because of the inherent limitations of internal financial controls with reference to financial statement, 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 with reference to financial statement to future periods are subject to the risk that the internal financial control with reference to financial statement 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 with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
ICAI Firm Regn. No. 109208W

R. Raghuraman  
Partner

Place : New Delhi  
Dated : May 23, 2018

Membership No. 081350

#### **Annexure "B" to the Independent Auditors' Report**

##### **(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Report on even date)**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Major items of fixed assets were physically verified during the year by the management in accordance with regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and representation obtained from the management the title deeds of immovable properties are held in the name of the Company.
- ii The inventories, have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on physical verification.
- iii The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties required to be covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable.
- iv The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of guarantee or security provided to parties covered under Section 186. The Company has not made any investment, given any loan within the provisions of section 186 of the Act.
- v The Company has not accepted deposits from the public in accordance within the provisions of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).
- vi We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records for the year with a view to determine whether they are accurate and complete.
- vii (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value

added tax, Goods and Services Tax (GST), cess and other material statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31<sup>st</sup> March, 2018, which were outstanding for a period of more than six months from the date they became payable.

- (b) There are no disputed dues which have remained unpaid as on 31<sup>st</sup> March, 2018 in respect of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax except as follows.

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which Amount Relates	Amount Involved (₹ in lakhs)
WB VAT Act, 2003	Value Added Tax	West Bengal taxation Tribunal, Kolkata	FY 2009-10 (01.07.2009 to 31.03.2010)	9.39
WB VAT Act, 2003	Value Added Tax	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	FY 2009-10 (01.04.2009 to 30.06.2009)	4.42
WB VAT Act, 2003	Value Added Tax	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	FY 2008-09 (01.01.2009 to 31.03.2009)	31.61

- viii On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to banks or dues to debenture holders. The Company does not have any loans or borrowings from financial institution or government in the books of accounts at any time during the year.
- ix The Company did not raise any money by way of initial / further public offer (including debt instruments) and term loans taken during the year have been applied for the purpose for which they were obtained.
- x Based on the audit procedure performed and the representation obtained from the management, no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.
- xi According to the information and explanations given 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 of the Act.
- xii The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are 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 the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable IND AS.
- xiv During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- xv According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with them under section 192 of the Act. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- xvi In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
ICAI Firm Regn. No. 109208W

R. Raghuraman  
Partner  
Membership No. 081350

Place : New Delhi  
Dated : May 23, 2018

**BALANCE SHEET AS AT 31ST MARCH, 2018**

	<b>Note</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>No.</b>	<b>31st March, 2018</b>	<b>31st March, 2017</b>	<b>1st April, 2016</b>
		<b>(₹ in lakhs)</b>	<b>(₹ in lakhs)</b>	<b>(₹ in lakhs)</b>
<b>ASSETS</b>				
<b>(1) NON-CURRENT ASSETS</b>				
(a) Property, Plant and Equipment	2	<b>9080.55</b>	7065.75	7781.48
(b) Capital Work-in-Progress		<b>454.85</b>	1515.85	12.46
(c) Investment Property	3	<b>98.82</b>	101.14	103.46
(d) Intangible Assets	4	<b>86.06</b>	-	-
(e) Intangible Assets under Development		-	43.52	-
(f) Financial Assets				
(i) Investments	5	<b>16616.31</b>	15332.42	13952.14
(ii) Trade Receivables	6	-	460.34	1561.26
(iii) Other Financial Assets	7	<b>2424.42</b>	1801.79	1992.73
(g) Non-current Tax Assets (Net)		<b>347.38</b>	392.14	250.13
(h) Other Non-current Assets	8	<b>433.63</b>	171.23	45.78
<b>Total Non-current Assets</b>		<b>29542.02</b>	<b>26884.18</b>	<b>25699.44</b>
<b>(2) CURRENT ASSETS</b>				
(a) Inventories	9	<b>37285.45</b>	19051.45	7725.48
(b) Financial Assets				
(i) Trade Receivables	10	<b>72054.11</b>	46501.85	38447.64
(ii) Cash and Cash Equivalents	11	<b>284.87</b>	240.86	295.28
(iii) Other Bank Balances	12	<b>3150.50</b>	3773.39	2338.10
(iv) Other Financial Assets	13	<b>16781.45</b>	17547.92	13964.23
(c) Other Current Assets	14	<b>3395.11</b>	3488.26	5839.07
(d) Assets Classified as Held for Sale/Disposal		<b>2.00</b>	2.07	-
<b>Total Current Assets</b>		<b>132953.49</b>	<b>90605.80</b>	<b>68609.80</b>
<b>Total Assets</b>		<b>162495.51</b>	<b>117489.98</b>	<b>94309.24</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	15	<b>1184.21</b>	1184.18	1184.15
(b) Other Equity	16	<b>51726.66</b>	42993.07	36345.65
<b>Total Equity</b>		<b>52910.87</b>	<b>44177.25</b>	<b>37529.80</b>
<b>LIABILITIES</b>				
<b>(1) NON-CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	17	<b>11414.08</b>	9980.19	8749.08
(ii) Other Financial Liabilities	18	<b>9.85</b>	9.95	10.12
(b) Other Non-current Liabilities	19	<b>587.20</b>	508.81	255.95
(c) Provisions	20	<b>2942.04</b>	2264.74	1608.81
(d) Deferred Tax Liabilities (Net)	21	<b>302.71</b>	276.40	647.21
<b>Total Non-current Liabilities</b>		<b>15255.88</b>	<b>13040.09</b>	<b>11271.17</b>
<b>(2) CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	22	<b>34500.90</b>	16608.35	20160.23
(ii) Trade Payables	23	<b>46481.69</b>	30444.23	17893.45
(iii) Other Financial Liabilities	24	<b>1858.73</b>	2515.89	2972.51
(b) Other Current Liabilities	25	<b>10732.70</b>	10174.34	4001.78
(c) Provisions	26	<b>298.27</b>	314.07	264.57
(d) Current Tax Liabilities (Net)		<b>456.47</b>	215.76	215.73
<b>Total Current Liabilities</b>		<b>94328.76</b>	<b>60272.64</b>	<b>45508.27</b>
<b>Total Equity and Liabilities</b>		<b>162495.51</b>	<b>117489.98</b>	<b>94309.24</b>

The accompanying Notes 1 to 53 form an integral part of the Financial Statements.

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
Firm Registration No. 109208W

J. Veeraraghavan  
(DIN : 00078998)  
R.C. Tapuriah  
(DIN : 00395997)  
Pracheta Majumdar  
(DIN : 00179118)  
Kiran Aggarwal  
(DIN : 06991807)

R. Raghuraman  
Partner  
Membership No. 081350

Harsh V. Lodha  
(DIN : 00394094)

Chairman

S.K. Misra  
(DIN : 00009411)  
D.R. Bansal  
(DIN : 00050612)  
Shiv Dayal Kapoor  
(DIN : 00043634)  
Dilip Ganesh Karnik  
(DIN : 06419513)

Directors

Y.S. Lodha  
(DIN : 00052861)

Managing Director

Saurabh Chhajer  
Satyendu Pattnaik

Chief Financial Officer  
Company Secretary

New Delhi, May 23, 2018

New Delhi, May 23, 2018

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

	<b>Note No.</b>	<b>For the year ended 31st March, 2018 (₹ in lakhs)</b>	<b>For the year ended 31st March, 2017 (₹ in lakhs)</b>
<b>A INCOME</b>			
Revenue from Operations	27	<b>135138.46</b>	102654.84
Other Income	28	<b>1073.50</b>	1835.41
<b>Total Revenue</b>		<b>136211.96</b>	104490.25
<b>B EXPENSES</b>			
(i) Cost of Raw Materials Consumed		<b>33465.14</b>	15658.92
(ii) Cost of Materials and Other Contract Expenses	29	<b>85211.40</b>	66969.48
(iii) Excise Duty		<b>876.16</b>	2887.36
(iv) Purchase of Stock-in-Trade		<b>307.81</b>	651.86
(v) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade, etc.	30	<b>(17445.97)</b>	(8712.02)
(vi) Employee Benefits Expense	31	<b>6283.15</b>	4659.76
(vii) Finance Costs	32	<b>4719.93</b>	4074.28
(viii) Depreciation and Amortisation Expenses	33	<b>1490.80</b>	1266.41
(ix) Other Expenses	34	<b>8702.84</b>	7675.31
<b>Total Expenses</b>		<b>123611.26</b>	95131.36
<b>C PROFIT BEFORE TAX</b>		<b>12600.70</b>	9358.89
<b>D Tax Expense</b>	35		
(i) Current Tax		<b>4241.32</b>	3165.83
(ii) Deferred Tax Charge/(Credit)		<b>26.31</b>	(370.81)
<b>Total Tax Expense</b>		<b>4267.63</b>	2795.02
<b>E PROFIT FOR THE YEAR</b>		<b>8333.07</b>	6563.87
<b>F OTHER COMPREHENSIVE INCOME (OCI)</b>			
(i) Items that will not be re-classified to Profit or Loss :			
(a) Equity Instruments through OCI		<b>1283.89</b>	874.41
(b) Re-measurement of Defined Benefit Plan		<b>6.67</b>	(41.93)
(ii) Income Taxes relating to the above items		<b>(2.31)</b>	14.51
<b>Total Other Comprehensive Income</b>		<b>1288.25</b>	846.99
<b>G TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>9621.32</b>	7410.86
(Comprising Profit and Other Comprehensive Income for the year)			
<b>Earning per Equity Share (EPS) in Rupees</b>	36		
Basic and Diluted EPS (Face Value of ₹ 10/- each)		<b>70.32</b>	55.39

The accompanying Notes 1 to 53 form an integral part of the Financial Statements.

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
Firm Registration No. 109208W

R. Raghuraman  
Partner  
Membership No. 081350

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Saurabh Chhajer  
Satyendu Pattnaik

New Delhi, May 23, 2018

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 23, 2018

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

Description	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before Tax</b>		<b>12600.70</b>		9358.89
<b>Adjustments for :</b>				
Depreciation and Amortisation	1490.80		1266.41	
(Profit)/Loss on Disposal of Fixed Assets (Net)	(10.61)		2.02	
Provision for Warranty (Net)	662.08		722.01	
Provision for MTM of Derivative Instruments	(62.47)		(25.99)	
(Gain)/Loss on Unrealised Foreign Exchange Rate Fluctuations	118.45		(151.60)	
Provision for Doubtful Debts (Net)	(68.35)		1.27	
Interest Income	(371.59)		(392.44)	
Dividend Income	(414.72)		(983.82)	
Subsidy Income	(158.73)		(111.31)	
Rent from Investment Property	(53.40)		(53.40)	
Interest Expense	3743.42		2759.75	
		<b>4874.88</b>		3032.90
<b>Operating Profit before Working Capital Changes</b>		<b>17475.58</b>		12391.79
<b>Movement in Working Capital :</b>				
Increase/(Decrease) in Trade Payables and Provisions	17068.10		17523.78	
Decrease/(Increase) in Trade Receivables	(30196.13)		(7252.78)	
Decrease/(Increase) in Inventories	(18234.00)		(11325.97)	
Decrease/(Increase) in Loans and Advances	5839.99		200.13	
		<b>(25522.04)</b>		(854.84)
<b>Cash Flow Generated from/(used in) Operations</b>		<b>(8046.46)</b>		11536.95
Direct Taxes Paid (Net of Refunds)		<b>(3958.16)</b>		(3293.30)
<b>Net cash flow from/(used in) Operating activities (A)</b>		<b>(12004.62)</b>		8243.65
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(3724.82)		(1272.01)	
Proceeds from sale of Fixed Assets	26.10		5.63	
(Investment )/Maturity of Bank Deposits	61.93		(1240.54)	
Investment in Shares	-		(505.87)	
Proceeds from Government Grant	112.95		424.86	
Rent from Investment Property	53.40		53.40	
Interest Received	371.59		392.44	
Dividend Received	414.72		983.82	
<b>Net cash flow from/(used in) Investing activities (B)</b>		<b>(2684.13)</b>		(1158.27)



Description	For the year ended		For the year ended	
	31st March, 2018	31st March, 2017	31st March, 2017	31st March, 2017
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)**
**C. CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Share Capital	0.03	0.03
Proceeds from Securities Premium	0.17	0.24
Proceeds/(Repayment) from Long-term Borrowings (net)	1595.23	(138.25)
Proceeds/(Repayment) from Short-term Borrowings	17768.65	(3478.39)
Interest Paid	(3743.42)	(2759.75)
Dividend Paid	(887.90)	(763.68)
<b>Net cash flow from/(used in) Financing activities (C)</b>	<b>14732.76</b>	<b>(7139.80)</b>
<b>Net increase/(Decrease) in Cash and Cash equivalents</b>	<b>44.01</b>	<b>(54.42)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>240.86</b>	<b>295.28</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>284.87</b>	<b>240.86</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	2.14	4.47
Cheques/Drafts on Hand	68.81	29.84
In Current Accounts	213.92	206.55
	<b>284.87</b>	<b>240.86</b>

- (a) The Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.
- (b) Negative figures have been shown in brackets.
- (c) Movement in Borrowings :

(₹ in lakhs)					
Particulars	As at 31st March, 2017	Proceeds	Repayment	Unrealised foreign exchange gain/ (loss)	As at 31st March, 2018
Long Term Borrowings (Including current portion)	10960.14	5720.31	4125.08	6.65	12562.02
Short Term Borrowings	16608.35	37584.17	19815.52	123.90	34500.90
Total Liabilities from Financing Activities	27568.49	43304.48	23940.60	130.55	47062.92

As per our attached report of even date.

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New Delhi, May 23, 2018

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 23, 2018

**STATEMENT OF CHANGES IN EQUITY**
**(a) Equity share capital**

Particulars	(₹ in lakhs)
Balance as at 1st April, 2016	1184.15
Movement during the year	0.03
Balance as at 31st March, 2017	1184.18
Movement during the year	0.03
<b>Balance as at 31st March, 2018</b>	<b>1184.21</b>

**(b) Other Equity**

(₹ in lakhs)

Particulars	Reserves and Surplus				Items of Other Comprehensive Income	Total
	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments Fair Value Through Other Comprehensive Income	
Balance as at 1st April, 2016	3885.43	-	25000.00	7388.29	71.93	36345.65
Profit for the year	-	-	-	6563.87	-	6563.87
Other Comprehensive Income for the year	-	-	-	(27.42)	874.41	846.99
Transfer from retained earnings	-	418.00	5000.00	(5418.00)	-	-
Security Premium Received during the Year	0.24	-	-	-	-	0.24
Final Dividend and Tax thereon	-	-	-	(763.68)	-	(763.68)
Balance as at 31st March, 2017	3885.67	418.00	30000.00	7743.06	946.34	42993.07
Profit for the year	-	-	-	8333.07	-	8333.07
Other Comprehensive Income for the year	-	-	-	4.36	1283.89	1288.25
Transfer from retained earnings	-	835.00	-	(835.00)	-	-
Security Premium Received during the Year	0.17	-	-	-	-	0.17
Final Dividend and Tax thereon	-	-	-	(887.90)	-	(887.90)
<b>Balance as at 31st March, 2018</b>	<b>3885.84</b>	<b>1253.00</b>	<b>30000.00</b>	<b>14357.59</b>	<b>2230.23</b>	<b>51726.66</b>

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
Firm Registration No. 109208W

R. Raghuraman  
Partner  
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New Delhi, May 23, 2018

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 23, 2018

## **1. NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

### **1.1 Company Overview**

Vindhya Telelinks Limited (VTL) ("the Company") is a public limited listed company incorporated under the Companies Act, 1956 (now replaced by the Companies Act, 2013). The Company is engaged in manufacturing and sale of Cables (comprising of telecommunications cables, other types of wires & cables, FRP rods/glass rovings etc.) and Turnkey Contracts & Services business. The registered office of the Company is located at Udyog Vihar, P.O. Chhorhata, Rewa- 486006 (M.P.), India and its CIN No. is L31300MP1983PLC002134.

### **1.2 Basis of Preparation and Presentation**

The financial statements of the Company have been prepared in accordance with and to comply in all material aspects with Indian Accounting Standards (Ind AS) as notified under the relevant provisions of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as applicable.

These financial statements for the year ended 31st March, 2018 are the first financial statements of the Company prepared under Ind AS. The financial statements up to the year ended 31st March, 2017, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") and other relevant provisions of the Act. The figures of the year ended 31st March, 2017 have been restated as per Ind AS to provide comparability. All accounting policies and applicable Ind AS have been applied consistently and retrospectively to the financial statements of all periods presented which include the previous financial year and opening Balance Sheet as at 1st April, 2016 (Transition Date) after availing certain exemptions and exceptions to the retrospective application of certain requirements under Ind AS 101 as stated in Note No.51. The resulting difference between the carrying amounts under Ind AS and Previous GAAP as on the Transition Date has been recognised directly in Retained Earnings. An explanation of the effect of the transition from Previous GAAP to Ind AS on the Company's Assets, Liabilities, Equity and Profit is provided in Note No.52.

The financial statements have been prepared on accrual and going concern basis under historical cost convention, except for the items that have been measured at fair value as required by relevant Ind AS.

Company's financial statements are presented in Indian Rupees, which is also its functional currency. All amounts in the financial statements and accompanying notes are presented in lakhs (Indian Rupees) and have been rounded-off to two decimal place in accordance with the provisions of Schedule III, of the Companies Act, 2013, unless stated otherwise.

### **1.3 Basis of classification of Current and Non-Current**

Assets and Liabilities are classified as either current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III to the Companies Act, 2013. Operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable, and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective business verticals/segments.

### **1.4 Use of Estimates & Critical Judgments**

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting year end. Although these estimates and associated assumptions are based upon historical experiences and various other factors besides management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on a periodic basis. Any revision in the accounting estimates is recognised in the period in which the results are known/materialise.

Significant judgements and key sources of estimation in applying accounting policies are as follows:

#### **(a) Lease arrangements:**

The Company as a lessor enters into certain non-cancellable long term arrangements for passive optical fibre cable networks on Indefeasible Right to Use (IRU) basis. Considering the nature of arrangements/ agreements and upon assessment of other relevant attributes to such transactions, such IRU's have been disclosed as a finance lease under the applicable Indian Accounting Standard Ind AS-17. Cost of sale under finance lease (IRU Network) is arrived based upon management's best estimation/allocation of material, subcontracting cost and other cost including cost of mitigating risk associated with such networks.

#### **(b) Estimation of costs for Revenue recognition:**

For the purpose of revenue recognition on fixed price projects based on percentage of completion method, the Company determines the stage of completion of the project as proportion of actual cost incurred to total estimated cost of project. The Company estimates the total cost of project at each reporting date (including the estimates of liquidated damages). The estimation of costs for fixed price contract is based upon the rates agreed with vendors/ sub contractors and management's best estimates of the costs that is allocated and / or would be incurred based upon the past experience and /or industry risk. These estimates are re-assessed at the end of each period.

## 1.5 Summary of Significant Accounting policies

### (a) Property, Plant and Equipment (PPE)

PPE are stated at cost, net of recoverable taxes, discount and rebates, etc. less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

Spare parts in the nature of PPE are capitalised and depreciated over their remaining useful lives.

Gains or losses arising from de-recognition of PPE is measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognised in the statement of Profit and Loss when the asset is derecognised.

### (b) Investment Property

The Company has certain investments in Buildings which are classified as Investment Property as per the requirement of Ind AS 40. The same is held generally to earn rental income or for capital appreciation or both. The Investment Property has been recognised at cost less accumulated depreciation and impairment, if any. The same has been disclosed separately in the financial statements along with requisite disclosure about fair valuation of such Investment Property at the year end.

### (c) Intangible Assets

Intangible assets (mainly comprise of license fees and associated implementation costs incurred for Computer Software) are measured initially at cost only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. After initial recognition, an intangible asset is carried at its cost, less accumulated amortisation and accumulated impairment losses, if any.

### (d) Depreciation/Amortisation

Depreciation on PPE is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013 and/or useful life reviewed and assessed by the Company based on technical evaluation of relevant class of assets, as detailed below:

Buildings	30/ 60 years
Plant and Equipments	3 to 10 years
Furniture and Fixtures	10 years
Vehicles	8 to 10 years
Computer	3 years
Office Equipment	3 years

Depreciation on fixed assets added/disposed-off/discarded during the year is provided on pro-rata basis with respect to the month of addition/disposal/discarding.

Leasehold land and related improvements are amortised on a straight line basis over the period of the lease (30 to 99 years).

Intangible Asset is measured at cost and amortised so as to reflect the pattern in which the assets economic benefits are consumed. The useful life of Intangible Asset has been estimated as five years.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if considered appropriate.

### (e) Impairment of Non-Financial Assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (PPE and Intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit (CGU) is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each reporting date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

**(f) Government Grants and Subsidies**

Grants and subsidies (including industrial investment promotion incentives linked to fixed capital investment in Plant and Equipment, etc.) from the Government(s) are recognised when there is reasonable assurance that the conditions attached to them will be complied and grants/subsidy will be received. Government subsidies/incentives inextricably based upon and linked to fixed capital investments in Plant and Equipment for setting up a new industrial undertaking or for substantial expansion/technological upgradation/ diversification of an existing industrial undertaking where no repayment is stipulated are recognised in the Balance Sheet as deferred subsidy and credited in the Statement of Profit and Loss on a systematic basis over the remaining useful life of the related Plant and Equipment.

Export benefits availed as per prevalent schemes are accrued each year in which the goods are exported and when no significant uncertainty exists regarding their ultimate collection.

**(g) Inventories**

Inventories are valued as follows:

Raw Materials, Stores and Spare Parts	Lower of cost and net realisable value. Cost is determined on a transaction moving weighted average basis. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Traded Goods	Lower of cost and net realisable value. Cost is determined on transaction moving weighted average basis.
Work-in-Progress	Lower of cost and net realisable value. Cost includes direct materials (determined on a transaction moving weighted average basis), labour and a proportion of overheads.
Finished Goods	Lower of cost and net realisable value. Cost includes direct materials (determined on a transaction moving weighted average basis), labour and a proportion of manufacturing overheads based on normal operating capacity of relevant production facilities.
Scrap Materials	Estimated Net Realisable value.

Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

**(h) Fair Value Measurement**

The Company measures financial instruments such as investments (other than equity investments in subsidiaries, joint venture and associates) and derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability to which the Company has access at that date.

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

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of Fair value disclosure, the Company has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets and for non-recurring measurement, such as assets held for disposal.

**(i) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(1) Financial assets**

- (a) Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities, which are not fair value through profit and loss, are adjusted to the fair value on initial recognition.

(b) Subsequent measurement

**Financial Assets other than Equity Instruments**

- Financial assets carried at Amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding. Interest income from such financial asset is included in other income using the effective interest rate ("EIR") method.

- Financial assets at Fair value through other comprehensive income (FVTOCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding. They are subsequently measured at each reporting date at fair value, with all fair value movements recognised in Other Comprehensive Income (OCI). On Derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

- Financial asset at Fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit and loss.

**Equity Instruments**

- Investment in subsidiaries, Joint Ventures and Associates

The Company has accounted for its Investments in Subsidiaries, Joint venture and Associates at cost/ deemed cost.

- Other Equity Investments

All other equity investments are measured at fair value. Equity Investments, which are held for trading are classified as Fair value through the Statement of Profit and Loss. For equity investments other than held for trading, the Company has exercised irrevocable option to recognise in 'Other Comprehensive Income' ("OCI"). The Company makes such election on an instrument-by-instrument basis for those investments which are strategic and are not intended for sale. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. On disposal, accumulated gain/ losses on such investments are transferred from OCI to Retained Earnings.

**Derecognition of Financial Instruments**

The Company derecognises financial assets when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

**Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company determines expected credit losses after taking into account the past history of recovery, risk of default of the counterparty, existing market conditions, etc. The impairment methodology is applied on individual customer basis and depends on whether there has been a significant increase in the credit risk since initial recognition.

**(2) Financial Liabilities**

**Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent Measurement:**

Financial liabilities are measured subsequently at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective



interest rate method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

**Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

**(3) Offsetting Financial Instruments:**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**(4) Derivative Financial Instruments:**

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

**(j) Income taxes**

Tax expense comprises current income tax and deferred tax. Current income tax expense is measured at the amount expected to be paid to the taxation authorities in accordance with the governing provisions of the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Income tax (Current and Deferred) is recognised in the Statement of Profit and Loss except to the extent it relates to the items recognised directly in equity or other comprehensive income.

Current tax assets and Current tax liabilities are offset, if a legally enforceable right exists to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(k) Revenue recognition**

**Revenue from Sale of Goods**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the price charged (consideration received or receivable) to the customer and are recorded net of returns, claims, rebates and other pricing allowances, trade discounts, volume discounts and taxes and duties collected on behalf of the Government except as provided in Note No.37(a). Revenue is recognised on transfer of significant risks and rewards incidental to ownership to the customer which generally coincides with despatch of goods to customer. Revenue to the extent of Price Variation disputes, if any, which are subjected to resolution through arbitration is recognised based on interim relief granted by a court or arbitral tribunal and/or after its receipt upon execution of the final award in favour of the Company, as the case may be.

**Contract Revenue**

Revenue from Engineering, Procurement and Construction (EPC) Contracts and Services is recognised based on the stage of completion of the individual contract using the percentage completion method, provided the order outcome as well as expected total costs can be reliably estimated. The stage of completion of the EPC Contracts and Services is determined by the proportion of the contract costs incurred for work performed upto the reporting date to the estimated total construction contract costs.

The estimates of contract costs and the revenue thereon are reviewed periodically by the management and the cumulative effect of any changes in the estimates is recognised in the period in which such changes are determined. Where it is probable that contract expenses will exceed total revenue from a contract, the expected loss is recognised immediately as an expense in the Statement of Profit and Loss.

Prepayments from customers are recognised as liabilities. Contracts in progress for which the selling price of the work performed exceeds interim billings is recognised as an asset. Contracts in progress for which interim billings exceed the selling price are recognised as a liability.

Interest income is recognised on time proportion basis. Dividend income is recognised when the right to receive payment is established.

**(l) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction, production or development of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred. Transaction cost in respect of long term borrowing are amortised over the tenure of respective loans using Effective Interest Rate (EIR) method.

**(m) Provisions, Contingent Liabilities and Contingent Assets**

The Company recognises a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimates can be made of the amount of obligation. A disclosure of contingent liability is made when there is possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Where there is a possible obligation or a present obligation and likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for warranty related costs are recognised when the terms and conditions attached to and forming part of the executed portion of the contract of sale of products and/ or providing of services or both are assessed to have underlying obligations to be met during the warranty period. The estimate of such warranty costs is revised annually.

Contingent assets are not recognised but disclosed in the financial statements, where economic inflow is probable.

**(n) Operating Segment**

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker. An operating segment is a component of the Company that engage in business activities from which it may earn revenues and incur expenses (including transactions with any other components of the Company) and for which discrete financial information is available. Operating segments of the Company comprises two segments i.e. Cables and Engineering, Procurement & Construction (EPC). All operating segments are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assesses their performance.

**(o) Employee Benefits**

Defined Contribution Plan

Contribution to approved Superannuation Fund as per Company's scheme and Employee's Regional Provident Fund is recognised as an expense in the Statement of Profit and Loss for the year when the employee renders the related service.

Defined Benefit Plan

Gratuity, Pension and Compensated Absences benefits, payable as per Company's schemes are considered as defined benefit schemes and are charged to Statement of Profit and Loss on the basis of actuarial valuation carried out at the end of each financial year by independent actuaries using Projected Unit Credit Method. For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions is made as determined by the independent actuaries. Actuarial gains and losses are recognised in the Other Comprehensive Income.

The Provident fund Contribution, other than Contribution to Employee's Regional Provident Fund is made to an approved trust administered by the trustees. The Company has its representation on the board of trust. The Company is liable for any shortfall, if any, in the fund asset based on the government specified minimum rates of return and the same is recognised as an expense in the Statement of Profit and Loss.

Ex-gratia or other amount disbursed on account of selective employees separation scheme or otherwise are charged to Statement of Profit and Loss as and when incurred/determined.

**(p) Operating Leases**

Where the Company is the Lessee:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. The total lease rentals (including rental increases, if any) in respect of an asset taken on operating lease/sub-lease are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Where the Company is the Lessor:

Lease under which the Company does not transfer substantially all the risks and benefits of ownership of the asset is classified as operating lease. Assets subject to operating lease are included in Investment Property. Lease income from operating lease is recognised in the Statement of Profit and Loss on a straight line basis over the lease term except where the lease payments are structured to increase in line with expected general inflation. Costs including depreciation are recognised as an expense in the Statement of Profit and Loss.

**(q) Finance Lease**

Finance lease transactions (including Indefeasible Right to Use (IRU) Networks) where significant risks and rewards incidental to ownership are effectively transferred / term of the lease covers the estimated economic useful life of the concerned IRU networks, are recognised as outright sales. Profit or Loss resulting from outright sales of IRU networks is recognised in the Statement of Profit and Loss immediately. Finance income, if any, is recognised over the lease term. Initial direct cost such as legal costs, brokerage costs etc are recognised in the statement of Profit and Loss at the commencement of lease term.

**(r) Foreign Currency Translations**

Transactions in foreign currencies are initially recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

**(s) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

**(t) Cash and Cash Equivalents**

Cash and Cash equivalent in the cash flow statement comprises cash on hand, demand deposits with banks and short-term investments with an original maturity of three months or less from the date of acquisition.

**1.6 Recent Accounting Pronouncements**
**(a) Ind AS 115-Revenue from Customers**

On March 28, 2018 Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognise revenue when the control of goods or services underlying the particular performance obligation is transferred to customers. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainties of revenue and cash flows arising from the underlying terms and conditions of the contract between the entity and customer. An entity may choose to apply the new standard to its historical transactions and retrospectively adjust each comparative period. Alternatively, an entity can recognise the cumulative effect of applying the new standard at the date of initial application and make no adjustments to its comparative information (Catch up transition Method). The chosen transition option can have a significant effect on revenue trends in the financial statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs. The standard is effective for annual periods beginning on or after 1st April, 2018. The Company is currently evaluating the requirements of Ind AS 115, and has not yet determined the impact on the financial statements.

**(b) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration**

On March 28, 2018 MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transaction and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, liability, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1st April, 2018. The Company has evaluated the effect of this on the financial statements and impact is not material.

**2. PROPERTY, PLANT AND EQUIPMENT**

(₹ in lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
<b>Gross Block</b>									
Deemed Cost as at 1st April, 2016	113.18	33.38	956.48	6236.59	105.22	122.27	212.38	1.98	7781.48
Additions during the year	-	-	-	369.19	121.29	37.58	30.02	-	558.08
Deletions/Adjustments during the year	-	-	-	8.88	1.46	3.49	1.55	-	15.38
Balance as at 31st March, 2017	113.18	33.38	956.48	6596.90	225.05	156.36	240.85	1.98	8324.18
Additions during the year	-	-	411.38	2982.11	107.45	0.55	-	-	3501.49
Deletions/Adjustments during the year	-	-	-	18.11	1.46	0.20	-	1.98	21.75
<b>Balance as at 31st March, 2018</b>	<b>113.18</b>	<b>33.38</b>	<b>1367.86</b>	<b>9560.90</b>	<b>331.04</b>	<b>156.71</b>	<b>240.85</b>	<b>-</b>	<b>11803.92</b>

**2. PROPERTY, PLANT AND EQUIPMENT (Contd.)**

(₹ in lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
<b>Accumulated Depreciation</b>									
Balance as at 1st April, 2016	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	0.68	35.57	1115.36	59.60	19.07	33.81	-	1264.09
Deletions/Adjustments during the year	-	-	-	4.29	0.13	0.17	1.07	-	5.66
Balance as at 31st March, 2017	-	0.68	35.57	1111.07	59.47	18.90	32.74	-	1258.43
Depreciation for the year	-	0.68	42.53	1284.74	92.06	18.86	32.40	-	1471.27
Deletions/Adjustments during the year	-	-	-	5.66	0.63	0.04	-	-	6.33
<b>Balance as at 31st March, 2018</b>	<b>-</b>	<b>1.36</b>	<b>78.10</b>	<b>2390.15</b>	<b>150.90</b>	<b>37.72</b>	<b>65.14</b>	<b>-</b>	<b>2723.37</b>
<b>Net Block</b>									
Balance as at 1st April, 2016	113.18	33.38	956.48	6236.59	105.22	122.27	212.38	1.98	7781.48
Balance as at 31st March, 2017	113.18	32.70	920.91	5485.83	165.58	137.46	208.11	1.98	7065.75
<b>Balance as at 31st March, 2018</b>	<b>113.18</b>	<b>32.02</b>	<b>1289.76</b>	<b>7170.75</b>	<b>180.14</b>	<b>118.99</b>	<b>175.71</b>	<b>-</b>	<b>9080.55</b>

Note: For details of assets pledged as collateral, refer Note No. 17 and 22.

**3. INVESTMENT PROPERTY**

Particulars	(₹ in lakhs)
<b>Gross Block</b>	
Deemed cost as at 1st April, 2016	103.46
Balance as at 31st March, 2017	103.46
<b>Balance as at 31st March, 2018</b>	<b>103.46</b>
<b>Accumulated Depreciation</b>	
Balance as at 1st April, 2016	-
Depreciation for the year	2.32
Balance as at 31st March, 2017	2.32
Depreciation for the year	2.32
<b>Balance as at 31st March, 2018</b>	<b>4.64</b>
<b>Net Block</b>	
Balance as at 1st April, 2016	103.46
Balance as at 31st March, 2017	101.14
<b>Balance as at 31st March, 2018</b>	<b>98.82</b>
<b>Fair Value</b>	
As at 1st April, 2016	1412.23
As at 31st March, 2017	1553.45
<b>As at 31st March, 2018</b>	<b>1708.80</b>

Fair Value is determined based on valuation carried out by an independent valuer/ sources on a case to case basis. Valuation is based on assumptions like Government Rates, Market Trend etc. The fair value measurement is categorised in Level-2 of fair value hierarchy.

**3. INVESTMENT PROPERTY (Contd.)**

(₹ in lakhs)

Information regarding Income and Expenditure of Investment Property	Year ended 31st March, 2018	Year ended 31st March, 2017
Rental Income derived from Investment Properties	53.40	53.40
Less : Direct Operating Expenses (including repairs and maintenance) for generating rental income	0.96	0.96
Less : Depreciation	2.32	2.32
Profit arising from Investment Properties	50.12	50.12

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
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**4. INTANGIBLE ASSETS (Computer Software)**
**Gross Block**

Opening Balances	-	-	-
Additions during the year	103.27	-	-
Deduction/Adjustment during the year	-	-	-
Closing Balance	103.27	-	-

**Accumulated Amortisation**

Opening Balance	-	-	-
Amortization during the year	17.21	-	-
Deduction/Adjustment during the year	-	-	-
Closing Balance	17.21	-	-

**Net Block**

86.06	-	-
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**5. NON-CURRENT INVESTMENTS**
**Investments in Equity Instruments**
**A Investments carried at Cost**
**Investments in wholly owned Subsidiary Companies**
**Unquoted - Fully paid up Equity Shares of ₹ 10/- each**

1,52,50,200	(1,52,50,200)	(1,52,50,200)	August Agents Limited	1525.02	1525.02	1525.02
1,50,00,200	(1,50,00,200)	(1,50,00,200)	Insilco Agents Limited	1500.02	1500.02	1500.02
1,50,00,200	(1,50,00,200)	(1,50,00,200)	Laneseda Agents Limited	1500.02	1500.02	1500.02
				4525.06	4525.06	4525.06

**Investment in a Joint Venture**

-	-	(40,00,100)	Birla Cable Limited**	-	-	900.01
36,00,000	(36,00,000)	(36,00,000)	Birla Visabeira Pvt. Limited	360.00	360.00	360.00
				360.00	360.00	1260.01

**Investments in Associates**
**Quoted - Fully paid up Equity Shares of ₹ 10/- each**

82,74,963	(82,74,963)	(82,74,963)	Universal Cables Limited*	4945.62	4945.62	4945.62
63,80,243	(63,80,243)	(63,80,243)	Birla Corporation Limited	1917.58	1917.58	1917.58

**Unquoted - Fully paid up Equity Shares of ₹ 10/- each**

1,20,00,000	(1,20,00,000)	(1,20,00,000)	Punjab Produce Holdings Limited	1200.00	1200.00	1200.00
				8063.20	8063.20	8063.20

Aggregate Amount of Investments in Subsidiaries, Associates & Joint Ventures at Cost	12948.26	12948.26	13848.27
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	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
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**5. NON-CURRENT INVESTMENTS (Contd.)**
**B Investments carried at Fair Value through Other Comprehensive Income**
**Quoted - Fully paid up Equity Shares of ₹ 10/- each**

58,00,100	(58,00,100)	-	Birla Cable Limited**	<b>3535.17</b>	2264.94	-
				<b>3535.17</b>	2264.94	-

**Unquoted - Fully paid up Equity Shares of ₹ 10/- each**

2,99,940	(2,99,940)	(2,99,940)	Birla Financial Corporation Limited	<b>126.03</b>	112.62	97.63
9,800	(9,800)	(9,800)	Universal Telelinks Private Limited	<b>3.60</b>	3.52	3.40
9,800	(9,800)	(9,800)	Universal Electricals Private Limited	<b>3.25</b>	3.08	2.84
				<b>132.88</b>	119.22	103.87

Aggregate Amount of Investments recognised at Fair Value through Other Comprehensive Income

	<b>3668.05</b>	2384.16	103.87
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**Total (A+B)**

	<b>16616.31</b>	15332.42	13952.14
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**Aggregate Amount of Quoted Investments**

	<b>10398.37</b>	9128.14	6863.20
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**Aggregate Market Value of Quoted Investments**

	<b>59816.26</b>	57779.28	30469.55
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**Aggregate Amount of Unquoted Investments**

	<b>6217.94</b>	6204.28	7088.94
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\* The Company received a Letter of Allotment confirming allotment of 34,35,055 equity shares on 20th October, 2015, subscribed in the Rights Issue of Universal Cables Ltd. (UCL) out of which 10,15,101 equity shares are pending to be credited to Company's designated demat account, in view of the status-quo Order passed by the Hon'ble High Court of Delhi on 18th November, 2015, as intimated by UCL.

\*\* 12,50,000 (12,50,000) Share Pledged with Banks

**6. TRADE RECEIVABLES**

(Unsecured)

Considered Good	-	460.34	1561.26
	-	460.34	1561.26

**7. OTHER FINANCIAL ASSETS**

(Unsecured and Considered Good)

Loans to Employees	<b>1.97</b>	6.44	6.44
Security Deposits	<b>214.60</b>	159.76	165.70
Non Current bank balances			
-In Term Deposit Accounts	<b>2207.85</b>	1635.59	1820.59
	<b>2424.42</b>	1801.79	1992.73

**8. OTHER NON-CURRENT ASSETS**

(Unsecured and Considered Good)

Capital Advance	<b>421.17</b>	119.36	31.82
Prepaid Expenses	<b>12.46</b>	51.87	13.96
	<b>433.63</b>	171.23	45.78



	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>9. INVENTORIES</b>			
Raw Materials	5127.85	4466.84	1824.32
[Including in Transit ₹ 1103.65 lakhs (₹ 499.63 lakhs as on 31st March, 2017 and ₹ 415.66 lakhs as on 1st April, 2016)]			
Packing Materials	173.14	95.02	102.21
Stores and Spares	205.52	156.62	178.00
Stock-in-Trade	0.32	6.76	11.06
Work-in-Progress	31759.87	14245.21	5576.65
[including indefeasible right of use (IRU) network of ₹ 27736.40 lakhs (₹ 10438.50 lakhs as on 31st March, 2017 and ₹ 2522.73 lakhs as on 1st April, 2016)]			
Finished Goods	-	-	2.69
Scrap Materials	18.75	81.00	30.55
	<u>37285.45</u>	<u>19051.45</u>	<u>7725.48</u>
<b>10. TRADE RECEIVABLES</b>			
(Unsecured)			
Considered Good	72054.11	46501.85	38447.64
Considered Doubtful	86.94	18.59	17.32
	<u>72141.05</u>	<u>46520.44</u>	<u>38464.96</u>
Less: Allowance for Doubtful Trade Receivables	86.94	18.59	17.32
	<u>72054.11</u>	<u>46501.85</u>	<u>38447.64</u>
<b>11. CASH AND CASH EQUIVALENTS</b>			
Balances with Banks			
-In Current Accounts	213.92	206.55	142.28
Cheques, Drafts on Hand	68.81	29.84	150.87
Cash on Hand	2.14	4.47	2.13
	<u>284.87</u>	<u>240.86</u>	<u>295.28</u>
<b>12. OTHER BANK BALANCES</b>			
-In Unpaid Dividend Account	33.31	22.01	12.26
-In Term Deposit Accounts	3117.19	3751.38	2325.84
(Term Deposit Receipts are under lien with Banks towards Margin against Letter(s) of Credit, Bank Guarantees and other Commitments)			
	<u>3150.50</u>	<u>3773.39</u>	<u>2338.10</u>
<b>13. OTHER FINANCIAL ASSETS</b>			
(Unsecured and Considered Good)			
Loans to Employees	11.39	11.80	10.48
Security Deposits	578.60	394.60	390.25
Sales Tax Subsidy Receivable	171.59	-	-
Claim, Export Benefits Receivable etc.	294.27	95.70	343.43
Unbilled Revenue	12510.16	7690.42	6225.44
ROW Charges Recoverable from Customer	3215.44	9355.40	6994.63
	<u>16781.45</u>	<u>17547.92</u>	<u>13964.23</u>

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>14. OTHER CURRENT ASSETS</b>			
(Unsecured and Considered Good)			
Prepaid Expenses	174.14	103.39	60.52
Balance With Government Authorities	2955.03	1272.07	1324.81
Other Advances	265.94	2112.80	4453.74
	<b>3395.11</b>	<b>3488.26</b>	<b>5839.07</b>

**15. EQUITY SHARE CAPITAL**
**Authorised**

1,50,00,000 (1,50,00,000) (1,50,00,000) Equity Shares of ₹ 10/- each	1500.00	1500.00	1500.00
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**Issued**

1,18,52,014 (1,18,52,014) (1,18,52,014) Equity Shares of ₹ 10/- each	1185.20	1185.20	1185.20
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**Subscribed and Fully paid up**

1,18,50,863 (1,18,50,863) (1,18,50,863) Equity Shares of ₹ 10/- each	1185.09	1185.09	1185.09
Less: Calls Unpaid	0.88	0.91	0.94
	<b>1184.21</b>	<b>1184.18</b>	<b>1184.15</b>

- (a) **Reconciliation of the number of equity shares and amount outstanding at the beginning of the year and at the end of the year :**

Description	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Outstanding at the beginning of the year	11850863	1185.09	11850863	1185.09	11850863	1185.09
Outstanding at the end of the year	11850863	1185.09	11850863	1185.09	11850863	1185.09

- (b) **Term/Right attached to Equity Shares:**

The Company has issued only one class of shares referred to as equity share having a par value of ₹10/- per share ranking pari-passu. The holders of equity shares are entitled to one vote per share.

- (c) **Details of Shareholders holding more than 5% shares based on legal ownership in the subscribed share capital of the Company:**

Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Universal Cables Limited	3454530	29.15	3454530	29.15	3454530	29.15
The Punjab Produce & Trading Company Private Limited	1291374	10.90	1291374	10.90	1291374	10.90
Belle Vue Clinic	1164286	9.82	1164286	9.82	1164286	9.82
Reliance Capital Trustee Co. Limited A/c Reliance Small Cap Fund	1062224	8.96	826916	6.98	826916	6.98

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>16. OTHER EQUITY</b>			
<b>Securities Premium Account</b>			
Opening Balance	3885.67	3885.43	
Add : Received during the year	0.17	0.24	
Closing Balance	3885.84	3885.67	3885.43
<b>Debenture Redemption Reserve</b>			
Opening Balance	418.00	-	
Add : Transferred from Retained Earnings	835.00	418.00	
Closing balance	1253.00	418.00	-
<b>General Reserve</b>			
Opening Balance	30000.00	25000.00	
Add : Transferred from Retained Earnings	-	5000.00	
Closing Balance	30000.00	30000.00	25000.00
<b>Retained Earnings</b>			
Opening Balance	7743.06	7388.29	
Add : Profit for the year	8333.07	6563.87	
Add : Item of other comprehensive income recognised directly in retained earnings			
-Re-measurement of post employment benefits obligation (Net of tax)	4.36	(27.42)	
	16080.49	13924.74	
Less : Appropriations			
Transferred to Debenture Redemption Reserve	835.00	418.00	
Transferred to General Reserve	-	5000.00	
Dividend on Equity Shares	829.56	711.05	
Tax on Dividend on Equity Shares	58.34	52.63	
	1722.90	6181.68	
	14357.59	7743.06	7388.29
<b>Other Comprehensive Income</b>			
Opening Balance	946.34	71.93	
Add : Other Comprehensive Income for the year	1283.89	874.41	
Closing Balance	2230.23	946.34	71.93
	51726.66	42993.07	36345.65
<b>17. BORROWING NON-CURRENT</b>			
<b>Secured</b>			
Loans from Banks			
Rupee Term Loan	914.36	744.84	990.84
Foreign Currency Term Loan	1451.98	2162.91	2959.77
Supplier's Credit in Foreign Currency	-	-	708.48
<b>Unsecured</b>			
Redeemable Non-Convertible Debentures	10195.68	5052.39	-
Other Loans			
From a Body Corporate	-	3000.00	6500.00
	12562.02	10960.14	11159.09

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
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**17. BORROWING NON-CURRENT (Contd.)**

Less : Current Maturities of Long-term Borrowings at the year end (disclosed under Note No. 24)

Supplier's Credit in Foreign Currency	-	-	708.48
Rupee Term Loan	416.67	250.00	250.00
Foreign Currency Term Loan from a bank	731.27	729.95	751.53
Loans from Bodies Corporate	-	-	700.00
	<u>1147.94</u>	<u>979.95</u>	<u>2410.01</u>
	<u>11414.08</u>	<u>9980.19</u>	<u>8749.08</u>

- (a) Rupee Term Loan and Foreign Currency Term Loans from a bank are secured by way of hypothecation of moveable fixed assets, both present and future and first charge created by way of joint mortgage by deposit of title deeds of certain immoveable properties of the Company, ranking pari-passu inter se amongst consortium lenders. The said term loans are further secured by second charge by way of hypothecation of entire Current Assets, both present and future, of the Company viz inventories, bills receivables, book debts, claims, etc. Rupee Term Loan of ₹ 416.67 lakhs carries rate of interest of 9.15% p.a. and is repayable in 12 quarterly installments commencing from December, 2017 and ending on September, 2020. Another Rupee Term Loan of ₹ 497.69 lakhs and Foreign Currency Term Loan are repayable in 16 quarterly installments commencing from April, 2016 and ending on January, 2020. Rupee Term Loan carries Interest rate of 9.45% p.a. Foreign Currency Term Loan carries interest rate of 4.65% p.a. and 10.25% p. a. (fully hedged) on the reporting date.
- (b) Unsecured Non-Convertible Debentures Series I and Series II carry a coupon rate of 8.50% and 8.40% p.a., respectively and are redeemable fully "at par" as per details below :

	Series I	Series II
(i)	₹ 1700 lakhs on 15.02.2022	₹ 1600 lakhs on 25.10.2022
(ii)	₹ 1650 lakhs on 13.02.2021	₹ 1700 lakhs on 25.10.2021
(iii)	₹ 1650 lakhs on 14.02.2020	₹ 1700 lakhs on 23.10.2020

**18. OTHER FINANCIAL LIABILITIES (NON-CURRENT)**

Security Deposits	9.85	9.95	10.12
	<u>9.85</u>	<u>9.95</u>	<u>10.12</u>

**19. OTHER NON-CURRENT LIABILITY**

Deferred Subsidy	587.20	508.81	255.95
	<u>587.20</u>	<u>508.81</u>	<u>255.95</u>

**20. PROVISIONS (NON-CURRENT)**

Provision for Employee Benefits			
Compensated Absences	16.64	-	65.92
Pension	28.24	29.66	29.82
Provision for Warranty*	2897.16	2235.08	1513.07
	<u>2942.04</u>	<u>2264.74</u>	<u>1608.81</u>

\* Warranty provision represents the expected cost of meeting obligations of rectification/replacement of certain products manufactured/ outsourced and supplied by the Company and forming a part of the composite turnkey contracts and services being executed by the Company having stipulation of warranty and also in respect of a contract of supply of manufactured and outsourced products executed by the Company.

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
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**21. DEFERRED TAX LIABILITIES (NET)**
**(a) Deferred Tax Liabilities**

WDV of Property, Plant and Equipments and Intangible Asset	816.00	756.00	710.24
Others	-	-	160.41
	<b>816.00</b>	<b>756.00</b>	<b>870.65</b>

**(b) Deferred Tax Assets**

Allowance for Doubtful Receivables	30.38	6.43	5.99
Items Deductible on Payment Basis	302.58	235.27	148.61
Others	180.33	237.90	68.84
	<b>513.29</b>	<b>479.60</b>	<b>223.44</b>
<b>Net Deferred Tax Liabilities</b>	<b>302.71</b>	<b>276.40</b>	<b>647.21</b>

**Reconciliation of Deferred Tax Liabilities (Net):**

Opening Balance	276.40	647.21
Deferred Tax Expense recognised in the Statement of Profit and Loss	26.31	(370.81)
Closing Balance	302.71	276.40

**22. BORROWINGS**
**Working Capital Loans/Borrowings from Banks (Secured)**

Working Capital Demand Loans	1509.61	-	-
Short Term Loan	2000.00	-	-
Cash Credit Facilities	11400.53	14396.65	4353.73
Buyer's Credit	2119.62	1934.74	3869.75
Export Packing Credit	2009.27	276.96	575.52
	<b>19039.03</b>	<b>16608.35</b>	<b>8799.00</b>

**Other Loans (Unsecured)**

Commercial Paper (Face Value of ₹ 5.00 lakhs each)	15461.87	-	9611.23
From Bodies Corporate (Repayable on demand)	-	-	1750.00
	<b>15461.87</b>	<b>-</b>	<b>11361.23</b>
	<b>34500.90</b>	<b>16608.35</b>	<b>20160.23</b>

- (a) Working capital loans/borrowings from banks are generally renewable within twelve months from the date of sanction or immediately previous renewal, unless otherwise stated. The lender banks have a right to cancel the credit limits (either fully or partially) and, inter alia, demand repayment in case of non-compliance of terms and conditions of sanctions or deterioration in the sanctioned loan accounts in any manner.
- (b) Working capital loans/borrowings (both fund and non-fund based) from banks including certain buyer's credit are secured by way of hypothecation of entire Current Assets, both present and future, of the Company viz Inventories, bills receivables, book debts (trade receivables), claims, etc. and are further secured by way of hypothecation of moveable fixed assets, both present and future, and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company ranking Pari-passu inter se amongst consortium lenders. As a collateral security, the working capital loans/borrowings from banks are additionally secured by way of pledge of 12,50,000 equity shares held by the Company in Birla Cable Limited and cross corporate guarantee of Birla Cable Limited.
- (c) In respect of certain buyer's Credit of ₹ 800.42 lakhs from a bank is secured by way of hypothecation of moveable Fixed Assets, both present and future and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company, ranking pari-passu inter se amongst consortium lenders. The said Buyer's Credit is further secured by second charge by way of hypothecation of entire Current Assets, both present and future, of the Company viz inventories, bills receivables, book debts, claims, etc. Buyer's Credit (In Foreign Currency) are due for repayment between April, 2018 and May, 2018 and carry rate of interest of 0.22% to 2.12% p.a.

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
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**23. TRADE PAYABLES**

Micro Enterprises and Small Enterprises*	<b>3322.68</b>	1258.14	1849.10
Others	<b>43159.01</b>	29186.09	16044.35
	<b>46481.69</b>	30444.23	17893.45

\* Principal amount outstanding as at the year end. There is no overdue amount of principal and interest due to Micro and Small Enterprises. During the period, no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the company.

**24. OTHER FINANCIAL LIABILITIES**

Current Maturities of Long Term Borrowings	<b>1147.94</b>	979.95	2410.01
Accrued Employee Benefits Expense	<b>416.23</b>	267.44	198.28
Unclaimed Dividend*	<b>33.31</b>	22.01	12.26
Creditors/Liability Pertaining to Capital Expenditure	<b>223.40</b>	1146.17	225.65
Provision for MTM of Derivative Instruments	<b>37.85</b>	100.32	126.31
	<b>1858.73</b>	2515.89	2972.51

\* This does not include any amount due and outstanding to be credited to Investors Education and Protection Fund during the year.

**25. OTHER CURRENT LIABILITIES**

Statutory Dues	<b>1241.21</b>	1060.76	706.32
Excess of Billing over Revenue	<b>1259.21</b>	1634.55	464.98
Mobilisation and other Advances from Customers	<b>8073.55</b>	7367.72	2779.86
Deferred Subsidy	<b>158.73</b>	111.31	50.62
	<b>10732.70</b>	10174.34	4001.78

**26. PROVISION**

Provision for Employee Benefits			
Gratuity	<b>46.94</b>	83.82	47.20
Compensated Absences	<b>19.65</b>	20.51	39.13
Pension	<b>4.44</b>	4.44	4.44
Others	<b>227.24</b>	205.30	173.80
	<b>298.27</b>	314.07	264.57



	For the year ended 31st March, 2018 (₹ in lakhs)	For the year ended 31st March, 2017 (₹ in lakhs)
<b>27. REVENUE FROM OPERATIONS</b>		
Sale of Products	40286.16	27758.88
Engineering, Procurement & Construction (EPC) Revenue and Services	94228.67	74404.84
[Including revenue from construction contract (Refer Note No. 39 ) and IRU (Refer Note No. 44(b))]		
Other Operating Income	623.63	491.12
[Including Export incentives of ₹157.02 lakhs (₹ 79.01 lakhs)]		
	<b>135138.46</b>	<b>102654.84</b>
<b>28. OTHER INCOME</b>		
Interest Income	371.59	392.44
Dividend Income on Investments	414.72	983.82
Gain on Foreign Currency transactions (Net)	-	276.58
Subsidy Income	158.73	111.31
Rent Received	64.91	66.87
Profit on Sale/Disposal of Fixed Assets (Net)	10.61	-
Other Non Operating Income	52.94	4.39
	<b>1073.50</b>	<b>1835.41</b>
<b>29. COST OF MATERIALS AND OTHER CONTRACT EXPENSES</b>		
Materials Purchased	57788.85	31311.34
Other Engineering & Construction Expenses	27422.55	35658.14
	<b>85211.40</b>	<b>66969.48</b>
<b>30. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN TRADE, ETC.</b>		
Closing Inventories		
Work-in-Progress	31759.87	14245.21
Finished Goods	-	-
Stock-in-Trade	0.32	6.76
Scrap Materials	18.75	81.00
	<b>31778.94</b>	<b>14332.97</b>
Opening Inventories		
Work-in-Progress	14245.21	5576.65
Finished Goods	-	2.69
Stock-in-Trade	6.76	11.06
Scrap Materials	81.00	30.55
	<b>14332.97</b>	<b>5620.95</b>
	<b>(17445.97)</b>	<b>(8712.02)</b>

	For the year ended 31st March, 2018 (₹ in lakhs)	For the year ended 31st March, 2017 (₹ in lakhs)
<b>31. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Benefits, etc.	5621.32	4118.95
Contribution to Provident and Other Funds, etc.	371.63	283.56
Employees Welfare Expenses	290.20	257.25
	<b>6283.15</b>	<b>4659.76</b>
<b>32. FINANCE COSTS</b>		
Interest Expense	3743.42	2759.75
Other Borrowing Costs	976.51	1314.53
	<b>4719.93</b>	<b>4074.28</b>
<b>33. DEPRECIATION AND AMORTISATION EXPENSE</b>		
On Property, Plant and Equipment	1471.27	1264.09
On Investment Property	2.32	2.32
On Intangible Assets	17.21	-
	<b>1490.80</b>	<b>1266.41</b>
<b>34. OTHER EXPENSES</b>		
Consumption of Stores and Spares	540.97	405.38
Packing Materials	1157.05	570.36
Processing/Job work and Testing Charges	72.60	132.24
Power and Fuel	853.07	599.80
Sales Commission (other than sole selling agent)	76.95	60.01
Rent	539.98	369.58
Repair & Maintenance		
Plant & Equipment	69.89	108.89
Buildings	99.73	187.89
Others	33.86	35.49
Insurance	303.45	195.96
Rates & Taxes	1048.15	1155.42
Travelling and Conveyance	1149.65	842.09
Payment to Auditors		
Statutory Auditors		
Audit Fees	15.00	15.00
Tax Audit Fee	1.00	1.00
Quarterly Reviews	4.50	4.50
Taxation Matters	0.30	0.25
Certification, etc.	8.50	3.88
Reimbursement of Expenses	1.27	0.87
Cost Auditors		
Audit Fees	0.55	0.55

	For the year ended 31st March, 2018 (₹ in lakhs)	For the year ended 31st March, 2017 (₹ in lakhs)
<b>34. OTHER EXPENSES (Contd.)</b>		
Certification, etc.	0.22	0.27
Reimbursement of Expenses	0.15	0.17
Legal and Professional	215.21	224.90
Loss on Sale/Discard of Fixed Assets (Net)	-	2.02
Allowance for Doubtful Trade Receivables	68.35	1.69
Bad Debts/Sundry Balances Written Off (Net)	225.86	442.72
Foreign Exchange Rate Fluctuation (Net)	41.71	-
Warranty Expenses (Net)	662.07	729.62
Miscellaneous Expenses [Including ₹ 179.12 lakhs (₹ 135.00 lakhs) incurred towards Corporate Social Responsibility]	1512.80	1584.76
	<b>8702.84</b>	<b>7675.31</b>
<b>35. TAX EXPENSE</b>		
<b>Amount Recognised in the Statement of Profit and Loss</b>		
<b>Current Tax</b>		
Current Tax	4252.69	3161.51
Tax adjustment of earlier years	(11.37)	4.32
	<b>4241.32</b>	<b>3165.83</b>
Deferred Tax Charge/(Credit)	26.31	(370.81)
<b>Total Tax Expense</b>	<b>4267.63</b>	<b>2795.02</b>
<b>Amount Recognised in the OCI</b>		
Current Income Tax on Re-measurement of Defined Benefit Plan	(2.31)	14.51
<b>Total Tax Expense</b>	<b>(2.31)</b>	<b>14.51</b>
<b>Reconciliation of effective tax rate:</b>		
Accounting Profit Before Income Tax	12600.70	9358.89
At applicable Statutory Income Tax Rate @ 34.61%	4360.85	3238.92
Tax Effect of Exempt Income	(144.92)	(340.48)
Tax Effect of Permanent Disallowances	58.38	9.33
Tax effect of change in Tax rates	3.90	-
Others	0.79	(117.07)
Tax adjustment of earlier years	(11.37)	4.32
Tax Expenses Recognised in the Statement of Profit and Loss	4267.63	2795.02
Effective Income Tax Rate	33.87%	29.86%

**36. Earning per share (EPS):**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Basic/Weighted Average Number of Equity Shares outstanding during the year	<b>11850863</b>	11850863
Profit for the year (₹ in lakhs)	<b>8333.07</b>	6563.87
Nominal value of each equity share (₹)	<b>10.00</b>	10.00
EPS (Basic and Diluted)	<b>70.32</b>	55.39

37. (a) In accordance with Ind AS 18 on “Revenue” and Schedule III to the Companies Act, 2013, sales upto period ended 30th June, 2017 were reported gross of excise duty and net of value added tax (VAT)/central Sales tax (CST) and service tax. Excise duty was reported as separate expense. Consequent to the introduction of Goods & Services Tax (GST) with effect from 1st July, 2017 excise duty, VAT, sales tax, service Tax, etc. have been subsumed into GST and the same are not recognised as a part of sales as per the requirement of Ind AS 18. Accordingly Revenue from operations in the current year is not comparable with that of the previous year.
- (b) The Company had certain pending/unexecuted turnkey contracts on the date of implementation of Goods and Services Tax (GST) as of 1st July, 2017, wherein contract prices were arrived at based on taxes and duty structure prevailing before implementation of GST. Pending revision/reset of contract prices in accordance with GST regime, the Revenue from Operations pertaining to such turnkey contracts has been recognised based on fair assessment and evaluation of impact of GST on the contract prices. In the opinion of the Management, this is not likely to have any material impact upon revision/resetting of the contract prices by the customers.
- (c) The Trade Receivables as at 31st March, 2018 include an amount of ₹ 174.68 lakhs receivable from a customer against whom the insolvency proceedings have been initiated as per Insolvency and Bankruptcy Code, 2016. Considering the terms and conditions of optical fibre cable network provided by the Company on Indefeasible Right of Usage basis and the consequential operations and maintenance contract(s), the Management believes that the said Trade Receivables are good and the carrying amount of the same is appropriate.

**38. Contingent Liabilities and Commitments (to the extent not provided for) –**

- (a) Contingent liabilities:
- (i) Pending cases with income tax appellate authorities where income tax department has preferred appeals – Liability not ascertainable.
  - (ii) Sales tax & Service tax matters under litigation ₹ NIL (₹ 114.61 lakhs ; 31st March, 2017) (₹149.54 lakhs; 1st April, 2016).
  - (iii) The Company has an ongoing process for collection and submission of the relevant declaration forms under the VAT Act to the concerned authorities and the Company does not foresee any material liability in this regard.
- (b) Commitments:
- Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 3966.01 lakhs (₹ 462.50 lakhs; 31st March, 2017) (₹ 205.19 lakhs; 1st April, 2016).
- (c) The financial statements of the Company for the year ended 31st March, 2018 has been approved by the Board of Directors in its meeting held on 23rd May, 2018. For the year ended 31st March, 2018, dividend of ₹ 10 per share (Total dividend of ₹1428.68 lakhs including dividend distribution tax of ₹ 243.60 lakhs) has been proposed by Board of Directors at its meeting held on 23rd May, 2018. The same is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company and therefore proposed dividend (including dividend distribution tax) has not been recognised as liability as at the Balance Sheet date in line with Ind AS-10 “Events after the Reporting Period”.

**39. Information pursuant to Ind AS 11 “Revenue from Construction Contracts” are furnished hereunder :**

(₹ in lakhs)

Sl. No.	Particulars	2017-18	2016-17
(a)	Contract Revenue recognised for the year	<b>66855.92</b>	75447.41
(b)	The relevant information relating to all Contracts in progress upto the reporting date are given below:		
(i)	Aggregate amount of costs incurred	<b>173718.19</b>	127750.29
(ii)	Recognised profits (less recognised losses) upto the reporting date	<b>18011.68</b>	12086.26
(iii)	Amount of customer advances received and outstanding	<b>9972.02</b>	2236.92
(iv)	Amount due from customers (including retentions, if any) as an asset	<b>45973.50</b>	35166.98
(v)	Retention with the customer	<b>12037.77</b>	7489.00

**40. Employee Benefits:**

## (a) Gratuity and Pension:

## (i) Amount of net employee benefit expense recognised in the Statement of Profit and Loss:

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Current Service Cost	<b>44.10</b>	41.19	-	-
Interest Cost on Benefit Obligation	<b>45.10</b>	37.91	<b>2.00</b>	2.01
Expected Return on Plan Assets	<b>(41.69)</b>	(40.16)	-	-
Net Actuarial (Gain)/Loss recognised	-	-	<b>5.46</b>	2.27
Net Employee Benefit Expense	<b>47.51</b>	38.94	<b>7.46</b>	4.28

## (ii) Amount recognised in Other Comprehensive Income:

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Actuarial Gain/ (Loss) on Plan Assets	<b>5.31</b>	1.42	-	-
Actuarial Gain/ (Loss) on DBO arising from- Experience Adjustment	<b>(11.18)</b>	-	-	-
Difference in Present Value of Obligation	<b>12.54</b>	(43.35)	-	-
Amount Recognised in OCI	<b>6.67</b>	(41.93)	-	-

## (iii) Amount recognised in the Balance Sheet:

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Defined Benefit Obligation	<b>686.80</b>	628.30	<b>32.68</b>	34.10
Fair value of the plan assets	<b>638.50</b>	543.00	-	-
Paid by Group Company	<b>1.36</b>	1.48	-	-
Net Asset/(Liability)	<b>(46.94)</b>	(83.82)	<b>(32.68)</b>	(34.10)

(iv) Changes in present value of the Defined Benefit Obligation:

(₹ in lakhs)

Description	Gratuity		Pension	
	2017-18	2016-17	2017-18	2016-17
Opening Defined Benefit Obligation	<b>628.30</b>	525.72	<b>34.10</b>	34.26
Interest cost	<b>45.10</b>	37.91	<b>2.00</b>	2.01
Current Service Cost	<b>44.10</b>	41.19	-	-
Benefits Paid	<b>(29.35)</b>	(19.87)	<b>(4.44)</b>	(4.44)
Actuarial (Gain)/Loss	<b>(1.35)</b>	43.35	<b>1.02</b>	2.27
Closing Defined Benefit Obligation	<b>686.80</b>	628.30	<b>32.68</b>	34.10

(v) Changes in the Fair Value of Plan Assets:

(₹ in lakhs)

Description	Gratuity	
	2017-18	2016-17
Opening Fair Value of Plan Assets	<b>543.00</b>	477.00
Expected Return on Plan Assets	<b>41.69</b>	40.16
Contributions by Employer	<b>83.88</b>	44.29
Benefits Paid	<b>(35.38)</b>	(19.87)
Actuarial Gain/(Loss)	<b>5.31</b>	1.42
Closing Fair Value of Plan Assets	<b>638.50</b>	543.00

(vi) The major categories of Plan Assets in case of Gratuity as a percentage of the fair value of total Plan Assets:

Description	Gratuity (%)	
	2017-18	2016-17
Investments with Insurer (Life Insurance Corporation of India)	<b>100</b>	100

The overall expected rate of return on assets is determined based on the actual rate of return during the current year. The Company expects to contribute ₹ 110.00 lakhs to its defined benefit approved Gratuity plan during the financial year 2018-19.

(vii) The principal assumptions used in determining defined benefit obligations are shown below:

Description	Gratuity		Pension	
	2017-18	2016-17	2017-18	2016-17
Mortality Table	<b>IAL (2006-08) Ultimate</b>	IAL (2006-08) Ultimate	<b>LIC(1996-98) Ultimate</b>	LIC(1996-98) Ultimate
Attrition Rate	<b>5.00% p.a.</b>	5.00% p.a.	<b>N.A.</b>	N.A.
Imputed Rate of Interest (IC)	<b>7.35% p.a.</b>	7.35% p.a.	<b>7.30% p.a.</b>	7.30% p.a.
Imputed Rate of Interest (D)	<b>7.65% p.a.</b>	7.35% p.a.	<b>7.50% p.a.</b>	7.30% p.a.
Salary Rise	<b>7.50% p.a.</b>	7.50% p.a.	<b>N.A.</b>	N.A.
Expected Return on Plan Assets	<b>7.35% p.a.</b>	8.21% p.a.	<b>N.A.</b>	N.A.
Remaining Working Life (Years)	<b>14.55 years</b>	14.85 years	<b>N.A.</b>	N.A.

The estimates of future salary increases, considered in actuarial valuation, take into account the effect of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on plan assets is determined based on the market prices prevailing as on Balance Sheet date, applicable to the period over which the obligation is to be settled.



(viii) Quantitative sensitivity analysis for significant assumptions:

Reasonably possible changes at the year end, to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as the amounts shown below: -

(₹ in lakhs)

Description	Delta Effect of	31st March, 2018		31st March, 2017	
		Decrease	Increase	Decrease	Increase
Gratuity					
Discount Rate	1%	43.30	(39.18)	42.14	(38.03)
Salary Growth Rate	1%	(39.59)	42.94	(38.31)	41.67
Attrition Rate	1%	0.37	(0.45)	0.92	(1.01)

(ix) Maturity Profile of Defined Benefit Obligation:

(₹ in lakhs)

Description	Gratuity	
	2017-18	2016-17
Within next 12 months (next annual reporting period)	34.95	50.45
Between 1 to 5 years	401.28	207.34
Between 5 to 10 years	384.06	429.76
10 years and above	364.36	400.10

(b) Provident Fund :

The Company contributes its share in an approved provident fund trust viz. Universal Cable Limited Employee Provident Fund. The Company is liable for shortfall, if any, in the fund asset based on the government specified minimum rate of return. Based on the valuation made by an independent Actuary, there is no shortfall as at 31st March, 2018. The Company's aggregate Contribution to the said fund of ₹199.84 lakhs (₹ 175.01 lakhs) is charged to the Statement of Profit and Loss.

Details of present value of defined benefit obligation, plan assets and assumptions are as follows:

(₹ in lakhs)

Defined Contribution Plan	2017-18	2016-17
Plan Asset Fair Value	3142.77	2914.80
Present Value of Defined Benefit Obligation	3056.80	2667.12
Shortfall if any	-	-
Assumption used in determining the present value of DBO		
- Discounted rate	8.55% p.a.	8.65% p.a.
- Yield	8.83% p.a.	9.00% p.a.

(c) Defined Contribution Plan:

Company's contribution to an approved Superannuation Fund as per the scheme formulated by the Company and Contribution to Employee's Regional Provident Fund are charged to the Statement of Profit and Loss in the year in which an eligible employee renders the service. The Company has recognised the following contributions as expense in the Statement of Profit and Loss.

(₹ in lakhs)

Defined Contribution Plan	2017-18	2016-17
Contribution to Superannuation Fund	48.27	44.36
Contribution to Employee's Regional Provident Fund (J&K)	4.24	1.97

**41. Segment Information:**

Details of the each operating segment are as under:

**Cable**

- The Company manufactures and markets telecommunication cables, other types of wires & cables and FRP rods/glass rovings, etc.

**EPC(Engineering, Procurement and Construction)**

- The Company undertakes and executes contracts and/or provide infrastructure related services with or without materials, as the case may be.

**(a) Information about Operating Segments**

(₹ in lakhs)

Business Segments	Year ended 31st March, 2018			Year ended 31st March, 2017		
	Cable	EPC	Total	Cable	EPC	Total
<b>Revenue</b>						
External Sales and Other Operating Income (Net)	<b>40736.39</b>	<b>94402.07</b>	<b>135138.46</b>	28096.19	74558.65	102654.84
Inter Segment Sales (at arm's length basis)	<b>6294.56</b>	-	<b>6294.56</b>	264.53	-	264.53
Other Income*	<b>209.98</b>	<b>12.30</b>	<b>222.28</b>	206.73	74.23	280.96
<b>Total Revenue from Operation</b>	<b>47240.93</b>	<b>94414.37</b>	<b>141655.30</b>	28567.45	74632.88	103200.33
<b>Results</b>						
Segment Results (PBIT)	<b>6231.85</b>	<b>9663.72</b>	<b>15895.57</b>	3091.32	7803.58	10894.90
Interest Expense (Net)			<b>(3371.83)</b>			(2567.31)
Unallocable Income/(Expense) Net			<b>76.96</b>			831.30
Tax Expenses (Net)			<b>(4267.63)</b>			(2795.02)
<b>Profit After Tax</b>			<b>8333.07</b>			6563.87
<b>Other Information</b>						
Segment Assets	<b>36949.96</b>	<b>108895.93</b>	<b>145845.89</b>	27565.11	74077.16	101642.27
Unallocable Assets			<b>16649.62</b>			15847.71
<b>Total Assets</b>			<b>162495.51</b>			117489.98
Segment Liabilities	<b>11343.93</b>	<b>50375.45</b>	<b>61719.38</b>	7287.46	37921.44	45208.90
Unallocable Liabilities			<b>47865.26</b>			28103.83
<b>Total Liabilities</b>			<b>109584.64</b>			73312.73
Capital Expenditure Incurred	<b>2314.68</b>	<b>185.56</b>	<b>2500.24</b>	1954.35	150.64	2104.99
Depreciation and Amortisation	<b>1094.28</b>	<b>396.52</b>	<b>1490.80</b>	899.22	367.19	1266.41

\*Excludes ₹ 851.22 lakhs (₹ 1438.69 lakhs) netted off from unallocated expenses and interest expense.

**(b) Geographical Segments:**

The following table shows the distribution of the Company's Revenue from Operations by geographical markets, regardless of where the goods were produced:

(₹ in lakhs)

Sl. No.	Geographical Segments	2017-18	2016-17
(i)	Domestic Market (within India)	<b>131521.09</b>	100813.39
(ii)	Overseas Markets (outside India)	<b>3617.37</b>	1841.45
	<b>Total</b>	<b>135138.46</b>	102654.84

The Company has common fixed assets for manufacturing goods/ providing services in the Domestic Market as well as for the Overseas Markets. Hence, separate figures for fixed assets/ additions to fixed assets have not been furnished.

- (c) Revenue from two customers of EPC business segment was ₹ 28820.41 lakhs (₹ 57174.00 lakhs), which is more than 10% of the total revenue of the Company.

**42. Disclosures in respect of Related Parties as defined in Indian Accounting Standard (Ind AS)-24, with whom transactions were entered into at an arm's length and in the normal/ordinary course of business during the year are given below:**

(i)	Subsidiaries	August Agents Limited (AAL) Insilco Agents Limited (IAL) Laneseda Agents Limited (LAL)
(ii)	Joint Ventures (Joint Arrangements)	Birla Cable Limited (BCL) (Formerly Birla Ericsson Optical Limited) (Ceased to be Joint Venture w.e.f. 24th August, 2016) Birla Visabeira Private Limited (BVPL)
(iii)	Entity where Key Management Personnel/ relatives of KMP have significant influence	Shakun Polymers Limited (SPL)
(iv)	Associate Company	Universal Cables Limited (UCL) Birla Corporation Limited (B.CORP) Punjab Produce Holdings Limited (PPHL)
(v)	Joint Venture of an Associate Company	Birla Furukawa Fibre Optics Private Limited (BFFOPL)
(vi)	Wholly Owned Subsidiaries of an Associate Company	Reliance Cement Company Private Limited (RCCPL)
(vii)	Key Management Personnel (KMP)	<div style="display: flex; justify-content: space-between;"> <div> Shri Harsh V. Lodha  Shri J. Veeraraghavan  Shri S.K. Misra  Shri R.C. Tapuriah  Shri D.R. Bansal  Shri Pracheta Majumdar  Shri Shiv Dayal Kapoor  Smt. Kiran Aggarwal  Shri Dilip Ganesh Karnik  Shri Y.S. Lodha  Shri Saurabh Chhajer  Shri Satyendu Pattnaik    Shri R.K. Agarwal </div> <div style="text-align: right;"> Chairman    Non-Executive Directors    Managing Director  Chief Financial Officer  Company Secretary  (w.e.f. 10.08.2017)  VP Commercial &amp; Secretary  (Till 09.08.2017) </div> </div>
(viii)	Post Employment Benefit Plan Entities	VTL Employees Group Gratuity Cum Life Assurance Scheme (VGF) UCL Employees Provident Fund (UEPF) UCL Superannuation Fund (USAF)

**(a) Details of transactions with related parties:**

(₹ in lakhs)

Sl. No.	Nature of Transaction	Year	AAL	IAL	LAL	BCL	BVPL	UCL	B.CORP	PPHL	RCCPL	BFFOPL	SPL	VGF	UEPF	USAF
(i)	Purchase of Finished Goods/ Traded Goods, Raw Materials	2017-18	-	-	-	-	-	6374.68	-	-	96.84	9427.13	721.44	-	-	-
		2016-17	-	-	-	16.09	-	4477.98	4.91	-	6.55	2351.32	660.75	-	-	-
(ii)	Sale of Finished Goods, Traded Goods, Raw Materials and Consumables	2017-18	-	-	-	-	-	55.53	59.48	-	80.45	3.97	-	-	-	-
		2016-17	-	-	-	275.11	-	89.03	71.43	-	3.00	1.85	-	-	-	-
(iii)	Other Service Charges/Lease Rent Received	2017-18	-	-	-	-	-	1.15	-	-	-	-	-	-	-	-
		2016-17	-	-	-	10.98	-	10.07	-	-	-	0.99	-	-	-	-
(iv)	Other Service Charges/Lease Rent Paid	2017-18	-	-	-	-	-	4.61	6.00	-	-	-	-	-	-	-
		2016-17	-	-	-	0.41	-	32.50	6.00	-	-	-	-	-	-	-
(v)	Inter-Corporate Loans taken	2017-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	-	-	-	400.00	-	-	-	-	-	-	-	-

(₹ in lakhs)

Sl. No.	Nature of Transaction	Year	AAL	IAL	LAL	BCL	BVPL	UCL	B.CORP	PPHL	RCCPL	BFFOPL	SPL	VGf	UEPF	USAF
(vi)	Repayment of Inter-Corporate Loans taken	2017-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	-	-	-	400.00	-	-	-	-	-	-	-	-
(vii)	Interest paid on Inter-Corporate Loans taken/Others	2017-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	-	-	-	1.99	-	-	-	-	-	-	-	-
(viii)	Dividend Received	2017-18	-	-	-	-	-	-	414.72	-	-	-	-	-	-	-
		2016-17	183.00	180.00	180.00	58.00	-	-	382.81	-	-	-	-	-	-	-
(ix)	Dividend Paid	2017-18	-	-	-	-	-	241.82	0.01	8.53	-	-	-	-	-	-
		2016-17	-	-	-	-	-	207.27	0.01	7.31	-	-	-	-	-	-
(x)	Contributions	2017-18	-	-	-	-	-	-	-	-	-	-	-	83.88	384.31	48.27
		2016-17	-	-	-	-	-	-	-	-	-	-	-	50.00	333.16	44.36
(xi)	Withdrawal	2017-18	-	-	-	-	-	-	-	-	-	-	-	29.35	230.97	-
		2016-17	-	-	-	-	-	-	-	-	-	-	-	19.87	174.11	-
(xii)	Balance Outstanding at the year end															
	Non Current Investments in Equity Shares	2017-18	1525.02	1500.02	1500.02	-	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
		2016-17	1525.02	1500.02	1500.02	-	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
		2015-16	1525.02	1500.02	1500.02	900.01	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
	Cross Corporate Guarantee given	2017-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2015-16	-	-	-	18450.00	-	-	-	-	-	-	-	-	-	-
	Cross Corporate Guarantee accepted	2017-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2015-16	-	-	-	148461.00	-	-	-	-	-	-	-	-	-	-
	Other Payables	2017-18	-	-	-	-	-	879.55	-	-	-	3547.28	130.17	-	-	-
		2016-17	-	-	-	-	-	-	-	-	-	868.88	192.35	-	-	-
		2015-16	-	-	-	-	-	-	-	-	-	1992.87	85.20	-	-	-
	Receivable	2017-18	-	-	-	-	-	-	5.79	-	59.67	1.17	-	-	-	-
		2016-17	-	-	-	-	-	6.31	54.44	-	3.00	-	-	-	-	-
		2015-16	-	-	-	-	-	-	11.95	-	-	-	-	-	-	-
(xiii)	Maximum amount of loans and advances outstanding at any time during the year	2017-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2015-16	-	-	-	1500.00	-	2400.00	-	-	-	-	-	-	-	-

**(b) Details of transactions with Key Managerial Personnel:**

(₹ in lakhs)

Particulars	Shri Y.S. Lodha		Shri Saurabh Chhajjer		Shri Satyendu Pattnaik		Shri R.K. Agarwal		Non Executive Directors	
	Managing Director		Chief Financial Officer		Company Secretary		Vice President Commercial & Secretary			
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Short Term Employee Benefit	136.86	118.44	36.84	22.81	10.65	-	9.78	6.10	-	-
Post Employment Benefit (Refer footnote no. (i))	-	-	-	-	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-	-	-	25.40	24.95
Balance Outstanding at the year end (Payable/ (Receivable))	-	-	-	-	-	-	-	-	-	-

**Notes:**

- (i) The remuneration to Key Managerial Personnel(s) other than Non-Executive Directors does not include provision/ payment towards incremental liability on account of gratuity and compensated absences since actuarial valuation is done for the Company as a whole.
- (ii) No amount has been provided as doubtful debt or advance written off or written back in the year in respect of debts due from/ to above Related Parties.
- (iii) Transactions and balances relating to reimbursement of expenses to/ from the above Related Parties have not been considered.
- (iv) Inter corporate loans/advances have been given for business purposes.

**43. Disclosure as required under the Micro Small and Medium Enterprises Development Act 2006 to the extent ascertained and as per notification number GSR 679 (E) dated 4th September, 2015**

(₹ in lakhs)

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(i)	The principal amount and interest due thereon remaining unpaid to any supplier at the end of each financial year.	3322.68	1258.13	1849.10
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day.	-	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro Small and Medium Enterprise Development Act 2006.	-	-	-
(iv)	The amount of interest accrued and remaining unpaid.	-	-	-
(v)	The amount of further interest remaining due and payable in the succeeding year until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act 2006.	-	-	-

**44. Leases:**
**(a) Operating Lease :**

The Company has taken certain offices and residential premises/ facilities under operating lease/ sub-lease agreements. The lease agreements generally have an escalation clause and are not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease/ sub-lease agreements. The aggregate lease rental of ₹ 173.46 lakhs (₹ 168.36 lakhs) have been charged to the Statement of Profit and Loss.

**(b) Finance Lease:**

The Company has entered into Indefeasible Right of Usage (IRU) Agreements with certain customers for providing telecommunication cable network connectivity. The required disclosure is given herein:

(₹ in lakhs)

Sl. No.	Particulars	2017-18	2016-17
(i)	Revenue from IRU recognised as an Outright Sale	26796.68	1630.99
(ii)	Cost of Sale and Warranty	23931.95	1386.38
(iii)	Profit Recognised [(i)-(ii)]	2864.73	244.61

**45. Disclosure on Provision relating to Warranty in accordance with Ind AS 37 “Provisions Contingent Liabilities and Contingent Assets”:**

(₹ in lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
At the beginning of the Year	2235.08	1513.07
Arising during the year	713.66	729.62
Utilized/Written Back during the year	51.58	7.61
At the end of the year	2897.16	2235.08

**46. Disclosure on Corporate Social Responsibility Expenses:**

- (a) Gross amount required to be spent by the Company during the year in pursuance to the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder – ₹179.12 lakhs (₹ 131.52 lakhs).
- (b) Details of amount actually spent by the Company is as follows:

(₹ in lakhs)

Sl. No.	Particulars	31st March, 2018			31st March, 2017		
		Spent in Cash	Yet to be Spent in Cash	Total	Spent in Cash	Yet to be Spent in Cash	Total
(i)	Construction/acquisition of any asset	-	-	-	-	-	-
(ii)	Other Purposes –						
	(a) Contribution to an approved/registered trust ‘Madhav Prasad Priyamvada Birla Apex Charitable Trust’, in which a director and his relatives are trustees, for approved CSR projects/programmes.	177.42	-	177.42	133.80	-	133.80
	(b) Direct Contribution for approved CSR projects/ programmes	1.70	-	1.70	1.20	-	1.20

**47. Details of Loans given, Investments made and Guarantee given covered under section 186(4) of the Companies Act 2013:**

(₹ in lakhs)

Sl. No.	Name of the Company	As at 31st March, 2018	As at 31st March, 2017	Purpose
(i)	Guarantee given-Birla Cable Limited (Formerly Birla Ericsson Optical Limited)	17965.00	17965.00	Cross corporate guarantee given to Banks as collateral against term loan(s) and working capital credit facilities granted.

**Note :**

The Company has also accepted Cross Corporate Guarantee from BCL of ₹ 218361.00 lakhs (₹ 184561.00 lakhs) against total credit facilities and term loan(s) availed from the consortium of banks.

**48. Fair Value of Financial Assets and Financial Liabilities**

(₹ in lakhs)

Sl. No.	Particulars	Fair Value Hierarchy	Note No.	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
				Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>I</b>	<b>Financial Assets</b>								
(a)	At Fair Value through Other Comprehensive Income (FVTOCI)								
	-Investment in Quoted Equity Instruments	Level 1	A	3535.17	3535.17	2264.94	2264.94	-	-
	-Investment in Un-Quoted Equity Instruments	Level 3	B	132.88	132.88	119.22	119.22	103.87	103.87



(₹ in lakhs)

Sl. No.	Particulars	Fair Value Hierarchy	Note No.	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
				Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
(b)	At Amortised Cost								
	-Trade Receivables	}	C	72054.11	72054.11	46962.19	46962.19	40008.90	40008.90
	-Other Financial Asset			19205.87	19205.87	19349.71	19349.71	15956.96	15956.96
	-Cash and Cash Equivalents			284.87	284.87	240.86	240.86	295.28	295.28
	-Other Bank Balances			3150.50	3150.50	3773.39	3773.39	2338.10	2338.10
	<b>Total Financial Assets</b>			<b>98363.40</b>	<b>98363.40</b>	<b>72710.31</b>	<b>72710.31</b>	<b>58703.11</b>	<b>58703.11</b>
<b>II</b>	<b>Financial Liabilities</b>								
(a)	At Amortised Cost								
	-Borrowings	}	C	47062.92	47062.92	27568.49	27568.49	31319.32	31319.32
	-Trade Payable			46481.69	46481.69	30444.23	30444.23	17893.45	17893.45
	-Other Financial Liabilities			682.79	682.79	1445.57	1445.57	446.31	446.31
(b)	At Fair Value through Profit & Loss (FVTPL)								
	[Provision for MTM on Derivative Instruments (Net)]								
	-Foreign Exchange Forward Contract	Level-2	D	0.29	0.29	14.42	14.42	25.26	25.26
	-Foreign Exchange Swap Contracts	Level-2	D	37.56	37.56	85.90	85.90	101.05	101.05
	<b>Total Financial Liabilities</b>			<b>94265.25</b>	<b>94265.25</b>	<b>59558.61</b>	<b>59558.61</b>	<b>49785.39</b>	<b>49785.39</b>

The fair value of financial assets and liabilities is included at the amount at which instruments could be exchanged in a current transaction between the willing parties. The following methods and assumptions were used to estimate the fair value:

- The Company has opted to fair value its quoted equity instruments at its market quoted price through Other Comprehensive Income(OCI).
- The Company has opted to fair value its unquoted equity instruments at its Net Asset Value/Adjusted Net Asset Value through OCI.
- The fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, short term borrowings, trade payables and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The Company has adopted Effective Interest Rate Method (EIR) for fair valuation of long term borrowings, and non-current financial assets and non-current financial liabilities.
- The fair value of forward exchange and swap contracts is based on valuation certificate given by respective banks.

#### Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

#### 49. Financial Risk Management Objectives and Policies:

The Company's activities are exposed to a variety of Financial Risks from its Operations. The key financial risks include Market Risk, Credit Risk and Liquidity Risk.

- Market Risk:** Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises mainly three types of Risk: Foreign currency Risk, Interest rate Risk and Other Price Risk such as Equity Price Risk and Commodity Price risk.

- Foreign Currency Risk:

Foreign Currency Risk has underlying risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions of imports, exports and borrowing primarily with respect to USD and Euro. The Company's exports are denominated generally in USD, providing a natural hedge to some extent against foreign currency payments on account of imports of raw materials and/or the payment of borrowings. The foreign currency transaction risk are managed through selective hedging programmes by way of forward contracts currency swaps and interest rate swaps including for underlying transactions having firm commitments or highly probable forecast of crystallisation.

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The details of foreign currency exposures hedged by derivative instruments and those that have not been hedged are as follows:

Particulars	As at 31st March, 2018			As at 31st March, 2017			As at 1st April, 2016		
	In Foreign Currency	₹ In lakhs		In Foreign Currency	₹ In lakhs		In Foreign Currency	₹ In lakhs	
<b>Hedged :</b>									
Foreign currency exposures covered by Forward Contracts									
Long-term Borrowings	USD	1247835	820.97	USD	1798888	1178.47	USD	2354759	1573.32
Short-term Borrowings	USD	470553	308.68	USD	-	-	USD	648682	433.12
Other Payables	USD	1216490	798.02	USD	1048471	684.65	USD	1083137	724.62
	EUR	-	-	EUR	92772	64.97	EUR	-	-
<b>Total</b>	USD	2934878	1927.67	USD	2847359	1863.12	USD	4086578	2731.06
	EUR	-	-	EUR	92772	64.97	EUR	-	-
<b>Unhedged :</b>									
Long-term Borrowings	USD	961905	631.01	USD	1507986	984.45	USD	2050958	1386.45
	EUR	-	-	EUR	-	-	EUR	934925	708.49
Short-term Borrowings	USD	1535289	1007.15	USD	2117142	1382.49	USD	4394300	2934.07
	EUR	990130	803.79	EUR	788580	552.24	EUR	663169	502.55
Other Payables	USD	1435526	941.70	USD	367412	239.92	USD	613310	410.30
	NPR	-	-	NPR	10158908	63.49	NPR	217844	1.36
	EUR	130229	105.72	EUR	1071621	750.46	EUR	276000	209.57
Receivables	USD	2663768	1724.79	USD	319654	206.02	USD	1769557	1165.61
	EUR	306239	243.40	EUR	-	-	EUR	66700	49.46
	GBP	15942	14.48	GBP	-	-	GBP	-	-
	NPR	21204522	132.53	NPR	54622165	341.39	NPR	26252893	164.08
Bank Balances	USD	1	-	USD	1	-	USD	1	-
	NPR	5437647	33.99	NPR	161390	1.01	NPR	374500	2.34
<b>Total</b>	USD	6596489	4304.65	USD	4312195	2812.88	USD	8828126	5896.43
	NPR	26642169	166.52	NPR	64942463	405.89	NPR	26845237	167.78
	GBP	15942	14.48	GBP	-	-	GBP	-	-
	EUR	1426598	1152.91	EUR	1860201	1302.70	EUR	1940794	1470.07

#### Foreign Currency Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in USD /EURO with all other variables held constant. The impact on Company's profit before tax is due to changes in the foreign exchange rate for:

(₹ in lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Change in USD	(+)5%	(+)5%
Effect on profit before tax	(42.57)	(201.23)
Change in USD	(-)5%	(-)5%
Effect on profit before tax	42.57	201.23

Particulars	As at 31st March, 2018	As at 31st March, 2017
Change in EURO	(+)5%	(+)5%
Effect on profit before tax	(45.48)	(65.13)
Change in EURO	(-)5%	(-)5%
Effect on profit before tax	45.48	65.13

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

(b) **Interest Rate Risk:**

Interest rate risk has underlying risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments like Interest Rate Swap, interest rate negotiations and low cost instruments like Commercial Papers and fixed interest bearing Non-Convertible Debentures.

(₹ in lakhs)

	<b>Type of Exposure</b>	<b>As at 31st March, 2018</b>	As at 31st March, 2017	As at 1st April, 2016
<b>A.</b>	<b>Fixed Rate Borrowings</b>	<b>25657.55</b>	5052.39	9611.23
<b>B.</b>	<b>Variable Rate Borrowings</b>	<b>21405.37</b>	22516.10	21708.09
	Less : Borrowings Hedged by Swap Contracts	<b>(1451.98)</b>	(2162.91)	(2959.77)
		<b>19953.39</b>	20353.19	18748.32

**Interest Rate Sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on affected financial assets.

(₹ in lakhs)

<b>Particulars</b>	<b>As at 31st March, 2018</b>	As at 31st March, 2017	As at 1st April, 2016
Interest Rate increase by 0.25%	<b>(49.88)</b>	(50.88)	(46.87)
Interest Rate decrease by 0.25%	<b>49.88</b>	50.88	46.87

(c) **Commodity Price Risk:**

The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw materials and bought out components for manufacturing of Cables and Turnkey Contract & Services respectively. It requires a continuous supply of certain raw materials & brought out components such as optical fibre, copper, aluminum, plastic and polymers, telecom ducts, power cables, conductors, transformers, fabricated steel, poles etc. To mitigate the commodity price risk, the Company has an approved supplier base to get the best competitive prices for the commodities and also to manage the cost without any compromise on quality.

(d) **Equity Price Risk:**

The Company's exposure to equity securities price risk arises from Quoted Investments held by the Company and classified in the balance sheet at fair value through OCI. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities, fluctuation in their prices are considered acceptable and do not warrant any management estimation.

(ii) **Credit Risk:**

Credit risk is the risk that counterparty might not honour its obligations under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables).

Customer credit risk is managed by each business unit and is subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company assesses the credit quality of the counterparties taking into account their financial position, past experience and other factors. The Company's Turnkey Contract business customers profile include Government owned utilities/ entities/ and both public and private telecom sector operators and service providers, and accordingly its credit risk is low. Credit risk is reduced to a significant extent if the projects(s) are funded by the Central and State Government and also by receiving pre-payments (including mobilization advances) and achieving project completion milestone within the contracted delivery schedule. Outstanding customer receivables are regularly monitored and assessed. The Company follows the simplified approach for recognition of impairment loss. Impairment allowance for trade receivables if any, is provided on the basis of respective credit risk of individual customer as on the reporting date.

**Deposits with Bank:**

The deposits with banks constitute mostly the investment made by the Company against bank guarantees and are generally not exposed to credit risk.

(iii) **Liquidity Risk:**

Liquidity risk is the risk where the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of Company's financial liabilities based on contractual undiscounted payments:

(₹ in lakhs)

Particulars	Carrying Value	Payable on Demand*	Upto 12 Months	1 to 5 Years
<b>As at 31st March, 2018</b>				
Borrowings*	47062.92	14919.41	20729.43	11414.08
Trade and Other Payables	47202.33	33.31	47159.17	9.85
Total	94265.25	14952.72	67888.60	11423.93
<b>As at 31st March, 2017</b>				
Borrowings*	27568.49	14673.61	2914.69	9980.19
Trade and Other Payables	31990.12	22.01	31958.16	9.95
Total	59558.61	14695.62	34872.85	9990.14
<b>As at 1st April, 2016</b>				
Borrowings*	31319.32	6679.25	15890.99	8749.08
Trade and Other Payables	18466.07	12.26	18443.69	10.12
Total	49785.39	6691.51	34334.68	8759.20

\* Including working capital facilities from consortium of banks which are renewable every year.

## 50. Capital Management:

The Company's policy is to maintain an adequate capital base so as to maintain creditors and market confidence and to sustain future development. Capital includes issued capital, securities premium and all other equity reserves attributable to equity holders.

The Company monitors capital using a gearing ratio which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

(₹ in lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Borrowings	47062.92	27568.49	31319.32
Less: Cash and Cash Equivalents	284.87	240.86	295.28
Net Debt	46778.05	27327.63	31024.04
Equity Share Capital	1184.21	1184.18	1184.15
Other Equity	51726.66	42993.07	36345.65
Total Capital	52910.87	44177.25	37529.80
Capital and Net Debt	99688.92	71504.88	68553.84
Gearing Ratio	46.92%	38.22%	45.25%

## 51. Exceptions and Exemptions applied for Transition to Ind AS

Ind AS 101 "First-time adoption of Indian Accounting Standards" (hereinafter referred to as Ind AS 101) allows first time adopters few mandatory and optional exemptions from the retrospective application of certain Ind AS. In preparing these financial statements, the Company has applied the below mentioned exemptions-

### (a) Optional Exemptions Availed:

#### (i) Property Plant and Equipment, Intangible Assets and Investment Properties

As permitted by para D5-D8B of Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of Property, Plant and Equipment. The same election has been made in respect of investment property and Intangible Assets also.

#### (ii) Designation of Investments in Equity Instrument

Investment in Subsidiaries, Joint Ventures and Associates are recognised at deemed cost, i.e. carrying cost of the previous GAAP, as at the date of transition. All other equity instruments are designated at fair value through OCI on the date of transition.

(b) Mandatory Exceptions:

(i) Estimates

Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS except where revision in estimates was necessitated by Ind AS. The estimates used by the Company to present the amounts in accordance with Ind AS reflect conditions existing as at 1st April, 2016 the date of transition to Ind AS and as at 31st March, 2017.

(ii) Derecognition of financial assets and financial liabilities

The Company has elected to apply the Derecognition requirements for financial assets and financial liabilities in accordance with Ind AS 109, prospectively for transactions occurring on or after the date of transition to Ind AS.

(iii) Classification and measurement of financial assets

The company has classified the financial assets in accordance with Ind AS 109, on the basis of facts and circumstances that exist at the date of transition to Ind AS.

**52. Reconciliations of Transition to Ind AS:**

The following reconciliation provides a quantification of the effect of significant differences arising as a result of transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

(a) Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2017 and 1st April, 2016:

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2017			As at 1st April, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
<b>ASSETS</b>							
<b>NON-CURRENT ASSETS</b>							
Property, Plant and Equipment	i, x	7065.75		7065.75	7783.33	(1.85)	7781.48
Capital Work-in-Progress		1515.85		1515.85	12.46		12.46
Investment Property	i	101.14	-	101.14	103.46		103.46
Intangible Assets under Development	i	43.52		43.52	-		-
Financial Assets							
Investments	ii	14386.07	946.35	15332.42	13880.22	71.92	13952.14
Trade Receivables		460.34		460.34	1561.26		1561.26
Others Financial Assets		1801.79		1801.79	1992.73		1992.73
Non-current Tax Assets (Net)		392.14		392.14	250.13		250.13
Other Non-current Assets		171.23		171.23	45.78		45.78
<b>Total Non-current Assets</b>		<b>25937.83</b>	<b>946.35</b>	<b>26884.18</b>	<b>25629.37</b>	<b>70.07</b>	<b>25699.44</b>
<b>CURRENT ASSETS</b>							
Inventories		19051.45		19051.45	7725.48		7725.48
Financial Assets							
Trade Receivables		46501.85		46501.85	38447.64		38447.64
Cash and Cash Equivalents		240.86		240.86	295.28		295.28
Other Bank Balances		3773.39		3773.39	2338.10		2338.10
Other Financial Assets	vii	17551.10	(3.18)	17547.92	13971.85	(7.62)	13964.23
Other Current Assets	vi,vii	3488.64	(0.38)	3488.26	5837.64	1.43	5839.07
Assets Classified as Held for Sale		2.07	-	2.07	-	-	-
<b>Total Current Assets</b>		<b>90609.36</b>	<b>(3.56)</b>	<b>90605.80</b>	<b>68615.99</b>	<b>(6.19)</b>	<b>68609.80</b>
<b>Total Assets</b>		<b>116547.19</b>	<b>942.79</b>	<b>117489.98</b>	<b>94245.36</b>	<b>63.88</b>	<b>94309.24</b>

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2017			As at 1st April, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
<b>EQUITY AND LIABILITIES</b>							
<b>EQUITY</b>							
Equity Share Capital		1184.18	-	1184.18	1184.15	-	1184.15
Other Equity	52(d)	42442.77	550.30	42993.07	35565.98	779.67	36345.65
<b>Total Equity</b>		<b>43626.95</b>	<b>550.30</b>	<b>44177.25</b>	<b>36750.13</b>	<b>779.67</b>	<b>37529.80</b>
<b>LIABILITIES</b>							
<b>NON-CURRENT LIABILITIES</b>							
Financial Liabilities							
Borrowings	iv	10001.36	(21.17)	9980.19	8786.18	(37.10)	8749.08
Other Financial Liabilities		9.95	-	9.95	10.12	-	10.12
Other Non-current Liabilities	iii	-	508.81	508.81	-	255.95	255.95
Provisions		2264.74	-	2264.74	1608.81	-	1608.81
Deferred Tax Liabilities (Net)	viii	486.00	(209.60)	276.40	486.80	160.41	647.21
<b>Total Non-current Liabilities</b>		<b>12762.05</b>	<b>278.04</b>	<b>13040.09</b>	<b>10891.91</b>	<b>379.26</b>	<b>11271.17</b>
<b>CURRENT LIABILITIES</b>							
Financial Liabilities							
Borrowings	iv	16608.35	-	16608.35	20549.00	(388.77)	20160.23
Trade Payables	vi	30455.51	(11.28)	30444.23	17911.93	(18.48)	17893.45
Other Financial Liabilities	vi	2501.47	14.42	2515.89	2947.25	25.26	2972.51
Other Current Liabilities	iii	10063.03	111.31	10174.34	3951.16	50.62	4001.78
Provisions	ix	314.07	-	314.07	1028.25	(763.68)	264.57
Current Tax Liabilities (Net)		215.76	-	215.76	215.73	-	215.73
<b>Total Current Liabilities</b>		<b>60158.19</b>	<b>114.45</b>	<b>60272.64</b>	<b>46603.32</b>	<b>(1095.05)</b>	<b>45508.27</b>
<b>Total Equity and Liabilities</b>		<b>116547.19</b>	<b>942.79</b>	<b>117489.98</b>	<b>94245.36</b>	<b>63.88</b>	<b>94309.24</b>

**Note:** Previous GAAP figures of the Balance Sheet as at 31st March 2017 and 1st April 2016 have been reclassified as per schedule III of the Companies Act 2013 for like-to-like comparison.

- (b) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017:

(₹ in lakhs)

Particulars	Note No.	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
<b>REVENUE</b>				
Revenue from Operations		102654.84	-	102654.84
Other Income	iii, vi & vii	1713.38	122.03	1835.41
<b>Total Revenue</b>		<b>104368.22</b>	<b>122.03</b>	<b>104490.25</b>
<b>EXPENSES</b>				
Cost of Raw Materials Consumed		15658.92	-	15658.92
Cost of Materials and Other Contract Expenses		66969.48	-	66969.48
Excise Duty		2887.36	-	2887.36
Purchase of Stock-in-Trade		651.86	-	651.86
(Increase)/Decrease in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		(8712.02)	-	(8712.02)
Employee Benefits Expense	v	4701.69	(41.93)	4659.76



(₹ in lakhs)

Particulars	Note No.	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Finance Costs	iv	3669.59	404.69	4074.28
Depreciation and Amortization Expenses		1266.41	-	1266.41
Other Expenses	vii	7670.87	4.44	7675.31
<b>Total Expense</b>		<b>94764.16</b>	<b>367.20</b>	<b>95131.36</b>
<b>Profit before Tax</b>		<b>9604.06</b>	<b>(245.17)</b>	<b>9358.89</b>
Tax Expenses				
Current Tax	v	3151.32	14.51	3165.83
Deferred Tax Charge/(Credit)	viii	(271.45)	(99.36)	(370.81)
<b>Total Tax Expense</b>		<b>2879.87</b>	<b>(84.85)</b>	<b>2795.02</b>
<b>Profit for the period</b>		<b>6724.19</b>	<b>(160.32)</b>	<b>6563.87</b>
<b>Other Comprehensive Income</b>				
<b>Items that will not be reclassified to Profit or Loss</b>				
(a) Equity Instruments through OCI	ii	-	874.41	874.41
(b) Re-measurement of Defined Benefit Plan	v	-	(41.93)	(41.93)
(c) Income Tax relating to these items	v	-	14.51	14.51
<b>Other Comprehensive Income for the period (Net of Tax)</b>		<b>-</b>	<b>846.99</b>	<b>846.99</b>
<b>Total Comprehensive Income for the period</b>		<b>6724.19</b>	<b>686.67</b>	<b>7410.86</b>

(c) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017:

(₹ in lakhs)

Sl. No.	Particulars	Note No.	Year ended 31.03.2017
A	<b>Profit as reported under previous GAAP</b>		<b>6724.19</b>
	Ind AS Adjustment on account of :		
1	Recognition of subsidy income on systematic basis	iii	111.31
2	Recognition of MTM on Forward Contract	vi	6.28
3	Amortisation of upfront cost of Loan Liability on EIR basis	iv	(404.69)
4	Re-measurement of Defined Benefit Plan accounted in OCI	v	41.93
B	<b>Total effect of transition to Ind AS (1+2+3+4)</b>		<b>6479.02</b>
C	Deferred and Current tax adjustment on above (Net)	viii	84.85
D	Profit for the year as per Ind AS (A+C)		<b>6563.87</b>
E	Other Comprehensive Income for the Year (Net of Tax)	ii & v	846.99
F	<b>Total Comprehensive Income under Ind AS (D+E)</b>		<b>7410.86</b>

(d) Reconciliation of Equity as at 31st March, 2017 and 1st April, 2016:

(₹ in lakhs)

Sl. No.	Particulars	Note No.	As at 31st March, 2017	As at 1st April, 2016
A	<b>Total Equity as reported under previous GAAP</b>		<b>43626.95</b>	<b>36750.13</b>
	Ind AS Adjustment on account of :			
1	Fair Value of Investment Designated through OCI	ii	946.34	71.93
2	Recognition of subsidy income on systematic basis	iii	(349.47)	(306.57)
3	Amortisation of transaction cost of borrowings on EIR basis	iv	21.17	425.86
4	Recognition of MTM on Forward Contracts	vi	(6.69)	(12.97)

(₹ in lakhs)

Sl. No.	Particulars	Note No.	As at 31st March, 2017	As at 1st April, 2016
5	Deferred tax adjustment on above (Net)	viii	(61.05)	(160.41)
6	Dividend including tax not recognised as liability until declared	ix	-	763.68
7	Derecognition of Revaluation Reserve	x	-	(1.85)
B	<b>Total adjustments to equity</b>		<b>550.30</b>	<b>779.67</b>
C	<b>Total equity under Ind AS (A+B)</b>		<b>44177.25</b>	<b>37529.80</b>

(e) Effect of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017:

(₹ in lakhs)

Sl. No.	Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
A	Net Cash Flows from Operating Activities	9081.06	(837.41)	8243.65
B	Net Cash Flows from Investing Activities	(2420.53)	1262.26	(1158.27)
C	Net Cash Flows from Financing Activities	(6705.20)	(434.60)	(7139.80)
D	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(44.67)</b>	<b>(9.75)</b>	<b>(54.42)</b>
E	Cash & Cash Equivalents at the beginning of the year	307.54	(12.26)	295.28
F	<b>Cash &amp; Cash Equivalents at the end of the year (D+E)</b>	<b>262.87</b>	<b>(22.01)</b>	<b>240.86</b>

**Note:** The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

(f) Analysis of Cash & Cash Equivalents as at 31st March, 2017 and as at 1st April, 2016 for the purpose of the Statement of Cash Flow under Ind AS :

(₹ in lakhs)

Sl. No.	Particulars	As at 31st March, 2017	As at 1st April, 2016
A	Cash & Cash Equivalents for the purpose of the Statement of Cash flow as per Previous GAAP	262.87	307.54
B	Balance in Unpaid Dividend Account reclassified to other Bank Balances	(22.01)	(12.26)
C	<b>Cash &amp; Cash Equivalents for the purpose of the Statement of Cash flow as per Ind AS (A+B)</b>	<b>240.86</b>	<b>295.28</b>

**Reference Notes to point no. (a), (b), (c) & (d) of Note No. 52 above :**

- Property Plant and Equipment: The Company has elected the option to continue with the carrying value for all its Property, Plant & Equipment as recognised in the financial statements as at the date of transition to Ind AS measured as per previous GAAP and used it as the deemed cost on the date of transition.
- Investment in Equity Instruments: Under previous GAAP, Non-Current Investment in Equity Instruments were carried at cost less provision for other than temporary diminution in the value of such investment. Under Ind AS, Investments (except investment in subsidiaries, associates and joint venture) have been measured at Fair Value through OCI.
- Government Grants: Under previous GAAP, Government Grant in relation to Plant & Equipments was recognised as a part of Capital Reserve. Under Ind AS such Grant have been treated as a deferred income under liability and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of such assets.
- Borrowings: Under previous GAAP, Borrowings were measured at transaction value, with transaction cost recognised in the Statement of Profit and Loss immediately, Under Ind AS borrowings have been recognised at amortised cost using Effective Interest Rate (EIR) method.
- Re-measurement of Defined Benefit Plan: Under Previous GAAP, re-measurement of retirement defined benefit plans i.e. actuarial gains/ (losses) arising due to experience, adjustments and change in assumptions were recognised in the Statement of Profit and Loss. Under Ind AS re-measurement of retirement defined benefit plans (net of tax) is recognised in the "Other Comprehensive Income".

- (vi) Forward Contracts: Under Previous GAAP the premium paid on forward contracts was recognised as expense or income over the life of the contract. Further in case of Forward Contract for firm Commitments, mark to market losses were recognised in the Statement of Profit and Loss and gain, if any were ignored. Under Ind AS mark to market Gain/ Loss on forward contract have been recognised in the Statement of Profit and Loss.
- (vii) Security Deposit : The Company has given certain interest free security deposit under long term lease agreement. Under IND AS, these security deposit needs to be fair valued. The difference between fair value and previous GAAP carrying value has been recognised as advance rent under Current Asset. The same has been charged as rent expense to the Statement of Profit and Loss over the period of lease. Interest Income has been recognised yearly on interest free security deposit.
- (viii) Deferred Taxes: Under Previous GAAP, deferred taxes were accounted for based on the income statement approach which requires creation of deferred tax asset/ liability on temporary differences between the taxable income and accounting income. Under Ind AS, deferred taxes are accounted for based on the balance sheet approach, which requires creation of deferred tax asset/ liability on temporary differences between the carrying amount of an asset/ liability in the Balance Sheet and its corresponding tax base. Application of Ind AS has also resulted in recognition of deferred taxes on new temporary differences arising due to adjustments made on transition to Ind AS.
- (ix) Dividend: Under previous GAAP (upto 31st March 2016), proposed dividend was recognised as liability in the period to which it was related (if subsequently approved by Board of Directors). Under Ind AS, proposed dividend is recognised as liability in the period in which it is approved by shareholders.
- (x) Revaluation Reserve: The Company had revalued few fixed assets as per the previous GAAP and a balance of ₹ 1.85 lakhs was outstanding in revaluation reserve as on 31.03.2016. The revaluation reserve had been set off from the net block of the respective assets as on 01.04.2016 on consequential change in the governing Accounting Standards (AS).

**53.** Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year classification.

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
Firm Registration No. 109208W

R. Raghuraman  
Partner  
Membership No. 081350

Signatures to Notes 1 to 53

J. Veeraraghavan  
(DIN : 00078998)  
R.C. Tapuriah  
(DIN : 00395997)  
Pracheta Majumdar  
(DIN : 00179118)  
Kiran Aggarwal  
(DIN : 06991807)

Harsh V. Lodha  
(DIN : 00394094)

S.K. Misra  
(DIN : 00009411)

D.R. Bansal  
(DIN : 00050612)

Shiv Dayal Kapoor  
(DIN : 00043634)

Dilip Ganesh Karnik  
(DIN : 06419513)

Y.S. Lodha  
(DIN : 00052861)

Saurabh Chhajer

Satyendu Pattnaik

New Delhi, May 23, 2018

Chairman

Directors

Managing Director

Chief Financial Officer

Company Secretary

New Delhi, May 23, 2018

# Independent Auditor's Report on Consolidated Financial Statement

## TO THE MEMBERS OF VINDHYA TELELINKS LIMITED

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of Vindhya Telelinks Limited (hereinafter referred to as the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), its joint venture and associates, comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, 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 Ind AS financial statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of cash flows and the consolidated statement of changes in equity of the Group, joint venture and associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Boards of Directors of the companies included in the Group and of its joint venture and associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, and of its joint venture and associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in sub-paragraphs (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint venture and associates as at March 31, 2018, and its consolidated profit, consolidated total comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year ended on that date.

### Other Matters

- (a) The consolidated Ind AS financial statements include the Ind AS financial statements of 3 subsidiaries, whose Ind AS financial statements reflect total assets of ₹ 21,121.48 lakhs as at March 31, 2018, total revenues of ₹ 2,097.87 lakhs and net cash outflows amounting to ₹ (2.90 lakhs) for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements, prepared in accordance with accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules, 2014 have been audited by other auditors. The Parent's management has converted the financial statements of 3 subsidiaries from Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules, 2014 to Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. We have audited these conversion adjustments made by the Parent management. Our opinion in so far as it relates

to the amounts and disclosures included in respect of said 3 subsidiaries is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent and audited by us.

- (b) The consolidated Ind AS financial statements also include the Group's share of net profit (including OCI) of ₹ 291.87 lakhs and ₹ 7,617.80 lakhs for the year ended March 31, 2018 and March, 2017 and share of net assets of ₹ 14,181.80 as at 1<sup>st</sup> April, 2016, as considered in the consolidated Ind AS financial statements, in respect of an Associate, whose financial statements have not been audited by us. These Ind AS financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on such unaudited financial statements.
- (c) The comparative financial statements for the year ended March 31, 2017 and March 31, 2016 in respect of an Associate included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.

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

1. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought, and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books, returns and reports of other auditors.
  - (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Cash Flows and consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
  - (d) 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 relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the directors of the Parent as on March 31, 2018 and taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, its associate companies and a joint venture company incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and a joint venture company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's internal financial controls over financial reporting and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and a joint venture.
    - (ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - (iii) There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and a joint venture company incorporated in India.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
ICAI Firm Regn. No. 109208W

R. Raghuraman  
Partner

Membership No. 81350

Place : New Delhi  
Dated : May 23, 2018

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

**(Referred to in Paragraph 1(f) under ‘Report on Other Legal and Regulatory requirements’ of our report on even date)**

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls with reference to financial statement of Vindhya Telelinks Limited (hereinafter referred to as “Parent”) and its subsidiary companies (hereinafter referred to as “Group”), a joint venture and associate companies, which are Companies covered under the Act, as of that date.

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

The respective Boards of Directors of the Parent, its subsidiary companies, its joint venture and its associate companies, which are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective Companies 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 the respective 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 internal financial controls with reference to financial statements of the Parent, its subsidiary companies, its joint venture and its associate companies, which are 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”) issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies which are, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, its joint venture and associate companies.

#### **Meaning of Internal Financial Controls with reference to financial statement**

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

#### **Inherent Limitations of Internal Financial Controls with reference to financial statement**

Because of the inherent limitations of internal financial controls with reference to financial statement, 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 with reference to financial statement to future periods are subject to the risk that the internal financial control with reference to financial statement 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, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, its joint venture and associate companies, which are, have, in all material respects, an adequate internal financial controls system with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.



**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to financial statements in so far as it relates to 3 subsidiary companies, which are based solely on the corresponding reports of the auditors.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to an associate company, incorporated in India, whose financial statements/information are unaudited and our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements of the Group is not affected.

Our opinion is not modified in respect of the above matters.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
ICAI Firm Regn. No. 109208W

R. Raghuraman  
Partner  
Membership No. 81350

Place : New Delhi  
Dated : May 23, 2018

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018**

	Notes	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>ASSETS</b>				
(1) <b>NON-CURRENT ASSETS</b>				
(a) Property, Plant and Equipment	2	9080.55	7065.75	7781.48
(b) Capital Work-in-Progress		454.85	1515.85	12.46
(c) Investment Property	3	98.82	101.14	103.46
(d) Intangible Assets	4	86.06	-	-
(e) Intangible Assets under Development		-	43.52	-
(f) Investments accounted for using the Equity Method	5	155805.23	123781.82	105317.02
(g) Financial Assets				
(i) Investments	6	12823.58	11136.43	7252.55
(ii) Trade Receivables	7	-	460.34	1561.26
(iii) Loans	8	2800.00	4800.00	4800.00
(iv) Other Financial Assets	9	2424.42	1801.79	1992.73
(h) Non-current Tax Assets (Net)		357.65	396.84	250.98
(i) Other Non-current Assets	10	433.63	171.23	45.78
<b>Total Non-current Assets</b>		<b>184364.79</b>	<b>151274.71</b>	<b>129117.72</b>
(2) <b>CURRENT ASSETS</b>				
(a) Inventories	11	37285.45	19051.45	7725.48
(b) Financial Assets				
(i) Trade Receivables	12	72054.11	46501.85	38447.64
(ii) Loans	13	2000.00	-	-
(iii) Cash and Cash Equivalents	14	399.83	358.74	426.56
(iv) Other Bank Balances	15	3150.50	3773.39	2338.10
(v) Other Financial Assets	16	16782.80	17549.27	13965.58
(c) Other Current Assets	17	3395.11	3489.66	5839.17
(d) Assets Classified as Held for Sale/Disposal		2.00	2.07	-
<b>Total Current Assets</b>		<b>135069.80</b>	<b>90726.43</b>	<b>68742.53</b>
<b>Total Assets</b>		<b>319434.59</b>	<b>242001.14</b>	<b>197860.25</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	18	1184.21	1184.18	1184.15
(b) Other Equity	19	208395.03	167267.07	139708.35
<b>Total Equity</b>		<b>209579.24</b>	<b>168451.25</b>	<b>140892.50</b>
<b>LIABILITIES</b>				
(1) <b>NON-CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	20	11414.08	9980.19	8749.08
(ii) Other Financial Liabilities	21	9.85	9.95	10.12
(b) Other Non-current Liabilities	22	587.20	508.81	255.95
(c) Provisions	23	2942.04	2264.74	1608.81
(d) Deferred Tax Liabilities (Net)	24	550.72	475.62	766.06
<b>Total Non-current Liabilities</b>		<b>15503.89</b>	<b>13239.31</b>	<b>11390.02</b>
(2) <b>CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	25	34500.90	16608.35	20160.23
(ii) Trade Payables	26	46482.34	30444.86	17894.00
(iii) Other Financial Liabilities	27	1858.73	2515.89	2972.51
(b) Other Current Liabilities	28	10732.70	10174.74	4001.90
(c) Provisions	29	315.07	331.03	277.19
(d) Current Tax Liabilities (Net)		461.72	235.71	271.90
<b>Total Current Liabilities</b>		<b>94351.46</b>	<b>60310.58</b>	<b>45577.73</b>
<b>Total Equity and Liabilities</b>		<b>319434.59</b>	<b>242001.14</b>	<b>197860.25</b>

The accompanying Notes 1 to 55 form an integral part of the Financial Statements.

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
Firm Registration No. 109208W

J. Veeraraghavan  
(DIN : 00078998)  
R.C. Tapuriah  
(DIN : 00395997)  
Pracheta Majumdar  
(DIN : 00179118)  
Kiran Aggarwal  
(DIN : 06991807)

R. Raghuraman  
Partner  
Membership No. 081350

Harsh V. Lodha  
(DIN : 00394094)

Chairman

S.K. Misra  
(DIN : 00009411)  
D.R. Bansal  
(DIN : 00050612)  
Shiv Dayal Kapoor  
(DIN : 00043634)  
Dilip Ganesh Karnik  
(DIN : 06419513)

Directors

Y.S. Lodha  
(DIN : 00052861)

Managing Director

Saurabh Chhajer  
Satyendu Pattnaik

Chief Financial Officer  
Company Secretary

New Delhi, May 23, 2018

New Delhi, May 23, 2018

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

	Notes	For the year ended 31st March, 2018 (₹ in lakhs)	For the year ended 31st March, 2017 (₹ in lakhs)
<b>A INCOME</b>			
Revenue from Operations	30	<b>135138.46</b>	102654.84
Other Income	31	<b>3171.38</b>	3513.14
<b>Total Income</b>		<b>138309.84</b>	106167.98
<b>B EXPENSES</b>			
(i) Cost of Raw Materials Consumed		<b>33465.14</b>	15658.92
(ii) Cost of Materials and Other Contract Expenses	32	<b>85211.40</b>	66969.48
(iii) Excise Duty		<b>876.16</b>	2887.36
(iv) Purchase of Stock-in-Trade		<b>307.81</b>	651.86
(v) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade, etc.	33	<b>(17445.97)</b>	(8712.02)
(vi) Employee Benefits Expense	34	<b>6297.04</b>	4687.12
(vii) Finance Costs	35	<b>4719.93</b>	4074.28
(viii) Depreciation and Amortisation Expenses	36	<b>1490.80</b>	1266.41
(ix) Other Expenses	37	<b>8710.36</b>	7685.10
<b>Total Expenses</b>		<b>123632.67</b>	95168.51
<b>C Profit for the year before share in Profit of Associates/ Joint Venture</b>		<b>14677.17</b>	10999.47
<b>D Share of Profit/(Loss) of Associates &amp; Joint Venture (Net of Tax)</b> [Refer Note No. 54 (b)]		<b>5122.08</b>	9026.36
<b>E PROFIT BEFORE TAX</b>		<b>19799.25</b>	20025.83
<b>Tax Expense</b>	38		
(i) Current Tax		<b>4417.38</b>	3342.75
(ii) Deferred Tax Charge/(Credit)		<b>40.80</b>	(321.08)
<b>Total Tax Expense</b>		<b>4458.18</b>	3021.67
<b>PROFIT FOR THE YEAR</b>		<b>15341.07</b>	17004.16
<b>F OTHER COMPREHENSIVE INCOME (OCI)</b>			
(i) Items that will not be re-classified to Profit or Loss :			
(a) Equity Instruments through OCI		<b>1590.40</b>	1148.13
(b) Re-measurement of Defined Benefit Plan		<b>6.67</b>	(41.93)
(ii) Taxes relating to the above items			
(a) Deferred Tax on Fair Valuation of Investments		<b>(34.30)</b>	(30.63)
(b) Income Tax relating to Re-measurement		<b>(2.31)</b>	14.51
(iii) Share of Equity Accounted Investees (Net of Tax) [Refer Note No. 54 (b)]		<b>25114.16</b>	10658.15
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>26674.62</b>	11748.23
<b>G TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>42015.69</b>	28752.39
(Comprising Profit and Other Comprehensive Income for the year)			
<b>Earning per Equity Share (EPS) in Rupees</b>	39		
Basic and Diluted EPS (Face Value of ₹ 10/- each)		<b>129.45</b>	143.48

The accompanying Notes 1 to 55 form an integral part of the Financial Statements.

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
Firm Registration No. 109208W

R. Raghuraman  
Partner  
Membership No. 081350

J. Veeraraghavan  
(DIN : 00078998)  
R.C. Tapuriah  
(DIN : 00395997)  
Pracheta Majumdar  
(DIN : 00179118)  
Kiran Aggarwal  
(DIN : 06991807)

Harsh V. Lodha  
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S.K. Misra  
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Shiv Dayal Kapoor  
(DIN : 00043634)  
Dilip Ganesh Karnik  
(DIN : 06419513)

Y.S. Lodha  
(DIN : 00052861)

Saurabh Chhajer  
Satyendu Pattnaik

New Delhi, May 23, 2018

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 23, 2018

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

Description	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before Taxation and share of profit in Associates/ Joint Venture</b>		<b>14677.17</b>		<b>10999.47</b>
<b>Adjustments for :</b>				
Depreciation and Amortisation	1490.80		1266.41	
(Profit)/Loss on Disposal of Fixed Assets (Net)	(10.61)		2.02	
(Profit)/Loss on Sale of Investments	(417.35)		(612.64)	
Provision for Warranty (Net)	662.08		722.01	
Provision for MTM of Derivative Instruments	(62.47)		(25.99)	
(Gain)/Loss on Unrealised Foreign Exchange Rate Fluctuations	118.45		(151.60)	
Provision for Doubtful Debts (Net)	(68.35)		1.27	
Interest Income	(852.57)		(911.59)	
Dividend Income	(1613.55)		(1529.76)	
Subsidy Income	(158.73)		(111.31)	
Rent from Investment Property	(53.40)		(53.40)	
Interest Expense	3743.42		2759.75	
		<b>2777.72</b>		<b>1355.17</b>
<b>Operating Profit before Working Capital Changes</b>		<b>17454.89</b>		<b>12354.64</b>
<b>Movement in Working Capital :</b>				
Increase/(Decrease) in Trade Payables and Provisions	17145.95		17781.34	
Decrease/(Increase) in Trade Receivables	(30196.13)		(7252.78)	
Decrease/(Increase) in Inventories	(18234.00)		(11325.97)	
Decrease/(Increase) in Loans and Advances	5841.39		198.83	
		<b>(25442.79)</b>		<b>(598.58)</b>
<b>Cash Flow Generated from/(used in) Operations</b>		<b>(7987.90)</b>		<b>11756.06</b>
Direct Taxes Paid (Net of Refunds)		<b>(4120.19)</b>		<b>(3479.65)</b>
<b>Net cash flow from/(used in) Operating activities (A)</b>		<b>(12108.09)</b>		<b>8276.41</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(3724.82)		(1272.01)	
Proceeds from sale of Fixed Assets	26.10		5.63	
(Investment )/Maturity of Bank Deposits	61.93		(1240.54)	
(Purchase)/Sale of Investments	(1500.87)		(1253.73)	
Proceeds from Government Grant	34.56		172.00	
Rent from Investment Property	53.40		53.40	
Interest Received	852.57		911.59	
Dividend Received	1613.55		1529.76	
<b>Net cash flow from/(used in) Investing activities (B)</b>		<b>(2583.58)</b>		<b>(1093.90)</b>

Description	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)**
**C. CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Share Capital	0.03	0.03
Proceeds from Securities Premium	0.17	0.24
Proceeds/(Repayment) from Long-term Borrowings (Net)	1595.23	(138.25)
Proceeds/(Repayment) from Short-term Borrowings	17768.65	(3478.39)
Interest Paid	(3743.42)	(2759.75)
Dividend Paid	(887.90)	(874.21)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>14732.76</b>	<b>(7250.33)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>41.09</b>	<b>(67.82)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>358.74</b>	<b>426.56</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>399.83</b>	<b>358.74</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	2.24	4.64
Cheques/Drafts on Hand	68.81	29.84
In Current Accounts	328.78	324.26
	<b>399.83</b>	<b>358.74</b>

- (a) The Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.
- (b) Negative figures have been shown in brackets.
- (c) Movement in Borrowings :

Particulars	As at 31st March, 2017	Proceeds	Repayment	Unrealised foreign exchange gain/ (loss)	As at 31st March, 2018
Long Term Borrowings (Including current portion)	10960.14	5720.31	4125.08	6.65	12562.02
Short Term Borrowings	16608.35	37584.17	19815.52	123.90	34500.90
<b>Total Liabilities from Financing Activities</b>	<b>27568.49</b>	<b>43304.48</b>	<b>23940.60</b>	<b>130.55</b>	<b>47062.92</b>

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
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Saurabh Chhajer  
Satyendu Pattnaik

New Delhi, May 23, 2018

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 23, 2018

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**(a) Equity share capital**

Particulars	(₹ in lakhs)
Balance as at 1st April, 2016	1184.15
Movement during the year	0.03
Balance as at 31st March, 2017	1184.18
Movement during the year	0.03
<b>Balance as at 31st March, 2018</b>	<b>1184.21</b>

**(b) Other Equity**

(₹ in lakhs)

Particulars	Reserves and Surplus						Items of Other Comprehensive Income		Total
	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Reserve Fund	Capital Reserve	Retained Earnings	Equity/Debt Instruments Fair Value Through Other Comprehensive Income	Revaluation Reserve	
Balance as at 1st April, 2016	3885.43	-	33500.00	2451.74	0.03	84008.02	15863.13	-	139708.35
Profit for the year	-	-	-	-	-	17004.16	-	-	17004.16
Other Comprehensive Income for the year	-	-	-	-	-	217.08	11965.31	-	11748.23
Adjustment on account of exclusion of BCL	-	-	-	-	-	(372.76)	53.06	-	(319.70)
Transfer from Retained Earnings	-	418.00	5600.00	314.55	-	(6332.55)	-	-	-
Security Premium Received during the Year	0.24	-	-	-	-	-	-	-	0.24
Final Dividend and Tax thereon	-	-	-	-	-	(874.21)	-	-	(874.21)
Balance as at 31st March, 2017	3885.67	418.00	39100.00	2766.29	0.03	93215.58	27881.50	-	167267.07
Profit for the year	-	-	-	-	-	15341.07	-	-	15341.07
Other Comprehensive Income for the year	-	-	-	-	-	162.26	5806.85	20705.51	26674.62
Transfer from Retained Earnings	-	835.00	1500.00	389.65	-	(2724.65)	-	-	-
Security Premium Received during the Year	0.17	-	-	-	-	-	-	-	0.17
Final Dividend and Tax thereon	-	-	-	-	-	(887.90)	-	-	(887.90)
<b>Balance as at 31st March, 2018</b>	<b>3885.84</b>	<b>1253.00</b>	<b>40600.00</b>	<b>3155.94</b>	<b>0.03</b>	<b>105106.36</b>	<b>33688.35</b>	<b>20705.51</b>	<b>208395.03</b>

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
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Firm Registration No. 109208W

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Satyendu Pattnaik

New Delhi, May 23, 2018

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 23, 2018



## 1. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

### 1.1 Company Overview and General Information

Vindhya Telcelinks Limited (VTL) ("the Company") is a public limited listed company incorporated under the Companies Act, 1956 (now replaced by the Companies Act, 2013). The Company is engaged in manufacturing and sale of Cables (comprising of telecommunications cables, other types of wires & cables, FRP rods/glass rovings etc.) and Turnkey Contracts & Services business. The registered office of the Company is located at Udyog Vihar, P.O. Chorhata, Rewa- 486006 (M.P.), India and its CIN No. is L31300MP1983PLC002134.

The consolidated financial statements as at 31st March, 2018 has been approved by the Board of Directors in its meeting held on 23rd May, 2018 and represent the financial position of the Company ("Parent Company") and its Subsidiaries collectively referred as 'Group' and its interest in Associates and Joint Venture. Details of Subsidiaries, Associates and Joint venture which are consolidated as follows:

Subsidiary	Country of Incorporation	Ownership Interest
August Agents Limited (AAL)	} India	100.00%
Insilco Agents Limited (IAL)		100.00%
Laneseda Agents Limited (LAL)		100.00%
<b>Joint Venture</b>		
Birla Visabeira Private Limited (BVPL)		40.00%
<b>Associates</b>		
Universal Cables Limited (UCL)		30.34%
Birla Corporation Limited (BCL)		31.68%
Punjab Produce Holdings Limited (PPHL)		48.04%

### 1.2 Basis of Preparation and Presentation

The consolidated financial statements have been prepared in accordance with and to comply in all material aspects with Indian Accounting Standards (Ind AS) as notified under the relevant provisions of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as applicable.

These consolidated financial statements for the year ended 31st March, 2018 are the first consolidated financial statements of the Group prepared under Ind AS. The consolidated financial statements up to the year ended 31st March, 2017, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") and other relevant provisions of the Act. The figures of the year ended 31st March, 2017 have been restated as per Ind AS to provide Comparability. All accounting policies and applicable Ind AS have been applied consistently and retrospectively to the consolidated financial statements of all periods presented which include the previous financial year and opening Balance Sheet as at 1st April, 2016 (Transition Date) after availing certain exemptions and exceptions from retrospective application of certain requirements under Ind AS 101 as stated in Note No. 51. The resulting difference between the carrying amounts under Ind AS and Previous GAAP as on the Transition Date has been recognised directly in Retained Earnings. An explanation of the effect of the transition from Previous GAAP to Ind AS on the Consolidated Assets, Liabilities, Equity and Profit is provided in Note No. 52.

The Consolidated financial statements have been prepared on accrual and going concern basis under historical cost convention, except for the items that have been measured at fair value as required by relevant Ind AS.

Consolidated financial statements are presented in Indian Rupees, which is also its functional currency. All amounts in the financial statements and accompanying notes are presented in lakhs (Indian Rupees) and have been rounded-off to two decimal place in accordance with the provisions of Schedule III of the Companies Act, 2013 unless stated otherwise.

### 1.3 Basis of Consolidation

- The Financial Statements of the parent company and its subsidiaries have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits or losses, if any, in accordance with ind AS 110 – "Consolidated Financial Statements".
- In case of associates (where parent holds directly or indirectly through subsidiaries 20% or more equity or/ and exercises significant influence) and Joint Venture, investments are accounted for by using equity method in accordance with Ind AS 28 – "Investments in Associates and Joint Ventures".
- Post acquisition, the company accounts for its share in the change in net assets of the associates and Joint Venture (after eliminating unrealised profits and losses resulting from transactions between the group and its associates to the extent of its share) through its Statement of Profit and Loss and Other Comprehensive Income. The difference between the cost of

investment and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or capital Reserve as the case may be. However, for associates, Goodwill is not separately recognised but included in the value of investments.

#### 1.4 Summary of Significant Accounting Policies

The Accounting Policies of the Parent Company, its Subsidiaries, Joint venture and Associates are largely similar except in case of an associate company where land is revalued under fair value model. Other significant Accounting Policies of the Consolidated Financial Statements are as given in the Standalone Financial Statements.

## 2. PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
<b>Gross Block</b>									
Deemed Cost as at 1st April, 2016	113.18	33.38	956.48	6236.59	105.22	122.27	212.38	1.98	7781.48
Additions during the year	-	-	-	369.19	121.29	37.58	30.02	-	558.08
Deletions/Adjustments during the year	-	-	-	8.88	1.46	3.49	1.55	-	15.38
Balance as at 31st March, 2017	113.18	33.38	956.48	6596.90	225.05	156.36	240.85	1.98	8324.18
Additions during the year	-	-	411.38	2982.11	107.45	0.55	-	-	3501.49
Deletions/Adjustments during the year	-	-	-	18.11	1.46	0.20	-	1.98	21.75
<b>Balance as at 31st March, 2018</b>	<b>113.18</b>	<b>33.38</b>	<b>1367.86</b>	<b>9560.90</b>	<b>331.04</b>	<b>156.71</b>	<b>240.85</b>	<b>-</b>	<b>11803.92</b>
<b>Accumulated Depreciation</b>									
Balance as at 1st April, 2016	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	0.68	35.57	1115.36	59.60	19.07	33.81	-	1264.09
Deletions/Adjustments during the year	-	-	-	4.29	0.13	0.17	1.07	-	5.66
Balance as at 31st March, 2017	-	0.68	35.57	1111.07	59.47	18.90	32.74	-	1258.43
Depreciation for the year	-	0.68	42.53	1284.74	92.06	18.86	32.40	-	1471.27
Deletions/Adjustments during the year	-	-	-	5.66	0.63	0.04	-	-	6.33
<b>Balance as at 31st March, 2018</b>	<b>-</b>	<b>1.36</b>	<b>78.10</b>	<b>2390.15</b>	<b>150.90</b>	<b>37.72</b>	<b>65.14</b>	<b>-</b>	<b>2723.37</b>
<b>Net Block</b>									
Balance as at 1st April, 2016	113.18	33.38	956.48	6236.59	105.22	122.27	212.38	1.98	7781.48
Balance as at 31st March, 2017	113.18	32.70	920.91	5485.83	165.58	137.46	208.11	1.98	7065.75
<b>Balance as at 31st March, 2018</b>	<b>113.18</b>	<b>32.02</b>	<b>1289.76</b>	<b>7170.75</b>	<b>180.14</b>	<b>118.99</b>	<b>175.71</b>	<b>-</b>	<b>9080.55</b>

**Note:** For details of such pledged as collateral, Refer Note No. 20 and 25.

## 3. INVESTMENT PROPERTY

Particulars	(₹ in lakhs)
<b>Gross Block</b>	
Deemed cost as at 1st April, 2016	103.46
Balance as at 31st March, 2017	103.46
<b>Balance as at 31st March, 2018</b>	<b>103.46</b>
<b>Accumulated Depreciation</b>	

**3. INVESTMENT PROPERTY (Contd.)**

Particulars	(₹ in lakhs)
Balance as at 1st April, 2016	-
Depreciation for the year	2.32
Balance as at 31st March, 2017	2.32
Depreciation for the year	2.32
<b>Balance as at 31st March, 2018</b>	<b>4.64</b>
<b>Net Block</b>	
Balance as at 1st April, 2016	103.46
Balance as at 31st March, 2017	101.14
<b>Balance as at 31st March, 2018</b>	<b>98.82</b>
<b>Fair Value:</b>	
As at 1st April, 2016	1412.23
As at 31st March, 2017	1553.45
<b>As at 31st March, 2018</b>	<b>1708.80</b>

Fair Value is determined on the basis of evaluation by the independent valuer/sources on a case to case basis. Valuation is based on assumptions like Government Rates, Market Trend etc. The fair value measurement is categorised in Level-2 fair value hierarchy.

(₹ in lakhs)

Information regarding Income and Expenditure of Investment Property	Year ended 31st March, 2018	Year ended 31st March, 2017
Rental Income derived from Investment Properties	53.40	53.40
Less : Direct Operating Expenses (including repairs and maintenance) for generating rental income	0.96	0.96
Less : Depreciation	2.32	2.32
Profit arising from Investment Properties	50.12	50.12

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
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**4. INTANGIBLE ASSETS (Computer Software)**
**Gross Block**

<b>Opening Balance</b>	-	-	-
Additions during the year	103.27	-	-
Deduction/Adjustment during the year	-	-	-
<b>Closing Balance</b>	<b>103.27</b>	<b>-</b>	<b>-</b>
<b>Accumulated Amortisation</b>			
<b>Opening Balance</b>	-	-	-
Amortisation during the year	17.21	-	-
Deduction/Adjustment during the year	-	-	-
<b>Closing Balance</b>	<b>17.21</b>	<b>-</b>	<b>-</b>
<b>Net Block</b>	<b>86.06</b>	<b>-</b>	<b>-</b>

				As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>5. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD [REFER NOTE No. 54 (B)]</b>						
<b>Investment in a Joint Venture</b>						
36,00,000	(36,00,000)	(36,00,000)	Birla Visabeira Pvt. Limited	379.33	370.73	360.02
-	-	(40,00,100)	Birla Cable Limited*	-	-	1219.71
				<b>379.33</b>	<b>370.73</b>	<b>1579.73</b>
<b>Investments in Associates</b>						
<b>Quoted - Fully paid up Equity Shares of ₹ 10/- each</b>						
105,28,988	(94,21,581)	(94,21,581)	Universal Cables Limited**	24829.22	18173.99	15224.17
243,94,915	(243,94,915)	(243,94,915)	Birla Corporaton Limited	108535.90	83468.20	74362.01
<b>Unquoted - Fully paid up Equity Shares of ₹ 10/- each</b>						
1,20,00,000	(1,20,00,000)	(1,20,00,000)	Punjab Produce Holdings Limited	22060.78	21768.90	14151.11
				<b>155425.90</b>	<b>123411.09</b>	<b>103737.29</b>
			<b>Total</b>	<b>155805.23</b>	<b>123781.82</b>	<b>105317.02</b>
			<b>Aggregate Amount of Quoted Investments</b>	<b>133365.12</b>	<b>101642.19</b>	<b>90805.89</b>
			<b>Aggregate Market Value of Quoted Investments</b>	<b>187705.47</b>	<b>189741.81</b>	<b>96558.18</b>
			<b>Aggregate Amount of Unquoted Investments</b>	<b>22440.11</b>	<b>22139.63</b>	<b>14511.13</b>

\* Ceased to be a Joint Venture w.e.f 24th August 2016

\*\* The Group received a Letter of Allotment confirming allotment of 34,35,055 equity shares on 20th October, 2015, subscribed in the Rights Issue of Universal Cables Ltd. (UCL) out of which 10,15,101 equity shares are pending to be credited to Company's designated demat account, in view of the status-quo Order passed by the Hon'ble High Court of Delhi on 18th November, 2015, as intimated by UCL.

## 6. NON-CURRENT INVESTMENTS

### A Investments carried at Fair Value through Other Comprehensive Income

Quoted - Fully paid up Equity Shares of ₹ 10/- each

58,00,100 (31st March 2017: 58,00,100)	Birla Cable Limited	3535.17	2264.95	-
		<b>3535.17</b>	<b>2264.95</b>	<b>-</b>

Unquoted - Fully paid up Equity Shares of ₹ 10/- each

11,15,402 (11,15,402 as on 31st March, 2017 and 11,15,402 as on 1st April, 2016)	Birla Furukawa Fibre Optics Limited	1624.47	1317.96	1044.23
2,99,940 (2,99,940 as on 31st March, 2017 and 2,99,940 as on 1st April, 2016)	Birla Financial Corporation Limited	126.03	112.62	97.63
9,800 (9,800 as on 31st March, 2017 and 9,800 as on 1st April, 2016)	Universal Telelinks Private Limited	3.60	3.51	3.40
9,800 (9,800 as on 31st March, 2017 and 9,800 as on 1st April, 2016)	Universal Electricals Private Limited	3.25	3.08	2.84
		<b>1757.35</b>	<b>1437.17</b>	<b>1148.10</b>
		<b>5292.52</b>	<b>3702.12</b>	<b>1148.10</b>

### B Investment in Bond at Amortised Cost

3,585 (3,585 as on 31st March, 2017 and 3,585 as on 1st April, 2016)	Power Finance Corporation Ltd. @ 8.20% p.a.	60.60	60.60	60.60
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### C Investments measured at Fair Value through Profit and Loss

Unquoted - Fully paid up Units of ₹10/- each unless otherwise stated

Nil (Nil as on 31st March 2017 and 3,22,503 as on 1st April 2016)	HDFC Gilt Fund Long Term - Growth of HDFC Mutual Fund	-	-	97.57
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	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>6. NON-CURRENT INVESTMENTS (Contd.)</b>			
5,97,170 ( 5,97,170 as on 31st March 2017 and 5,97,170 as on 1st April 2016) 'HSBC Income Fund Short Term Plan - Growth of HSBC Mutual Fund	<b>169.62</b>	160.69	148.43
12,18,597 (12,18,597 as on 31st March 2017 and 7,32,314 as on 1st April 2016)'IDFC Dynamic Bond Fund Plan A - Growth of IDFC Mutual Fund	<b>251.53</b>	245.71	217.94
Nil (2,81,484 as on 31st March 2017 and 2,81,484 as on 1st April 2016)'IDFC Dynamic Bond Fund Plan B - Growth -Regular Plan of IDFC Mutual Fund	-	56.75	50.18
Nil (Nil as on 31st March 2017 and 1,92,386 as on 1st April 2016)'JM G-Sec Fund - Growth Option of JM Financial Mutual Fund	-	-	89.26
89,932 (3,48,550 as on 31st March 2017 and 5,66,450 as on 1st April 2016)'JM Short Term Fund - Growth Option of JM Financial Mutual Fund	<b>21.96</b>	80.35	120.19
Nil (Nil as on 31st March 2017 and 8,21,714 as on 1st April 2016)'DHFL Premier Bond Fund - Regular Plan - Growth of DHFL Mutual Fund	-	-	197.82
12,31,878 (12,31,878 as on 31st March 2017 and 12,31,878 as on 1st April 2016)'HDFC Medium Term Opportunities Fund - Direct Plan Growth of HDFC Mutual Fund	<b>234.30</b>	223.93	203.72
53,04,725 (53,04,725 as on 31st March 2017 and 39,85,200 as on 1 April 2016)'HDFC Short Term Opportunities Fund - Direct Plan Growth of HDFC Mutual Fund	<b>1025.05</b>	960.18	660.45
Nil (12,11,358 as on 31st March 2017 and 12,11,358 as on 1st April 2016)'UTI Dynamic Bond Fund - Growth of UTI Mutual Fund	-	232.44	203.03
27,37,183 (27,37,183 as on 31st March 2017 and 27,37,183 as on 1st April 2016:) 'IDFC Banking Debt Fund Direct Plan Growth of IDFC Mutual Fund	<b>406.56</b>	382.99	357.21
3,06,748 (10,79,072 as on 31st March 2017 and 10,79,072 as on 1st April 2016)'Kotak Bond Short Term -Direct Plan Growth of Kotak Mutual Fund	<b>102.81</b>	333.93	305.46
53,783 (53,783 as on 31st March 2017 and 53,783 as on 1st April 2016) 'DSP Black Rock Banking and PSU Debt Fund Direct Growth of DSP Black Rock Mutual Fund	<b>7.53</b>	7.53	6.86
57,762 (8,43,507 as on 31st March 2017 and 8,43,507 as on 1st April 2016)'IDFC Dynamic Bond Fund Direct Plan Growth of IDFC Mutual Fund	<b>12.48</b>	326.77	287.55
10,10,625 (3,67,384 as on 31st March 2017 and 3,67,384 as on 1st April 2016)'Reliance Short Term Fund Direct Plan Growth of Reliance Mutual Fund	<b>340.43</b>	116.09	105.90
Nil (15,55,537 as on 31st March 2017 and 15,55,537 as on 1st April 2016) 'ICICI Prudential FMP Series 74-370D Plan A Direct Plan Growth of ICICI Prudential Mutual Fund	-	198.30	184.11
53,988 (53,988 as on 31st March 2017 and 53,988 as on 1st April 2016) 'ICICI Prudential Flexible Income Plan Direct Plan Growth of ICICI Prudential Mutual Fund	<b>180.90</b>	137.75	154.95
Nil (Nil as on 31st March 2017 and 2,89,998 as on 1st April 2016) 'DHFL Treasury Fund - Investment - Regular Plan Growth of DHFL Mutual Fund	-	-	48.68
12,24,154 (13,07,883 as on 31st March 2017 and 13,07,883 as on 1st April 2016) 'Edelweiss Arbitrage Fund Direct Plan Growth of Edelweiss Mutual Fund	<b>161.56</b>	161.75	150.87

	<b>As at 31st March, 2018 (₹ in lakhs)</b>	<b>As at 31st March, 2017 (₹ in lakhs)</b>	<b>As at 1st April, 2016 (₹ in lakhs)</b>
<b>6. NON-CURRENT INVESTMENTS (Contd.)</b>			
4,82,987 (4,82,987 as on 31st March 2017 and 4,82,987 as on 1st April 2016) 'Franklin India Low Duration Fund - Direct Plan - Growth of Franklin Templeton Mutual Fund	<b>98.03</b>	90.29	81.69
2,63,297 (9,51,678 as on 31st March 2017 and 1,63,61,366 as on 1st April 2016) 'HDFC Floating Rate Income Fund - Direct Plan - Growth of HDFC Mutual Fund	<b>80.00</b>	269.90	163.62
2,63,343 (4,83,681 as on 31st March 2017 and Nil as on 1st April 2016)'HDFC Floating Rate Income Fund - STP Growth Direct Plan - Growth of HDFC Mutual Fund	<b>80.01</b>	130.00	-
4,50,000 (4,50,000 as on 31st March 2017 and 4,50,000 as on 1st April 2016)'IDFC Dynamic Corporate Bond Fund Direct Plan Growth of IDFC Mutual Fund	<b>53.87</b>	50.47	45.83
5,04,035(3,36,089 as on 31st March 2017 and Nil as on 1st April 2016) Canara Robeco Savings Mutual Fund - Direct Growth Plan of Canara Robeco Mutual Fund	<b>46.09</b>	43.13	-
10,70,410 (11,53,231 as on 31st March 2017 and 9,41,522 as on 1st April 2016) 'DSP Black Rock Ultra Short Term Fund Direct Growth of DSP Black Rock Mutual Fund	<b>136.47</b>	137.32	103.43
13,73,987(19,23,588 as on 31st March 2017 and 15,31,898 as on 1st April 2016) 'L&T Ultra Short Term Fund - Direct Plan Growth of L&T Mutual Fund	<b>396.16</b>	517.49	380.14
5,92,036 (6,33,166 as on 31st March 2017 and 2,24,190 1st April 2016) 'Reliance Medium Term Fund Direct Plan Growth of Reliance Mutual Fund	<b>220.26</b>	219.64	71.14
5,66,488 (Nil as on 31st March 2017 and Nil as on 1st April 2016)'ICICI Prudential Short Term Plan - Direct - Growth of ICICI Prudential Mutual Fund	<b>212.46</b>	-	-
38,43,449 (Nil as on 31st March 2017 and Nil as on 1st April 2016) IDFC Credit Opportunity Fund - Direct - Growth of IDFC Mutual Fund	<b>422.63</b>	-	-
23,80,000 (Nil as on 31st March 2017 and Nil as on 1st April 2016) UTI Fixed Term Income Fund - Series - XXVIII - VII (1169 days) of UTI Mutual Fund	<b>241.16</b>	-	-
NIL (Nil as on 31st March 2017 and 4,54,417 as on 1st April 2016: 4,54,417) Canara Robeco Indigo Fund Regular - Growth of Canara Robeco Mutual Fund	-	-	64.60
1,59,642 (1,59,642 as on 31st March 2017 and Nil as on 1st April 2016) Canara Robeco Savings Plus Fund Regular - Growth of Canara Robeco Mutual Fund	<b>135.91</b>	84.11	-
1,75,424 (1,75,424 as on 31st March 2017 and 1,75,424 as on 1st April 2016) FT India Monthly Income Plan A - Growth of Franklin Templeton Mutual Fund	<b>92.34</b>	87.71	79.23
4,64,058 (4,64,058 as on 31st March 2017 and 4,64,058 as on 1st April 2016) HDFC High Interest Fund - STP - Growth of HDFC Mutual Fund	<b>160.56</b>	151.79	137.57
Nil (2,66,523 as on 31st March 2017 and 2,66,523 as on 1st April 2016) IDFC Super Saver Income Fund - Medium Term Plan - Growth of IDFC Mutual Fund	-	73.90	67.53
9,65,548 (9,65,548 as on 31st March 2017 and 9,65,548 as on 1st April 2016) IDFC Super Saver Income Fund - Short Term Plan - Growth - Regular Plan of IDFC Mutual Fund	<b>341.54</b>	322.22	297.74
Nil (2,00,000 as on 31st March 2017 and 2,00,000 as on 1st April 2016) DHFL Fixed Maturity Plan Series 56 Direct Plan Growth of DHFL Mutual Fund	-	26.38	24.19



	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>6. NON-CURRENT INVESTMENTS (Contd.)</b>			
8,999 (8,999 as on 31st March 2017 and 33,515 as on 1st April 2016) ICICI Prudential Savings Fund Direct Plan Growth of ICICI Prudential Mutual Fund	<b>24.33</b>	22.66	76.83
4,10,096 (4,69,767 as on 31st March 2017 and 7,40,421 as on 1st April 2016) DHFL Treasury Fund Investment Plan Direct Growth of DHFL Mutual Fund	<b>79.69</b>	85.36	124.29
4,50,000 (4,50,000 as on 31st March 2017 and 4,50,000 as on 1st April 2016) IDFC Corporate Bond Fund Direct Plan Growth of IDFC Mutual Fund	<b>49.37</b>	50.47	45.83
3,342 (3,342 as on 31st March 2017 and 3,819 as on 1st April 2016) Reliance Money Manager Fund - Direct Plan - Growth of Reliance Mutual Fund	<b>81.50</b>	76.08	80.19
6,06,638 (6,06,638 as on 31st March 2017 and Nil as on 1st April 2016) DHFL Pramerica Low Duration Fund - Direct Growth of DHFL Mutual Fund	<b>148.20</b>	137.80	-
3,11,308 (3,11,308 as on 31st March 2017 and Nil as on 1st April 2016) DSP Black Rock Ultra Short Term Fund - Direct Growth of DSP Blackrock Mutual Fund	<b>39.69</b>	37.07	-
4,607 (4,607 as on 31st March 2017 and Nil as on 1st April 2016) Invesco India Ultra Short Term Fund - Direct Growth of Invesco Mutual Fund	<b>112.70</b>	105.35	-
2,08,356 (2,08,356 as on 31st March 2017 and 2,08,356 as on 1st April 2016) HSBC MIP - Savings Plan - Growth of HSBC Mutual Fund	<b>72.59</b>	70.10	62.04
5,76,691 (6,36,362 as on 31st March 2017 and 9,07,015 as on 1st April 2016) DHFL Pramerica Short Term Floating Rate Fund - Direct Plan - Growth of DHFL Mutual Fund	<b>32.37</b>	30.27	27.96
8,76,440 (8,76,440 as on 31st March 2017 and 8,76,440 as on 1st April 2016) DHFL Short Maturity Fund - Premium Plus - Growth of DHFL Mutual Fund	<b>156.12</b>	148.03	136.64
5,58,887 (5,58,887 as on 31st March 2017 and 5,58,887 as on 1st April 2016) UTI Short Term Income Fund - Direct Plan of UTI Mutual Fund	<b>120.92</b>	113.58	103.00
4,83,202 (Nil as on 31st March 2017 and Nil as on 1st April 2016) Axis Short Term Fund - Direct Plan - Growth - of Axis Mutual Fund	<b>94.91</b>	-	-
4,34,094 (Nil as on 31st March 2017 and Nil as on 1st April 2016) DHFL Pramerica Short Maturity Fund - Direct Growth of DHFL Mutual Fund	<b>144.32</b>	-	-
Unquoted - Fully paid up Units of ₹1000/- each unless otherwise stated			
8,129 (7,194 as on 31st March 2017 and 7,194 as on 1st April 2016) 'Templeton India Short Term Income Retail Plan Direct Growth of Franklin Templeton Mutual Fund	<b>310.79</b>	251.99	225.31
5,787 (5,787 as on 31st March 2017 and Nil as on 1st April 2016)'Kotak Low Duration Fund -Direct Plan Growth of Kotak Mutual Fund	<b>126.78</b>	117.52	-
989 (Nil as on 31st March 2017 and Nil as on 1st April 2016) 'Franklin India Short Term Income Retail Plan - Direct - Growth of Franklin Templeton Mutual Fund	<b>37.82</b>	-	-
8,541 (8,541 as on 31st March 2017 and 2,646 as on 1st April 2016) UTI Treasury Advantage Fund Direct Plan Growth of UTI Mutual Fund	<b>206.14</b>	192.63	54.87
Nil (5,703 as on 31st March 2017 and Nil as on 1st April 2016) Axis Treasury Advantage Fund - Direct Plan Growth of Axis Mutual Fund	-	105.29	-
	<b>7470.46</b>	7373.71	6043.85
<b>TOTAL (A+B+C)</b>	<b>12823.58</b>	11136.43	7252.55

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>7. TRADE RECEIVABLES</b>			
(Unsecured and considered good)			
Considered Good	-	460.34	1561.26
	-	460.34	1561.26
<b>8. LOANS (At amortised cost)</b>			
(Unsecured and Considered Good) (To Related Parties)	2800.00	4800.00	4800.00
	2800.00	4800.00	4800.00
<b>9. OTHER FINANCIAL ASSETS</b>			
(Unsecured and Considered Good)			
Loans to Employees	1.97	6.44	6.44
Security Deposits	214.60	159.76	165.70
Non Current bank balances			
-In Term Deposit Accounts	2207.85	1635.59	1820.59
	2424.42	1801.79	1992.73
<b>10. OTHER NON-CURRENT ASSETS</b>			
(Unsecured and Considered Good)			
Capital Advances	421.17	119.36	31.82
Prepaid Expenses	12.46	51.87	13.96
	433.63	171.23	45.78
<b>11. INVENTORIES</b>			
Raw Materials	5127.85	4466.84	1824.32
[Including in Transit ₹ 1103.65 lakhs (₹ 499.63 lakhs as on 31st March, 2017 and ₹ 415.66 lakhs as on 1st April, 2016)]			
Packing Materials	173.14	95.02	102.21
Stores and Spares	205.52	156.62	178.00
Traded Goods	0.32	6.76	11.06
Work-in-Progress [including indefeasible right of use (IRU) network of ₹ 27736.40 lakhs (₹ 10438.50 lakhs as on 31st March, 2017 and ₹ 2522.73 lakhs as on 1st April, 2016)]	31759.87	14245.21	5576.65
Finished Goods	-	-	2.69
Scrap Materials	18.75	81.00	30.55
	37285.45	19051.45	7725.48

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>12. TRADE RECEIVABLES</b>			
(Unsecured)			
Considered Good	72054.11	46501.85	38447.64
Considered Doubtful	86.94	18.59	17.32
	<u>72141.05</u>	<u>46520.44</u>	<u>38464.96</u>
Less : Allowance for Doubtful Trade Receivables	86.94	18.59	17.32
	<u>72054.11</u>	<u>46501.85</u>	<u>38447.64</u>
<b>13. LOANS (At amortised cost) (Current)</b>			
(Unsecured and Considered Good) (To Related Parties)	2000.00	-	-
	<u>2000.00</u>	<u>-</u>	<u>-</u>
<b>14. CASH AND CASH EQUIVALENTS</b>			
Balances with Banks			
-In Current Accounts	328.78	324.26	273.53
Cheques/Drafts on Hand	68.81	29.84	150.87
Cash on Hand	2.24	4.64	2.16
	<u>399.83</u>	<u>358.74</u>	<u>426.56</u>
<b>15. OTHER BANK BALANCES</b>			
-In Unpaid Dividend Account	33.31	22.01	12.26
-In Term Deposit Accounts (Term Deposit Receipts are under lien with Banks towards Margin against Letter(s) of Credit, Bank Guarantees and other Commitments)	3117.19	3751.38	2325.84
	<u>3150.50</u>	<u>3773.39</u>	<u>2338.10</u>
<b>16. OTHER FINANCIAL ASSETS</b>			
(Unsecured and Considered Good)			
Interest Accrued on Investments	1.35	1.35	1.35
Loans to Employees	11.39	11.80	10.48
Security Deposits	578.60	394.60	390.25
Sales Tax Subsidy Receivable	171.59	-	-
Claim, Export Benefits Receivable etc.	294.27	95.70	343.43
Unbilled Revenue	12510.16	7690.42	6225.44
ROW Charges Recoverable from Customer	3215.44	9355.40	6994.63
	<u>16782.80</u>	<u>17549.27</u>	<u>13965.58</u>
<b>17. OTHER CURRENT ASSETS</b>			
(Unsecured and Considered Good)			
Prepaid Expenses	174.14	103.39	60.52
Balance With Government Authorities	2955.03	1272.07	1324.81
Other Advances	265.94	2114.20	4453.84
	<u>3395.11</u>	<u>3489.66</u>	<u>5839.17</u>

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
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**18. EQUITY SHARE CAPITAL**
**Authorised**

1,50,00,000 (1,50,00,000) (1,50,00,000) Equity Shares of ₹ 10/- each	<b>1500.00</b>	1500.00	1500.00
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**Issued**

1,18,52,014 (1,18,52,014) (1,18,52,014) Equity Shares of ₹ 10/- each	<b>1185.20</b>	1185.20	1185.20
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**Subscribed and Fully paid up**

1,18,50,863 (1,18,50,863) (1,18,50,863) Equity Shares of ₹ 10/- each	<b>1185.09</b>	1185.09	1185.09
Less: Calls Unpaid	<b>0.88</b>	0.91	0.94
	<b>1184.21</b>	1184.18	1184.15

- (a) **Reconciliation of the number of equity shares and amount outstanding at the beginning of the year and at the end of the year :**

Description	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Outstanding at the beginning of the year	<b>11850863</b>	<b>1185.09</b>	11850863	1185.09	11850863	1185.09
Outstanding at the end of the year	<b>11850863</b>	<b>1185.09</b>	11850863	1185.09	11850863	1185.09

- (b) **Term/Right attached to Equity Shares:**

The Company has issued only one class of shares referred to as equity share having a par value of ₹10/- per share ranking pari-passu. The holders of equity shares are entitled to one vote per share.

- (c) **Details of Shareholders holding more than 5% shares based on legal ownership in the subscribed share capital of the Company:**

Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Universal Cables Limited	<b>3454530</b>	<b>29.15</b>	3454530	29.15	3454530	29.15
The Punjab Produce & Trading Company Private Limited	<b>1291374</b>	<b>10.90</b>	1291374	10.90	1291374	10.90
Belle Vue Clinic	<b>1164286</b>	<b>9.82</b>	1164286	9.82	1164286	9.82
Reliance Capital Trustee Co. Limited A/c Reliancesmall Cap Fund	<b>1062224</b>	<b>8.96</b>	826916	6.98	826916	6.98

**19. OTHER EQUITY**
**Capital Reserve**

Difference between the cost of the investment in the Subsidiaries and Company's portion in Equity of the Subsidiaries at the time of acquisition

<b>0.03</b>	0.03	
<b>0.03</b>	0.03	0.03

**Securities Premium Account**

Opening Balance	<b>3885.67</b>	3885.43	
Add : Received during the year	<b>0.17</b>	0.24	
Closing Balance	<b>3885.84</b>	3885.67	3885.43

**Debenture Redemption Reserve**

Opening Balance	<b>418.00</b>	-	
Add : Transferred from Retained Earnings	<b>835.00</b>	418.00	
Closing balance	<b>1253.00</b>	418.00	-

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>19. OTHER EQUITY (Contd.)</b>			
<b>Reserve Fund (under Reserve Bank of India Act, 1934)</b>			
Opening Balance	2766.29	2451.74	
Add : Transferred from Retained Earnings	389.65	314.55	
Closing balance	3155.94	2766.29	2451.74
<b>General Reserve</b>			
Opening Balance	39100.00	33500.00	
Add : Transferred from Retained Earnings	1500.00	5600.00	
Closing Balance	40600.00	39100.00	33500.00
<b>Retained Earnings</b>			
Opening Balance	93215.58	84008.02	
Add : Profit for the year	15341.07	17004.16	
Add : Item of Other Comprehensive Income recognised directly in Retained Earnings			
-Re-measurement of post employment benefits obligation (Net of tax)	162.26	(217.08)	
Less : Adjustment on account of exclusion of BCL	-	(372.76)	
	108718.91	100422.34	
Less : Appropriations			
Transferred to Debenture Redemption Reserve	835.00	418.00	
Transferred to Reserve Fund	389.65	314.55	
Transferred to General Reserve	1500.00	5600.00	
Dividend on Equity Shares	829.56	711.05	
Tax on Dividend on Equity Shares	58.34	163.16	
	3612.55	7206.76	
	105106.36	93215.58	84008.02
<b>Other Comprehensive Income</b>			
<b>Equity/Debt Instrument Through OCI</b>			
Opening Balance	27881.50	15863.13	
Add : Other Comprehensive Income for the year	5806.85	11965.31	
Add : Adjustment on account of exclusion of BCL	-	53.06	
Closing Balance	33688.35	27881.50	15863.13
<b>Revaluation Reserve</b>			
Opening Balance	-	-	
Add : Other Comprehensive Income for the year	20705.51	-	
Closing Balance	20705.51	-	-
	208395.03	167267.07	139708.35
<b>20. BORROWING NON-CURRENT</b>			
<b>Secured</b>			
Loans from Banks			
Rupee Term Loan	914.36	744.84	990.84
Foreign Currency Term Loan	1451.98	2162.91	2959.77
Supplier's Credit in Foreign Currency	-	-	708.48
<b>Unsecured</b>			
Redemable Non-Convertible Debentures	10195.68	5052.39	-
Other Loans			
From a Body Corporate	-	3000.00	6500.00
	12562.02	10960.14	11159.09

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
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**20. BORROWING NON-CURRENT (Contd.)**

Less: Current Maturities of Long-term Borrowings at the year end (disclosed under Note No. 27)

Supplier's Credit in Foreign Currency	-	-	708.48
Rupee Term Loan	416.67	250.00	250.00
Foreign Currency Term Loan from a bank	731.27	729.95	751.53
Loans from Bodies Corporate	-	-	700.00
	<u>1147.94</u>	<u>979.95</u>	<u>2410.01</u>
	<u>11414.08</u>	<u>9980.19</u>	<u>8749.08</u>

- (a) Rupee Term Loan and Foreign Currency Term Loans from a bank are secured by way of hypothecation of moveable fixed assets, both present and future and first charge created by way of joint mortgage by deposit of title deeds of certain immoveable properties of the Company, ranking pari-passu inter se amongst consortium lenders. The said term loans are further secured by second charge by way of hypothecation of entire Current Assets, both present and future, of the Company viz inventories, bills receivables, book debts, claims, etc. Rupee Term Loan of ₹ 416.67 lakhs carries rate of interest of 9.15% p.a. and is repayable in 12 quarterly installments commencing from December, 2017 and ending on September, 2020. Another Rupee Term Loan of ₹ 497.69 lakhs and Foreign Currency Term Loan are repayable in 16 quarterly installments commencing from April, 2016 and ending on January, 2020. Rupee Term Loan carries Interest rate of 9.45% p.a. Foreign Currency Term Loan carries interest rate of 4.65% p.a. and 10.25% p. a. (fully hedged) on the reporting date.
- (b) Unsecured Non-Convertible Debentures Series I and Series II carry a coupon rate of 8.50% and 8.40% p.a., respectively and are redeemable fully "at par" as per details below :

	Series I	Series II
(i)	₹ 1700 lakhs on 15.02.2022	₹ 1600 lakhs on 25.10.2022
(ii)	₹ 1650 lakhs on 13.02.2021	₹ 1700 lakhs on 25.10.2021
(iii)	₹ 1650 lakhs on 14.02.2020	₹ 1700 lakhs on 23.10.2020

**21. OTHER FINANCIAL LIABILITIES (NON-CURRENT)**

Security Deposits	9.85	9.95	10.12
	<u>9.85</u>	<u>9.95</u>	<u>10.12</u>

**22. OTHER NON-CURRENT LIABILITIES**

Deferred Subsidy	587.20	508.81	255.95
	<u>587.20</u>	<u>508.81</u>	<u>255.95</u>

**23. PROVISIONS (NON CURRENT)**

Provision for Employee Benefits			
Compensated Absences	16.64	-	65.92
Pension	28.24	29.66	29.82
Provision for Warranty*	2897.16	2235.08	1513.07
	<u>2942.04</u>	<u>2264.74</u>	<u>1608.81</u>

\* Warranty provision represents the expected cost of meeting obligations of rectification/replacement of certain products manufactured/outsourced and supplied by the Company and forming a part of the composite turnkey contracts and services being executed by the Company having stipulation of warranty and also in respect of a contract of supply of manufactured and outsourced products executed by the Company.



	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
<b>24. DEFERRED TAX LIABILITIES (NET)</b>			
<b>(a) Deferred Tax Liabilities</b>			
WDV of Property, Plant and Equipments and Intangible Asset	816.00	756.00	710.24
Gain on Fair Valuation on Investments	257.61	225.86	146.78
Others	-	-	160.41
	<b>1073.61</b>	<b>981.86</b>	<b>1017.43</b>
<b>(b) Deferred Tax Assets</b>			
Allowance for Doubtful Receivables	30.38	6.43	5.99
Items Deductible on Payment Basis	482.91	473.17	217.45
Others	9.60	26.64	27.93
	<b>522.89</b>	<b>506.24</b>	<b>251.37</b>
<b>Net Deferred Tax Liabilities</b>	<b>550.72</b>	<b>475.62</b>	<b>766.06</b>

**Reconciliation of Deferred Tax Liabilities (Net):**

Opening Balance	475.62	766.06
Deferred Tax Expense recognised in the Statement of Profit and Loss	40.80	(321.08)
Deferred Tax Expense recognised in the Statement of Other Comprehensive Income	34.30	30.64
Closing Balance	550.72	475.62

**25. BORROWINGS**
**Working Capital Loans/ Borrowings from Banks (Secured)**

Working Capital Demand Loans	1509.61	-	-
Short Term Loan	2000.00	-	-
Cash Credit Facilities	11400.53	14396.65	4353.73
Buyer's Credit	2119.62	1934.74	3869.75
Export Packing Credit	2009.27	276.96	575.52
	<b>19039.03</b>	<b>16608.35</b>	<b>8799.00</b>

**Other Loans (Unsecured)**

Commercial Paper (Face Value of ₹ 5.00 lakhs each)	15461.87	-	9611.23
From Bodies Corporate (Repayable on demand)	-	-	1750.00
	<b>15461.87</b>	<b>-</b>	<b>11361.23</b>
	<b>34500.90</b>	<b>16608.35</b>	<b>20160.23</b>

- (a) Working capital loans/borrowings from banks are generally renewable within twelve months from the date of sanction or immediately previous renewal, unless otherwise stated. The lender banks have a right to cancel the credit limits (either fully or partially) and, interalia, demand repayment in case of non-compliance of terms and conditions of sanctions or deterioration in the sanctioned loan accounts in any manner.
- (b) Working capital loans/borrowings (both fund and non-fund based) from banks including certain buyer's credit are secured by way of hypothecation of entire Current Assets, both present and future, of the Company viz Inventories, bills receivables, book debts (trade receivables), claims, etc. and are further secured by way of hypothecation of moveable fixed assets, both present and future, and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company ranking Pari-passu interse amongst consortium lenders. As a collateral security, the working capital loans/borrowings from banks are additionally secured by way of pledge of 12,50,000 equity shares held by the Company in Birla Cable Limited and cross corporate guarantee of Birla Cable Limited.

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)	As at 1st April, 2016 (₹ in lakhs)
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**25. BORROWINGS (Contd.)**

- (c) Certain Buyer's Credit of ₹ 800.42 lakhs from a bank is secured by way of hypothecation of moveable Fixed Assets, both present and future and first charge created by way of joint mortgage by deposit of title deeds of certain immoveable properties of the Company, ranking pari-passu inter se amongst consortium lenders. The said Buyer's Credit is further secured by second charge by way of hypothecation of entire Current Assets, both present and future, of the Company viz inventories, bills receivables, book debts, claims, etc. Buyer's Credit (In Foreign Currency) are due for repayment between April, 2018 and May, 2018 and carry rate of interest of 0.22% to 2.12% p.a.

**26. TRADE PAYABLES**

Micro Enterprises and Small Enterprises*	<b>3322.68</b>	1258.14	1849.10
Others	<b>43159.66</b>	29186.72	16044.90
	<b>46482.34</b>	30444.86	17894.00

\* Principal amount outstanding as at the year end. There is no overdue amount of principal and interest due to Micro and Small Enterprises. During the period, no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the company.

**27. OTHER FINANCIAL LIABILITIES**

Current Maturities of Long Term Borrowings	<b>1147.94</b>	979.95	2410.01
Accrued Employee Benefits Expense	<b>416.23</b>	267.44	198.28
Unclaimed Dividend*	<b>33.31</b>	22.01	12.26
Creditors/Liability Pertaining to Capital Expenditure	<b>223.40</b>	1146.17	225.65
Provision for MTM of Derivative Instruments	<b>37.85</b>	100.32	126.31
	<b>1858.73</b>	2515.89	2972.51

\*This does not include any amount due and outstanding to be credited to Investors Education and Protection Fund during the year.

**28. OTHER CURRENT LIABILITIES**

Statutory Dues	<b>1241.21</b>	1061.16	706.44
Excess of Billing over Revenue	<b>1259.21</b>	1634.55	464.98
Mobilisation and other Advances from Customers	<b>8073.55</b>	7367.72	2779.86
Deferred Subsidy	<b>158.73</b>	111.31	50.62
	<b>10732.70</b>	10174.74	4001.90

**29. PROVISION**

Provision for Employee Benefits			
Gratuity	<b>46.94</b>	83.82	47.20
Compensated Absences	<b>19.65</b>	20.51	39.13
Pension	<b>4.44</b>	4.44	4.44
Others	<b>227.24</b>	205.46	173.92
Contingent Provision against Standard Assets	<b>16.80</b>	16.80	12.50
	<b>315.07</b>	331.03	277.19

	For the year ended 31st March, 2018 (₹ in lakhs)	For the year ended 31st March, 2017 (₹ in lakhs)
<b>30. REVENUE FROM OPERATIONS</b>		
Sale of Products	40286.16	27758.88
Engineering, Procurement & Construction (EPC) Revenue and Services	94228.67	74404.84
[Including revenue from construction contracts (Refer Note No. 42) and IRU (Refer Note No. 46b)]		
Other Operating Income	623.63	491.12
[Including Export incentives of ₹157.02 lakhs (₹ 79.01 lakhs)]		
	<b>135138.46</b>	<b>102654.84</b>
<b>31. OTHER INCOME</b>		
Interest Income		
On Loan measured at amortised cost	476.03	513.99
On Bond measured at amortised cost	4.95	4.95
On Others	371.59	392.65
Dividend Income on Investments		
From Associates and Joint Ventures	1585.67	1521.69
Equity instruments measured at FVTOCI	27.88	8.07
On Others	0.64	-
Gain on Sale of Investments designated at FVTPL (Net)		
Long Term	374.80	156.18
Short Term	90.38	22.55
Fair Value gain arising on investments measured at FVTPL	(47.83)	433.91
Gain on Foreign Currency transactions and translations (Net)	-	276.58
Subsidy Income	158.73	111.31
Rent Received	64.91	66.87
Profit on Sale/ Disposal of Fixed Assets (Net)	10.61	-
Other Non Operating Income	53.02	4.39
	<b>3171.38</b>	<b>3513.14</b>
<b>32. MATERIALS PURCHASED/ SUBCONTRACTS EXPENSES</b>		
Materials Purchased	57788.85	31311.34
Other Engineering & Construction Expenses	27422.55	35658.14
	<b>85211.40</b>	<b>66969.48</b>
<b>33. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN TRADE, ETC.</b>		
<b>Closing Inventories</b>		
Work-in-Progress	31759.87	14245.21
Finished Goods	-	-
Stock-in-Trade	0.32	6.76
Scrap Materials	18.75	81.00
	<b>31778.94</b>	<b>14332.97</b>

	For the year ended 31st March, 2018 (₹ in lakhs)	For the year ended 31st March, 2017 (₹ in lakhs)
<b>33. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN TRADE, ETC. (Contd.)</b>		
<b>Opening Inventories</b>		
Work-in-Progress	14245.21	5576.65
Finished Goods	-	2.69
Stock-in-Trade	6.76	11.06
Scrap Materials	81.00	30.55
	<u>14332.97</u>	<u>5620.95</u>
	<u>(17445.97)</u>	<u>(8712.02)</u>
<b>34. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Benefits, etc.	5634.96	4145.71
Contribution to Provident and Other Funds, etc.	371.63	283.56
Employees Welfare Expenses	290.45	257.85
	<u>6297.04</u>	<u>4687.12</u>
<b>35. FINANCE COSTS</b>		
Interest Expense	3743.42	2759.75
Other Borrowing Costs	976.51	1314.53
	<u>4719.93</u>	<u>4074.28</u>
<b>36. DEPRECIATION AND AMORTISATION EXPENSE</b>		
On Property, Plant and Equipment	1471.27	1264.09
On Investment Property	2.32	2.32
On Intangible Assets	17.21	-
	<u>1490.80</u>	<u>1266.41</u>
<b>37. OTHER EXPENSES</b>		
Consumption of Stores and Spares	540.98	405.38
Packing Materials	1157.05	570.36
Processing/Job work and Testing Charges	72.60	132.24
Power and Fuel	853.07	599.80
Sales Commission (other than sole selling agent)	76.95	60.01
Rent	539.98	369.58
Repair & Maintenance		
Plant & Equipment	69.89	108.89
Buildings	99.73	187.89
Others	33.86	35.49
Insurance	303.45	195.96
Rates & Taxes	1048.69	1155.63
Travelling and Conveyance	1149.65	842.12
Payment to Auditors		

	For the year ended 31st March, 2018 (₹ in lakhs)	For the year ended 31st March, 2017 (₹ in lakhs)
<b>37. OTHER EXPENSES (Contd.)</b>		
Statutory Auditors		
Audit Fees	15.72	15.69
Tax Audit Fee	1.24	1.27
Quarterly Reviews	4.50	4.50
Taxation Matters	0.30	0.25
Certification, etc.	8.73	4.12
Reimbursement of Expenses	1.27	0.87
Cost Auditors		
Audit Fees	0.55	0.55
Certification, etc.	0.22	0.27
Reimbursement of Expenses	0.15	0.17
Legal and Professional	218.27	225.59
Loss on Sale/discard of Fixed Assets (Net)	-	2.02
Allowance for Doubtful Trade Receivables	68.34	1.69
Bad Debts/Sundry Balances Written Off (Net)	225.86	442.72
Foreign Exchange Rate Fluctuation (Net)	41.71	-
Warranty Expenses (Net)	662.07	729.62
Contingent Provision against Standard Assets	-	4.31
Miscellaneous Expenses [Including ₹ 179.12 lakhs (₹ 135.00 lakhs) incurred towards Corporate Social Responsibility]	1515.53	1588.11
	<b>8710.36</b>	<b>7685.10</b>
<b>38. TAX EXPENSE</b>		
<b>Amount Recognised in the Statement of Profit and Loss</b>		
<b>Current Tax</b>		
Current Tax	4445.69	3343.15
Tax adjustment of earlier years	(28.31)	(0.40)
	<b>4417.38</b>	<b>3342.75</b>
Deferred Tax Charge/ (Credit)	40.80	(321.08)
<b>Total Tax Expense</b>	<b>4458.18</b>	<b>3021.67</b>
<b>Amount Recognised in the OCI</b>		
Deferred Tax on FV of Investments	(34.30)	(30.63)
Current Income Tax on Re-mesurement of Defined Benefit Plan	(2.31)	14.51
<b>Total Tax Expense</b>	<b>(36.61)</b>	<b>(16.12)</b>
<b>Reconciliation of effective tax rate:</b>		
Accounting Profit Before Income Tax and Share of Profit in Associates/ Joint Ventures	14677.17	10999.47
At applicable Statutory Income Tax Rate @ 34.61%	5079.47	3806.70
Tax effect of Exempt Income	(561.74)	(531.13)
Tax effect of Permanent Disallowances	58.74	9.78
Tax effect of change in Tax rates	(25.57)	(115.21)
Benefit due to indexation on long term capital gain	(87.30)	(45.58)
Tax adjustment of earlier years	(28.32)	(0.40)
Others	22.90	(102.49)
Tax Expenses Recognised in the Statement of Profit and Loss	<b>4458.18</b>	<b>3021.67</b>
Effective Income Tax Rate	<b>30.37%</b>	<b>27.47%</b>

**39. Earning per share (EPS):**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Basic/Weighted Average Number of Equity Shares outstanding during the year	<b>11850863</b>	11850863
Profit for the year (₹ in lakhs)	<b>15341.07</b>	17004.16
Nominal value of each equity share (₹)	<b>10.00</b>	10.00
EPS (Basic and Diluted)	<b>129.45</b>	143.48

40. (a) In accordance with Ind AS 18 on “Revenue” and Schedule III to the Companies Act, 2013, sales up to period ended 30th June, 2017 were reported gross of excise duty and net of value added tax (VAT)/ central sales tax (CST) and service tax. Excise duty was reported as separate expense. Consequent to the introduction of Goods & Services Tax (GST) with effect from 1st July, 2017 excise duty, VAT, sales tax, service Tax, etc. have been subsumed into GST and the same is not recognised as a part of sales as per the requirement of Ind AS 18. Accordingly Revenue from Operations in the current year is not comparable with that of the previous year.
- (b) The Parent Company had certain pending/unexecuted turnkey contracts on the date of implementation of Goods and Services Tax (GST) as of 1st July, 2017, wherein contract prices were arrived at based on taxes and duty structure prevailing before implementation of GST. Pending revision/ reset of contract prices in accordance with GST regime, the Revenue from Operations pertaining to such turnkey contracts has been recognised based on fair assessment and evaluation of impact of GST on the contract prices. In the opinion of the Management, this is not likely to have any material impact upon revision/ resetting of the contract prices by the customers.
- (c) The Trade Receivables as at 31st March, 2018 include an amount of ₹ 174.68 lakhs receivable from a customer against whom the insolvency proceedings have been initiated as per Insolvency and Bankruptcy Code, 2016. Considering the terms and conditions of optical fibre cable network provided by the Parent Company on Indefeasible Right of Usage basis and the consequential operations and maintenance contract(s), the Management believes that the said Trade Receivables are good and the carrying amount of the same is appropriate.

**41. Contingent Liabilities and Commitments (to the extent not provided for) –**

- (a) Contingent Liabilities:
- (i) Pending cases with income tax appellate authorities where income tax department has preferred appeals – Liability not ascertainable.
  - (ii) Sales tax & Service tax matters under litigation ₹ NIL (₹114.61 lakhs ; 31st March, 2017) (₹149.54 lakhs; 1st April, 2016).
  - (iii) The Parent Company has an ongoing process for collection and submission of the relevant declaration forms under the Sales Tax Act to the concerned authorities and the Parent Company does not foresee any material liability in this regard.
- (b) Commitments:
- Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 3966.01 lakhs (₹ 462.50 lakhs; 31st March, 2017) (₹ 205.19 lakhs; 1st April, 2016).

**42. Information pursuant to Ind AS 11 “Revenue from Construction Contracts” are furnished hereunder :**

(₹ in lakhs)

Sl. No.	Particulars	2017-18	2016-17
(a)	Contract Revenue recognised for the year	<b>66855.92</b>	75447.41
(b)	The relevant information relating to all Contracts in progress upto the reporting date are given below:		
	(i) Aggregate amount of costs incurred	<b>173718.19</b>	127750.29
	(ii) Recognised profits (less recognised losses) upto the reporting date	<b>18011.68</b>	12086.26
	(iii) Amount of customer advances received and outstanding	<b>9972.02</b>	2236.92
	(iv) Amount due from customers (including retentions, if any) as an asset	<b>45973.50</b>	35166.98
	(v) Retention with the customer	<b>12037.77</b>	7489.00



**43. Employee Benefits:**
**(a) Gratuity and Pension:**
**(i) Amount of net employee benefit exposure recognised in the Statement of Profit and Loss:**

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Current Service Cost	44.10	41.19	-	-
Interest Cost on Benefit Obligation	45.10	37.91	2.00	2.01
Expected Return on Plan Assets	(41.69)	(40.16)	-	-
Net Actuarial (Gain)/Loss recognised	-	-	5.46	2.27
Net Employee Benefit Expense	47.51	38.94	7.46	4.28

**(ii) Amount recognised in Other Comprehensive Income:**

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Actuarial Gain/(Loss) on Plan Assets	5.31	1.42	-	-
Actuarial Gain/(Loss) on DBO arising from- Experience Adjustment	(11.18)	-	-	-
Difference in Present Value of Obligation	12.54	(43.35)	-	-
Amount Recognised in OCI	6.67	(41.93)	-	-

**(iii) Amount recognised in the Balance Sheet:**

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Defined Benefit Obligation	686.80	628.30	32.68	34.10
Fair value of the plan assets	638.50	543.00	-	-
Paid by Group Company	1.36	1.48	-	-
Net Asset/(Liability)	(46.94)	(83.82)	(32.68)	(34.10)

**(iv) Changes in Present Value of the Defined Benefit Obligation:**

(₹ in lakhs)

Description	Gratuity		Pension	
	2017-18	2016-17	2017-18	2016-17
Opening Defined Benefit Obligation	628.30	525.72	34.10	34.26
Interest cost	45.10	37.91	2.00	2.01
Current Service Cost	44.10	41.19	-	-
Benefits Paid	(29.35)	(19.87)	(4.44)	(4.44)
Actuarial (Gain)/Loss	(1.35)	43.35	1.02	2.27
Closing Defined Benefit Obligation	686.80	628.30	32.68	34.10

**(v) Changes in the Fair Value of Plan Assets:**

(₹ in lakhs)

Description	Gratuity	
	2017-18	2016-17
Opening Fair Value of Plan Assets	543.00	477.00
Expected Return on Plan Assets	41.69	40.16
Contributions by Employer	83.88	44.29
Benefits Paid	(35.38)	(19.87)
Actuarial Gain/(Loss)	5.31	1.42
Closing Fair Value of Plan Assets	638.50	543.00

- (vi) The major categories of Plan Assets in case of Gratuity as a percentage of the fair value of total Plan Assets:

Description	Gratuity (%)	
	2017-18	2016-17
Investments with Insurer (Life Insurance Corporation of India)	100	100

The overall expected rate of return on assets is determined based on the actual rate of return during the current year. The Company expects to contribute ₹ 110.00 lakhs to its defined benefit approved Gratuity plan during the financial year 2018-19.

- (vii) The principal assumptions used in determining defined benefit obligations are shown below:

Description	Gratuity		Pension	
	2017-18	2016-17	2017-18	2016-17
Mortality Table	<b>IAL (2006-08) Ultimate</b>	IAL (2006-08) Ultimate	<b>LIC(1996-98) Ultimate</b>	LIC(1996-98) Ultimate
Attrition Rate	<b>5.00% p.a.</b>	5.00% p.a.	<b>N.A.</b>	N.A.
Imputed Rate of Interest (IC)	<b>7.35% p.a.</b>	7.35% p.a.	<b>7.30% p.a.</b>	7.30% p.a.
Imputed Rate of Interest (D)	<b>7.65% p.a.</b>	7.35% p.a.	<b>7.50% p.a.</b>	7.30% p.a.
Salary Rise	<b>7.50% p.a.</b>	7.50% p.a.	<b>N.A.</b>	N.A.
Expected Return on Plan Assets	<b>7.35% p.a.</b>	8.21% p.a.	<b>N.A.</b>	N.A.
Remaining Working Life	<b>14.55 years</b>	14.85 years	<b>N.A.</b>	N.A.

The estimates of future salary increases, considered in actuarial valuation, take into account the effect of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on plan assets is determined based on the market prices prevailing as on Balance Sheet date, applicable to the period over which the obligation is to be settled.

- (viii) Quantitative sensitivity analysis for significant assumptions:

Reasonably possible changes at the year end, to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as the amounts shown below: -

(₹ in lakhs)

Description	Delta Effect of	31st March, 2018		31st March, 2017	
		Decrease	Increase	Decrease	Increase
Gratuity					
Discount Rate	1%	43.30	(39.18)	42.14	(38.03)
Salary Growth Rate	1%	(39.59)	42.94	(38.31)	41.67
Attrition Rate	1%	0.37	(0.45)	0.92	(1.01)

- (ix) Maturity Profile of Defined Benefit Obligation:

(₹ in lakhs)

Description	Gratuity	
	2017-18	2016-17
Within next 12 months (next annual reporting period)	34.95	50.45
Between 1 to 5 years	401.28	207.34
Between 5 to 10 years	384.06	429.76
10 years and above	364.36	400.10

- (b) Provident Fund :

The Parent Company contributes its share in an approved provident fund trust viz. Universal Cable Limited Employee Provident Fund. The Parent Company is liable for shortfall, if any, in the fund asset based on the government specified minimum rate of return. Based on the valuation made by an independent Actuary, there is no shortfall as at 31st March, 2018. The Parent Company's aggregate Contribution to the said fund of ₹ 199.84 lakhs (₹ 175.01 lakhs) is charged to the Statement of Profit and Loss.

Details of present value of defined benefit obligation, plan assets and assumptions are as follows:

(₹ in lakhs)

Defined Contribution Plan	Gratuity	
	2017-18	2016-17
Plan Asset Fair Value	<b>3142.77</b>	2914.80
Present Value of Defined Benefit Obligation	<b>3056.80</b>	2667.12
Shortfall if any	-	-
Assumption used in determining the present value of DBO		
- Discounted rate	<b>8.55% p.a.</b>	8.65% p.a.
- Yield	<b>8.83% p.a.</b>	9.00% p.a.

(c) Defined Contribution Plan:

Company's contribution to an approved Superannuation Fund as per the scheme formulated by the Company and Contribution to Employee's Regional Provident Fund are charged to the Statement of Profit and Loss in the year in which an eligible employee renders the service. The Company has recognised the following contributions as expense in the Statement of Profit and Loss.

(₹ in lakhs)

Defined Contribution Plan	2017-18	2016-17
Contribution to Superannuation Fund	<b>48.27</b>	44.36
Contribution to Employee's Regional Provident Fund (J&K)	<b>4.24</b>	1.97

**44. Segment Information:**

**Cable**

- Manufacturing and marketing of telecommunication cables, other types of wires & cables and FRP rods/ glass rovings, etc.

**EPC (Engineering, Procurement and Construction)**

- Undertakes and Executes contracts and/or provide infrastructure related services with or without materials, as the case may be.

**(a) Information about Operating Segments**

(₹ in lakhs)

Business Segments	Year ended 31st March, 2018			Year ended 31st March, 2017		
	Cable	EPC	Total	Cable	EPC	Total
<b>Revenue</b>						
External Sales and Other Operating Income (Net)	<b>40736.39</b>	<b>94402.07</b>	<b>135138.46</b>	28096.19	74558.65	102654.84
Inter Segment Sales (at arm's length basis)	<b>6294.56</b>	-	<b>6294.56</b>	264.53	-	264.53
Other Income*	<b>209.98</b>	<b>12.30</b>	<b>222.28</b>	206.73	74.23	280.96
<b>Total Revenue from Operation</b>	<b>47240.93</b>	<b>94414.37</b>	<b>141655.30</b>	28567.45	74632.88	103200.33
<b>Results</b>						
Segment Results (PBIT)	<b>6231.85</b>	<b>9663.72</b>	<b>15895.57</b>	3091.32	7803.58	10894.90
Interest Expense (Net)			<b>(2890.85)</b>			(1848.16)
Unallocable Income/(Expense) Net			<b>6794.53</b>			10979.09
Tax Expenses (Net)			<b>(4458.18)</b>			(3021.67)
<b>Profit After Tax</b>			<b>15341.07</b>			17004.16
<b>Other Information</b>						
Segment Assets	<b>36949.96</b>	<b>108895.93</b>	<b>145845.89</b>	27565.11	74077.16	101642.27
Unallocable Assets			<b>173588.69</b>			140358.88
<b>Total Assets</b>			<b>319434.58</b>			242001.15
Segment Liabilities	<b>11343.93</b>	<b>50375.45</b>	<b>61719.38</b>	7287.46	37921.44	45208.90
Unallocable Liabilities			<b>48135.96</b>			28341.00
<b>Total Liabilities</b>			<b>109855.34</b>			73549.90
Capital Expenditure Incurred	<b>2314.68</b>	<b>185.56</b>	<b>2500.24</b>	1954.35	150.64	2104.99
Depreciation and Amortisation	<b>1094.28</b>	<b>396.52</b>	<b>1490.80</b>	899.22	367.19	1266.41

\*Excludes ₹ 2949.10 lakhs (₹ 3232.18 lakhs) netted off from unallocated expenses and interest expense.

(b) Geographical Segments:

The following table shows the distribution of the Group's Revenue from Operations by geographical markets, regardless of where the goods were produced:

(₹ in lakhs)

Sl. No.	Geographical Segments	2017-18	2016-17
(i)	Domestic Market (within India)	131521.09	100813.39
(ii)	Overseas Markets (outside India)	3617.37	1841.45
	<b>Total</b>	<b>135138.46</b>	102654.84

The Group has common fixed assets for manufacturing goods/providing services in the Domestic Market as well as for the Overseas Markets. Hence, separate figures for fixed assets/additions to fixed assets have not been furnished.

(c) Revenue from two customers of EPC business segment was ₹ 28820.41 lakhs (₹ 57174.00 lakhs), which is more than 10% of the total revenue of the Company.

**45. Disclosures in respect of Related Parties as defined in Indian Accounting Standard (Ind AS)-24, with whom transactions were entered into at an arm's length and in the normal/ ordinary course of business during the year are given below:**

(i)	Joint Ventures (Joint Arrangements)	Birla Cable Limited (BCL) (Formerly Birla Ericsson Optical Limited) (Ceased to be Joint Venture w.e.f. 24th August, 2016) Birla Visabeira Private Limited (BVPL)																				
(ii)	Entity where Key Management Personnel/ relatives of KMP have significant influence	Shakun Polymers Limited (SPL)																				
(iii)	Associate Company	Universal Cables Limited (UCL) Birla Corporation Limited (B.CORP) Punjab Produce Holding Limited (PPHL)																				
(iv)	Joint Venture of an Associate Company	Birla Furukawa Fibre Optics Private Limited (BFFOPL)																				
(v)	Wholly owned Subsidiaries of an Associate Company	Reliance Cement Company Private Limited (RCCPL)																				
(vi)	Key Management Personnel (KMP)	<table><tr><td>Shri Harsh V. Lodha</td><td>Chairman</td></tr><tr><td>Shri J. Veeraraghavan</td><td rowspan="7">} Non-Executive Directors</td></tr><tr><td>Shri S.K. Misra</td></tr><tr><td>Shri R.C. Tapuriah</td></tr><tr><td>Shri D.R. Bansal</td></tr><tr><td>Shri Pracheta Majumdar</td></tr><tr><td>Shri Shiv Dayal Kapoor</td></tr><tr><td>Smt. Kiran Aggarwal</td></tr><tr><td>Shri Dilip Ganesh Karnik</td><td></td></tr><tr><td>Shri Y.S. Lodha</td><td>Managing Director</td></tr><tr><td>Shri Saurabh Chhajer</td><td>Chief Financial Officer</td></tr><tr><td>Shri Satyendu Pattnaik (w.e.f. 10.08.2017)</td><td>Company Secretary</td></tr><tr><td>Shri R.K. Agarwal (Till 09.08.2017)</td><td>VP Commercial &amp; Secretary</td></tr></table>	Shri Harsh V. Lodha	Chairman	Shri J. Veeraraghavan	} Non-Executive Directors	Shri S.K. Misra	Shri R.C. Tapuriah	Shri D.R. Bansal	Shri Pracheta Majumdar	Shri Shiv Dayal Kapoor	Smt. Kiran Aggarwal	Shri Dilip Ganesh Karnik		Shri Y.S. Lodha	Managing Director	Shri Saurabh Chhajer	Chief Financial Officer	Shri Satyendu Pattnaik (w.e.f. 10.08.2017)	Company Secretary	Shri R.K. Agarwal (Till 09.08.2017)	VP Commercial & Secretary
Shri Harsh V. Lodha	Chairman																					
Shri J. Veeraraghavan	} Non-Executive Directors																					
Shri S.K. Misra																						
Shri R.C. Tapuriah																						
Shri D.R. Bansal																						
Shri Pracheta Majumdar																						
Shri Shiv Dayal Kapoor																						
Smt. Kiran Aggarwal																						
Shri Dilip Ganesh Karnik																						
Shri Y.S. Lodha	Managing Director																					
Shri Saurabh Chhajer	Chief Financial Officer																					
Shri Satyendu Pattnaik (w.e.f. 10.08.2017)	Company Secretary																					
Shri R.K. Agarwal (Till 09.08.2017)	VP Commercial & Secretary																					
(vii)	Post Employment Benefit Plan Entities	VTL Employees Group Gratuity Cum Life Assurance Scheme (VGF) UCL Employees Provident Fund (UEPF) UCL Superannuation Fund (USAF)																				

(a) Details of transactions with related parties:

Sl. No.	Nature of Transaction	Year	BCL	BVPL	UCL	B.CORP	PPHL	RCCPL	BFFOPL	SPL	VGf	UEPF	USAF
(i)	Purchase of Finished Goods/ Traded Goods, Raw Materials	2017-18	-	-	6374.68	-	-	96.84	9427.13	721.44	-	-	-
		2016-17	16.09	-	4477.98	4.91	-	6.55	2351.32	660.75	-	-	-
(ii)	Sale of Finished Goods, Traded Goods, Raw Materials and Consumables	2017-18	-	-	55.53	59.48	-	80.45	3.97	-	-	-	-
		2016-17	275.11	-	89.03	71.43	-	3.00	1.85	-	-	-	-

Sl. No.	Nature of Transaction	Year	BCL	BVPL	UCL	B.CORP	PPHL	RCCPL	BFFOPL	SPL	VGf	UEPF	USAF
(iii)	Other Service Charges/Lease Rent Received	2017-18	-	-	1.15	-	-	-	-	-	-	-	-
		2016-17	10.98	-	10.07	-	-	-	0.99	-	-	-	-
(iv)	Other Service Charges/Lease Rent Paid	2017-18	-	-	4.61	6.00	-	-	-	-	-	-	-
		2016-17	0.41	-	32.50	6.00	-	-	-	-	-	-	-
(v)	Inter-Corporate Loans taken	2017-18	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	400.00	-	-	-	-	-	-	-	-
(vi)	Repayment of Inter-Corporate Loans taken	2017-18	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	400.00	-	-	-	-	-	-	-	-
(vii)	Interest paid on Inter-Corporate Loans taken/Others	2017-18	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	1.99	-	-	-	-	-	-	-	-
(viii)	Interest received on Inter-Corporate Loans taken/Others	2017-18	-	-	476.03	-	-	-	-	-	-	-	-
		2016-17	-	-	514.00	-	-	-	-	-	-	-	-
(ix)	Dividend Received	2017-18	-	-	-	414.72	-	-	-	-	-	-	-
		2016-17	58.00	-	-	382.81	-	-	-	-	-	-	-
(x)	Dividend Paid	2017-18	-	-	241.82	0.01	8.53	-	-	-	-	-	-
		2016-17	-	-	207.27	0.01	7.31	-	-	-	-	-	-
(xi)	Contributions	2017-18	-	-	-	-	-	-	-	-	83.88	384.31	48.27
		2016-17	-	-	-	-	-	-	-	-	50.00	333.16	44.36
(xii)	Withdrawal	2017-18	-	-	-	-	-	-	-	-	29.35	230.97	-
		2016-17	-	-	-	-	-	-	-	-	19.87	174.11	-
(xiii)	Balance Outstanding at the year end												
	Non Current Investments in Equity Shares	2017-18	-	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
		2016-17	-	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
		2015-16	900.01	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
	Cross Corporate Guarantee given	2017-18	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	-	-	-	-	-	-	-	-	-
		2015-16	18450.00	-	-	-	-	-	-	-	-	-	-
	Cross Corporate Guarantee accepted	2017-18	-	-	-	-	-	-	-	-	-	-	-
		2016-17	-	-	-	-	-	-	-	-	-	-	-
		2015-16	148461.00	-	-	-	-	-	-	-	-	-	-
	Other Payables	2017-18	-	-	879.55	-	-	-	3547.28	130.17	-	-	-
		2016-17	-	-	-	-	-	-	868.88	192.35	-	-	-
		2015-16	-	-	-	-	-	-	1992.87	85.20	-	-	-
	Receivable	2017-18	-	-	-	5.79	-	59.67	1.17	-	-	-	-
		2016-17	-	-	6.31	54.44	-	3.00	-	-	-	-	-
		2015-16	-	-	-	11.95	-	-	-	-	-	-	-
	Loan outstanding	2017-18	-	-	4800.00	-	-	-	-	-	-	-	-
		2016-17	-	-	4800.00	-	-	-	-	-	-	-	-
		2015-16	-	-	4800.00	-	-	-	-	-	-	-	-
(xiv)	Maximum amount of loans and advances outstanding at any time during the year	2017-18	-	-	4800.00	-	-	-	-	-	-	-	-
		2016-17	-	-	4800.00	-	-	-	-	-	-	-	-
		2015-16	1500.00	-	7200.00	-	-	-	-	-	-	-	-

(b) Details of transactions with Key Managerial Personnel:

Particulars	Shri Y.S. Lodha		Shri Saurabh Chhajer		Shri Satyendu Pattnaik		Shri R.K. Agarwal		Non Executive Directors	
	Managing Director		Chief Financial Officer		Company Secretary		Vice President Commercial & Secretary			
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Short Term Employee Benefit	136.86	118.44	36.84	22.81	10.65	-	9.78	6.10	-	-
Post Employment Benefit (Refer footnote no. (i))	-	-	-	-	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-	-	-	25.40	24.95
Balance Outstanding at the year end (Payable/ (Receivable))	-	-	-	-	-	-	-	-	-	-

**Notes:**

- The remuneration to Key Managerial Personnel(s) other than Non-Executive Directors does not include provision/ payment towards incremental liability on account of gratuity and compensated absences since actuarial valuation is done for the Company as a whole.
- No amount has been provided as doubtful debt or advance written off or written back in the year in respect of debts due from/ to above Related Parties.
- Transactions and balances relating to reimbursement of expenses to/from the above Related Parties have not been considered.
- Inter corporate loans/advances have been given for business purposes.

**46. Leases:**

(a) Operating Lease :

The Parent Company has taken certain offices and residential premises/ facilities under operating lease/ sub-lease agreements. The lease agreements generally have an escalation clause and are not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease/ sub-lease agreements. The aggregate lease rental of ₹173.46 lakhs (₹168.36 lakhs) have been charged to the Statement of Profit and Loss.

(b) Finance Lease:

The Parent Company has entered into Indefeasible Right of Usage (IRU) Agreements with certain customers for providing telecommunication cable network connectivity. The required disclosure is given herein:

(₹ in lakhs)

Sl. No.	Particulars	2017-18	2016-17
(i)	Revenue from IRU recognised as an Outright Sale	26796.68	1630.99
(ii)	Cost of Sale	23931.95	1386.38
(iii)	Profit Recognised [(i)-(ii)]	2864.73	244.61

**47. Disclosure on Provision relating to Warranty in accordance with Ind AS 37 "Provisions Contingent Liabilities and Contingent Assets":**

(₹ in lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
At the beginning of the Year	2235.08	1513.07
Arising during the year	713.66	729.62
Utilised/ Written Back during the year	51.58	7.61
At the end of the year	2897.16	2235.08



**48. Fair Value of Financial Assets and Financial Liabilities**

(₹ in lakhs)

Sl. No.	Particulars	Fair Value Hierarchy	Note No.	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
				Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>I</b>	<b>Financial Assets</b>								
(a)	Fair Value through Profit & Loss								
	-Investment in Mutual Fund	Level 1	A	7470.46	7470.46	7373.71	7373.71	6043.85	6043.85
(b)	At Fair Value through Other Comprehensive Income (FVTOCI)								
	-Investment in Quoted Equity Instruments	Level 1	B	3535.17	3535.17	2264.95	2264.95	-	-
	-Investment in Un-Quoted Equity Instruments	Level 3	C	1757.35	1757.35	1437.17	1437.17	1148.10	1148.10
(c)	At Amortised Cost								
	- Tax Free Bonds		D	60.60	60.60	60.60	60.60	60.60	60.60
	-Trade Receivables		E	72054.11	72054.11	46962.19	46962.19	40008.90	40008.90
	-Loan			4800.00	4800.00	4800.00	4800.00	4800.00	4800.00
	-Other Financial Asset			19207.22	19207.22	19351.06	19351.06	15958.31	15958.31
	-Cash and Cash Equivalents			399.83	399.83	358.74	358.74	426.56	426.56
	-Other Bank Balances			3150.50	3150.50	3773.39	3773.39	2338.10	2338.10
	<b>Total Financial Assets</b>			<b>112435.24</b>	<b>112435.24</b>	<b>86381.81</b>	<b>86381.81</b>	<b>70784.42</b>	<b>70784.42</b>
<b>II</b>	<b>Financial Liabilities</b>								
(a)	At Amortised Cost								
	-Borrowings		E	47062.92	47062.92	27568.49	27568.49	31319.32	31319.32
	-Trade Payable			46482.33	46482.33	30444.86	30444.86	17894.00	17894.00
	-Other Financial Liabilities			682.79	682.79	1445.57	1445.57	446.31	446.31
(b)	At Fair Value through Profit & Loss (FVTPL)								
	[Provision for MTM on Derivative Instruments (Net)]								
	-Foreign Exchange Forward Contract	Level-2	F	0.29	0.29	14.42	14.42	25.26	25.26
	-Foreign Exchange Swap Contracts	Level-2		37.56	37.56	85.90	85.90	101.05	101.05
	<b>Total Financial Liabilities</b>			<b>94265.89</b>	<b>94265.89</b>	<b>59559.24</b>	<b>59559.24</b>	<b>49785.94</b>	<b>49785.94</b>

The fair value of financial assets and liabilities is included at the amount at which instruments could be exchanged in a current transaction between the willing parties. The following methods and assumptions were used to estimate the fair value:

- The Group has opted to fair value its investments in Mutual Funds at its NAV.
- The Group has opted to fair value its quoted equity instruments at its market quoted price through Other Comprehensive Income(OCI).
- The Group has opted to fair value its unquoted equity instruments at its Net Asset Value/Adjusted Net Asset Value or Discounted Cash Flow through OCI.
- The Group has valued Tax free Bonds at Amortised Cost. The fair value approximate carrying value.
- The fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, short term borrowings, trade payables and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The Group has adopted Effective Interest Rate Method (EIR) for fair valuation of long term borrowings and non current financials assets and non-current financial liabilities.
- The Fair Value of forward exchange and swap contracts is based on valuation certificate given by respective banks.

**Fair Value Hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**49. Financial Risk Management Objectives and Policies:**

The Company's activities are exposed to a variety of Financial Risks from its Operations. The key financial risks include Market Risk, Credit Risk and Liquidity Risk.

- (i) **Market Risk:** Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises mainly three types of Risk: Foreign currency Risk, Interest rate Risk and Other Price Risk such as Equity/ Mutual Fund Price Risk and Commodity Price risk.

(a) Foreign Currency Risk:

Foreign Currency Risk has underlying risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Parent Company is exposed to foreign exchange risk arising from foreign currency transactions of imports, exports and borrowing primarily with respect to USD and Euro. The Parent Company's exports are denominated generally in USD, providing a natural hedge to some extent against foreign currency payments on account of imports of raw materials and/or the payment of borrowings. The foreign currency transaction risk are managed through selective hedging programmes by way of forward contracts, currency swaps and interest rate swaps including for underlying transactions having firm commitments or highly probable forecast of crystallisation.

The Parent Company uses forward exchange contracts to hedge its exposure in foreign currency. The details of foreign currency exposures hedged by derivative instruments and those that have not been hedged are as follows:

Particulars	As at 31st March, 2018			As at 31st March, 2017			As at 1st April, 2016		
	In Foreign Currency	₹ In lakhs		In Foreign Currency	₹ In lakhs		In Foreign Currency	₹ In lakhs	
<b>Hedged :</b>									
Foreign currency exposures covered by Forward Contracts									
Long-term Borrowings	USD	1247835	820.97	USD	1798888	1178.47	USD	2354759	1573.32
Short-term Borrowings	USD	470553	308.68	USD	-	-	USD	648682	433.12
Other Payables	USD	1216490	798.02	USD	1048471	684.65	USD	1083137	724.62
	EUR	-	-	EUR	92772	64.97	EUR	-	-
Total	USD	2934878	1927.67	USD	2847359	1863.12	USD	4086578	2731.06
	EUR	-	-	EUR	92772	64.97	EUR	-	-
<b>Unhedged :</b>									
Long-term Borrowings	USD	961905	631.01	USD	1507986	984.45	USD	2050958	1386.45
	EUR	-	-	EUR	-	-	EUR	934925	708.49
Short-term Borrowings	USD	1535289	1007.15	USD	2117142	1382.49	USD	4394300	2934.07
	EUR	990130	803.79	EUR	788580	552.24	EUR	663169	502.55
Other Payables	USD	1435526	941.70	USD	367412	239.92	USD	613310	410.30
	NPR	-	-	NPR	10158908	63.49	NPR	217844	1.36
	EUR	130229	105.72	EUR	1071621	750.46	EUR	276000	209.57
Receivables	USD	2663768	1724.79	USD	319654	206.02	USD	1769557	1165.61
	EUR	306239	243.40	EUR	-	-	EUR	66700	49.46
	GBP	15942	14.48	GBP	-	-	GBP	-	-
	NPR	21204522	132.53	NPR	54622165	341.39	NPR	26252893	164.08
Bank Balances	USD	1	-	USD	1	-	USD	1	-
	NPR	5437647	33.99	NPR	161390	1.01	NPR	374500	2.34
Total	USD	6596489	4304.65	USD	4312195	2812.88	USD	8828126	5896.43
	NPR	26642169	166.52	NPR	64942463	405.89	NPR	26845237	167.78
	GBP	15942	14.48	GBP	-	-	GBP	-	-
	EUR	1426598	1152.91	EUR	1860201	1302.70	EUR	1940794	1470.07

**Foreign Currency Sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in USD /EURO with all other variables held constant. The impact on Company's profit before tax is due to changes in the foreign exchange rate for:

(₹ in lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Change in USD	(+)5%	(+)5%
Effect on profit before tax	(42.57)	(201.23)
Change in USD	(-)5%	(-)5%
Effect on profit before tax	42.57	201.23

Particulars	As at 31st March, 2018	As at 31st March, 2017
Change in EURO	(+)5%	(+)5%
Effect on profit before tax	(45.48)	(65.13)
Change in EURO	(-)5%	(-)5%
Effect on profit before tax	45.48	65.13

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

**(b) Interest Rate Risk:**

Interest rate risk has underlying risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Group mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments like Interest Rate Swap, interest rate negotiations and low cost instruments like Commercial Papers and fixed interest bearing Non-Convertible Debentures.

(₹ in lakhs)

Type of Exposure	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>A. Fixed Rate Borrowings</b>	<b>25657.55</b>	5052.39	9611.23
<b>B. Variable Rate Borrowings</b>	<b>21405.37</b>	22516.10	21708.09
Less : Borrowings Hedged by Swap Contracts	(1451.98)	(2162.91)	(2959.77)
	<b>19953.39</b>	20353.19	18748.32

**Interest Rate Sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on affected financial assets.

(₹ in lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Interest Rate increase by 0.25%	(49.88)	(50.88)	(46.87)
Interest Rate decrease by 0.25%	49.88	50.88	46.87

**(c) Commodity Price Risk:**

The Parent Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw materials and bought out components for manufacturing of Cables and Turnkey Contract & Services respectively. It requires a continuous supply of certain raw materials & brought out components such as optical fibre, copper, aluminum,

plastic and polymers, telecom ducts, power cables, conductors, transformers, fabricated steel, poles etc. To mitigate the commodity price risk the Parent Company has an approved supplier base to get the best competitive prices for the commodities and also to manage the cost without any compromise on quality.

(d) **Equity/ Mutual Fund Price Risk:**

The Group has exposure to price risk arises from equity instruments and mutual funds held by the Group. Equity instruments other than investment in associates are classified in the balance sheet at fair value through OCI. Having regard to the nature of such securities, intrinsic worth, intent and long term nature of securities, fluctuation in their prices are considered acceptable and do not warrant any management estimation. Investments in Mutual Funds are held for trading and are fair valued through profit and loss.

**(ii) Credit Risk:**

Credit risk is the risk that counterparty might not honour its obligations under a financial instrument or customer contract leading to a financial loss. The Parent Company is exposed to credit risk from its operating activities (primarily Trade Receivables).

Customer credit risk is managed by each business unit and is subject to the Parent Company's established policy, procedures and control relating to customer credit risk management. Parent Company assesses the credit quality of the counter parties taking into account their financial position, past experience and other factors. Parent Company's EPC business customers profile include Government owned utilities/ entities/ and both public and private telecom sector operators and service provides, and accordingly its credit risk is low. Credit risk is reduced to a significant extent if the projects(s) are funded by the Central and State Government and also by receiving pre-payments (including mobilization advances) and achieving project completion milestone within the contracted delivery schedule. Outstanding customer receivables are regularly monitored and assessed. The Parent Company follows the simplified approach for recognition of impairment loss allowance. Impairment for trade receivables if any, is provided on the basis of respective credit risk of individual customer as on the reporting date.

Deposits with Bank:

The deposits with banks constitute mostly the investment made by the Parent Company against bank guarantees and are generally not exposed to credit risk.

**(iii) Liquidity Risk:**

Liquidity risk is the risk where the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of Group's financial liabilities based on contractual undiscounted payments:

(₹ in lakhs)

Particulars	Carrying Value	Payable on Demand*	Upto 12 Months	1 to 5 Years
<b>As at 31st March, 2018</b>				
<b>Borrowings*</b>	<b>47062.92</b>	<b>14919.41</b>	<b>20729.43</b>	<b>11414.08</b>
<b>Trade and Other Payables</b>	<b>47202.98</b>	<b>33.31</b>	<b>47159.82</b>	<b>9.85</b>
<b>Total</b>	<b>94265.90</b>	<b>14952.72</b>	<b>67889.25</b>	<b>11423.93</b>
<b>As at 31st March, 2017</b>				
Borrowings*	27568.49	14673.61	2914.69	9980.19
Trade and Other Payables	31990.75	22.01	31958.79	9.95
Total	59559.24	14695.62	34873.48	9990.14
<b>As at 1st April, 2016</b>				
Borrowings*	31319.32	6679.25	15890.99	8749.08
Trade and Other Payables	18466.62	12.26	18444.24	10.12
Total	49785.94	6691.51	34335.23	8759.20

\* Including working capital facilities from consortium of banks which are renewable every year.

## 50. Capital Management:

The Group's policy is to maintain an adequate capital base so as to maintain creditors and market confidence and to sustain future development. Capital includes issued capital, securities premium and all other equity reserves attributable to equity holders.

The Group monitors capital using a gearing ratio which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

(₹ in lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Borrowings	<b>47062.92</b>	27568.49	31319.32
Less: Cash and Cash Equivalents	<b>399.83</b>	358.74	426.56
<b>Net Debt</b>	<b>46663.09</b>	27209.75	30892.76
Equity Share Capital	<b>1184.21</b>	1184.18	1184.15
Other Equity	<b>208395.03</b>	167267.07	139708.35
<b>Total Capital</b>	<b>209579.24</b>	168451.25	140892.50
<b>Capital and Net Debt</b>	<b>256242.33</b>	195661.00	171785.26
<b>Gearing Ratio</b>	<b>18.21%</b>	13.91%	17.98%

## 51. Exceptions and Exemptions applied for Transition to Ind AS

Ind AS 101 "First-time adoption of Indian Accounting Standards" (hereinafter referred to as Ind AS 101) allows first time adopters few mandatory and optional exemptions from the retrospective application of certain Ind AS. In preparing these financial statements, the Group has applied the below mentioned exemptions-

### (a) Optional Exemptions Available:

#### (i) Property Plant and Equipment, Intangible Assets and Investment Properties

As permitted by para D5-D8B of Ind AS 101, the Group has elected to continue with the carrying values under previous GAAP for all the items of Property, Plant and Equipment. The same election has been made in respect of investment property and Intangible Assets also.

#### (ii) Business Combination

Ind AS 101 provides option to apply Ind AS 103 from the transition date. Accordingly, acquisitions in subsidiaries/ joint venture or interests in associates occurred before the transition date, which are considered businesses as per Ind AS 103 are exempt from retrospective application.

#### (iii) Designation of Investment in certain Equity Instruments and Mutual Funds

Investment in certain Equity Instruments (except associates and joint venture) are designated at fair value through OCI on the date of transition. Investment in mutual funds are designated at fair value through the Statement of Profit & Loss on the date of transition.

### (b) Mandatory Exceptions:

#### (i) Estimates

Upon an assessment of the estimates made under Previous GAAP, the Group has concluded that there was no necessity to revise such estimates under Ind AS except where revision in estimates was necessitated by Ind AS. The estimates used by the Group to present the amounts in accordance with Ind AS reflect conditions existing as at 1st April, 2016 the date of transition to Ind AS and as at 31st March, 2017.

#### (ii) Derecognition of financial assets and financial liabilities

The Company has elected to apply the derecognition requirements for financial assets and financial liabilities in accordance with Ind AS 109, prospectively for transactions occurring on or after the date of transition to Ind AS.

#### (iii) Classification and measurement of financial assets

The company has classified the financial assets in accordance with Ind AS 109, on the basis of facts and circumstances that exist at the date of transition to Ind AS.

**52. Reconciliations of Transition to Ind AS:**

The following reconciliation provides a quantification of the effect of significant differences arising as a result of transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

(a) Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2017 and 1st April, 2016:

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2017			As at 1st April, 2016		
		Previous GAAP #	Effect of transition to Ind AS	As per Ind AS	Previous GAAP #	Effect of transition to Ind AS	As per Ind AS
<b>ASSETS</b>							
<b>NON-CURRENT ASSETS</b>							
Property, Plant and Equipment	i, x & xi	7065.93	(0.18)	7065.75	8597.29	(815.81)	7781.48
Capital Work-in-Progress	xi	1515.85		1515.85	12.91	(0.45)	12.46
Investment Property	i	101.14	-	101.14	103.46	-	103.46
Intangible Assets under Development	i	43.52		43.52	-	-	-
Equity accounted Investments	xi, xii	14787.91	108993.91	123781.82	14126.76	91190.26	105317.02
Financial Assets							
Investments	ii, xi	8171.59	2964.84	11136.43	5870.04	1382.51	7252.55
Trade Receivables		460.34		460.34	1561.26		1561.26
Loans		4800.00	-	4800.00	4800.00	-	4800.00
Others Financial Assets	xi	1801.79		1801.79	2015.87	(23.14)	1992.73
Non-current Tax Assets (Net)	xi	397.00	(0.16)	396.84	431.05	(180.07)	250.98
Other Non-current Assets	xi	171.23		171.23	46.67	(0.89)	45.78
<b>Total Non-current Assets</b>		<b>39316.30</b>	<b>111958.41</b>	<b>151274.71</b>	<b>37565.31</b>	<b>91552.41</b>	<b>129117.72</b>
<b>CURRENT ASSETS</b>							
Inventories	xi	19051.45		19051.45	8320.55	(595.07)	7725.48
Financial Assets							
Trade Receivables	xi	46511.17	(9.32)	46501.85	39457.13	(1009.49)	38447.64
Cash and Cash Equivalents	xi	402.12	(43.38)	358.74	587.48	(160.92)	426.56
Other Bank Balances	xi	4097.90	(324.51)	3773.39	2685.28	(347.18)	2338.10
Other Financial Assets	vii, xi	17552.45	(3.18)	17549.27	14088.36	(122.78)	13965.58
Other Current Assets	vi, vii & xi	3490.44	(0.78)	3489.66	5904.73	(65.56)	5839.17
Assets Classified as Held for Sale	xi	2.07	-	2.07	2.48	(2.48)	-
<b>Total Current Assets</b>		<b>91107.60</b>	<b>(381.17)</b>	<b>90726.43</b>	<b>71046.01</b>	<b>(2303.48)</b>	<b>68742.53</b>
<b>Total Assets</b>		<b>130423.90</b>	<b>111577.24</b>	<b>242001.14</b>	<b>108611.32</b>	<b>89248.93</b>	<b>197860.25</b>
<b>EQUITY AND LIABILITIES</b>							
<b>EQUITY</b>							
Equity Share Capital		1184.18	-	1184.18	1184.15	-	1184.15
Other Equity	52 (d)	56274.32	110992.75	167267.07	47875.36	91832.99	139708.35
<b>Total Equity</b>		<b>57458.50</b>	<b>110992.75</b>	<b>168451.25</b>	<b>49059.51</b>	<b>91832.99</b>	<b>140892.50</b>
<b>LIABILITIES</b>							
<b>NON-CURRENT LIABILITIES</b>							
Financial Liabilities							
Borrowings	iv, xi	10001.36	(21.17)	9980.19	9005.01	(255.93)	8749.08



(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2017			As at 1st April, 2016		
		Previous GAAP #	Effect of transition to Ind AS	As per Ind AS	Previous GAAP #	Effect of transition to Ind AS	As per Ind AS
Other Financial Liabilities		9.95	-	9.95	10.12	-	10.12
Other Non-current Liabilities	iii	-	508.81	508.81	-	255.95	255.95
Provisions	xi	2264.79	(0.05)	2264.74	1630.91	(22.10)	1608.81
Deferred Tax Liabilities (Net)	viii, xi	485.29	(9.67)	475.62	508.54	257.52	766.06
<b>Total Non-current Liabilities</b>		<b>12761.39</b>	<b>477.92</b>	<b>13239.31</b>	<b>11154.58</b>	<b>235.44</b>	<b>11390.02</b>
<b>CURRENT LIABILITIES</b>							
Financial Liabilities							
Borrowings	iv, xi	16608.35	-	16608.35	21176.60	(1016.37)	20160.23
Trade Payables	xi	30463.35	(18.49)	30444.86	18661.04	(767.04)	17894.00
Other Financial Liabilities	vi, xi	2501.47	14.42	2515.89	3020.72	(48.21)	2972.51
Other Current Liabilities	iii, xi	10064.10	110.64	10174.74	3987.44	14.46	4001.90
Provisions	ix, xi	331.03	-	331.03	1102.26	(825.07)	277.19
Current Tax Liabilities (Net)	xi	235.71	-	235.71	449.17	(177.27)	271.90
<b>Total Current Liabilities</b>		<b>60204.01</b>	<b>106.57</b>	<b>60310.58</b>	<b>48397.23</b>	<b>(2819.50)</b>	<b>45577.73</b>
<b>Total Equity and Liabilities</b>		<b>130423.90</b>	<b>111577.24</b>	<b>242001.14</b>	<b>108611.32</b>	<b>89248.93</b>	<b>197860.25</b>

# Previous GAAP Figures of the Balance Sheet as at 31st March 2017 and 1st April 2016 have been reclassified as per schedule III of the Companies Act, 2013 for like-to-like comparison.

(b) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017:

(₹ in lakhs)

Particulars	Note No.	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
<b>REVENUE</b>				
Revenue from Operations	xi	102664.76	(9.92)	102654.84
Other Income	iii, vi, vii & xi	2979.33	533.81	3513.14
<b>Total Revenue</b>		<b>105644.09</b>	<b>523.89</b>	<b>106167.98</b>
<b>EXPENSES</b>				
Cost of Raw Materials Consumed		15658.92	-	15658.92
Cost of Materials and Other Contract Expenses	xi	66977.11	(7.63)	66969.48
Excise Duty		2887.36	-	2887.36
Purchase of Stock-in-Trade		651.86	-	651.86
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		(8712.02)	-	(8712.02)
Employee Benefits Expense	v, xi	4732.59	(45.47)	4687.12
Finance Costs	iv	3669.59	404.69	4074.28
Depreciation and Amortization Expenses	xi	1266.49	(0.08)	1266.41
Other Expenses	vii, xi	7685.98	(0.88)	7685.10
<b>Total Expense</b>		<b>94817.88</b>	<b>350.63</b>	<b>95168.51</b>
<b>Profit for the year before share in Profit of Associates/ Joint venture</b>		<b>10826.21</b>	<b>173.26</b>	<b>10999.47</b>

(₹ in lakhs)

Particulars	Note No.	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
<b>Share of Profit &amp; Loss of Joint Venture &amp; Associates</b>	xi & xii	914.95	8111.41	9026.36
<b>Profit before Tax</b>		<b>11741.16</b>	<b>8284.67</b>	<b>20025.83</b>
Tax Expense				
Current Tax	v, xi	3332.70	10.05	3342.75
Deferred Tax Charge/(Credit)	viii, xi	(271.17)	(49.91)	(321.08)
<b>Total Tax Expense</b>		<b>3061.53</b>	<b>(39.86)</b>	<b>3021.67</b>
<b>PROFIT FOR THE YEAR</b>		<b>8679.63</b>	<b>8324.53</b>	<b>17004.16</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
(i) Items that will not be re-classified to Profit or Loss				
(a) Equity Instruments through OCI	ii	-	1148.13	1148.13
(b) Re-measurement of Defined Benefit Plan	v	-	(41.93)	(41.93)
(ii) (a) Deferred Tax relating to Re-measurement	vii	-	14.51	14.51
(b) Income Tax on Fair Valuation of Investments	vii	-	(30.63)	(30.63)
(iii) Share of Equity accounted Investees (Net of Tax)	xi & xii	-	10658.15	10658.15
<b>Other Comprehensive Income for the period</b>		<b>-</b>	<b>11748.23</b>	<b>11748.23</b>
<b>Total Comprehensive Income for the period</b>		<b>8679.63</b>	<b>20072.76</b>	<b>28752.39</b>

(c) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017:

(₹ in lakhs)

Sl. No.	Particulars	Note No.	Year ended 31.03.2017
<b>A</b>	<b>Profit as reported under previous GAAP</b>		<b>8679.63</b>
	Ind AS Adjustment on account of :		
1	Recognition of subsidy income on systematic basis	iii	111.31
2	Recognition of MTM on Forward Contract	vi	6.28
3	Amortisation of upfront cost of Loan Liability on EIR basis	iv	(404.69)
4	Re-measurement of Defined Benefit Plan accounted in OCI	v	41.93
5.	Fair Value Gain arising on Investments measured at FVTPL	ii	433.88
<b>B</b>	<b>Total effect of transition to Ind AS (1+2+3+4)</b>		<b>8868.34</b>
<b>C</b>	<b>Deferred and Current tax adjustment on above (Net)</b>	<b>viii</b>	<b>35.12</b>
<b>D</b>	<b>Profit for the year before Share in Profit of Associates (B+C)</b>		<b>8903.46</b>
<b>E</b>	<b>Share of Profit &amp; Loss of Joint Ventures &amp; Associates</b>	<b>xi &amp; xii</b>	<b>8100.70</b>
<b>F</b>	<b>Profit for the year as per Ind AS (D+E)</b>		<b>17004.16</b>
	Other Comprehensive Income (Net of Tax):		
	Re-measurement gains/ (losses) on defined benefit plans	v	(41.93)
	Gain/ (loss) on fair value of equity Instruments	ii	1148.13
	Less: Deferred tax effect on Re-Measurement	v	14.51
	Less: Deferred tax effect on Fair Valuation of Investments	ii	(30.63)
	Share of equity accounted investees	xi, xii	10658.15
<b>G</b>	<b>Total of Other Comprehensive Income for the Year</b>		<b>11748.23</b>
<b>H</b>	<b>Total Comprehensive Income under Ind AS (F+G)</b>		<b>28752.39</b>

(d) Reconciliation of Equity as at 31st March, 2017 and 1st April, 2016:

(₹ in lakhs)

Sl. No.	Particulars	Note No.	As at 31st March, 2017	As at 1st April, 2016
A	<b>Total Equity as reported under previous GAAP</b>		<b>57458.50</b>	<b>49059.51</b>
	Ind AS Adjustment on account of :			
1	Fair Value of Investment through OCI	ii	946.34	71.93
2	Fair Value of Investment through Profit and Loss	ii	2018.49	1310.87
3	Recognition of subsidy income on systematic basis	iii	(349.47)	(306.57)
4	Dividend including tax not recognised as liability until declared	viii	-	763.68
5	Derecognition of Revaluation Reserve	ix	-	(1.85)
6	Recognition of MTM on Forward Contracts	vi	(6.69)	(12.97)
7	Amortisation of transaction cost of borrowings on EIR basis	iv	21.17	425.86
8	Deferred and Current tax adjustment on above (Net)	vii	(260.28)	(279.27)
9	Classification of certain bodies corporate as Associates (Net of tax)	xii	97612.62	80888.64
10	Change in Share of Profit/(Loss) of an Associate on adoption of Ind AS(Net)	xi	11010.57	8972.67
B	<b>Total adjustments to equity</b>		<b>110992.75</b>	<b>91832.99</b>
C	<b>Total equity under Ind AS (A+B)</b>		<b>168451.25</b>	<b>140892.50</b>

(e) Effect of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017:

(₹ in lakhs)

Sl. No.	Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
A	Net Cash Flows from Operating Activities	8816.62	(540.21)	8276.41
B	Net Cash Flows from Investing Activities	(2378.33)	1284.43	(1093.90)
C	Net Cash Flows from Financing Activities	(6815.73)	(434.60)	(7250.33)
D	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(377.44)</b>	<b>309.62</b>	<b>(67.82)</b>
E	Cash & Cash Equivalents at the beginning of the year	439.27	(12.71)	426.56
F	<b>Cash &amp; Cash Equivalents at the end of the year (D+E)</b>	<b>61.83</b>	<b>296.91</b>	<b>358.74</b>

(f) Analysis of Cash & Cash Equivalents as at 31st March, 2017 and as at 1st April, 2016 for the purpose of the Statement of Cash Flow under Ind AS :

(₹ in lakhs)

Sl. No.	Particulars	As at 31st March, 2017	As at 1st April, 2016
A	Cash & Cash Equivalents for the purpose of the Statement of Cash flow as per Previous GAAP	381.53	439.27
B	Balance in Unpaid Dividend Account reclassified to other Bank Balances	(22.01)	(12.26)
C	Exclusion of Cash and Cash Equivalent of BVPL under Equity Method	(0.78)	(0.45)
D	<b>Cash &amp; Cash Equivalents for the purpose of the Statement of Cash flow as per Ind AS (A+B+C)</b>	<b>358.74</b>	<b>426.56</b>

**Reference Notes to point no. (a), (b), (c) & (d) of Note No. 52 above :**

- (i) **Property Plant and Equipment:** The Group has elected the option to continue with the carrying value for all its Property, Plant & Equipment as recognised in the financial statements as at the date of transition to Ind AS measured as per previous GAAP and used it as the deemed cost on the date of transition.

- (ii) **Investment in Equity Instruments and mutual funds:** Under previous GAAP, Non-Current Investment in Equity Instruments were carried at cost less provision for other than temporary diminution in the value of such investment. Under Ind AS, Investments (except investment in joint venture and associates) have been measured at Fair Value through OCI. Under previous GAAP, investment in mutual funds were measured at cost or market value which ever is less. Under Ind AS, these investments have been classified and measured at fair value through the Statement of Profit and Loss “FVTPL”.
- (iii) **Government Grants:** Under previous GAAP, the Government Grant in relation to Plant & Equipments was recognised as a part of Capital Reserve. Under Ind AS, such Grant have been treated as a deferred income under liability and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of such assets.
- (iv) **Borrowings:** Under previous GAAP, Borrowings were measured at transaction value with transaction cost recognised in the Statement of Profit and Loss immediately, whereas under Ind AS these have been recognised at amortised cost using Effective Interest Rate (EIR) method.
- (v) **Re-measurement of Defined Benefit Plan:** Under Previous GAAP, re-measurement of retirement defined benefit plans i.e. actuarial gains/ (losses) arising due to experience adjustments and change in assumptions were recognised in the Statement of Profit and Loss. Under Ind AS re-measurement of retirement defined benefit plans (net of tax) is recognised in the “Other Comprehensive Income”.
- (vi) **Forward Contracts:** Under Previous GAAP the premium paid on forward contracts was recognised as expense or income over the life of the contract. Further in case of Forward Contract for firm Commitments, mark to market losses were recognised in the statement of Profit and Loss and gain, if any were ignored. Under Ind AS mark to market Gain/ Loss on forward contract have been recognised in the Statement of Profit and Loss.
- (vii) The Group has given certain interest free security deposit under long term lease agreement. Under IND AS, the security deposit needs to be fair valued. The difference between fair value and the previous GAAP carrying value has been recognised as advance rent under other current assets. The same has been charged as rent expense to the Statement of Profit and Loss over the period of lease. Interest Income has been recognised yearly on interest free security deposit.
- (viii) **Deferred Taxes:** Under Previous GAAP, deferred taxes were accounted for based on the income statement approach which requires creation of deferred tax asset/ liability on temporary differences between the taxable income and accounting income. Under Ind AS, deferred taxes are accounted for based on the balance sheet approach, which requires creation of deferred tax asset/ liability on temporary differences between the carrying amount of an asset/ liability in the Balance Sheet and its corresponding tax base. Application of Ind AS has also resulted in recognition of deferred taxes on new temporary differences arising due to adjustments made on transition to Ind AS.
- (ix) **Dividend:** Under previous GAAP (upto 31st March 2016), proposed dividend was recognised as liability in the period to which it was related (if subsequently approved by Board of Directors). Under Ind AS, proposed dividend is recognised as liability in the period in which it is approved by shareholders.
- (x) **Revaluation Reserve:** The Group had revalued few fixed assets as per the previous GAAP and a balance of ₹ 1.85 lakhs was outstanding in revaluation reserve as on 31.03.2016. The revaluation reserve had been set off from the net block of the respective assets as on 01.04.2016 on consequential change in the governing Accounting Standards (AS).
- (xi) **Accounting for Joint Ventures/ Associates:** Under Previous GAAP, Joint Venture are accounted on proportionate consolidation basis. Under Ind AS, Joint venture are accounted on equity method. Also there has been change in share of net assets/ profit of associates/ joint ventures due to application of IND AS.
- (xii) **Associates:** Certain Investments in bodies corporate are classified as ‘Associates’ as per the governing Ind AS.

### 53. Information pursuant to Schedule III of Companies Act, 2013

(₹ in lakhs)

Name of Entity	Net assets (Total assets - Total Liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated
<b>Parent Company</b>								
Vindhya Telelinks Limited	39962.61	19.07%	8333.07	54.32%	1288.25	4.83%	9621.32	22.90%
<b>Indian Subsidiary Companies</b>								
August Agents Limited	4570.16	2.18%	668.90	4.36%	89.91	0.34%	758.81	1.81%
Insilco Agents Limited	4523.42	2.16%	636.11	4.15%	90.43	0.34%	726.54	1.73%
Laneseda Agents Limited	4717.82	2.25%	580.91	3.79%	91.87	0.34%	672.78	1.60%
<b>Total of Subsidiaries</b>	<b>13811.40</b>	<b>6.59%</b>	<b>1885.92</b>	<b>12.29%</b>	<b>272.21</b>	<b>1.02%</b>	<b>2158.13</b>	<b>5.14%</b>

(₹ in lakhs)

Name of Entity	Net assets (Total assets - Total Liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated
<b>Associate Companies (Investment as per equity method)</b>								
Birla Corporation Limited	108535.90	51.79%	2524.05	16.45%	22543.65	84.51%	25067.70	59.66%
Universal Cables Limited	24829.22	11.85%	2400.48	15.65%	2467.59	9.25%	4868.07	11.59%
Punjab Produce and Holdings Limited	22060.77	10.53%	188.95	1.23%	102.92	0.39%	291.87	0.69%
<b>Total of Associate Companies</b>	<b>155425.89</b>	<b>74.16%</b>	<b>5113.48</b>	<b>33.33%</b>	<b>25114.16</b>	<b>94.15%</b>	<b>30227.64</b>	<b>71.94%</b>
<b>Joint Venture Company (Investment as per equity method)</b>								
Birla Visabeira Private Limited	379.33	0.18%	8.60	0.06%	-	0.00%	8.60	0.02%
<b>Total of Joint Venture Company</b>	<b>379.33</b>	<b>0.18%</b>	<b>8.60</b>	<b>0.06%</b>	<b>-</b>	<b>0.00%</b>	<b>8.60</b>	<b>0.02%</b>
<b>Grand Total</b>	<b>209579.23</b>	<b>100.00%</b>	<b>15341.07</b>	<b>100.00%</b>	<b>26674.62</b>	<b>100.00%</b>	<b>42015.69</b>	<b>100.00%</b>

**54. Disclosure pursuant to Ind AS 112 – “Disclosure of Interest in other entities”:- Joint Venure and Associates**

(a) Summarised Financial information for Associates &amp; Joint Venture

(₹ in lakhs)

Particulars	Universal Cables Ltd. (Consolidated) (“UCL”)			Birla Corporation Ltd. (Consolidated)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current Assets	74706.81	48466.45	47157.08	245405.03	209484.03	267408.02
Non-current Assets	78038.39	65955.03	56573.15	862088.85	760297.60	255524.38
Current Liabilities	56272.98	33143.81	32849.54	158879.84	124418.50	93507.41
Non-current Liabilities	13011.62	13147.25	14708.53	520632.47	516738.48	136893.13
Net Assets	83460.60	68130.42	56172.16	427981.57	328624.65	292531.86
Group’s share in %	30.34%	27.15%	27.15%	31.68%	31.68%	31.68%
Group’s share	25321.95	18497.41	15250.74	135584.56	104108.29	92674.10
Goodwill/(Capital Reserve)	210.41	210.41	210.41	(943.83)	(943.83)	(943.83)
Other adjusments**	(703.14)	(533.83)	(236.98)	(26104.83)	(19696.26)	(17368.26)
Carrying amount	24829.22	18173.99	15224.17	108535.90	83468.20	74362.01
Market Value of Quoted Investments	13708.74	9548.77	6971.97	173996.73	180193.04	88346.18
Revenue	120912.22	89804.64	*	594311.34	498121.97	*
Profit for the year	8269.60	7048.84	*	15394.84	21946.36	*
Other Comprehensive Income	7060.58	5179.79	*	89352.73	7552.85	*
Total Comprehensive Income	15330.18	12228.63	*	104747.57	29499.21	*

Particulars	Birla Cable Ltd.	Punjab Produce Holdings Ltd. (Consolidated)		Birla Visabiera Pvt. Ltd.			
	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current Assets	14531.03	300.61	221.68	234.03	1417.52	944.07	899.78
Non-current Assets	7882.49	56860.49	56158.01	36221.35	4.84	2.62	2.47
Current Liabilities	11303.66	4.32	3.02	1.34	473.73	19.70	2.20
Non-current Liabilities	1959.72	53.58	36.35	24.81	0.29	0.13	-

Particulars	Birla Cable Ltd.	Punjab Produce Holdings Ltd. (Consolidated)			Birla Visabiera Pvt. Ltd.		
	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Net Assets	9150.14	57103.20	56340.32	36429.23	948.34	926.86	900.05
Group's share in %	13.33%	48.04%	48.04%	48.04%	40.00%	40.00%	40.00%
Group's share	1219.71	27432.37	27065.89	17500.60	379.34	370.74	360.02
Goodwill/(Capital Reserve)	-	(38.53)	(38.53)	(38.53)	-	-	-
Other adjusments (including tax impact)	-	(5333.07)	(5258.45)	(3310.96)	-	-	-
Carrying amount	1219.71	22060.77	21768.91	14151.11	379.34	370.74	360.02
Market Value of Quoted Investment	1240.031						
Revenue	*	623.21	544.29	*	336.10	24.79	*
Profit for the year	*	493.87	421.73	*	21.50	26.80	*
Other Comprehensive Income	*	269.00	19489.36	*	-	-	*
Total Comprehensive Income	*	762.87	19911.09	*	21.50	26.80	*

\* indicates disclosures not applicable

\*\* includes adjustment on account of tax impact on group share in net assets of associate/joint venture and cross holding between Group & UCL.

(b) Share in Profit and Loss, Commitments and Contingent Liabilities in respect of Joint Ventures/Associates:

(₹ in lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Associates	Joint Ventures	Associates	Joint Ventures	Associates	Joint Ventures
Share in Profit/(Loss) (including Other Comprehensive Income)	<b>30227.64</b>	<b>8.60</b>	19673.80	10.71	-	-
Share in contingent liabilities	<b>13757.48</b>	-	11842.88	-	11293.33	14.47
Share in commitments	-	-	-	-	-	4.77

55. Previous year figures have been regrouped/rearranged, wherever considered necessary to conform to current year classification.

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
Firm Registration No. 109208W

R. Raghuraman  
Partner  
Membership No. 081350

Signatures to Notes 1 to 55

J. Veeraraghavan  
(DIN : 00078998)  
R.C. Tapuriah  
(DIN : 00395997)  
Pracheta Majumdar  
(DIN : 00179118)  
Kiran Aggarwal  
(DIN : 06991807)

Harsh V. Lodha  
(DIN : 00394094)  
S.K. Misra  
(DIN : 00009411)  
D.R. Bansal  
(DIN : 00050612)  
Shiv Dayal Kapoor  
(DIN : 00043634)  
Dilip Ganesh Karnik  
(DIN : 06419513)

Y.S. Lodha  
(DIN : 00052861)  
Saurabh Chhajera  
Satyendu Pattnaik  
New Delhi, May 23, 2018

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 23, 2018



# STATEMENT CONTATING SAILENT FEATURES OF FINANCIAL STATEMENT OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANY

[Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule (5) of the Companies (Accounts) Rules, 2014]

## PART “A” SUBSIDIARIES:

(₹ in lakhs)

Sl. No.	Name of Subsidiary Company	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Profit After Taxation	Dividend	% of Shareholding
1	August Agents Ltd.	1525.02	5458.00	7080.29	97.27	5464.18	754.43	747.43	668.90	-	100%
2	Insilco Agents Ltd.	1500.02	5418.19	7004.11	85.90	5462.01	712.33	701.97	636.11	-	100%
3	Laneseda Agents Ltd.	1500.02	5449.50	7037.07	87.55	5268.72	631.02	627.06	580.91	-	100%

## PART “B” ASSOCIATES AND JOINT VENTURE COMPANIES:

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associates and Joint Venture Company:

Sl. No.	Name of Associates / Joint Venture	Latest Audited Balance Sheet Date	Share of the Joint Venture and Associate held by the company on the year end (including Subsidiary Companies)		Amount of Investment in Associates/Joint Venture (₹ In lakhs)	Extent of Holding %	Network attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year		Description of how there is significant influence	Reason why the Associate/ Joint Venture is not consolidated
			No.					Considered in Consolidation	Not Considered in Consolidation		
1	Universal Cable Ltd.	31.03.2018	10528988*		7478.09	30.34%	24618.81	2400.48	-	Associate Company	NA
2	Birla Corporation Ltd.	31.03.2018	24394915		6424.49	31.68%	109479.73	2524.05	-	Associate Company	NA
3	Punjab Produce Holdings Ltd. **	31.03.2017	12000000		1200.00	48.04%	22099.30	188.95	-	Associate Company	NA
4	Birla Visabeira Pvt. Ltd.	31.03.2018	3600000		360.00	40.00%	379.33	8.60	-	Joint Venture	NA

\* The company received a letter of Allotment confirming allotment of 43,65,048 equity shares on 20th October, 2015, subscribed in the Rights Issue of Universal Cables Ltd. (UCL) out of which 10,60,535 equity shares are pending to be credited to company's designated demat account, in view of the status-quo Order passed by the Hon'ble High Court of Delhi on 18th November, 2015 as intimated by UCL.

\*\* Figures reported above are as per unaudited converged Ind AS Financial Statements for the year ended 31st March, 2018.

**Notes:** (a) The consolidated financial statements include the financial statements of the company, its subsidiaries, associates and joint venture company.

(b) Figures mentioned above are as per converged Ind AS Financial Statements.

<p>Harsh V. Lodha (DIN : 00394094)</p> <p>S.K. Misra (DIN : 00009411)</p> <p>D.R. Bansal (DIN : 00050612)</p> <p>Shiv Dayal Kapoor (DIN : 00043634)</p> <p>Dilip Ganesh Karnik (DIN : 06419513)</p> <p>Y.S. Lodha (DIN : 00052861)</p> <p>Saurabh Chhajjar Satyendu Pattnaik</p>	<p>Chairman</p> <p>Directors</p> <p>Managing Director</p> <p>Chief Financial Officer</p> <p>Company Secretary</p>
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# VINDHYA TELELINKS LIMITED

CIN: L31300MP1983PLC002134

Registered Office:

Udyog Vihar, P.O.Chorhata, Rewa-486 006 (M.P.), India  
Telephone No. (07662) 400400 • Fax No. (07662) 400591  
Email: headoffice@vtlrewa.com • Website: www.vtlrewa.com

## PROXY FORM

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

Name of the Member(s)	
Registered address	
E-mail Id	
Folio No/DP Id/Client Id	

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

- Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him;
- Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him; and
- Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Fifth Annual General Meeting of the Company, to be held on Tuesday, the July 31, 2018 at 4.30 P.M. at the Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa-486 006 (M.P.), India and at any adjournment thereof in respect of the following resolutions:

Ordinary Business		*For	*Against
1.	(a) Adoption of audited Financial Statements of the Company for the financial year ended March 31, 2018, and the Reports of the Board of Directors and Auditors thereon.		
	(b) Adoption of the audited consolidated Financial Statements of the Company for the financial year ended March 31, 2018, and Report of Auditors thereon.		
2.	Declaration of Dividend on Equity Shares for the financial year ended March 31, 2018.		
3.	Re-appointment of Shri D.R.Bansal as a Director, who retires by rotation.		
Special Business			
4.	Appointment of Shri Dilip Ganesh Karnik as a Director of the Company, liable to retire by rotation.		
5.	Ratification of Remuneration to be paid to Cost Auditors for the year ending March 31, 2019.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of Shareholder : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Affix  
Revenue  
Stamp

### NOTES:

- This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa - 486 006 (M.P.), India, not less than FORTY EIGHT (48) hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Thirty Fifth Annual General Meeting.
- \* 3. It is optional to put a '✓' in the appropriate column against the resolutions indicated above. If you leave 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



# VINDHYA TELELINKS LIMITED

CIN: L31300MP1983PLC002134

Registered Office:

Udyog Vihar, P.O.Chorhata, Rewa-486 006 (M.P.), India  
Telephone No. (07662) 400400 • Fax No. (07662) 400591  
Email: headoffice@vtlrewa.com • Website: www.vtlrewa.com

## ATTENDANCE SLIP

THIRTY FIFTH ANNUAL GENERAL MEETING

Date of Meeting - July 31, 2018

Folio No. /DP Id/Client Id	
Name and Address of the Shareholder/ Proxy/Authorised Representative	
No. of Shares held	

I certify that I am member/proxy for the member(s) of the Company.

I hereby record my presence at the THIRTY FIFTH ANNUAL GENERAL MEETING of Vindhya Telelinks Limited being held on Tuesday, the July 31, 2018 at 4.30 P.M. at Udyog Vihar, P.O. Chorhata, Rewa – 486 006 (M.P).

Signature of the Shareholder/Proxy/Authorised  
Representative present

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### NOTE(S):

- (1) Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover it at the entrance duly signed.
- (2) Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.
- (3) Only shareholders of the Company and/or their proxy will be allowed to attend the meeting.

**Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING**

✂.....

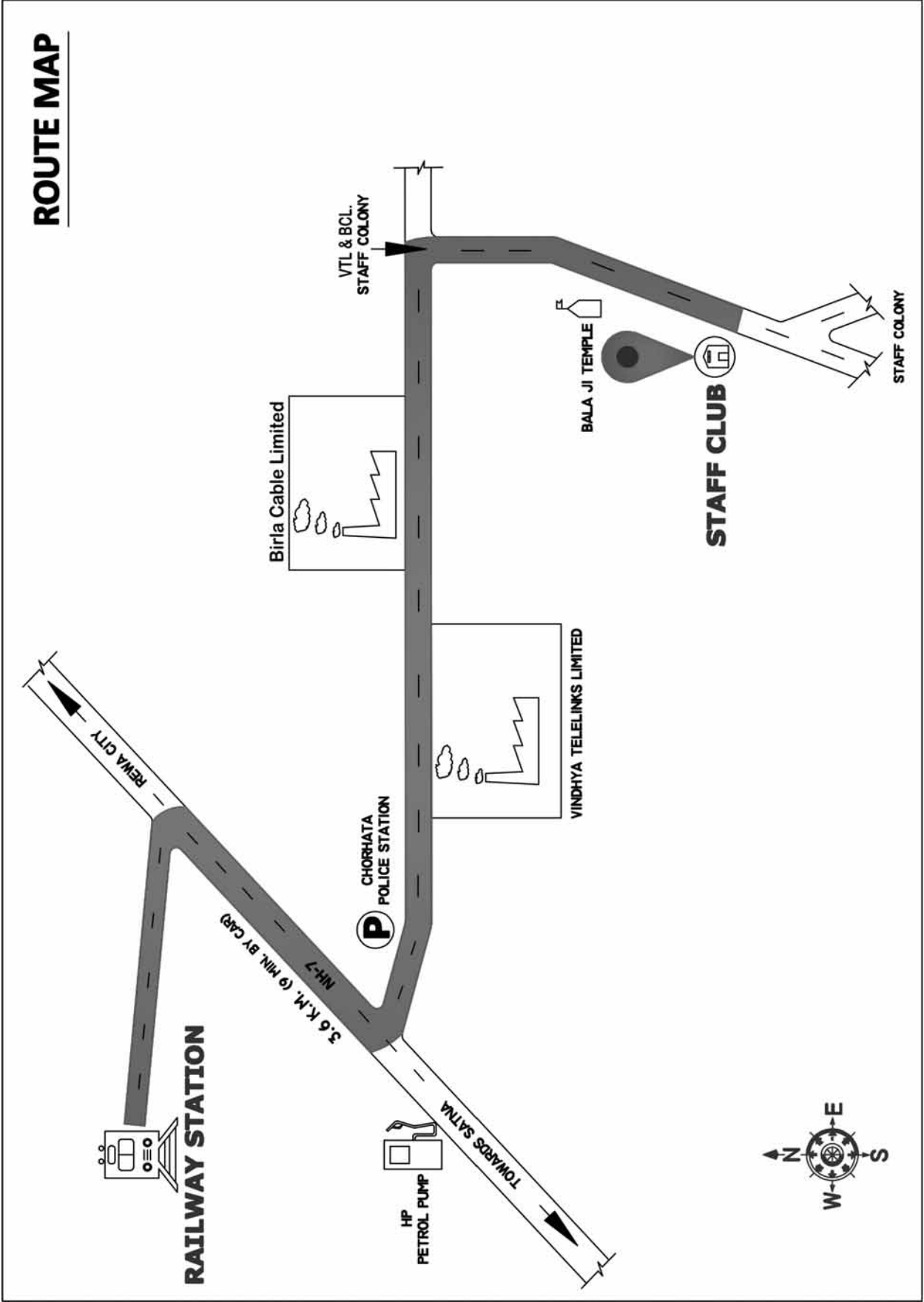
### ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	Default PAN/ Sequence No.
180613013	*

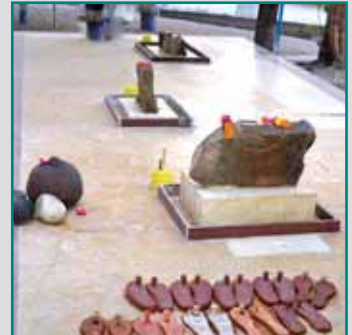
\* Only Members who have not updated their PAN with Company / Depository Participant shall use default PAN (10 digit sequence number) which is printed on the address sticker at TOP RIGHT SIDE IN BOLD.

**NOTE:** For remote e-voting, please read the instructions printed under the Note No.18 to the Notice dated May 23, 2018 of the Thirty Fifth Annual General Meeting. The Voting period for remote e-voting begins on July 27, 2018 at 9.00 a.m. and ends on July 30, 2018 at 5.00 p.m. The remote e-voting module shall be disabled by CDSL for voting thereafter.

ROUTE MAP FOR VENUE OF 35<sup>th</sup> AGM







TEMPLES IN THE COMPANY'S TOWNSHIP AT REWA, MADHYA PRADESH



Inauguration of Solar Energy Cable and Power Distribution Cable Plant at Rewa by Honourable Cabinet Minister for Mineral Resources, Industry Policy and Investment Promotion, Overseas Indian, Government of Madhya Pradesh Shri Rajendra Shukla along with Honourable Chairman Shri Harsh Vardhan Lodha, M.P. Birla Group

**REGISTERED OFFICE & WORKS**

Udyog Vihar,  
P.O.Chorhata,  
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Tel.: +91 7662 400 400  
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**CORPORATE OFFICE**

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Mahipalpur New Delhi 110 037,  
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Fax: +91 11 26779038

**EPC DIVISION**

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**VADODARA**

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Fax: +91 265 2793128

*If undelivered please return to:*



**VINDHYA TELELINKS LIMITED**

CIN:L31300MP1983PLC002134

Regd. Office & Works: Udyog Vihar, P.O. Chorhata, Udyog Vihar, Rewa - 486 006, Madhya Pradesh, India.

Tel.: +91 7662 400 400, Fax: +91 7662 400 591

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