

JOURNEY TOWARDS  
**DIGITAL**  
**FUTURE**



ANNUAL  
**REPORT**  
2019-20

**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 2019-20

### 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 SRIVASTAVA  
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.  
ICICI BANK LTD.  
AXIS 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

### CONTENTS

### PAGE NO.

Notice	I-XVIII
Directors' Report	1-28
Management Discussion and Analysis	29-33
Business Responsibility Report	34-41
Report on Corporate Governance	42-57
Independent Auditors' Report	58-63
Balance Sheet	64
Statement of Profit and Loss	65
Cash Flow Statement	66-67
Statement of Changes in Equity	68
Notes to Financial Statements	69-103
Independent Auditors' Report on Consolidated Financial Statement	104-109
Consolidated Balance Sheet	110
Consolidated Statement of Profit and Loss	111
Consolidated Cash Flow Statement	112-113
Consolidated Statement of Changes in Equity	114-115
Notes to Consolidated Financial Statements	116-146
Financial Statement of Subsidiaries, Associates and Joint Venture Company	147



## NOTICE

NOTICE is hereby given that the Thirty Seventh Annual General Meeting (AGM) of the Members of Vindhya Telelinks Limited will be held on Tuesday, the August 18, 2020 at 11.30 A.M. at the Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa - 486 006 (M.P.) to transact the following business along with the facility of Video Conferencing (VC) or Other Audio Visual Means (OAVM) so as to allow other Members of the Company to participate in the AGM:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - (a) the audited Financial Statements of the Company for the financial year ended March 31, 2020 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, 2020, and the Report of Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2020.
3. To appoint a Director in place of Shri Pracheta Majumdar (DIN: 00179118), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, Messrs BGJC & Associates LLP, Chartered Accountants (Firm Registration No.003304N), be and is hereby appointed as the Statutory Auditors of the Company to hold office for a term of five (5) consecutive years commencing from the conclusion of this 37th Annual General Meeting (AGM) until the conclusion of the 42nd AGM of the Company, at a remuneration of ₹ 18.00 Lakhs (Rupees Eighteen Lakhs) for the financial year 2020-21 plus reimbursement of applicable Goods and Service Tax and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively and that the Board of Directors of the Company based on the recommendation of the Audit Committee be and is hereby authorised to fix the remuneration for the subsequent periods during their term as Auditors of the Company.”

### SPECIAL BUSINESS:

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

“RESOLVED that pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, as applicable including any statutory modifications or amendments or re-enactments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (which expression shall include the Audit Committee or any other Committee thereof for the time being exercising the powers conferred by this Resolution) to enter into agreement(s)/ contract(s)/arrangement(s)/ transaction(s) with Universal Cables Ltd., a Related Party as defined under the Companies Act, 2013 and Listing Regulations, the value of which either singly or all taken together may exceed ten percent of annual consolidated turnover as per audited financial statements of the Company, during the current financial year 2020-21, and also during each of subsequent two financial year(s) i.e. 2021-22 and 2022-23, relating to sale, purchase, supply of any goods including raw materials, stores and consumables, semi finished goods, finished goods, etc., carrying out/availling job work, availing/rendering of marketing / business transfer 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 any other transaction, for an amount not exceeding in aggregate ₹ 500.00 Crores (Rupees Five Hundred Crores) per financial year, on such terms and conditions as may be mutually agreed between the Company and Universal Cables Ltd.

FURTHER RESOLVED that the Board of Directors or a Committee thereof or any of their delegate(s) be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and to approve aforesaid agreement(s)/contract(s)/arrangement(s)/ transactions and further to do all such acts, deeds, matters and things and finalise the terms and conditions and to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its/their absolute discretion pursuant to the above Resolution as may be considered necessary or incidental thereto.”
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 read along with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended or re-enacted from time to time, Shri Y.S. Lodha (DIN: 00052861) be and is hereby re-appointed as the Managing Director & Chief Executive Officer of the Company, not liable to retire by rotation, for a further period of 5 (Five) consecutive years effective from 4th November, 2020 to 3rd November, 2025, on the terms and conditions including remuneration, perquisites and benefits, etc. as set out in the draft Agreement, the main terms and conditions of which are set out in the Explanatory Statement attached to this Notice (including the remuneration to be paid in the event of loss or inadequacy

of profits in any financial year during his said tenure), to be entered into between the Company and Shri Y. S. Lodha and submitted for approval to this meeting, which Agreement is hereby specifically approved with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include the Nomination and Remuneration Committee or any other Committee of the Board constituted to exercise its powers including powers conferred by this Resolution) to alter and vary the terms and conditions of the said re-appointment and/or remuneration, perquisites and benefits, etc. as it may deem fit and in such manner as may be agreed to between the Board and Shri Y. S. Lodha.

FURTHER RESOLVED that the Board be and is hereby authorised and empowered to approve annual increments in Basic Salary with consequential increase in allowances, perquisites and benefits, etc. effective from 1st July each financial year and Performance Linked Incentive/Special Allowance for each financial year as considered appropriate from time to time subject to limits, if any, prescribed under Section 197, Schedule V or elsewhere under the Companies Act, 2013 read with rules framed thereunder and/or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time or in such manner as may be permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this Meeting and in force from time to time and to make such improvements, alterations, amendments or variations in the terms and conditions of the said Agreement and/or remuneration, perquisites and benefits payable as may be agreed to between the Board and Shri Y. S. Lodha.

FURTHER RESOLVED that the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writing as may be required or considered necessary, appropriate, expedient or desirable in regard to the said re-appointment and payment of remuneration, etc. as it may in its sole and absolute discretion deem fit to give effect to this resolution."

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

"RESOLVED that pursuant to the provisions of Section 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), Messrs D. Sabyasachi & Co., Cost Accountants (Registration No.000369), appointed as the Cost Auditors by the Board of Directors for conducting the audit of the cost accounting records of the Company for the financial year ending March 31, 2021, be paid a remuneration of Rs.75,000/- (Rupees Seventy Five Thousand) plus reimbursement of applicable Goods and Services Tax and actual out of pocket and travelling expenses incurred in connection with cost audit work.

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

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

"RESOLVED that pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as inserted vide the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and effective from 1st April, 2019, read with Sections 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded for payment of remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) of an amount not exceeding 0.75% (seventy five basis points) of Net Profits of the Company for the financial year 2020-21 (1st April, 2020 to 31st March, 2021) to Shri Harsh V. Lodha (DIN:00394094), Non-Executive Chairman of the Company, which may exceed fifty percent of the total annual remuneration/compensation by way of profit related commission or otherwise payable to all Non-Executive Directors of the Company, within the overall maximum limit of 1% (one percent) per annum of the Net Profits of the Company to all Non-Executive Directors as fixed/approved by the members of the Company at the 36th Annual General Meeting of the Company held on 5th August, 2019.

FURTHER RESOLVED that the remuneration/compensation by way of profit related commission or otherwise (excluding Goods and Services Tax, if any, thereon), to Shri Harsh V. Lodha, Non-Executive Chairman of the Company, shall be in addition to the remuneration by way of sitting fees for attending the meeting(s) of the Board of Directors and/or Committee(s) thereof or for any other purpose whatsoever as may be decided by the Board of Directors within the limit as prescribed under Section 197(5) of the Act and reimbursement of expenses for participation in the Board and other meetings.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matter, things and to take all such steps as may be considered necessary, appropriate, expedient or desirable in this regard to give effect to this Resolution and to settle any question, difficulty or doubt that may arise in this regard."

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

By Order of the Board of Directors  
For Vindhya Telelinks Limited

June 1, 2020

Satyendu Pattnaik  
Company Secretary

**NOTES FOR MEMBERS' ATTENTION**

1. In view of the situation arising due to Covid-19 pandemic, as per guidelines issued by the Ministry of Corporate Affairs, Government of India vide Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/2020 dated April 8, 2020 and Circular No.17/2020 dated April 13, 2020, in case a company gets the permission from the relevant authorities to conduct its AGM at its registered office or at any other place as provided under Section 96 of the Companies Act, 2013, after following the advisories issued from such authorities, the Company may, in addition to holding such meeting with the physical presence of some members, also provide the facility of VC/OAVM, so as to allow other members of the Company to participate in such meeting. In accordance with the said guidelines, the Company proposed to obtain permission from the concerned government authorities for conducting the AGM at its Registered Office situated at Udyog Vihar, P.O. Chorhata, Rewa-486006 (M.P) with physical presence of some members. In addition thereto, the Company shall also provide the facility to other Members of the Company to participate in the AGM through VC/OAVM in compliance with the guidelines provided in the Circular No. 20/2020 dated May 5, 2020. The detailed procedure for participating in the AGM through VC/OAVM by the eligible members of the Company is elaborated in Serial Number 20, 21, 22C, 22D and 22E hereinafter and also uploaded at the Company's website [www.vtlrewa.com](http://www.vtlrewa.com).
2. The explanatory statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses to be transacted at the Annual General Meeting is annexed hereto. In line with the Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI), the Notice of the 37th AGM along with the Annual Report 2019-20 will be available on the website of the Company at [www.vtlrewa.com](http://www.vtlrewa.com), on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com), on the website of NSE Limited at [www.nseindia.com](http://www.nseindia.com). The Notice of 37th AGM will also be available on the website of Central Depository Services (India) Limited at [www.cdslindia.com](http://www.cdslindia.com).
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") THROUGH PHYSICAL PRESENCE 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 AGM, i.e. by 11.30 A.M on August 16, 2020.  
  
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. The proxy form is valid only in case of physical participation in the AGM and shall not be valid in case of participation in the AGM through VC/OAVM.
4. Members/Proxies attending AGM through physical participation are requested to deposit the Attendance Slip duly filled in and signed for attending the AGM. In case of joint holders attending the AGM, 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 the AGM 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 AGM. Members who hold shares in dematerialised form are requested to bring their DP I.D. and Client I.D. No. for easier identification of attendance at the AGM.
5. During the period beginning twenty-four (24) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, 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 AGM. 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 Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection during the AGM at the Registered Office of the Company for the Members attending the AGM physically and electronically for Members attending the AGM through VC/OAVM upon log-in to CDSL e-Voting system.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the August 12, 2020 to Tuesday, the August 18, 2020 (both days inclusive) for the purposes of the 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 September 16, 2020 as under:
  - (a) To all Beneficial Owners in respect of shares held in dematerialised 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 August 11, 2020; 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 August 11, 2020.
8. As per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 1, 2020 shall be taxable in the hands of the Shareholders in the manner as stated hereinbelow. Your Company shall therefore be required to deduct tax at source at the time of making the payment of the Dividend as recommended by the Board of Directors

after obtaining the approval of Shareholders in the Annual General Meeting (AGM). The said dividend, if declared in the AGM, will be payable to those shareholders whose names appear in the Register of Members of the Company as on August 11, 2020.

- (i) For Resident Shareholders, tax shall be deducted at source under Section 194 of the Income tax Act, 1961 at 7.50% on the amount of dividend, if Permanent Account Number (PAN) is provided by the Shareholders to the Company. If no PAN is provided, then the tax shall be deducted at source at 20% as per Section 206AA of the Income Tax Act, 1961. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by the resident shareholders during Financial Year 2020-21 does not exceed Rs.5,000/-. In cases where the shareholder provides Form 15G (applicable to any person other than a company or a firm)/Form 15H (applicable to an Individual above the age of 60 years) as notified under Income Tax Rules, 1962, provided that all the required eligibility conditions are met, no tax will be deducted at source.
- (ii) For Foreign Portfolio Investor (FPI) category Shareholders, tax shall be deducted at source under Section 196D of the Income Tax Act, 1961 at 20% on the amount of dividend payable.
- (iii) For other Non-resident Shareholders, tax is required to be deducted in accordance with the provisions of Section 195 of the Income Tax Act, 1961, at the rates in force. Accordingly, as per the relevant provisions of the Income Tax Act, 1961, the tax shall be deducted at the rate of 20% on the amount of dividend payable to them. However, as per Section 90(2) of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (tax treaty) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail a lower rate of deduction of tax at source under an applicable tax treaty, such non-resident shareholders will have to provide the following:
  - (a) Self-attested copy of the PAN allotted by the Indian Income Tax authorities;
  - (b) Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident. In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter duly notarized and apostilled copy of the TRC would have to be provided;
  - (c) Self-declaration in Form 10F as notified under Income Rules, 1962 if all the details required in this form are not mentioned in the TRC; and
  - (d) Self-declaration (attached herewith) by the non-resident shareholder as to:
    - Eligibility to claim tax treaty benefits based on the tax residential status of the shareholder, including having regard to the Principal Purpose Test (if any), introduced in the applicable tax treaty with India;
    - No Permanent Establishment / fixed base in India in accordance with the applicable tax treaty;
    - Shareholder being the beneficial owner of the dividend income to be received on the equity shares; and
    - Shareholder has no reason to believe that its claim for the benefits under the tax treaty is impaired in any manner.

In order to enable us to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Income Tax Act, 1961 and rules made thereunder, eligible shareholders are requested to provide the above-mentioned details and documents as applicable on or before August 17, 2020. The dividend, if declared in the Annual General Meeting, will be paid after deduction of tax at source as determined on the basis of the aforementioned documents provided by the respective shareholders as applicable to them and being found to be satisfactory. The Company is not obligated to apply the beneficial tax treaty rates at the time of deduction of tax at source on the dividend amount, which shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the Non-resident Shareholders.

**Note:** All the above referred tax rates shall be duly enhanced by the applicable surcharge and cess, wherever applicable.

It may be noted that the aforementioned documents are required to be submitted to Company's Registrar and Share Transfer Agents, Messrs Link Intime India Private Limited at its dedicated link mentioned below - <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before August 17, 2020 at 17:00 Hrs. Indian Standard Time (IST) in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate.

No communication on the tax determination/deduction in respect of the said dividend shall be entertained post August 17, 2020. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from an eligible shareholder, there would still be an option available with such shareholder to file the return of income and claim an appropriate refund, if eligible. All communications/ queries in this respect should be addressed and sent to Company's Registrar and Share Transfer Agents, Messrs Link Intime India Private Limited at its email address [vtldivtax@linkintime.co.in](mailto:vtldivtax@linkintime.co.in). The Company shall arrange to email a soft copy of TDS certificate to the concerned shareholders at their registered email addresses in due course.

**Disclaimer:** This Communication is not to be treated as an advice from the Company or its affiliates or Link Intime India Private Limited. Shareholders should obtain the tax advice related to their tax matters from a tax professional.



9. 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. In the event the Company is unable to pay the dividend to certain Members directly in their bank account through Electronic Clearing Service (ECS) or any other means due to non-registration of the Electronic Bank Mandate, the Company shall despatch the Dividend Warrant/Bankers Cheque/Demand Draft to such Members at the earliest once the normalcy of postal services is restored. Members may further note that as per amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed with effect from April 1, 2019 unless the securities are held in the dematerialized form with a depository. Members are therefore advised to dematerialise their holding for facilitating the transfer of shares.
10. 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.
11. 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 [www.vtlrewa.com](http://www.vtlrewa.com). The Company was not required to transfer the unclaimed dividends during the financial year 2019-20 to the Investor Education and Protection Fund (IEPF) established by the Central Government.
12. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 37th AGM and the Annual Report for the year 2019-20 including therein the Audited Financial Statements for the year 2019-20, this Notice of the Meeting along with the Attendance Slip, Proxy Form, Route map of the venue of the Meeting and the Annual Report 2019-20 of the Company are being sent only by e-mail to all the Members whose e-mail addresses (IDs) are registered with the Company/Depository Participant(s). Members, who wish to update or register their e-mail addresses, in case of Demat holding, may please contact your Depository Participant (DP) and register your e-mail address, as per the process advised by your DP; and in case of Physical holding, may send a request to the Registrar and Share Transfer Agents of the Company - Messrs Link Intime India Pvt. Ltd. at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy), AADHAR (self-attested scanned copy). The Attendance Slip, Proxy Form and Route map is valid only for members attending the AGM physically.
13. Electronic copy of all the documents referred to in the accompanying Notice of the 37th AGM and the Explanatory Statement shall be available for inspection in the Investor Section of the website of the Company at [www.vtlrewa.com](http://www.vtlrewa.com).
14. Members desirous of obtaining any information on Annual Financial Statements of the Company at the Meeting are requested to write to the Company atleast One Week (7 days) before the date of the Meeting, so that the information required may be made available at the AGM.
15. Members are requested to note that the Company's shares are under compulsory demat trading for all the investors. The Company has connectivity from NSDL and CDSL and equity shares of the Company may be held in the electronic form with any Depository Participant (DP) with whom the members/investors are having their demat 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 Company's Registrar and Share Transfer Agents.
16. 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 Registrar and Share Transfer Agents, Messrs Link Intime India Pvt. Ltd. at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
17. Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) in respect of the Directors/Managing Director seeking re-appointment/remuneration at the ensuing Annual General Meeting are furnished in the Explanatory Statement which is annexed to the Notice and forms a part of the Notice. The Directors have furnished the requisite consent/ declaration for their re-appointment.
18. Messrs Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 continues to act in the capacity of Registrar and Share Transfer Agent 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.

19. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and in compliance with MCA Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020, the Company is providing facility of Remote e-Voting to its Members in respect of the business to be transacted at the AGM. In addition, the facility of voting through electronic voting system (e-voting) shall also be made available during the AGM for Members of the Company participating in the AGM through VC/OAVM and who have not cast their vote by Remote e-Voting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a Member using Remote e-Voting as well as the e-Voting system on the date of the AGM in case of a member participating in the AGM through VC/OAVM will be provided by CDSL.
20. The Members attending the AGM through VC/OAVM can join the AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned below in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first-come- first-served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first-come-first-served basis.
21. All the Members who are physically present in the AGM as well as members attending the AGM through VC/OAVM shall be reckoned for the purpose of ascertaining the quorum under Section 103 of the Companies Act,2013.

**22. Instructions for e-Voting and joining the AGM are as follows:**

**A. THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Friday, the August 14, 2020 at 9:00 a.m. and ends on Monday, the August 17, 2020 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 11, 2020 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) 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) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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 e-Voting of any company, then your existing password is to be used.
- (viii) If you are a first-time user follow the steps given below:

	<b>For Shareholders 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>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</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 login. <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 (v).</li> </ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for ‘Vindhya Telelinks Limited’ on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**B. PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the Remote e-Voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request in advance atleast One Week (7 days) prior to the AGM mentioning their name, demat account number/folio number, email id, mobile number at [investorgrievance@vtlrewa.com](mailto:investorgrievance@vtlrewa.com) to enable the Company to reply suitably during the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance One Week (7 days) prior to the AGM mentioning their name, demat account number/folio number, email id, mobile number at [investorgrievance@vtlrewa.com](mailto:investorgrievance@vtlrewa.com). The Chairman will endeavor to respond to the same at the AGM. Queries received after the above deadline may not be responded to, at the AGM. Further, the Company reserves the right to restrict the number of speakers depending upon availability of time for the AGM.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through Remote e-Voting, and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting through VC/OAVM facility.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**E. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- 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).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send a certified copy of Board Resolution/Power of Attorney together with attested specimen signature of the duly authorized signatory who are authorized to vote (by e-mail through its registered e-mail address) to the Scrutinizer at [rkmaoffice@gmail.com](mailto:rkmaoffice@gmail.com) with a copy marked to the Company at [investorgrievance@vtlrewa.com](mailto:investorgrievance@vtlrewa.com), if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM through VC/OAVM or e-Voting from e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Shri Nitin Kunder (022- 23058738 ) or Shri Mehboob Lakhani (022-23058543) or Shri Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means/VC/OAVM may be addressed to Shri Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058738, 022-23058542/43.

23. 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. August 11, 2020.
24. The Company has appointed Shri Rajesh Kumar Mishra, Practising Company Secretary or failing him Shri Hemant Singh, Practising Chartered Accountant as the Scrutinizer to scrutinise the voting during the AGM and Remote e-voting process in a fair and transparent manner.
25. The Scrutinizer(s) shall after the conclusion of voting at the Meeting, first count the votes cast including through e-voting during the AGM, 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 Forty-Eight hours 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 results of the voting forthwith.
26. 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 said result would be displayed at the Registered Office as well as Corporate Office of the Company, intimated to the Stock Exchanges where the Company’s equity shares are listed and shall also be displayed along with the Scrutinizer’s Report on the Company’s website [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 authorized 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 June 1, 2020:

**Item No.4**

In terms of Section 139 of the Companies Act, 2013 (“the Act”) and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the present Statutory Auditors of the Company, Messrs V. Sankar Aiyar & Co., Chartered Accountants (Registration No.109208W), will hold office as such until the conclusion of this 37th Annual General Meeting upon completion of their second term of five (5) consecutive years. The Company is required to appoint another Auditor for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the Forty Second (42nd) Annual General Meeting of the Company.

The Board of Directors at its meeting held on June 1, 2020, after considering the recommendation of the Audit Committee, has recommended for approval of members the appointment of Messrs BGJC & Associates LLP, Chartered Accountants, (Registration No.003304N), as the Statutory Auditors of the Company. The proposed Auditors shall hold office for a term of five consecutive years commencing from the conclusion of the Thirty Seventh (37th) Annual General Meeting till the conclusion of Forty Second (42nd) Annual General Meeting of the Company. Before recommending appointment of Messrs BGJC & Associates LLP, Chartered Accountants as Statutory Auditors of the Company, the Audit Committee has duly assessed the capability of the proposed Statutory Auditors to serve Company’s operating business segments besides considering various parameters including market standing, audit experience and peer review certification, technical knowledge, etc. and found Messrs BGJC & Associates LLP, to be best suited to handle the audit of financial statements of the Company.

The Board of Directors of the Company, based on the fees proposal received and on the recommendation of the Audit Committee, has proposed Audit Fees of Rupees Eighteen Lakhs plus reimbursement of applicable Goods and Services Tax and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively to Messrs BGJC & Associates LLP, Chartered Accountants, (Firm Registration No.003304N) for the Financial Year 2020-21. The Board may revise the Audit Fees payable to the Statutory Auditors, as per the recommendation of the Audit Committee, as may be mutually agreed with the Statutory Auditors of the Company.

The Company had paid Audit Fees of Rupees Eighteen Lakhs to the outgoing Statutory Auditors i.e. Messrs V. Sankar Aiyer & Co., Chartered Accountants, (Firm Registration No. 109208W) for the financial year 2019-20 besides reimbursement of applicable Goods and Services Tax and actual out of pocket expenses, etc. In the opinion of the Audit Committee and the Board of Directors of the Company, the Audit Fees payable to Messrs BGJC & Associates LLP, Chartered Accountants, is based on the proposal received at the time of selection of the Statutory Auditors by the Audit Committee. The other terms and conditions of appointment of the Statutory Auditors shall, inter-alia, include the conditions as mentioned in 6(A) and 6(B) of SEBI Circular No.CIR/CFD/CMD1/114/2019 dated 18th October, 2019 with respect to – “Resignation of Statutory Auditors from listed entities and their material subsidiaries” and fixation of remuneration for the periods subsequent to financial year 2020-21 during the remainder term of Statutory Auditors by the Board of Directors based on the recommendation of the Audit Committee.

Messrs BGJC & Associates LLP, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No.4 of this Notice.

The Board of Directors recommends the resolution at Item No.4 of this Notice for your approval.

**Item No.5**

Pursuant to Section 188 of the Companies Act, 2013 (“the Act”), read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company is required to obtain consent of the Board and prior approval of the members by an ordinary resolution in case certain related party transactions exceed such sum as is specified in the said Rules. The aforesaid provisions are not applicable in respect of transactions entered into by the Company in its ordinary course of business and on an arm’s length basis. However, pursuant to Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), approval of the shareholders through an ordinary resolution is required for all ‘material’ related party transactions, even if they are entered into in the ordinary course of business and on an arm’s length basis. For this purpose, a related party Transaction shall be considered ‘material’ if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of the Company.

Universal Cables Ltd., engaged primarily in the business of manufacturing and sale of Electrical Cables, Capacitors, Wires and Conductors, etc. is a related party of the Company within the meaning of Section 2 (76) of the Act and also under regulation 2(1)(zb) of the Listing Regulations.

The Company and in particular its EPC business segment, a leading end-to-end solution provider, interalia, in power distribution, sub-transmission and allied project, in its ordinary course of business sale, purchase, supply outsource goods including raw materials, stores and consumables, semi-finished goods, finished goods, etc., carry out/avail job work, avail/render marketing/business transfer 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 Universal Cables Ltd. from time to time. These transactions are necessary, normal and incidental to business and also play a significant role in Company's business operations and are entered into generally in the ordinary course of business and on arm's length basis.

The members of the Company accorded their approval by passing an Ordinary Resolution in the Annual General Meeting of the Company held on 24th July, 2017 for entering into material related party transactions with Universal Cables Limited for an amount not exceeding in aggregate Rs. 250.00 Crores per financial year from financial year 2017-18 to financial year 2019-20.

In terms of the Current business and market trend, the estimated material related party transactions, individually or taken together with previous transaction(s) are likely to exceed, during the financial year 2020-21 and thereafter in successive financial years upto 2022-23, ten (10) percent or more of the annual consolidated turnover as per the last audited financial statements of the Company being the materiality threshold as prescribed under Explanation to the Regulation 23(1) of the Listing Regulations. Accordingly, these transactions require the approval of the members by way of an Ordinary Resolution. All the agreements/contracts/ arrangements/ transactions entered into/to be entered into by the Company are in accordance with the Related Party Transaction Policy of the Company.

The other particulars pursuant to Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 are summarized below:

Name of the related party	Name of the Director or Key Managerial Personnel who is related, if any*	Nature of Relationship	Nature, Material Terms, Monetary Value and Particulars of the contract or arrangement	Any other information relevant or important for the members to take a decision on the proposed resolution
Universal Cables Limited (UCL)	Shri Harsh V. Lodha, Chairman & Director	An Associate Company	As referred to above and as per commercial terms in line with business practices and comparable with unrelated parties.	The transactions are generally in the ordinary course of business and are at arm's length basis.
	Shri Y. S. Lodha, Managing Director & CEO			

\*Shri Harsh V. Lodha, Chairman & Director of the Company is holding the position of Chairman & Director of UCL and also holds 18297 Equity shares in UCL. Shri Y. S. Lodha, Managing Director & CEO of the Company is holding the position of the Managing Director & CEO of UCL and also holds 100 Equity shares in UCL.

The disclosure of shareholding of the Promoters of the Company in UCL (to the extent of such shareholding is not less than two percent of paid-up share capital of UCL) is given below:

Sl.No.	Name of Company/Body Corporate	Category (in relation to UCL)	Shareholding in UCL Percentage (%)
(1)	The Punjab Produce & Trading Co. Pvt. Ltd. (PPTCPL)	Promoter	14.77%
(2)	Gwalior Webbing Co. Pvt. Ltd. (GWCCPL)	Promoter	8.32%
(3)	Birla Cable Ltd. (formerly Birla Ericsson Optical Ltd.) (BCL)	Promoter	2.27%

Section 188 of the Act as amended by the Companies (Amendment) Act, 2015 and Listing Regulations require members' approval by an ordinary resolution, subject to all persons/entities falling under the definition of related parties as per regulation 2(1) (zb) of the Listing Regulations shall not vote to approve such Resolution irrespective of whether the person/entity is a party to the particular transaction or not.

The Board is of the opinion that the aforesaid Resolution set out at Item No.5 of the accompanying Notice is in the best interest of the Company and its shareholders and hence, commends the Resolution set out under Item No.5 for approval of the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company or 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, except to the extent of his/her respective shareholding, if any, in the Company.

#### Item No.6

The Members of the Company, in the Thirty Second Annual General Meeting of the Company held on 23rd July, 2015, had appointed Shri Y. S. Lodha as Managing Director & Chief Executive Officer of the Company for a period of 5 (Five) consecutive years with effect from 4th November, 2015. The current term of office of Shri Y. S. Lodha as the Managing Director & Chief Executive Officer of

the Company is due to expire on 3rd November, 2020. Having regard to the professional and academic qualifications, background, experience and very long association of Shri Y. S. Lodha with the Company and considering the overall performance of the Company and its growth during his tenure, the Board of Directors based on recommendation of the Nomination and Remuneration Committee, at its meeting held on 1st June, 2020 has re-appointed Shri Y. S. Lodha as the Managing Director & Chief Executive Officer of the Company, not liable to retire by rotation, for another term of five 5 (Five) consecutive years effective from 4th November, 2020 through 3rd November, 2025, subject to approval of the members of the Company by way of a special resolution. The Board has also approved the remuneration, perquisites and other benefits, etc. payable to Shri Y. S. Lodha as the Managing Director & Chief Executive Officer, based on the approval accorded by a resolution passed by the Nomination and Remuneration Committee, subject to approval of the members of the Company. The broad particulars of remuneration, perquisites and other benefits, etc. payable to and other main terms and conditions relating to his re-appointment as contained in the draft Agreement to be entered into between the Company and Shri Y. S. Lodha, are as under:

**I. Tenure of Re-appointment:** 5 (Five) consecutive years with effect from 4th November, 2020 to 3rd November, 2025.

**II. Remuneration:**

- (1) Basic Salary:** Rs.8,10,000/- (Rupees Eight Lakhs Ten Thousand) only per month with such annual increments which will be effective from 1st July each financial year (commencing from 1st July, 2021), as may be approved by the Board of Directors of the Company based on the recommendation/approval of the Nomination and Remuneration Committee.
- (2) Performance Linked Incentive/Special Allowance:** Such amount as may be considered appropriate from time to time and approved by the Board of Directors based on the recommendation/approval of the Nomination and Remuneration Committee, for each financial year. The payment may be made on a prorata basis monthly/quarterly/half years or on an annual basis at the discretion of the Board.
- (3) Other Allowances, Benefits and Perquisites:** In addition to the Basic Salary, Performance Linked Incentive/Special Allowance as outlined above, the Managing Director & Chief Executive Officer shall be entitled to other allowances, benefits and perquisites as under:
  - (i) House Rent Allowance (HRA):** HRA at the rate of 40% of the Basic Salary. In addition, the expenditure incurred on furnishings, repairs/upkeep and maintenance, society charges and utilities (e.g. gas, fuel, electricity, water charges, etc.) of residential accommodation shall be reimbursed on actual basis.
  - (ii) Medical Benefits:** Healthcare/medical allowance and reimbursement of/payment towards mediclaim/medical insurance premium and Personal Accident Insurance Premium in accordance with Rules of the Company.
  - (iii) Leave Travel Allowance/Concession:** For self and family, once in a year, in accordance with Rules of the Company.
  - (iv) Club Fees:** Payment/reimbursement of club fees for not more than two clubs in India, excluding admission and life membership fees.
  - (v) Contribution to Provident Fund, Pension, Superannuation Fund and National Pension Scheme:** As per Rules framed under the Company's relevant schemes/policies while ensuring compliances with the applicable statutory provisions, if any, from time to time.
  - (vi) Gratuity:** As per Rules of the Company and applicable statutory provisions from time to time.
  - (vii) Leave Encashment:** Leave with full pay and allowances with all benefits and amenities as per Rules of the Company. Accumulation/encashment of unavailed earned privilege leave will be permissible in accordance with Rules of the Company.
  - (viii) Other Perquisites, benefits & Allowance(s):** As per Rules of the Company which are applicable to other senior employees of the Company unless specifically provided herein and/or as may be decided by the Board of Directors based on approval, if any, accorded by the Nomination and Remuneration Committee.
  - (ix) Car/Communication Facilities:** The following shall not be included in the computation of perquisites –
    - (a) Provision of Company's Car with driver for official use.
    - (b) Provision of or reimbursement towards telecommunication facilities including internet/broadband connectivity, etc. at office and residence.

**Explanation(s):**

- (a) The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 and rules framed thereunder or any statutory modification(s) or re-enactment(s) thereof. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. Income Tax alongwith surcharge and/or cess thereon in respect of above remuneration shall be deducted at source as per the governing provisions of the Income Tax Act, 1961 and rules made thereunder.
- (b) The Company's contribution to provident fund, pension, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure, as per the relevant rules of the

Company, shall not be included in the computation of the ceiling on remuneration as prescribed under Schedule V of the Companies Act, 2013, as amended from time to time.

- (c) For the purpose of payment of gratuity, Company's contribution to superannuation fund and leave encashment benefits, the services of Shri Y.S. Lodha will be considered continuous service with the Company from the date he joined the services of associate/sister concern(s)/group company or this Company in any capacity from time to time and termination of the Agreement followed by immediate renewal(s) thereof or execution of a fresh Agreement, will not be considered as any break in service.
- (d) The Managing Director & Chief Executive Officer shall be entitled to be paid/reimbursed by the Company all travelling, boarding and lodging during business trips, business promotion and other out-of-pocket expenses, costs, charges and expenses as may be incurred by him for the purpose of Company's work or on behalf of the Company or as may be approved by the Nomination and Remuneration Committee and/or the Board. Expenses including travelling, and lodging relating to spouse accompanying on any official domestic and overseas trip or other facilities, if any, shall be dealt with in accordance with the practices and rules of the Company as applicable from time to time. The Managing Director & Chief Executive Officer would also be entitled to any other benefits or privileges as per Personnel Policies of the Company including but not limited to Social/House loan(s) as per related Rules of the Company as applicable from time to time.

**Overall Remuneration:** The Board of Directors based on the recommendation/ approval of the Nomination and Remuneration Committee and/or any other Committee constituted by the Board for the purpose is entitled to revise the remuneration payable to the Managing Director & Chief Executive Officer from time to time, as it may in its discretion deem fit, subject to limits, if any, specified in Section 197, Schedule V or elsewhere under the Companies Act, 2013 read with rules framed thereunder and/ or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, in such manner as may be agreed to between the Board and the Managing Director & Chief Executive Officer, subject to such approvals, if so required.

**Remuneration to be paid in the event of loss or inadequacy of profits:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the Managing Director & Chief Executive Officer, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of Basic Salary, Allowances, Benefits, Perquisites and Incentives as specified above, subject to requisite approvals being obtained in that behalf, if and to the extent necessary or in the alternative payment of remuneration to the Managing Director & Chief Executive Officer as specified above shall be governed by the provisions as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may be in force at the relevant time.

### III. Other Conditions:

- (a) As long as Shri Y. S. Lodha functions as the Managing Director & Chief Executive Officer of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committees thereof.
- (b) Shri Y. S. Lodha, in the capacity of Managing Director & Chief Executive Officer, shall be considered as a Key Managerial Personnel pursuant to the provisions of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- (c) In addition to his present appointment as Managing Director & Chief Executive Officer of the Company, Shri Y. S. Lodha had also been appointed as "Managing Director & Chief Executive Officer" of a promoter Company viz. Universal Cables Limited. He would receive remuneration from the said promoter Company as well on holding the managerial position of "Managing Director & Chief Executive Officer", provided that subject to the provisions of Sections I to IV of Part II of Schedule V to the Companies Act, 2013, the total remuneration drawn by him from both the companies shall not generally exceed the higher of maximum limit admissible from any one of the companies of which he is a managerial person as prescribed under Section V of Part II of Schedule V to the Companies Act, 2013 subject to the overall ceiling as stipulated in Section 197 of the Companies Act, 2013 and related rules. Provided further that the remuneration/minimum remuneration in excess of above limit may be paid once the approval is accorded by the members of the Company by way of Special Resolution for payment of remuneration, perquisites, benefits, etc. to Shri Y. S.Lodha in the capacity of Managing Director & Chief Executive Officer of the Company and compliance with other relevant terms and conditions as contained in Section I to V of Part II of Schedule V to the Companies Act, 2013 to the extent applicable in such case.
- (d) Shri Y. S. Lodha as Managing Director & Chief Executive Officer shall, devote his such time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to superintendence, control and direction of the Board in connection with and in the best business interests of the Company and the business of any one or more of its Subsidiaries and Associates. However, he may hold Directorships in other companies and provide services to other group companies, bodies or institutions or any other executive body or any committee of such companies/bodies or institutions, if permissible under applicable laws.
- (e) The terms and conditions of the Agreement for appointment of Shri Y. S.Lodha as Managing Director & Chief Executive Officer of the Company may be altered, varied, modified or amended and/or remuneration payable to him (including salary, Performance Linked Incentive and/or Special Allowance, if any, allowances, perquisites and benefits) as set out herein may be increased/ enhanced from time to time by the Board of Directors of the Company and/or the Nomination and



Remuneration Committee as it may, at its discretion deem fit, irrespective of the limits stipulated under Schedule V of the Companies Act, 2013 or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director & Chief Executive Officer, subject to such further approvals, if so required.

- (f) The Company shall indemnify Shri Y. S. Lodha and keep him indemnified against all costs, expenses, losses, damages, penalties that he may incur or suffer in the course of attending or performing the Company's work including legal costs and expenses incurred by him in defending any dispute or proceedings in any Court of Law, Arbitration, etc.
- (g) The Agreement may be terminated by either Party (the Company or the Managing Director & Chief Executive Officer) 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 and pro-rated performance linked incentive) in lieu of such notice to Shri Y. S. Lodha.
- (h) The said draft Agreement also contains further terms and conditions as to powers and authority of Shri Y. S. Lodha, non-participation in any selling agency of the Company, termination, mutual rights and obligations of the Company and Shri Y. S. Lodha, etc.

Copy of the resolution passed by the Board of Directors in its meeting held on 1st June 2020, the draft of the Agreement referred hereinabove and Articles of Association of the Company are available for inspection by any member of the Company at the Registered Office and Corporate Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company (excluding Saturday and Sunday) upto and including the date of this ensuing Annual General Meeting and will also be available for inspection at the venue of the said Meeting. The draft Agreement is also available on the Company's website [www.vtlrewa.com](http://www.vtlrewa.com).

#### **Disclosures:**

The details of remuneration of all the Directors/Key Managerial Personnel and other information/details, as applicable, shall be disclosed under the Report of Corporate Governance in the Annual Report.

This Explanatory Statement may also be considered as the requisite abstract under Section 190 of the Companies Act, 2013 setting out terms and conditions of re-appointment of Shri Y. S. Lodha as the Managing Director and Chief Executive Officer of the Company. The information/details of Shri Y. S. Lodha pursuant to Secretarial Standard on General Meetings (SS-2) are provided herein as also in the Annexure-'A' to the Notice.

Shri Y. S. Lodha has rich & varied experience in the industry and businesses and possesses expertise and knowledge in the field in which the Company operates. It would, therefore, be in the best interests of the business of the Company to re-appoint him as the Managing Director & Chief Executive Officer of the Company. Accordingly, in compliance with the provisions of Sections 196, 197, 203 and other applicable provisions read with Schedule V of the Companies Act, 2013 and based on the recommendation of the Board & Nomination and Remuneration Committee, approval of the members is sought for passing the Special Resolution for re-appointment and terms of remuneration of Shri Y.S. Lodha as the Managing Director & Chief Executive Officer as set out at Item No.6 of the accompanying Notice.

Save and except Shri Y. S. Lodha, none of the Directors/other Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the accompanying Notice. Shri Y. S. Lodha does not hold any equity share in the Company and is not related to any other Directors or Key Managerial Personnel of the Company.

The Board recommends the Resolutions set forth in Item No.6 of the accompanying Notice for approval of the Members of the Company.

#### **Item No.7**

The Company is required under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, to have the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014 conducted by a Cost Accountant in practice. The Board of Directors of the Company in its Meeting held on 1st June, 2020, has on the recommendation of the Audit Committee approved the appointment of Messrs D.Sabyasachi & Co., Cost Accountants (Registration Number - 000369) as the Cost Auditors of the Company for the Financial Year 2020-21 at a remuneration of Rs.75,000/- (Rupees Seventy Five Thousand) only plus reimbursement of applicable Goods and Services Tax and actual out of pocket and travelling expenses incurred in connection with cost audit work.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought by way of an Ordinary Resolution as set out at Item No.7 of the Notice for ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year ending March 31, 2021.

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.7 of the accompanying Notice.

The Board recommends the Ordinary Resolution set out in Item No.7 of the accompanying Notice for approval of the Members of the Company.

**Item No.8**

Pursuant to the provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as inserted vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, effective from 1st April, 2019, the approval of the members of the Company by way of a special resolution is required to be obtained every year for payment of annual remuneration/compensation by way of profit related commission or otherwise as permissible under the Companies Act, 2013 to a single Non-Executive Director exceeding fifty percent of the total annual remuneration/compensation payable to all Non-Executive Directors and giving details of remuneration thereof.

Shri Harsh V. Lodha has contributed immensely towards the sustained growth of the Company since his appointment as Non-Executive Chairman of the Company with effect from 22nd December, 2010. Considering the active and vital role played by Shri Harsh V. Lodha as Non-Executive Chairman of the Company, it is proposed to pay him remuneration/ compensation by way of profit related commission or otherwise (excluding Goods and Services Tax, if any, thereon) of an amount not exceeding 0.75% (seventy five basis points) of Net Profits of the Company for the financial year 2020-21, which may exceed fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company. Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 1st June, 2020, recommended for passing of a Special Resolution by the Members of the Company for payment of remuneration/compensation by way of profit related commission or otherwise to Shri Harsh V. Lodha as the said remuneration/compensation payable to him for the financial year 2020-21 may exceed fifty percent of total annual remuneration payable to all Non-Executive Directors of the Company, within the overall maximum limit of 1% (one percent) per annum of the Net Profits of the Company to all Non-Executive Directors as approved/ fixed by the members of the Company at the 36th Annual General Meeting of the Company held on 5th August, 2019.

Disclosures/additional information concerning Shri Harsh V. Lodha, as required under Secretarial Standard on General Meetings (SS-2) are given in the Annexure to this Explanatory Statement.

Save and except Shri Harsh V. Lodha and his relatives, none of the other Directors/Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, whether financially or otherwise, in the Resolution as set out at Item No.8 of the Notice.

The Board recommends the Special Resolution as set out in Item No.8 of the accompanying Notice for approval of the Members of the Company.

**Annexure A**

Disclosures/additional information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/ Secretarial Standard on General Meetings ('SS-2') pertaining to Directors/Managing Director recommended for re-appointment/ remuneration and concerning other matters as referred to in the accompanying Notice/Explanatory Statement.

	(1)	(2)	(3)
<b>Name of Director</b>	Shri Pracheta Majumdar	Shri Y.S. Lodha	Shri Harsh V.Lodha
<b>DIN</b>	00179118	00052861	00394094
<b>Date of Birth &amp; Age</b>	15.08.1944 76 years	03.04.1964 56 years	13.02.1967 53 years
<b>Nationality</b>	Indian	Indian	Indian
<b>Date of First Appointment on the Board of Directors of the Company</b>	27.10.2004	27.10.2006 He worked in the capacity of Whole-time Director of the Company from 4th November, 2006 to 3rd November, 2009. Now, he has been working in the capacity of Managing Director of the Company since 4th November, 2009.	05.05.2004
<b>Qualifications</b>	B.E.(Mechanical)	B.Com, FCA, ACS	Chartered Accountant
<b>Experience (including nature of expertise in specific functional areas)/ brief resume</b>	Mechanical Engineer and Management Advisor by profession, he possesses more than 50 years of rich and varied experience in diverse fields viz. design & project management of chemicals, petrochemicals & fertilizer plants and setting up of large Greenfield projects. Spearheaded setting up of large projects both in India and abroad including an international joint venture project with a large US based multinational. Held the position of Managing Director at Ceat Tyres Ltd. and was on the Supervisory Board of RPG Group. Worked for about 12 years in Project and Manufacturing Department of Hindustan Unilever Ltd. (HUL). At the time of leaving, held the position of manufacturing head of the then largest plant of HUL. Attended various international management courses organized by HUL and executive Development Programmes and Advanced management Programmes conducted by Stanford University and Harvard Business School. Presently, he holds the position of Wholetime Director and Chief Executive Officer in Birla Corporation Limited.	Fellow member of the Institute of Chartered Accountants of India and also an Associate member of the Institute of Company Secretaries of India having vast knowledge and rich & varied corporate experience of more than 33 years in the various cable companies all belonging to M.P. Birla Group. He is a seasoned executive in Cable Industry. His strength lies in his ability to generate and communicate a vision and understand technology trends, take advantage of market timings to drive innovation and deliver contemporary solution to Company's domestic and global customers base. He has a proven track record built over a period of more than 3 decades of delivering and exceeding objectives by building strong organisations and developing and executing effective go market strategies besides experience in starting and bringing to fruition start up companies and diversifying into emerging businesses. His strength also includes strong relationship management, international alliances /tie-ups and business development.	He holds a Bachelor's Degree in Commerce from Calcutta University and is a qualified Chartered Accountant. He possesses vast and varied experience of about 34 years in profession and industry. He served as a Partner of Lodha & Co., Chartered Accountants for two decades where he was involved in and handled several advisory assignments in the fields of Audit, International Takeovers and Financing. He has served on various key positions of Committees constituted by FICCI, ICAI, Indian Chamber of Commerce, ASSOCHAM, Ministry of Corporate Affairs and Reserve Bank of India. He has served as Honorary Consul of the Government of Romania for West Bengal, Orissa and Bihar and as Vice Consul of the Republic of Philippines for Eastern India.  In addition to the above, he also adds wings to his credentials by rendering services as Trustee and/or Managing Committee Member of several Philanthropic Institutions including Bombay Hospital and Medical Research Centre, Belle Vue Clinic, South Point Education Society, Priyamvada Birla Aravind Eye Hospital, M.P. Birla Institute of Fundamental Research, etc.

<b>Number of Shares held in the Company</b>	<p style="text-align: center;">Nil</p>	<p style="text-align: center;">Nil</p>	<p style="text-align: center;">Nil</p>
<b>List of Directorships held in other companies</b>	<p><b>Listed Companies</b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd.</li> </ol> <p><b>Unlisted Companies</b></p> <ol style="list-style-type: none"> <li>East India Investment Co. Pvt. Ltd.</li> <li>RCCPL Pvt. Ltd.</li> </ol>	<p><b>Listed Companies</b></p> <ol style="list-style-type: none"> <li>Universal Cables Ltd.</li> </ol> <p><b>Unlisted Companies</b></p> <ol style="list-style-type: none"> <li>Birla Furukawa Fibre Optics Pvt. Ltd.</li> <li>Birla Visabeira Pvt. Ltd.</li> </ol>	<p><b>Listed Companies</b></p> <ol style="list-style-type: none"> <li>Alfred Herbert (India) Ltd.</li> <li>Birla Corporation Ltd.</li> <li>Birla Cable Ltd.</li> <li>Universal Cables Ltd.</li> </ol> <p><b>Unlisted Companies</b></p> <ol style="list-style-type: none"> <li>Baroda Agents &amp; Trading Co. Pvt. Ltd.</li> <li>Birla Furukawa Fibre Optics Pvt. Ltd.</li> <li>East India Investment Co. Pvt. Ltd.</li> <li>Gwalior Webbing Co. Pvt. Ltd.</li> <li>Hindustan Gum &amp; Chemicals Ltd.</li> <li>J.K. Fenner (India) Ltd.</li> <li>Oneworld Resources Pvt. Ltd.</li> <li>Punjab Produce Holdings Ltd.</li> <li>RCCPL Pvt. Ltd.</li> <li>Swiss India Financial Services Co. Pvt. Ltd.</li> <li>The Punjab Produce &amp; Trading Co. Pvt. Ltd.</li> </ol>
<b>Chairman/Member of the Committees of the Boards of the Companies in which he is Director</b>	<p><b>A. Member:</b></p> <p><b><u>Stakeholders Relationship Committee</u></b></p> <p><b>Listed Company</b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd.</li> </ol> <p><b>Unlisted Company</b></p> <ol style="list-style-type: none"> <li>RCCPL Pvt. Ltd.</li> </ol> <p><b>B. Committee of Directorship</b></p> <p><b>Listed Company</b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd.</li> </ol> <p><b>Unlisted Company</b></p> <ol style="list-style-type: none"> <li>RCCPL Pvt.Ltd.</li> </ol>	<p><b>Member:</b></p> <p><b><u>Corporate Social Responsibility Committee</u></b></p> <p><b>Unlisted Company</b></p> <ol style="list-style-type: none"> <li>Birla Furukawa Fibre Optics Pvt. Ltd.</li> </ol>	<p><b>A. Chairman:</b></p> <p><b><u>A.1 Corporate Social Responsibility Committee</u></b></p> <p><b>Listed Companies</b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd.</li> <li>Universal Cables Ltd.</li> </ol> <p><b>Unlisted Companies</b></p> <ol style="list-style-type: none"> <li>Hindustan Gum &amp; Chemicals Ltd.</li> <li>RCCPL Pvt. Ltd.</li> <li>The Punjab Produce &amp; Trading Co. Pvt. Ltd.</li> </ol> <p><b>A.2 Stakeholders Relationship Committee</b></p> <p><b><u>Listed Company</u></b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd.</li> </ol> <p><b>B. Member:</b></p> <p><b><u>B.1 Nomination and Remuneration Committee</u></b></p> <p><b>Listed Company</b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd</li> </ol> <p><b>Unlisted Company</b></p> <ol style="list-style-type: none"> <li>RCCPL Pvt. Ltd.</li> </ol> <p><b>B.2 Corporate Social Responsibility Committee</b></p> <p><b>Unlisted Company</b></p> <ol style="list-style-type: none"> <li>Gwalior Webbing Co. Pvt. Ltd.</li> </ol> <p><b>C. Committee of Directorship</b></p> <p><b>Listed Company</b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd.</li> </ol> <p><b>Unlisted Company</b></p> <ol style="list-style-type: none"> <li>RCCPL Pvt.Ltd.</li> </ol>

<b>Relationship with other Directors, Manager and Key Managerial Personnel of the Company</b>	None	None	None
<b>Number of Meetings of the Board attended during the financial year 2019-20</b>	3 out of 4	3 out of 4	4 out of 4
<b>Terms and conditions of appointment/Re-appointment</b>	Liable to retire by rotation.	Re-appointment as Managing Director & Chief Executive Officer, not liable to retire by rotation, for a period of 5(five) years with effect from 4th November, 2020 to 3rd November, 2025.	Liable to retire by rotation.
<b>Remuneration last drawn by such person, if applicable and Remuneration sought to be paid</b>	The remuneration paid by way of Sitting Fees for attending the meeting of Board of Directors and/or any Committee thereof was disclosed in the Report of Corporate Governance in all the previous Annual Reports. In addition to payment of Sitting Fees for attending the meetings of Board of Directors and/or any Committee thereof, the Board of Directors based on recommendation of Nomination and Remuneration Committee has approved a token amount of One (1) Rupee towards remuneration/compensation by way of profit related commission for the financial year 2019-20 due to prevailing adverse and challenging market conditions as a fall out of COVID-19 pandemic.	Kindly refer Explanatory Statement to the Notice.	The remuneration paid by way of Sitting Fees for attending the meeting of Board of Directors and/or any Committee thereof was disclosed in the Report of Corporate Governance in all the previous Annual Reports. In addition to payment of Sitting Fees for attending the meetings of Board of Directors and/or any Committee thereof, the Board of Directors based on recommendation of Nomination and Remuneration Committee has approved a token amount of One (1) Rupee towards remuneration/compensation by way of profit related commission for the financial year 2019-20 due to prevailing adverse and challenging market conditions as a fall out of COVID-19 pandemic. He continues to be eligible for annual remuneration/compensation by way of profit related commission or otherwise payable to all Non-Executive Directors of the Company and it is proposed to pass an enabling resolution for payment of remuneration/ compensation to him by way of profit related commission or otherwise of an amount not exceeding 0.75% (seventy five basis points) of Net Profits of the Company for the financial year 2020-21 within the overall maximum limit of 1% (one percent) per annum of the Net Profits of the Company to all Non-Executive Directors, subject to approval of members of the Company by way of Special Resolution.

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

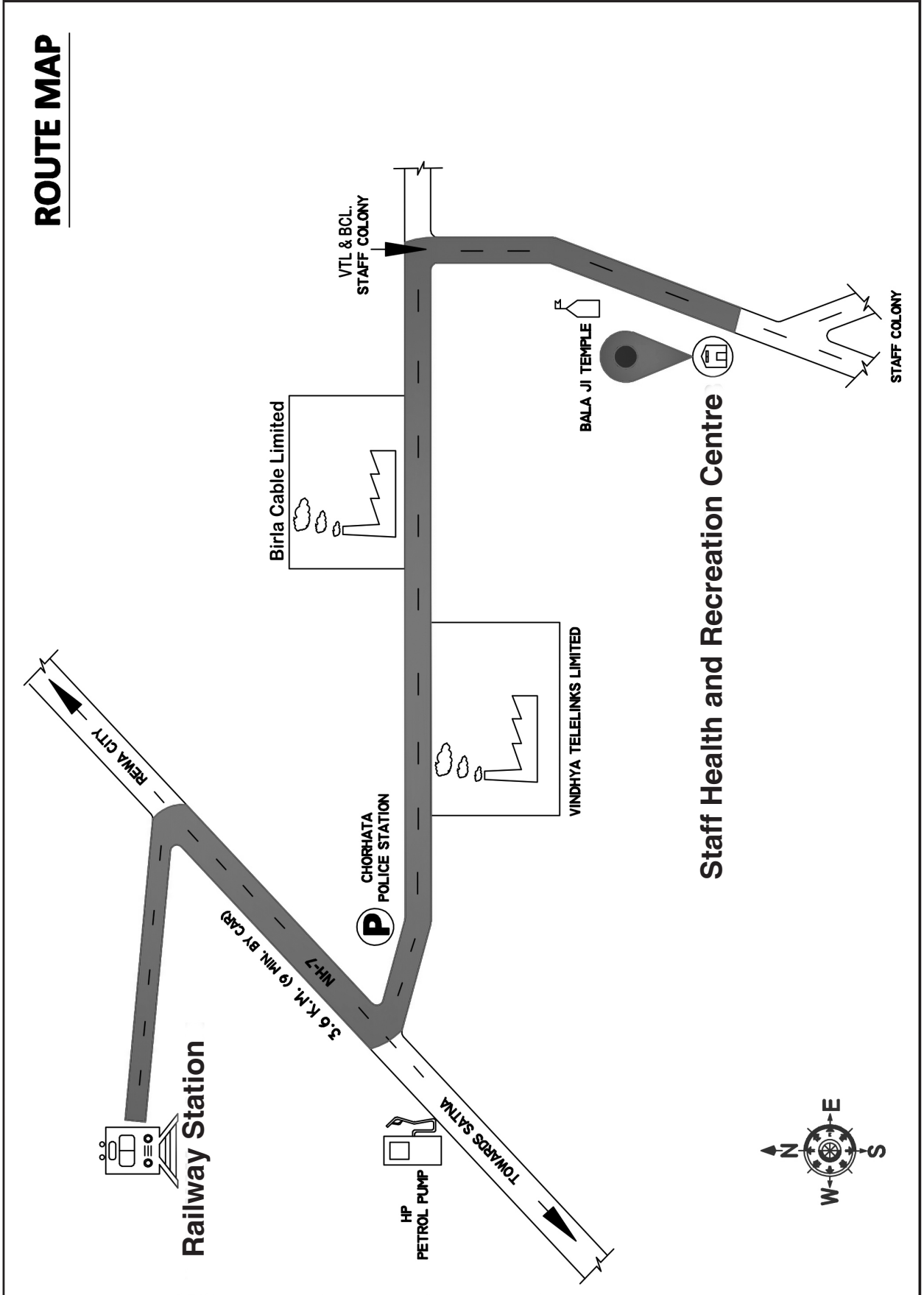
June 1, 2020

By Order of the Board of Directors  
For Vindhya Telelinks Limited

Satyendu Pattnaik  
Company Secretary

# ROUTE MAP FOR VENUE OF 37<sup>th</sup> AGM

## ROUTE MAP



# Directors' Report

## TO THE SHAREHOLDERS

The Board of Directors has the pleasure of presenting its Thirty Seventh Annual Report of the business and operations of your Company, together with the Audited Financial Statements of the Company for the financial year ended March 31, 2020.

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

Description	Amount (₹ in lakhs)	
	2019-20	2018-19
Revenue from Operations	<b>188319.31</b>	209536.95
Other Income	<b>1893.51</b>	1332.34
Earnings before Finance Costs, Depreciation and Tax	<b>27907.02</b>	35303.84
Finance Costs	<b>9701.54</b>	7624.25
Profit before Depreciation and Tax	<b>18205.48</b>	27679.59
Depreciation and Amortization	<b>2073.24</b>	1990.46
Profit before Tax	<b>16132.24</b>	25689.13
Tax Expenses / (Credit)	<b>3442.72</b>	8823.61
Net Profit for the year	<b>12689.52</b>	16865.52

The financial statements for the financial year ended March 31, 2020 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.

### GENERAL & CORPORATE MATTERS

Your Company continues to operate in two business segments i.e. Cables and Engineering Procurement and Construction (EPC).

During the year under review, your Company achieved Revenue from Operations of ₹ 188319.31 lakhs as compared to ₹ 209536.95 lakhs in the previous year, a decline of about 10.13%. The revenue from exports increased to ₹ 3580.84 lakhs as compared to ₹ 2760.44 lakhs during the previous year. During the year under review, the EPC business segment shown a slight decline in revenue of 0.58% whereas Cables business segment has registered a decline of 37.52 % in Revenue in comparison with the previous financial year due to severe contraction in demand for Optical Fibre Cables coupled with pricing pressures due to excess capacity globally and elevated inventory levels of Optical Fibre. The Profit before Depreciation and Tax for the year stood at ₹ 18205.48 lakhs as compared to ₹ 27679.59 lakhs in the previous year. The detailed operational working of your Company for the year is provided in the Management Discussion and Analysis forming a part of this Report.

The demand slowdown in Optical Fibre Cable business started from third quarter of the year under review and continued thereafter following the outbreak of COVID-19 pandemic which impaired the business activities due to contraction in demand globally. The extended business shutdown has further worsened the economic activities including plummeted network demand due to roll out constraints.

The corona virus has recently drawn much attention to the digital divide and is changing perception of the internet from a superfluous luxury to a crucial social necessity. The lockdown prompted by the Covid-19 pandemic has demonstrated the extent of our reliance on mobile and fixed broadband networks as millions of people are depending on their internet connection to work and study and play from home. In order to close the urban-rural digital divide, optical fibre cable connectivity needs to be deployed widely for augmenting broadband access in the country as a step towards digital economy. With the increasing demand of high speed and resilient broadband which has to accelerate leap and bonds post Covid-19 pandemic, your Company's vast experience in the field of telecom and optical fibre connectivity infrastructure will surely have a positive impact on its future endeavours due to compelling value proposition for telecom service providers. Your Company believes that extensive coverage of optical fibre based digital communication infrastructure will support deployment on 5G mobile networks, FTTx fixed network, cloud and edge data centres and shall be a key enabler for telecom industry transformation together with software innovation to secure new source of revenue for telecom service providers.

The need of modernizing the Railway network was felt by the government and the aggressive Railway Network augmentation and expansion has created sizeable opportunities for Railway Quad and Signaling Cables. Your Company is well entrenched into Railway Quad and Signalling Cable business as well to reap the benefits in terms of improved business prospects. Further with the successful commissioning of Electron Beam Cross Linking production facility for manufacturing solar energy cables and requisite TUV certification for E-Beam products, your Company is now fully equipped to reap the emerging opportunities for supplying cables in the renewable energy, ship building and other sectors with its best-in-class quality and state-of-the-art facilities.

The EPC Division of your Company is well entrenched player in the Services sector and creating large scale infrastructure for business verticals like Telecommunications including Optical Fibre Cable networks under IP-1 licence and telecom networks system integration, Power, Rural Electrification, Sewerage pipeline networks, Lift Irrigation projects, etc. and thereby earning a very good name for quality work done and consequently earning a 'Mark of Trust' in the respective verticals.

## DIVIDEND AND RESERVES

After considering the Company's profitability, free cash flow and overall financial performance, the Board of Directors of your Company is pleased to recommend a Dividend of ₹ 10/- (previous year ₹ 12/-) per equity share of face value ₹ 10/- each (i.e.100%) for the financial year ended on March 31, 2020. The payment of Dividend will be subject to deduction of Tax at source, as per the prescribed rate under Income Tax Act, 1961. The distribution of Dividend on equity shares, if approved by the Members at the ensuing Annual General Meeting.

During the year under review, the Ministry of Corporate Affairs, Government of India vide it's notification dated August 16, 2019 amended the Companies (Share Capital and Debenture) Rules, 2014 by relaxing the requirement of creation of Debenture Redemption Reserves. Accordingly, the balance of ₹ 2085.00 Lakhs lying credited in Debenture Redemption Reserve has been transferred in General Reserve.

## SHARE CAPITAL

The paid-up Equity Share Capital of the Company as at March 31, 2020 stood at ₹ 1185.00 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, 2020.

## 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. Moreover, by availing alternate funding options like issuance of Commercial Papers at a very competitive coupon rate(s), reduction in charges for non-fund based credit facilities and resorting to Supplier's Credit at a competitive pricing, etc. your Company ensured efficiency in borrowings cost.

## CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations"), 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 projects and programmes in the areas of (i) Animal welfare; (ii) Promoting healthcare including preventive healthcare; (iii) Promoting education including employment enhancing vocation skills especially among children and girls and livelihood enhancement projects; and (iv) Ensuring Environmental Sustainability and Ecological Balance, Conservation of Natural Resources and maintaining quality of Soil, Air and Water in and around 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, 2020, 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, 2020 and of the profit of the Company for the year ended on that date;
- (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 proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems 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 services and effectiveness of risk mitigation and controls besides inherent risks associated with the products/goods and services 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 the opinion 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 Company's business operations coupled with adherence to its established policies, safety/security of its assets besides orderly and legitimate conduct of 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 an independent firm 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 as well as the Audit Committee 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 the Companies Act, 2013, SEBI Act and rules/guidelines, other corporate laws/rules and regulations and Listing Regulations including any statutory amendment(s), modification(s) or enactment(s) thereto to the extent apply and extend 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 continued satisfactory financial performance of the Company. Despite adverse and challenging business environment, 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 and also at respective project sites to maintain high awareness levels. The Company has 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 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**

Your 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 as per ISO 9001:2015 & TL 9000 R6.0/R5.5 H,

Environmental Management System as per ISO 14001:2015, Occupational Health and Safety Management System as per OHSAS 18001:2007 and Information Security Management System as per ISO 27001:2013. During the year, the audits for these Certifications established continuous improvement in performance against these standards.

## **DIRECTORS**

During the year, members by way of Special Resolution passed at the 36th Annual General Meeting of the Company held on 5th August, 2019, have re-appointed Smt. Kiran Aggarwal (DIN:06991807) as Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years with effect from 10th November, 2019 to 9th November, 2024.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Pracheta Majumdar (DIN:00179118), 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.

Having regard to the qualifications, expertise, wide range of professional experience and long association of Shri Y.S. Lodha [DIN 00052861] with the Company and considering the overall performance of the Company and its growth during his tenure, the Board of Directors of the Company based on recommendation of Nomination and Remuneration Committee has approved re-appointment and terms of remuneration of Shri Y.S. Lodha as Managing Director and Chief Executive Officer of the Company for another term of 5 (five) consecutive years with effect from 4th November, 2020 subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

The brief resume and other details of Director/Managing Director recommended for appointment/re-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 Annexure to the Notice of the ensuing Annual General Meeting, which is being sent to the shareholders along with the Annual Report.

## **BUSINESS RESPONSIBILITY REPORT**

In compliance with the Regulation 34(2) of the Listing Regulations, the Business Responsibility Report for the year ended March 31, 2020 and the required disclosures thereunder form an integral part of the 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 the Company Secretary of the Company with effect from August 9, 2019 in place of Shri Rajesh Ramnani, who resigned from the post of Company Secretary of the Company with effect from the close of Business hours of June 19, 2019.

## **DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors of your Company viz. Shri J. Veeraraghavan, Shri S.K. Misra, Shri R.C. Tapuria, Shri Shiv Dayal Kapoor and Smt. Kiran Aggarwal have severally given a declaration pursuant to Section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013. They have also furnished the Declaration and Confirmation pursuant to Regulation 25(8) of the Listing Regulations affirming compliance to the criteria of Independence as provided under Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have individually confirmed that they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Based on the declarations and confirmations of the Independent Directors and after undertaking due assessment of the veracity of the same, the Board of Directors recorded their opinion that all the Independent Directors are independent of the Management and have fulfilled all the conditions as specified under the governing provisions of the Companies Act, 2013 and the Listing Regulations.

## **MEETINGS OF BOARD AND COMPOSITION OF COMMITTEES**

During the year under review, the Board met 4 times viz. on May 16, 2019, August 9, 2019, November 9, 2019 and February 7, 2020.

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 the Listing Regulations, 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 Listing Regulations 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, interalia, 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 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. The manner in which formal annual evaluation has been carried out 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/professional expertise in accordance with prescribed provisions of the Companies Act, 2013 and rules framed thereunder and Listing Regulations. 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 Directors, Key Managerial Personnel and Senior Managerial Personnel. The guiding principles of the Remuneration Policy are stated in the Report on Corporate Governance, which forms part of the Annual Report. The Remuneration Policy is uploaded on the website of the Company and the weblink of the same is <http://vtlrewa.com/pdf/remuneration-policy-vtl.pdf>.

## **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/ 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 Report on Corporate Governance and also posted on the website of the Company.

## **MAINTENANCE OF COST RECORDS**

The requirement of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, and have the audit of its cost records conducted by a Cost Accountant, is applicable in respect of certain specified products of the company and accordingly such accounts and records are made and maintained by the Company.

## **AUDITORS**

Messrs V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No.109208W) holds office of the Auditors of the Company until the conclusion of the ensuing 37th AGM of the Company. Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate Statutory Auditors on completion of the maximum term permitted under the provisions of the Companies Act, 2013. In line with the above requirements, the Board of Directors on the recommendation of the Audit Committee has recommended to the members for appointment of Messrs BGJC & Associates LLP, Chartered Accountants (Registration No.003304N) as Auditors of the Company for a term of five (5) consecutive years commencing from the conclusion of 37th AGM till the conclusion of the 42nd AGM, in place of Messrs V. Sankar Aiyar & Co., Chartered Accountants. Messrs BGJC & Associates LLP, Chartered Accountants has consented to the said appointment, and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board placed on record its appreciation for the contribution of Messrs V. Sankar Aiyar & Co., Chartered Accountants, during their tenure as Statutory Auditors of the Company.

The Board of Directors has, on the recommendation of the Audit Committee, 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 certain specified products of the Company covered under the Companies (Cost Records and Audit) Rules, 2014 and fixed their remuneration based on the recommendation of the Audit Committee. The remuneration together with applicable tax 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. The Cost Audit Report in respect of applicable specified products for the financial year ended March 31, 2019 was filed by the Company on September 2, 2019.

## **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, Practicing Company Secretaries (PCS Registration no.14474) were appointed to undertake the Secretarial Audit of the Company for the year ended March 31, 2020. The Report of the Secretarial Auditor is given in the prescribed form in Annexure-II, which is attached hereto and forms a part of the Directors' Report.

Observation or other remarks made by Messrs R.K. Mishra & Associates in the Secretarial Audit Report, which is self explanatory and do not call 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 review and 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, ASSOCIATES AND JOINT VENTURE

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 Listing Regulations. 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 and also an Associate Company within the meaning of Section 2(6) of Companies Act, 2013 and is presently engaged predominantly in EPC and Operation & Maintenance businesses in the telecommunications and allied infrastructure sectors. The joint venture's financial performance was in consonance with planned business strategy.

Apart from Birla Visabeira Private Limited, 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. BCL have achieved sustained growth in business with improved financial performances during the year under review and the financial performance of UCL and 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. In accordance with the provisions of Section 136 of the Companies Act, 2013 and the amendments thereto, read with Listing Regulations, the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies will be available on the Company's website [www.vtlrewa.com](http://www.vtlrewa.com).

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 audited consolidated financial statements of the Company as of and for the year ended March 31, 2020 have also been prepared in the same form and manner as that of the Company and are 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", 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 the Annual Return as provided under Section 92(3) of the Companies Act, 2013 is given in Annexure V, which is attached hereto and forms part of the Directors' Report which is also placed on the Company's website at <http://vtlrewa.com/pdf/MGT-9-VTL.pdf>.

**PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees 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 Earning 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 and has also constituted an Internal Complaints Committee 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, no case was filed or reported in pursuance to the provisions of the said Act.
- (d) There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this Report, save and except severe contraction in business activities due to extended lockdown imposed by the Central and State Government authorities in India considering public health and safety due to outbreak of COVID-19 pandemic.
- (e) No frauds were reported by the 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 valuable contribution in the improved financial performance of the Company.

**For and on behalf of the Board of Directors**

**Harsh V.Lodha**  
Chairman  
(DIN: 00394094)

**Y.S. Lodha**  
Managing Director & CEO  
(DIN: 00052861)

Place : Satna

Date : June 1, 2020

**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 including by way of 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, disaster management and relief and rehabilitation activities, 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 : ₹ 15679.81 lakhs.

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

The Company was required to spend ₹ 313.60 lakhs towards CSR Expenditure for the financial year 2019-20. Accordingly, the CSR Committee and the Board of Directors of the Company approved an outlay of ₹ 316.10 lakhs towards CSR expenditure for the financial year 2019-20.

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

- (a) **Total amount spent for the financial year** : Direct: ₹ 3.70 lakhs and Contribution paid to the Implementing Agency- ₹ 312.40 lakhs.
- (b) **Amount unspent, if any** : Nil except that a part of cash outflow from Implementing Agency in respect of certain ongoing CSR project(s) and activity(ies) will happen in the current financial year 2020-21.
- (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 [Refer Note (a)]	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	4.80	Direct
2. Providing of Ambulance service/ facilities to the general public at large.	Promoting health care including preventive health care.	At local area / nearby place where manufacturing facility of the Company is situated (District- Rewa in the State of Madhya Pradesh).	21.00	21.00	21.00	Through the implementing agency, "Madhav Prasad Priyamvada Birla Apex Charitable Trust" which is duly registered under Section 12A of the Income Tax Act, 1961.
3. Fire/natural calamity relief and prevention- Operation and Maintenance.	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).	5.40	2.88 (Ongoing Project)	2.88	
4. Contribution to "District Magistrate Almora", Uttaranchal for transformation including renovation and development of Government Primary Schools.	Promoting education, including special education especially among children.	District: Almora, Uttaranchal.	2.50	2.50	2.50	

(₹ in Lakhs)

CSR Project or Activities	Sector	Location	Amount outlay (budget) project or programme wise	Amount spent on the projects or Programmes [Refer Note (a)]	Cumulative Expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
5. Contribution to "District Magistrate, Rudraprayag", Uttaranchal for transformation including development of Government Primary Schools.	Promoting education, including special education especially among children.	District: Rudraprayag, Uttaranchal.	5.00	5.00	5.00	
6. Contribution to Udbhav School, Hyderabad 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.	Udbhav School, Hyderabad.	0.50	0.50	1.00	
7. Contribution towards addition of one more new trade, undertaking of expansion/ requisite infrastructure creation, strengthening and enhancement of faculties and meeting operational expenditure of M.P. Birla Foundation Industrial Training Centre, Rewa (M.P.).	Education- promoting Employment Enhancing Vocation Skills among children and Livelihood Enhancement Project(s).	At local area / nearby place where manufacturing facility of the Company is situated (District- Rewa in the State of Madhya Pradesh).	250.50	250.50	545.50 (from Financial Years 2017-18 to 2019-20)	
8. Contribution to "SXCS Dublin Project", St. Xavier's Collegiate School, Kolkata, towards sponsorship for 24th Student Exchange Programme.	Promoting education, including special education.	St. Xavier's Collegiate School, Kolkata.	1.50	1.50	1.50	Through the implementing agency, "Madhav Prasad Priyamvada Birla Apex Charitable Trust" which is duly registered under Section 12A of the Income Tax Act, 1961.
9. Providing of services/facilities through Automated Scavenging Machine and Truck. [Refer Note (b)]	Promoting health care including preventive health care and sanitation. Ensuring Environmental Sustainability & 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).	26.00	Under Implementation	-	
10. 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. [Refer Note (c)]	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	75.62	94.42 (from Financial Years 2016-17 to 2019-20)	
11. Infrastructure Development at M.P. Birla Foundation Industrial Training Centre, Rewa (M.P.) including Fencing of Razor barbed wire on the boundary wall to restrict trespassing by the surrounding locals and strengthening of security. [Refer Note (c)]	Education- promoting Employment Enhancing Vocation Skills among children and Livelihood Enhancement Project(s).	At local area / nearby place where manufacturing facility of the Company is situated (District- Rewa in the State of Madhya Pradesh).	9.80	9.80	105.81 (from Financial Years 2014-15 to 2019-20)	
12. Contribution to Red Cross Society, Rewa	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water; and disaster management, including relief and rehabilitation activities.	Rewa (Madhya Pradesh).	2.50	2.50	2.50	Direct

- (a) The entire allocated amount has been spent on the specified projects/activities directly without any element of overhead having been included therein.
- (b) Due to countrywide lockdown imposed by Central and State Government authorities in India considering public health and safety due to COVID-19 pandemic, the project listed at Sl. No. 9 above could not be completed/implemented by March 31, 2020 through the implementing agency out of the contribution made by the Company during the financial year 2019-20.

(c) The amount outlay pertains to the approved CSR activities/projects/programmes relating to the financial year 2017-18 which were completed during the financial year 2019-20.

**(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 CSR project(s)/activity(ies) of the financial year 2019-20 will happen in the current financial year 2020-21 upon completion of such CSR activity(ies)/project(s) which are under implementation. 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 2019-20 adhere to the objectives set in its CSR Policy.

**Y. S. Lodha**  
**Managing Director & CEO**

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



**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020**

[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, 2020 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, 2020 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 as amended from time to time 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, 2018 ;
  - (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; (Not Applicable to the Company during the audit period);
  - (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);
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable to the Company during the audit period); and
  - (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (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); and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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

1. In pursuance to an order dated 2nd August, 2019 of the Hon'ble High Court at Calcutta (as clarified by order dated 5th August, 2019) passed in G.A. No. 1735 of 2019 (newly numbered as G.A. No. 43 of 2019) in TS 6 of 2004, in which the Company is not a party, the voting results in respect of Ordinary Resolution for an item of Ordinary Business as set out under Item No. 3 of the Notice dated 16th May, 2019 for 36th Annual General Meeting of the Company (as briefly stated herein), held on Monday, 5th August, 2019 was not made public by the Company within the statutory time period as mentioned in the relevant applicable provisions of the Companies Act, 2013 ('the Act'), read with rules made thereunder and Listing Regulations:  
 "Re-appointment of Shri Harsh V. Lodha (DIN: 00394094) as a Director, who retires by rotation and being eligible offered himself for re-appointment."
2. However, the Division Bench of the Hon'ble High Court at Calcutta by its judgement and order dated 4th May 2020 passed in APOT No. 138/2019 (filed by the Company) has been pleased to set aside the aforesaid order dated 2nd August 2019 (as clarified by order dated 5th August, 2019) passed by the Hon'ble Single Judge.
3. In terms of the aforesaid Judgement and Order dated 4th May, 2020 of the Division Bench of the Hon'ble High Court at Calcutta, the Company on 4th May, 2020, declared and displayed the results of voting (both E-voting and Poll) in respect of Ordinary Resolution for an item of Ordinary Business as set out under Item No. 3 of the Notice dated 16th May, 2019 of 36th AGM of the Company (held on 5th August, 2019) at the Registered Office as well as at the Corporate Office and website of the Company and submitted/intimated the said results to the Stock Exchanges where the share of the Company are listed in accordance with the applicable provisions of the Act read with the relevant Rules made thereunder and Listing Regulations.

I further report that Board of Directors of the Company is duly constituted with an optimum combination of Executive Directors, Non-Executive Directors, Independent Directors. During the year under review, there was no change in the composition of the Board of Directors of the Company.

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.

For R.K. Mishra & Associates  
Company Secretaries

Kishor Kumar Gupta  
Partner

CP No. 14474

ACS No. 38776

UDIN : A038776B000306494

Place : Satna

Date : June 1, 2020

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, 2020 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

UDIN : A038776B000306494

Place : Satna

Date : June 1, 2020

**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, 2020.
- (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 & CEO of Vindhya Telelinks Ltd. ("the Company") is the Managing Director & CEO of UCL. UCL is also associate company of Vindhya Telelinks Limited.
(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/ recovery of cost or other obligations, etc. and other business transactions as mutually agreed between the Company and BFFOPL.	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), reimbursement/ recovery of cost or other obligations and 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 2019-20)</b>	<p>(i) Purchase of various types and grades of optical fibre(s), a principal raw material for manufacturing optical fibre cable – ₹ 3561.52 lakhs.</p> <p>(ii) Sale of a raw material – ₹ 6.12 lakhs.</p> <p>(Transactions mentioned above are exclusive of Goods and Service Tax (GST), as applicable).</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 by the parties 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 – ₹ 16018.67 lakhs.</p> <p>(ii) Sale of finished goods/traded goods/raw materials/consumables – ₹ 3691.56 lakhs.</p> <p>(iii) Other Service Charges received – ₹ 9.51 lakhs.</p> <p>(iv) Other Service Charges paid – ₹ 8.11 lakhs.</p> <p>(v) Purchase of old/used fixed assets – ₹ 11.28 lakhs.</p> <p>(vi) Sale of old/used fixed assets – ₹ 10.16 lakhs.</p> <p>(vii) Unsecured Intercompany loan given – ₹ 3000.00 lakhs.</p> <p>(viii) Interest received on unsecured intercompany loan – ₹ 37.74 lakhs</p> <p>(ix) Dividend paid – ₹ 414.54 lakhs.</p> <p>(x) Dividend received – ₹ 165.50 lakhs.</p> <p>(Transactions mentioned above are exclusive of Goods and Service Tax (GST), as applicable).</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) Purchase/Sale of old and used fixed assets at realisable value as per terms and conditions mutually agreed by the Parties and comparable with the prices offered by unrelated buyers.</p> <p>(iv) Unsecured Intercompany Loan and Interest paid and received by the Company pertains to the Financial Year 2019-20.</p> <p>(v) Dividend paid and received by the Company pertains to the Financial Year 2018-19.</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 2019-20 was accorded by the Audit Committee in its Meeting held on February 11, 2019.	Shareholders' approval was obtained on July 24, 2017 and in pursuance thereto an omnibus approval pertaining to the financial year 2019-20 was accorded by the Audit Committee in its Meeting held on February 11, 2019.
(f)	<b>Amount paid as advances</b>	Nil	Nil

**For and on behalf of the Board of Directors**

**Harsh V.Lodha**  
Chairman  
(DIN: 00394094)

**Y.S. Lodha**  
Managing Director & CEO  
(DIN: 00052861)

Place : Satna  
Date : June 1, 2020

**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 2019-20 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20 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 2019-20
1	Shri Y.S. Lodha - (Managing Director & CEO)	74.04:1	23.40
2	Shri Saurabh Chhajer - (Chief Financial Officer)	N.A.	13.68
3	Shri Rajesh Ramnani - (Company Secretary)	N.A.	N.A.
4	Shri Satyendu Pattnaik - (Company Secretary)	N.A.	N.A.

**Note(s):**

- (a) Shri Rajesh Ramnani, Company Secretary and Shri Satyendu Pattnaik, Company Secretary were employed for a part of the year during the financial year 2019-20 and as such the percentage increase in Remuneration as compared to previous year remuneration is not given.
- (b) None of the Directors of the Company except the Managing Director has received any remuneration, other than (i) Sitting Fees for attending Meeting(s) of the Board of Directors or any Committee thereof during the financial year 2019-20; and (ii) a token amount of One (1) Rupee towards remuneration/compensation by way of profit related commission or otherwise payable to each of the Non-Executive Directors including Independent Directors of the Company for the financial year 2019-20 given the prevailing adverse and challenging business environment across all sectors of economy in India due to fallout of COVID-19 pandemic.
- (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 2019-20 was 4.83% as compared to the previous year.
- (iii) There were 587 permanent employees on the rolls of the Company as on March 31, 2020.
- (iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year 2019-20 was around 8.36% whereas the average percentile increase in the remuneration of managerial personnel for the same financial year was around 23.40%. 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. and performance linked incentive being variable component in respect of select employees of the Company. 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, 2020 is as per the Remuneration Policy of the Company.

**For and on behalf of the Board of Directors**

**Harsh V.Lodha**  
Chairman  
(DIN: 00394094)

**Y.S. Lodha**  
Managing Director & CEO  
(DIN: 00052861)

Place : Satna  
Date : June 1, 2020

**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020**

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

**I. REGISTRATION AND OTHER DETAILS**

- (i) CIN : 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	18.00
2.	Engineering, Procurement and Construction (EPC)	4220	82.00

**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, 4th 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, 4th 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, 4th 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, 2nd 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, 4th Floor, 9/1, R.N.Mukherjee Road, Kolkata-700001(W.B.)	L01132WB1919PLC003334	Associate	8.29	2(6)

**IV. SHARE HOLDING 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 01.04.2019)				No. of Shares held at the end of the year (as on 31.03.2020)				% 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	5132205	-	5132205	43.30	5132205	-	5132205	43.30	NIL
(e) Bank/FI	-	-	-	-	-	-	-	-	NIL
(f) Any other	-	-	-	-	-	-	-	-	NIL
<b>Sub-Total (A) (1)</b>	<b>5160205</b>	<b>-</b>	<b>5160205</b>	<b>43.54</b>	<b>5160205</b>	<b>-</b>	<b>5160205</b>	<b>43.54</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>5160205</b>	<b>-</b>	<b>5160205</b>	<b>43.54</b>	<b>5160205</b>	<b>-</b>	<b>5160205</b>	<b>43.54</b>	<b>NIL</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds	1016507	400	1016907	8.58	1035800	400	1036200	8.74	(+) 0.16
(b) Banks/FI	7118	4754	11872	0.10	26011	4754	30765	0.26	(+) 0.16
(c) Central Government	-	-	-	-	-	-	-	-	NIL
(d) State Government(s)	-	-	-	-	-	-	-	-	NIL
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(f) Insurance Companies	-	-	-	-	-	-	-	-	NIL
(g) FII's	218382	700	219082	1.85	227139	700	227839	1.92	(+) 0.07
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(i) Other (Specify) -									
Alternate Investment Funds	29922	-	29922	0.25	52729	-	52729	0.45	(+) 0.20
<b>Sub-Total (B) (1)</b>	<b>1271929</b>	<b>5854</b>	<b>1277783</b>	<b>10.78</b>	<b>1341679</b>	<b>5854</b>	<b>1347533</b>	<b>11.37</b>	<b>(+) 0.59</b>
<b>(2) Non-Institutions</b>									
(a) Bodies Corporate									
(i) Indian	1031790	9928	1041718	8.79	978205	9728	987933	8.34	(-) 0.45
(ii) Overseas	-	-	-	-	-	-	-	-	NIL
(b) Individuals									
(i) Individual Shareholders holding nominal Share Capital upto ₹ 1 lac	1279753	223194	1502947	12.68	1374736	206718	1581454	13.34	(+) 0.66
(ii) Individual Shareholders holding nominal Share Capital in excess of ₹ 1 lac	1131548	-	1131548	9.55	1234071	-	1234071	10.41	(+) 0.86
(c) Others (Specify) -									
(i) NBFc Registered with RBI	3270	-	3270	0.03	-	-	-	-	(-) 0.03
(ii) Hindu Undivided Family	118437	-	118437	1.00	140657	-	140657	1.19	(+) 0.19



Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2019)				No. of Shares held at the end of the year (as on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(iii) Non Resident Indians	96197	29520	125717	1.06	92007	29020	121027	1.02	(-) 0.04
(iv) Directors and their Relatives	500	-	500	0.01	500	-	500	0.01	NIL
(v) Persons Acting in Concert	1254186	500	1254686	10.59	1254186	500	1254686	10.59	NIL
(vi) Unclaimed Shares	1701	-	1701	0.01	1701	-	1701	0.01	NIL
(vii) Clearing Members	232131	-	232131	1.96	21096	-	21096	0.18	(-) 1.78
(viii) Trusts	220	-	220	0.00	-	-	-	0.00	(-) 0.00
(ix) IEPF Authority	-	-	-	-	-	-	-	-	NIL
<b>Sub-Total (B) (2)</b>	<b>5149733</b>	<b>263142</b>	<b>5412875</b>	<b>45.68</b>	<b>5097159</b>	<b>245966</b>	<b>5343125</b>	<b>45.09</b>	<b>(-) 0.59</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>6412662</b>	<b>268996</b>	<b>6690658</b>	<b>56.46</b>	<b>6438838</b>	<b>251820</b>	<b>6690658</b>	<b>56.46</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>11581867</b>	<b>268996</b>	<b>11850863</b>	<b>100.00</b>	<b>11599043</b>	<b>251820</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 01.04.2019)			Shareholding at the end of the year (as on 31.03.2020)			% 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 & 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.	East India Investment Co.Pvt.Ltd.	3000	0.02	-	3000	0.02	-	NIL
9.	Birla Financial Corporation Ltd.	100	-	-	100	-	-	NIL
10.	Hindustan Gum & Chemicals Ltd.	100	-	-	100	-	-	NIL
11.	Birla Cable Ltd.	100	-	-	100	-	-	NIL
		<b>5160205</b>	<b>43.54</b>	<b>-</b>	<b>5160205</b>	<b>43.54</b>	<b>-</b>	<b>NIL</b>

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

Name of Promoter	Shareholding at the beginning of the year (as on 01.04.2019)		Cumulative Shareholding during the year (as on 31.03.2020)	
	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 the Promoters during the financial year 2019-20.			
Date wise Increase/ Decrease in Promoters Shareholding 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 01.04.2019)		Cumulative Shareholding during the year (as on 31.03.2020)	
		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 Nippon India Small Cap Fund	1016415	8.58		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 26.07.2019 (Transfer)			2000	0.02
	Date: 09.08.2019 (Transfer)			2000	0.02
	Date: 30.08.2019 (Transfer)			3500	0.03
	Date: 06.09.2019 (Transfer)			1500	0.01
	Date: 27.09.2019 (Transfer)			864	0.01
	Date: 04.10.2019 (Transfer)			3000	0.03
	Date: 11.10.2019 (Transfer)			1000	0.01
	Date: 03.01.2020 (Transfer)			5000	0.04
	Date: 27.03.2020 (Transfer)			429	0.00
	At the end of the year			1035708	8.74
3.	Shyamadevi Agrawal	364675	3.08		
	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			364675	3.08
4.	Cohesion India Best Ideas (Master) Fund Ltd.	140500	1.19		
	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-----			
	Date: 21.02.2020 (Transfer)			(3811)	(0.04)
	At the end of the year			136689	1.15
5.	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
6.	City Consultants Private Ltd.	87121	0.74		
	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			87121	0.74
7.	Harsh Chemicals Limited	18409	0.16		
	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-----			
	Date: 06.12.2019 (Transfer)			5077	0.04
	Date: 13.12.2019 (Transfer)			16510	0.14
	Date: 13.03.2020 (Transfer)			10928	0.09
	Date: 20.03.2020 (Transfer)			24849	0.21
	At the end of the year			75773	0.64

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2019)		Cumulative Shareholding during the year (as on 31.03.2020)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
8.	Aequitas Investment Consultancy Private Ltd.	75219	0.63		
	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			75219	0.63
9.	Rachnadevi Raju Agarwal	70408	0.59		
	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			70408	0.59
10.	Meenakshi Industries Private 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
11.	BMA Wealth Creators Ltd.	156457	1.32		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 05.04.2019 (Transfer)			(2755)	(0.02)
	Date: 12.04.2019 (Transfer)			(1431)	(0.01)
	Date: 24.05.2019 (Transfer)			(9400)	(0.08)
	Date: 21.06.2019 (Transfer)			(1000)	(0.01)
	Date: 29.06.2019 (Transfer)			(6289)	(0.05)
	Date: 05.07.2019 (Transfer)			(13287)	(0.11)
	Date: 12.07.2019 (Transfer)			(8903)	(0.08)
	Date: 19.07.2019 (Transfer)			(8135)	(0.07)
	Date: 26.07.2019 (Transfer)			(33575)	(0.28)
	Date: 02.08.2019 (Transfer)			(8075)	(0.07)
	Date: 09.08.2019 (Transfer)			(4400)	(0.04)
	Date: 16.08.2019 (Transfer)			(27075)	(0.23)
	Date: 23.08.2019 (Transfer)			(11025)	(0.09)
	Date: 30.08.2019 (Transfer)			(11257)	(0.09)
	Date: 06.09.2019 (Transfer)			(9333)	(0.08)
	Date: 18.10.2019 (Transfer)			(517)	(0.01)
	At the end of the year			0	0.00
12.	IIFL Securities Ltd.	128691	1.09		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 05.04.2019 (Transfer)			(520)	(0.01)
	Date: 12.04.2019 (Transfer)			448	0.01
	Date: 19.04.2019 (Transfer)			(66)	(0.00)
	Date: 26.04.2019 (Transfer)			(2)	(0.00)
	Date: 03.05.2019 (Transfer)			191	0.00
	Date: 10.05.2019 (Transfer)			9480	0.08
	Date: 17.05.2019 (Transfer)			601	0.01
	Date: 24.05.2019 (Transfer)			(3437)	(0.03)
	Date: 31.05.2019 (Transfer)			14	0.00
	Date: 07.06.2019 (Transfer)			(14)	(0.00)
	Date: 14.06.2019 (Transfer)			(23898)	(0.20)
	Date: 21.06.2019 (Transfer)			(10)	(0.00)

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2019)		Cumulative Shareholding during the year (as on 31.03.2020)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Date: 09.08.2019 (Transfer)			(110673)	(0.93)
	Date: 23.08.2019 (Transfer)			(695)	(0.01)
	Date: 30.08.2019 (Transfer)			1488	0.01
	Date: 06.09.2019 (Transfer)			(1588)	(0.01)
	Date: 13.09.2019 (Transfer)			713	0.01
	Date: 20.09.2019 (Transfer)			722	0.01
	Date: 27.09.2019 (Transfer)			(1145)	(0.01)
	Date: 30.09.2019 (Transfer)			(100)	(0.00)
	Date: 04.10.2019 (Transfer)			(180)	(0.00)
	Date: 11.10.2019 (Transfer)			(19)	(0.00)
	Date: 25.10.2019 (Transfer)			149	0.00
	Date: 01.11.2019 (Transfer)			110	0.00
	Date: 22.11.2019 (Transfer)			(240)	(0.00)
	Date: 06.12.2019 (Transfer)			55	0.00
	Date: 20.12.2019 (Transfer)			558	0.01
	Date: 27.12.2019 (Transfer)			(383)	(0.00)
	Date: 31.12.2019 (Transfer)			(242)	(0.00)
	Date: 03.01.2020 (Transfer)			426	0.00
	Date: 10.01.2020 (Transfer)			(433)	(0.00)
	Date: 17.01.2020 (Transfer)			4	0.00
	Date: 24.01.2020 (Transfer)			208	0.00
	Date: 31.01.2020 (Transfer)			451	0.00
	Date: 07.02.2020 (Transfer)			695	0.01
	Date: 21.02.2020 (Transfer)			(1344)	(0.01)
	Date: 28.02.2020 (Transfer)			95	0.00
	Date: 06.03.2020 (Transfer)			(35)	(0.00)
	Date: 13.03.2020 (Transfer)			156	0.00
	Date: 20.03.2020 (Transfer)			(141)	(0.00)
	Date: 27.03.2020 (Transfer)			(15)	(0.00)
	At the end of the year			75	0.00

**(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, a Non-Executive Director of the Company, whose shareholding details are furnished below:

For Each of the Directors and KMP	Shareholding at the beginning of the year (as on 01.04.2019)		Cumulative Shareholding during the year (as on 31.03.2020)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Shri Dilip Ganesh Karnik	500	0.01		
Date wise Increase/ Decrease in Share holding 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			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	57930.78	24969.67	-	82900.45
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	16.46	234.22	-	250.68
<b>Total (i+ii+iii)</b>	<b>57947.24</b>	<b>25203.89</b>	-	<b>83151.13</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition				
- Principal Amount	22810.65	15009.08	-	37819.73
- Interest due but not paid	-	-	-	-
- Interest accrued but not due	71.83	219.63	-	291.46
• Reduction(-)				
- Principal Amount	(-)25211.58	(-)6650.00	-	(-)31861.58
- Interest due but not paid	-	-	-	-
- Interest accrued but not due	(-)16.46	(-)234.22	-	(-)250.68
<b>Net Change [(+)/(-)]</b>	<b>(-)2345.56</b>	<b>8344.49</b>	-	<b>5998.93</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	55529.85	33328.75	-	88858.60
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	71.83	219.63	-	291.46
<b>Total (i+ii+iii)</b>	<b>55601.68</b>	<b>33548.38</b>	-	<b>89150.06</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 (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	184.84 31.63 -
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify	- -
5.	Others [Company's contribution to Provident and Superannuation Fund(s)]	11.29
	<b>Total (A)</b>	<b>227.76</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.	860.70

**B. Remuneration to other Directors**

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹ in lakhs)
		Shri J. Veeraraghavan	Shri S.K.Misra	Shri R.C.Tapuriah	Shri Shiv Dayal Kapoor	Smt. Kiran Aggarwal	
1.	Independent Directors						
	Fees for attending Board/ Committee Meetings	2.60	3.40	2.55	1.75	1.70	12.00
	Commission*	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
<b>Total (1)</b>		<b>2.60</b>	<b>3.40</b>	<b>2.55</b>	<b>1.75</b>	<b>1.70</b>	<b>12.00</b>
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	1.60		1.85	2.40	1.60	7.45
	Commission*	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
<b>Total (2)</b>		<b>1.60</b>		<b>1.85</b>	<b>2.40</b>	<b>1.60</b>	<b>7.45</b>
<b>Total (B)=(1+2)</b>							<b>19.45</b>
<b>Total Managerial Remuneration</b>							<b>247.21</b>
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.					1032.84

\* The Board of Directors in its meeting held on 1st June, 2020 has accorded its approval for payment of a token amount of One (1) Rupee towards remuneration/compensation by way of profit related commission or otherwise as permissible to each of Non-Executive Directors including Shri Harsh V. Lodha, Chairman and all Independent Directors of the Company for the financial year 2019-20.

**C. Remuneration to key managerial personnel other than managing director/manager/wholtime director**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total (₹ in lakhs)
		Shri Saurabh Chhajjer CFO	Shri Satyendu Pattnaik* Company Secretary (upto 06.04.19 & from 09.08.19)	Shri Rajesh Ramnani* Company Secretary (w.e.f. 16.05.19 to 19.06.19)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	46.56	12.34	2.25	61.15
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	2.06	0.80	0.17	3.03
	(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 other Fund(s) to the extent not taxable	1.40	0.52	0.10	2.02
<b>Total (C)</b>		<b>50.02</b>	<b>13.66</b>	<b>2.52</b>	<b>66.20</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		

**For and on behalf of the Board of Directors**

**Harsh V.Lodha**  
Chairman  
(DIN: 00394094)

**Y.S. Lodha**  
Managing Director & CEO  
(DIN: 00052861)

Place : Satna  
Date : June 1, 2020

**ANNEXURE-VI**
**STATEMENT OF PARTICULARS OF EMPLOYEES 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, 2020.**

Sl. No.	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
1.	Shri Y.S.Lodha	Managing Director	Contractual	B.Com, F.C.A., A.C.S.	56	04.11.2006	33	227.76	Birla Cable Ltd., Rewa, President & Secretary
2.	Shri Sandeep Chawla	President & CEO (EPC)	Non-contractual	B.E. (Mechanical), MBA	55	01.02.1994	32	165.39	Universal Cables Ltd., New Delhi, General Manager

**Notes:**

- (1) Gross remuneration comprises of Salary and Allowances, Performance Linked Incentives, 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.
- (2) Shri Y.S.Lodha himself or along-with 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.
- (3) None of the employees of the Company has received gross remuneration higher than that of the Managing Director.
- (4) Pursuant to the proviso to Section 136(1) of the Companies Act, 2013, the disclosure pertaining to employees other than those who were employed throughout the financial year 2019-20 and were in receipt of remuneration for the year which, in aggregate, was not less than one crore and two lakh rupees and if employed for a part of financial year 2019-20, were in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month, will be sent to the members of the Company on request.

**For and on behalf of the Board of Directors**

**Harsh V.Lodha**  
Chairman  
(DIN: 00394094)

**Y.S. Lodha**  
Managing Director & CEO  
(DIN: 00052861)

Place : Satna  
Date : June 1, 2020



**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:**

The Company continues to stress upon measures for increased energy efficiency in all areas of its operations by adhering to a well structured energy management system. Regular efforts are made for optimization of process parameters, improving the operational efficiencies and reducing water and energy consumption. While undertaking expansion, modernization and technological upgradation of production facilities, due consideration is given to energy efficient plant and equipments with multi product capabilities. The other identified key initiatives for conservation of energy during the year were:

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

- Optimized and reduced the maximum contract demand by 825 kVA after due re-assessment of overall energy requirement.
- Switching off two sets of Transformers resulting in energy savings of around 10KW/Hr.
- Installed Energy efficient AC motors with VFD drives in place of DC Motor and Drives to optimize power consumption.
- Use of STP treated/recycled water for gardening and plantation.
- Use of ambient curing XLPE compound to reduce energy consumption and also curing time.
- Installed New Auto-start/Auto Synchronization panel for Diesel Generating sets for optimum utilization of energy generated.
- Thermal insulation of chilled water tank, pipeline and cooling trough to reduce heat loss and energy consumption.
- Solar Water Heating system for supply of hot water in Cooling troughs of Insulation lines.
- Installation of auto controls to reduce the Air Loss.

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

- In addition to contribution from ongoing energy conservation measures, the Company has successfully commissioned a rooftop Solar photo-voltaic (Solar PV) plant with a capacity of 2MW for meeting a part of its overall energy requirements through green/renewable energy source.

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

- Capital expenditure incurred on energy conservation equipments has not been accounted for separately.

**(B) Technology absorption:**

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

Your Company is committed towards technology driven innovations and developing competitive edge for building operational resilience and strategic collaborations/alliances to tackle challenges. Your Company continues to work on advanced and contemporary technologies prevalent in global markets, induction of the state-of-the-art manufacturing and design technologies and capability development in critical areas for current and future growth. The Company has:

- Proactively embraced compelling adjacencies to the core business, products and services by imperceptible innovations;
- Transforming the products development, new products launches, improved line speed of plant and equipments as per evolving industry standards to adapt to the changing landscape in the wire & cable industry;
- Value Engineering through identification and usage of new and alternate raw materials and mechanisation in projects execution comparable to global benchmarks;
- Redefining the market place with disruptive innovation and diversified products portfolio; and
- Investment in people and processes to consciously seed and steer work place innovation in manufacturing, packaging, product promotion and customer services.

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

The efforts taken by your Company towards technology development and absorption help deliver competitive advantage and market leadership through the launch of customer centric product and variants, introduction of new features and improvement of product performance. This leads to:

- Flexible and agile manufacturing, optimized uptime and scheduling, reduced wastages, import substitution etc. keeping pace with rapidly changing market needs;
- Enhanced products range to address emerging market opportunities;
- Development of products meeting wider applications by modifying manufacturing processes resulting in much wider products portfolio suitable for diverse applications;
- Differentiated products, improved service delivery and customer satisfaction; and
- Reduced impact on environment, resources conservation, improvement as well as consistency in quality of the products and services 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:**

- Research and Development 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 ₹ 8627.71 lakhs while foreign exchange earned in terms of actual inflows was ₹ 3386.81 lakhs. The Company continues to make concerted efforts to boost export turnover as a strategy in the new geopolitical scenario.

**For and on behalf of the Board of Directors**

**Harsh V.Lodha**  
Chairman  
(DIN: 00394094)

**Y.S. Lodha**  
Managing Director & CEO  
(DIN: 00052861)

Place : Satna  
Date : June 1, 2020

# Management Discussion and Analysis

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## 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, Solar PV Cables, FRP Rods/ Glass Rovings, Connectorized Cable Products, etc. and Engineering, Procurement & Construction (EPC) business.

Despite the economy going through a rough patch since the beginning of the financial year under review coupled with the Covid-19 pandemic set in during end of 2019 from China and wreaked havoc throughout the world since early 2020, the telecom industry has shown its resilience and it is now the lifeline of communications for the entire masses all across the world. The resultant impact of pandemic in longer term will be an acceleration of trend favouring the 'digital economy' and consequently increased demand for optical fibre based networks. There will be an increased focus on fixed line networks/wired broadband services over the coming years and a renewed push for full fibre connectivity in almost all major markets. This will begin to meaningfully impact fibre demand from next fiscal year from telecom operators in India including state owned, however, with financial year 2020-21 most likely to suffer from reduced capex, more reliance on shared infrastructure and optimal utilization of the existing networks for growth in revenue through expansion in enterprise and institutional customer base.

Domestic Market for telecom cables in India is generally dominated by large scale Government driven telecom infrastructure projects like BharatNet which is backbone for ambitious 'Digital India' Program. The BharatNet project was going on as per revised targets till the beginning of the Year 2019 but started to experience some of the policy hiccups leading to slow down including state level implementation. In addition to this, since mid 2019-20, optical fibre cable deployments in India contracted sharply as major telecom operators faced increasing stress due to AGR related dues overhangs. The optical fibre cable demand in India, therefore, witnessed weakness for most part of the financial year regardless of Covid-19, as carriers continued to face mounting financial pressures and delays to existing connectivity programmes. The networks expansion has come under extreme pressure lately as strict lockdown effectively brought the market to a halt from end of March, 2020 and onwards as deployment remained heavily restricted. However, on the upside, mammoth growth in Data consumption during the lockdown and to cater to a 'New Normal' way of doing the business necessitates the huge penetration of wired high speed broadband connections which is possible only through optical fibre based networks. As the present network is not sufficient to carry huge data and video traffic, there is an inherent need of expanding the optical fibre based network to meet the insatiable demand for higher bandwidth. Led by price hikes, rationing of data allowance, reduced validity and additional services, seamless connectivity and more reliance on work from home solutions like video conferencing and remote screen/document sharing, the telecom spend is likely to increase by the users which will improve the ARPU of telecom operators gradually. The fate of the entire telecom industry under the New Normal depends on New business model, efficient capital deployment and mining of existing customer relationships. Telecom operators would, therefore, focus on building much needed and monetisable infrastructure like capacity augmentation in high potential markets, fixed line broadband, fiberisation and enterprise offerings which shall require many fold expansion of optical fibre cable networks across the breadth and length of the country to have widest possible coverage.

India right now is at the inflection point wherein an urgent need of deep fiberization in the network at massive scale is needed to bridge the rural urban divide and to give the subscribers a digital experience. The onset of Covid-19 pandemic has reinforced the resolve to move into a real digital economy which encompasses the wide range of user oriented applications. Also, the low latency requirement in the usage warrants the need of edge data centres to be installed in large numbers to take care of the large data centric applications. All these latest applications are possible through optical fibre network which offers tremendous bandwidth capabilities. Over the past 30+ years, the mobile community has built a phenomenal global social and economic success story. The commercial drive of the mobile ecosystem and information and communications technology (ICT) connectivity can now be considered a vital utility service. The deployment of 5G mobile technology will further extend this utility as Internet protocol-based mobile communications become the bedrock of mobile standards and the release of new spectrum satisfies the growing service demands of both business and consumers. 5G is expected to deliver significantly enhanced performance compared to 4G LTE. This includes infinite connectivity, higher bandwidth, lower latency, increased reliability and faster mobility. 5G provides lightening internet speed and massive-connected world. The growth in data and expected strong adoption for 5G inevitably need substantial investment to keep pace with the demand. Although given the critical situation of the telecom industry, the Government's ambition to launch 5G in India in near future looks challenging primarily due to the fact that the reserve price suggested by TRAI for bands that could be used for deployment of 5G technology did not find much support from the industry due to its extremely high price levels. However, the planned 5G capex would bring along stellar B2B opportunities alongwith rationality in deployment by all telecom operators under the emergence of new monetization models at scale. The telecom operators will be able to quickly monetise new 5G services in areas such as consumer based media and entertainment, healthcare and automated factories.

The requirement of clean energy sources for the country, already populated large number Solar Energy Parks in the energy mix which is gradually taking a lead in the overall scheme of things which is slated to pave the way for large scale use of green energy in the country. The Company's state-of-the-art Solar PV Cable manufacturing facility with Electron Beam irradiation technology is fully geared to cater to best-in-class Solar PV and other related cables in a prudent manner with competitive price levels.

As the Government's drive for expansion of nationwide Railway Network goes on in full steam, the Company is also reaping the benefits of this Railway Network Infrastructure creation by way of augmenting and debottlenecking its production capacity for manufacturing of Quad, Signaling and Copper Telecommunication Cables and catering to Railway's expansion program in good volumes.

The Company's EPC (Engineering, Procurement & Construction) business has witnessed sustained performance by way of offering its best-in-class quality services to various process verticals like complete Telecom turn-key services including system integration, Broadband and FTTH network projects, Rural Electrification, Sewerage Pipeline, Electric Sub-station, Lift Irrigation and all other allied project segments. The Company also has its own IP-1 Category License under the aegis of which it creates its own optical fibre cable network and allows indefeasible rights of usage to telecom operators and other Internet Service providers. The Company has emerged as a leading player in this segment offering good quality services to all stake holders including maintenance of the networks already built encompassing several states and union territories across India.

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

## **BUSINESS REVIEW AND OUTLOOK**

The data centric applications always require good bandwidth with high speed capabilities and scalable networks. The current telecom infrastructure in India will require a rapid expansion to support the launch of 5G. The implementation of mobile infrastructure policy in the federal governance structure, and the country's fiberisation level are some of the key challenges in making 5G a reality. To meet high throughput and low latency expectations from 5G technology, a strong backhaul network supported by large-scale site fiberisation is a key enabler. India has less than 30% of the telecom sites connected through fibre. Complex, cumbersome and costly Right of Way (RoW) has been a big bottleneck for telecom operators in rolling out fibre nationally. Your Company fully endorses the 5G Ecosystem report of the CII which reiterates that telecom service providers would continue their preparations, such as strengthening their 4G infrastructure, expedite fiberisation and network densification and ensuring nationwide coverage, for the impending arrival of 5G. Telecom operators will need to make significant investments in various areas, including 5G spectrum, fiberisation and microwave backhaul, network densification (small cells, HetNet) and network transformation (cloud RAN, SDN/NFV and automation). The early adoption of 5G offers a rare opportunity to India to contribute to developing an inclusive and indigenous technology. The country can contribute by building R&D capabilities, developing home grown intellectual property and design-led manufacturing.

The expected introduction of 5G Technology in the Mobile Communications sector to offer ultra-high speed broadband services, requires almost 5 times increase in the amount of optical fiber network in the field as compared to the present levels and dense installation of cell sites with small cell connectivity through deep fiberization at least to a level of 80% from the current levels of less than 30% should positively propel the consumption of Optical Fibre.

Further, the much awaited National Broadband Mission launched by the Government of India in December, 2019 to fulfill the aspirations of people and enable fast track growth of digital communication infrastructure augers well for both the business segments of the Company. The basic objectives of the National Broadband Mission, inter alia, includes Broadband access to all villages by 2022, facilitate universal and equitable access to broadband services for across the country and especially in rural and remote areas, laying of incremental 30 lakhs route KMs of Optical Fibre Cables and increase in tower density from 0.42 to 1.00 tower per thousand of population by 2024, creation of a digital fibre map of the Digital Communication Network and Infrastructure including Optical Fibre Cables and Towers across the country and develop innovative implementation model for Right of Way (RoW) to formulate consistent policies pertaining to expansion of digital infrastructure including for RoW approval required for laying of Optical Fibre Cables. In addition to the above, Rs.102 Trillion National Infrastructure Pipeline (NIP) announced by the Government of India has given a roadmap for Digital infrastructure Sector Vision 2025 aiming India to emerge as data centre hub fueling growth of Fintech, e-commerce and OTT sectors besides thrust on early launch of 5G technology to fuel industry growth and innovation, harnessing the power of emerging digital technology which shall provide plenty of opportunities for cables and EPC business segments of the Company. The Company is gearing up to produce variety of cables conforming to the specifications of data centre applications including high fibre count specialty optical fibre cables in order to meet the emerging demand from the data centre parks across the country. Further, the Government needs to actively facilitate shared infrastructure with policies and legislation which will further improve the business prospects optical fibre cable infrastructure built by the Company across several states and union territories under IP-1 license.

The revival of Government driven BharatNet project in the coming years after the announcement of revival package in 2019 for the Government run telecom operators along with the recent stimulus package to bring relief to the industry to tide over the effects of COVID-19 Pandemic, will additionally open good business opportunities for the Company in terms of orders for optical fibre cables and related infrastructure projects.

Benefitting under the Government's various initiatives for creation of robust Infrastructure in all business sectors, the EPC division of the Company is creating quality infrastructure in Telecom, Power, Sewerage, Irrigation and allied fields and has earned great deal of goodwill in the relevant business verticles.

## **SEGMENT-WISE PERFORMANCE**

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

The Company's 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. declined from ₹ 70245.08 lakhs in the previous year to ₹ 45116.60 lakhs, during the year under review, due to inordinate delays in award of Purchase Orders against turnkey tenders for optical fibre cables floated by BSNL for BharatNet Project. Despite the Company having complied with all tender conditions including submission of performance bank guarantees timely, the formal Purchase Orders against the Advance Purchase Orders are still awaited. In addition, the prices of optical fibre cables in global market witnessed downturn due to heightened competition and there was no reprieve of the weak pricing environment in export markets as post lockdown period in China, the leading optical fibre and optical fibre cable manufacturers entered the global market strongly to re-capture lost market share. In the backdrop of lower than anticipated volumes of optical fibre cables, the increased volume of supplies of Railway Signaling Quad and Solar PV cables could only partially offset the

shortfall in revenue from operations during the year vis-à-vis corresponding previous year.

The impact of nationwide lockdown since 25th March, 2020 as a result of Covid-19 pandemic is likely to be quite profound during the fiscal year 2020-21 as both the business segments of the Company viz. Cable and EPC have strong reliance on domestic market. The Company has initiated all measures to cut costs, become more flexible and agile to overcome the ongoing crisis situation by focusing for the time being on short term goals to remain fully operational while ensuring safety and security of its manpower and mitigate the immediate impact to the extent feasible.

The Company is always presenting its esteemed customers with various product innovations with continuous improvement in terms of offering technologically advanced products and solutions, thereby creating a value across the supply chain.

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

The Company's Revenue from EPC Contracting/Turnkey Services in the EPC business segment managed to maintain around the same Turnover as compared to Previous year (₹ 154472.69 lakhs as against ₹ 154883.76 lakhs in the previous year). The EPC business segment is always striving its best to come up with top class quality project implementation to all its customers and thereby creating a long term Trust in the industry, true to the values of the Company.

The IP-1 business model, which involves the creation of large scale Optical Fibre Cable Network across the country, has been able to fulfill the good fibre bandwidth requirements from various telecom operators, giving quality service levels to all the Company's customers.

#### **OVERALL REVIEW**

During the year under review, the Company has reported sustained financial performance. The Company has been able to maintain its market share in domestic cables business and also able to maintain the momentum gained by the Company in EPC business segment by way of clocking similar levels as compared to the previous year.

#### **FINANCIAL REVIEW**

- The revenue from operations decreased by 10.13% to ₹ 188319.31 lakhs during the year 2019-20 as compared to ₹ 209536.95 lakhs in the previous year.
- The aggregate other income during the year 2019-20 increased to ₹ 1896.19 lakhs as against ₹ 1332.34 lakhs in the previous year, mainly due to increase in dividend income on investments.
- The Company achieved profit before interest, depreciation/amortisation and tax of ₹ 27004.07 lakhs during the year 2019-20 as compared to ₹ 33753.78 lakhs in previous year. Profit before depreciation and tax during the year 2019-20 stood at ₹ 18205.48 lakhs as against ₹ 27679.59 lakhs in the previous year.
- The finance costs has increased to ₹ 9701.54 lakhs (previous year ₹ 7624.25 lakhs) due to increase in Term Loans from Banks, Inter Corporate Loans and Working Capital limits.
- There was no change in the capital structure during the year. The other Equity of the Company stood at ₹ 76640.43 lakhs during the year under review as compared to ₹ 71865.33 lakhs in the previous year.
- The additions to the fixed assets of ₹ 1441.22 lakhs during the year mainly consist of capacity expansion of OFC Unit facility and other supporting infrastructure at the Company's existing manufacturing location at Rewa (M.P.).
- The inventories increased to ₹ 97402.77 lakhs as on March 31, 2020 from ₹ 80314.74 lakhs as at the end of the previous year, mainly due to increase in inventory of Passive Optical Fibre Network under IP-1.
- The decrease in trade receivables level at ₹ 114328.01 lakhs as on March 31, 2020 as compared to ₹ 122833.12 lakhs as on March 31, 2019 was due to progressive payment schedule.
- Key Financial Information (Standalone & Consolidated):

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	F.Y 2019-20	F.Y 2018-19	F.Y 2019-20	F.Y 2018-19
Revenue from Operations	<b>188319.31</b>	209536.95	<b>188319.31</b>	209536.95
Profit before Finance Costs Depreciation/Amortisation and Tax	<b>27907.02</b>	35303.84	<b>48198.18</b>	46325.08
Net Profit after Tax	<b>12689.52</b>	16865.52	<b>23740.27</b>	27560.74
Fixed Assets	<b>12579.32</b>	12829.51	<b>12579.32</b>	12829.51
Investments	<b>15059.82</b>	22132.02	<b>218103.19</b>	180577.87

- For detailed information on the financial performance with respect to operational performance, a reference may please be made to the financial statements.
- Details of significant changes in Key Financial Ratios:

Ratio	2019-20	2018-19	Variation	Reasons for Change
Inventory Turnover Ratio (in days)	190	141	34.83%	This is mainly due to increase in inventory of Passive Optical Fibre Network under IP-1.
Interest Coverage Ratio (in Times)	2.83	5.23	(45.81%)	Due to the lower profitability and increase in borrowings as compared to previous year.
Return on Net Worth (in %)	16.43	25.52	(35.63%)	Due to decrease in profitability.

## OPPORTUNITIES, THREATS & BUSINESS OUTLOOK

- India presents itself with a huge business opportunity in the Telecom Sector, as the country is not in the same league as other developed countries are at present. As the country is on the verge of inflection point to go for large scale Optical Fibre network roll-out, it presents great opportunities for the Company in terms of supply of its Cable Products and Solutions along with huge Project implementation opportunities for the Company's EPC business vertical.
- As the demand picks up its steam for Home Broadband wired connections, there are tremendous opportunities exist for fibre network, especially in FTTH network segment.
- The expansion of existing 4G networks and the upcoming 5G network roll-outs will give a boost to creation of huge optical fibre network.
- Constant product innovation coupled with world class and competitive solutions, keeping the Company in the run for various upcoming business opportunities.
- Sluggish economy inhibits the robust growth of telecom network as the investments shrink during downturn which remains as a threat to the industry, but it remains in the short term only and development in telecom network is bound to happen with latest technology introduction.
- Government's Policy initiatives always play a major role in shaping up the Telecom industry in terms of its ups and downs.
- Right of Way (RoW) permissions and its guidelines from various Government Authorities traditionally played a role in the telecom network creation and hopefully, the various policy impetus is resolving the perils of the industry.
- Pandemic situations like the one (COVID-19), we are experiencing all across the world always derails the economy and its business activities; the Company is not a stranger to this scenario and it is on course to take this bull by its horns in a smartest way possible, by taking enormous precautions and creating new SOPs to deal with the ' New Normal ' situations.
- 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:

- Financial and liquidity conditions in the economy in general and of the key customers of the Company in particular and Company's ability to retain these customers amid stiff competition;
- Dependence on concentrated customer base in cable business segment;
- Increasing cost of raw materials and logistics;
- Volatility in forex market and exposure of the Company to foreign currency movements;
- Technology challenges/information technology risks;
- Competitive market conditions;
- Inverted duty structure;
- Compliance and regulatory pressures including changes in tax laws;
- Delay in execution of turnkey projects leading to financial penalties and cost overrun;
- Retention of skilled manpower in the relevant areas of Cable and EPC business segments;
- Environment and safety risks;
- Digital transformation of manufacturing facilities to remain competitive and attain world-class status under Industry 4.0 concept;
- Structural risks represented by globalization, trade wars and macroeconomic interventions by the Government(s);
- Business disruptions during national disasters, pandemics, epidemics and other catastrophic events, supply chain disruptions and suppliers' risk due to regulatory and policy changes by the Government(s); and
- Geopolitical events as well as other events outside the Company's control that could cause a disruption to the manufacturing and service operations.

Risk management is an increasingly important business driver and is embedded in the activities of the company through an enterprise-wide approach. Your Company has a defined risk management strategy with senior management identifying potential risk, evolving mitigation responses and monitoring the occurrence of risk. The Company is also in the process of implementing a forward looking and predictive risk identification and management program that will help businesses limit risk exposure, save costs and enhance value for stakeholders. The definition of risk management is also being enlarged to incorporate an array of operational, legal and financial objectives besides ensuring safety and well being of employees in the times of natural disasters and pandemic. 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. Deliberate efforts are being made to improve risk management programs so that both business and regulatory demands can be met, greater business value can be created and corporate reputation can be protected. 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 are conducted at regular intervals.

Further, to augment the internal controls, the Company has engaged a firm of Chartered Accountants for internal auditing, who besides conducting periodic audits, independently reviews and strengthens the control measures. The Internal Audit programs cover the entire operations of 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 occupational health & 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 DNV GL Business Assurance India Pvt. Ltd.

### **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 programs are organised both inhouse and external. The Board records its appreciation of the commitment and support of the employees. The Company employed 587 numbers of permanent employees on its Roll as on March 31, 2020.

### **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.

# Business Responsibility Report

[Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	:	L31300MP1983PLC002134
2	Name of the Company	:	Vindhya Telelinks Limited
3	Registered address	:	Udyog Vihar, P.O. Chorhata, Rewa- 486006 (M.P.), India
4	Website	:	www.vtlrewa.com
5	E-mail id	:	headoffice@vtlrewa.com
6	Financial Year reported	:	2019-20 (April 1, 2019 to March 31, 2020)
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	Code : 27321 and 2732 Description : Cables Code : 4220 Description : Engineering, Procurement & Construction (EPC)
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	:	(i) Telecommunication Cables including Optical Fibre Cables and connectorised Cable products; (ii) Solar PV Cables and other types of Wires and Cables including for Railways; and (iii) Engineering, Procurement & Construction (EPC) business.
9	Total number of locations where business activity is undertaken by the Company		
	(a) Number of International Locations (Provide details of major 5)	:	NIL
	(b) Number of National Locations	:	Cables: 1 No. : Rewa (Madhya Pradesh), India. EPC: Company has pan India presence and executing Infrastructure projects in more than 15 states and Union Territories of India including J&K, Himachal Pradesh, Punjab, Haryana, Delhi NCR, Uttaranchal, UP, Madhya Pradesh, Andhra Pradesh, Tamilnadu, Telangana, Bihar, Jharkhand, Orissa and Arunachal Pradesh.
10	Markets served by the Company Local/State/National/ International	:	State/ National/ International

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	:	Rs.1185.00 lakhs as on 31st March, 2020
2	Total Turnover (INR)	:	Rs.188319.31 lakhs during the Financial Year 2019-20
3	Total profit after taxes (INR)	:	Rs.12689.52 lakhs during the Financial Year 2019-20
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	:	2.02%* (Rs.316.10 lakhs)

\*Based on average net profits of the Company made during the three immediately preceding financial years.

## SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	:	Yes, as on 31st March, 2020, the Company has 3 (Three) domestic wholly owned subsidiary Companies, viz. August Agents Limited, Insilco Agents Limited and Laneseda Agents Limited.
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	:	No, the Subsidiary Companies undertake BR initiatives independently in accordance with governing laws to the extent apply and extend to each of them.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	:	No



**SECTION D: BR INFORMATION**
**1. Details of Director/Directors responsible for BR**

(a) Details of the Director/Director responsible for implementation of the BR policy/policies:

1	DIN Number	:	00052861
2	Name	:	Shri Y.S. Lodha
3	Designation	:	Managing Director & Chief Executive Officer

(b) Details of the BR head:

1	DIN Number (If applicable)	:	00052861
2	Name	:	Shri Y.S. Lodha
3	Designation	:	Managing Director & Chief Executive Officer
4	Telephone number	:	011-45538800
5	E-mail id	:	headoffice@vtlrewa.com

**2. Principle-wise (as per NVGs) BR Policy/policies**

(a) Details of compliance (Reply in Y/N)

The Nine principles as per BRR are as given below:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' and 'National Guidelines on Responsible Business Conduct', released by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	N	N	Y	N	N	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	N	N	N	N	N	N	N	N	N
6	Indicate the link for the policy to be viewed online?	Copy of the policy(ies) may be made available on receipt of written request from the stakeholders.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company.								
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company is working on developing its system for evaluating the implementation of the policies. The policies are evaluated internally from time to time and updated whenever required.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	95	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months	Not Applicable								
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

### 3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	:	BR performance of the Company is assessed annually.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	:	The Company is publishing its first Business Responsibility Report which forms an integral part of the Company's Annual Report for Financial Year 2019-20. The report is available on the website of the Company at <a href="http://www.vtlrewa.com">www.vtlrewa.com</a>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Integrity, Ethics, Transparency & Accountability

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/NGOs /Others?	:	The Policy relating to Ethics, Transparency and Accountability is the backbone of the Company and alone guides the operations of the Company. The Policy includes Code of Conduct which applies to the Directors and the Key Management/Senior Management Personnel of the Company. A Whistle Blower Policy/ Vigil Mechanism is also in place, which provides opportunity to the stakeholders to report any concerns/ issues/incidents about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policies.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	:	The Company received 10 (Ten) complaints from the shareholders and investors which were promptly attended to and resolved.

### Principle 2: Sustainable and Safe Goods and Services

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	:	<p>The Company has been focusing on developing products that are environment friendly. Focus is to use raw materials that are RoHS compliant and whose waste can be disposed of in an environmentally sound manner. The Company's major product range includes Copper Communication Cables, Optical Fibre Cables, Railway Signalling and Quad Cables and Solar PV Cables, etc. The processes and products are designed in a manner which do not cause any threat to the society either during manufacturing or during their life cycle.</p> <p>All services dealt by the Company are environment friendly. It is ensured by the supply chain that all the product used/installed for delivery of services/systems comply to the required standard and does not create any adverse impact on the environment by virtue of the product or its' usage during the entire life cycle of the delivered system.</p> <p>It is ensured that the process and services of the Company does not cause any threat to the society either during manufacturing, use or otherwise in any manner.</p> <p>Design of none of the products and/or services used or delivered by the Company has incorporated any social or environmental concerns, risks till date.</p>
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2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):		
	(a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?	:	<p>Optimum utilization of resources is at the core of the Company's activities. The human resource is encouraged to identify areas of resource conservation to not only bring down the product as well as services cost but also to minimise our environmental footprint by striving to minimize the waste in entire supply chain. 3R's i.e. Reduce, Reuse and Recycle is at the heart of our manufacturing and turnkey (EPC) business activities. Our Business activities are aimed at conservation of precious natural resources to ensure that our impact on the environment is minimal.</p> <p>The Company has also installed rooftop solar plant in its' Rewa Plant to partially reduce the dependence on conventional source of energy.</p>
	(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	:	<p>The manufacturing operations as well as the residential township maintains zero waste water discharge policy. The waste water is treated in treatment plant and the treated water is used in the company premise for horticulture and gardening, etc.</p> <p>The products, services and processes are designed in such a manner that they consume minimum possible energy or water. However, the energy loss happens in electrical cables due to resistivity of conductor. We use standard / Customer specified conductors from reputed suppliers to ensure that the conductor is free from any defects and hence offer best conductivity meeting the specifications.</p>
3	Does the Company have procedures in place for sustainable sourcing (including transportation)?		
	(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	:	<p>The Company treats its suppliers/ vendors/ contractors as business partners and make them aware of the Company's sustainability goals. The suppliers selection process gives importance to their environmental and safety performance. Our contracts have appropriate clauses and checks to prevent the employment of child labour or forced labour in any form. We also provide transparent process where suppliers can voice their concerns and issues. This is in addition to commitment to meeting the regulatory requirements such as those related to REACH and RoHS. The Company regularly reviews the restricted substances list and connect with the suppliers to make sure that the sourcing database is up to date.</p>
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	:	<p>In line with promoting "Make in India" initiative, the preference is given to the indigenous manufactures. Further, the Company's endeavour is to develop local vendor base. In fact, it is ensured that certain non-critical materials such as packaging, machine spares, job work are procured locally to the extent feasible. Regular capacity building and assessments are conducted for key suppliers.</p> <p>In addition Company is in practice of taking services of local contractors/ labourer/ at its project sites by including communities surrounding its' place of work.</p>
	(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	:	<p>As part of local sourcing initiatives, the Company has engaged and developed local partners in the vicinity of Cable manufacturing plant like wooden drums, etc.</p> <p>The Company also imparts training related on the processes, projects safety, hygiene standards, etc to the local labourer/ gangs employed by the Company. The Company also educates local contractors and vendors on process compliances and BR initiatives to improve their capacity and capability in the services.</p>
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	:	<p>As an environmentally responsible Company, we have adopted a focussed approach to managing the waste generated by our operations. It is our endeavour to make sure that the plant waste does not end up in landfills. Almost 100% waste is sent to recyclers or to be used as a fuel. Organic waste (food waste and garden waste) is treated at in-house biogas/organic waste converter of appropriate capacity installed by the Company.</p> <p>In EPC segment the waste products are within the ranges of &lt;5%. The waste/scrap generated are either metals or plastics which are recycled through various processes by the relevant buyers/ scrap dealers.</p>

**Principle 3: Wellbeing of Employees**

1	Please indicate the Total number of employees.	:	587 Nos. as on 31st March, 2020	
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	:	135	
3	Please indicate the Number of permanent women employees.	:	1	
4	Please indicate the Number of permanent employees with disabilities.	:	1	
5	Do you have an employee association that is recognized by management.	:	NO	
6	What percentage of your permanent employees is members of this recognized employee association?	:	NA	
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	:	NIL	
	<b>No.</b>	<b>Category</b>	<b>No of complaints filed during the financial year</b>	<b>No of complaints pending as on end of the financial year</b>
	1	Child labour/forced labour/involuntary labour	The Company does not employ such labour	NIL
	2	Sexual harassment	NIL	NIL
	3	Discriminatory employment	NIL	NIL
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?			
	(a)	Permanent Employees	:	84%
	(b)	Permanent Women Employees	:	100%
	(c)	Casual/Temporary/ Contractual Employees	:	100%
	(d)	Employees with Disabilities	:	100%

**Principle 4: Respect and Responsiveness to all Stakeholders**

1	Has the Company mapped its internal and external stakeholders? Yes/No	:	Yes. For Vindhya Telelinks Limited maintaining relationship with stakeholders is a business imperative. The business revolves around stakeholders, right from suppliers to customers, shareholders to communities, government to workforce and contractors.
2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.	:	The Company has mapped disadvantaged, vulnerable and marginalized stakeholders viz. communities in and around the areas of its significant operations, and is actively working towards their inclusive growth as part of the Company's Corporate Social Responsibility (CSR) efforts.

3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	:	The Company pursue initiatives interalia in the areas of education-promoting employment, enhancing vocation skills among the children and livelihood enhancement Project(s), special education including girl child education leading to creation of alternative employment; promoting health care including preventive health care, sanitation; ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of soil, air and water etc., details of which have been mentioned in the Annual Report on CSR activities of the Company (Annexure – I of Directors’ Report), all directed towards helping neighborhood communities, including disadvantaged, vulnerable and marginalized stakeholders and being instrumental in cultivating their progress. To achieve the same, the Company has a well-established CSR policy which reflects the objective of economic and social development to create a positive impact.
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**Principle 5: Respect and Promote Human Rights**

1	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/ Others?	:	The Policy relating to respecting and promoting human rights covers the Company only. The Company encourages its business partners and third parties with whom it conducts business to abide by this policy.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	:	During the financial year 2019-20, the Company did not receive any complaint with regard to violation of human rights.

**Principle 6: Respect, Protect and Restore the Environment**

1	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/ others.	:	The Policy relating to respecting, protecting and restoring the Environment covers the Company only.
2	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	:	The Company has aligned its activities bearing in mind protection of environment and ensuring that the Air, Water and land mass around it remains unaffected and pristine. The Company accords greater emphasis for reduction of carbon foot print during the manufacturing activities such as construction of buildings, selection of Plant & Machinery, manufacturing processes, etc. The Company has undertaken massive tree plantation in and around the factory premises. A rooftop solar plant has been installed at the plant site to reduce the reliance on fossil fuels.
3	Does the Company identify and assess potential environmental risks? Y/N	:	Yes. The Company identifies and assesses potential environmental risks periodically across its plant operations and the projects.
4	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	:	No such projects related to Clean Development Mechanism (CDM) have been taken up by the Company.
5	Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	:	Yes. The Company has taken various initiatives on clean technology, energy efficiency, renewable energy etc., to reduce its impact on the environment, for details please refer to Annexure- ‘VII’ to the Director’s Report covering inter-alia, details of Conservation of Energy.

6	Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	:	Yes, we comply with all applicable environmental legislations in the locations we operate. The emissions/waste generated by the Company are well within the permissible limits specified by CBCP/SPCB for the financial year 2019-20.
7	Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	:	There is no case pending involving environment related issues as at end of the financial year 2019-20.

**Principle 7: Responsible and Transparent Policy Advocacy**

1	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:		
	(a)	:	Telecom Equipment Manufacturer's Association (TEMA)
	(b)	:	Indian Electrical and Electronics Manufacturers Association (IEEMA)
	(c)	:	PHD Chamber of Commerce & Industry
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	:	Yes. Through TEMA and IEEMA various representations have been given to the Government on project specific areas for Sustainable Business Principles, Governance, and Reforms.

**Principle 8 : Promote Inclusive Growth and Equitable Development**

1	Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.	:	The Company is continuously engaged in Corporate Social Responsibility (CSR) programmes/activities which creates sustainable livelihoods, especially among the weaker section of the society with the objective to support inclusive growth not only of communities in the locations where we operate but encompasses the overall development of societies and human capabilities. The Company works with a clear goal to give back to the society in such a way that the needs of the weaker sections are met, and improvements made in the quality of their lives. The Company usually responds to local development priorities and understand the needs and concerns of local communities, particularly vulnerable and marginalized groups and in regions that are underdeveloped, while designing and implementing its CSR programmes. The Company consciously partner with communities in the vicinity of our manufacturing facilities and those geographic regions, which fall under the radius of its influence while designing and implementing its CSR programmes.  The details of our CSR initiatives are presented in the Annual Report on CSR activities of the Company (Annexure – I of Directors' Report).
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?	:	Programme/Projects are generally undertaken through Madhav Prasad Priyamvada Birla Apex Charitable Trust and also directly by the Company.
3	Have you done any impact assessment of your initiative?	:	Our team / field staffs are constantly in touch with beneficiaries and time to time senior officials take feedback from beneficiaries.

4	What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	:	The Company has spent Rs.316.10 Lakhs as part of its CSR initiatives. Details of the projects are given in Annual Report on CSR activities of the Company (Annexure – I of Directors' Report).
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	:	Yes, the Company has taken all possible steps and organizes regular meetings with beneficiaries to ensure that these projects/programs are successfully implemented for the benefit and development of the community. The Company has also implemented reporting system which contains progress and development report of all the ongoing programmes/projects interalia reporting of the same before the CSR Committee of the Company from time to time.

**Principle 9: Provide Value to Customer Responsibly**

1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	:	The Company is a Customer-centric organization, delivering products, which not only meet but exceed customer expectations. The Company has a well defined and established customer feedback system wherein the customer can connect through multiple channels such as E-mail, Telephone, Website and feedback forms. There were no customer complaints at the end of financial year 2019-20.
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A./Remarks(additional information)	:	The Company displays and maintains high standards of communication and information dissemination to ensure full compliance with applicable regulations.
3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	:	No
4	Did your company carry out any consumer survey/consumer satisfaction trends?	:	The Company takes customer feedback on periodical intervals to gauge customer satisfaction and expectations. This exercise enables the Company to take appropriate measures, often proactively, to increase customer satisfaction.

# 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, 2020 is set out below:

## 1. CORPORATE GOVERNANCE PHILOSOPHY

Good Corporate Governance is an integral part of the Company's management and business philosophy. The Company operates within accepted standards of propriety and justice with transparency in all dealings, without compromising on integrity, corporate social responsibility and regulatory compliances concerning business and operations of the Company.

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 as amended from time to time (hereinafter referred to as "the Listing Regulations").

## 2. BOARD OF DIRECTORS

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The present strength of the Board of Directors is Ten (10) including one Independent Woman Director. The Company has a regular Non-Executive Chairman who is not related to the Managing Director & CEO of the Company as per definition of the term "relative" defined under the Companies Act, 2013. 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. None of the Independent Directors serves as such on the Board of more than Seven (7) listed companies. Further, the Independent Directors do not serve as Whole-Time Director on the Board of any listed company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company other than (i) the sitting fees payable and reimbursement of incidental expenses incurred by them for attending the Meeting(s) of Board of Directors and Committee thereof; and (ii) remuneration/compensation by way of profit related commission or otherwise as permissible for each financial year commencing on or after 1st April, 2019 of such sum or sums in such proportion/manner and upto such extent as the Board of Directors shall determine from time to time within the overall maximum limit of 1% (One percent) per annum of Net Profits of the Company for the relevant financial year computed in the manner as laid down in Section 198 and other governing provisions of the Companies Act, 2013 and rules made thereunder. The Independent Non-Executive Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and individually have submitted a declaration that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of Board of Directors, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management. No Independent Director of the Company has resigned before the expiry of his/her tenure.

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) ([http://www.vtlrewa.com/pdf/T&C\\_Appt\\_Indepentent\\_Directors\\_VTL.pdf](http://www.vtlrewa.com/pdf/T&C_Appt_Indepentent_Directors_VTL.pdf)), 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).

During the financial year ended on March 31, 2020, four Board Meetings were held on May 16, 2019, August 9, 2019, November 9, 2019 and February 7, 2020. 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, Non-Independent	4	Yes	15	None	1
Shri J. Veeraraghavan	Independent Non-Executive	3	No	None	None	None
Shri S.K. Misra	Independent Non-Executive	4	No	1	None	None
Shri R.C. Tapuriah	Independent Non-Executive	3	Yes	8	4	2
Shri D.R. Bansal	Non-Executive, Non-Independent	4	No	3	1	None
Shri Pracheta Majumdar	Non-Executive, Non-Independent	3	No	3	2	None
Shri Shiv Dayal Kapoor	Independent Non-Executive	4	No	None	None	None
Smt. Kiran Aggarwal	Independent Non-Executive	4	No	None	None	None
Shri Dilip Ganesh Karnik	Non-Executive, Non-Independent	4	No	5	3	None
Shri Y. S. Lodha (Managing Director)	Executive	3	Yes	3	None	None

**Notes:**

- Number of other Directorships held by the Directors, as mentioned above, includes Directorships in Public Limited and Private Limited Companies 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.
- Names of other Listed entities where Directors of the Company are Directors and Category of Directorship are given herein:

Name of the Director	No. of Other Listed Companies in which the Director is a Director	Names of Listed Entities	Category of Directorship
Shri Harsh V. Lodha (Chairman)	4	1. Universal Cables Ltd 2. Birla Cable Ltd. 3. Birla Corporation Ltd. 4. Alfred Herbert (India) Ltd.	1. Non-Executive Chairman 2. Non-Executive Chairman 3. Non-Executive Chairman 4. Non-Executive Non-Independent Director
Shri J. Veeraraghavan	-	-	-
Shri S. K. Misra	-	-	-
Shri R. C. Tapuriah	3	1. New India Retailing & Investment Ltd. 2. Birla Cable Ltd. 3. Alfred Herbert (India) Ltd.	1. Independent Director 2. Independent Director 3. Independent Director
Shri D. R. Bansal	1	Birla Cable Limited	Non-Executive, Non-Independent Director
Shri Pracheta Majumdar	1	Birla Corporation Limited	Whole Time Director
Shri Shiv Dayal Kapoor	-	-	-
Smt. Kiran Aggarwal	-	-	-

Name of the Director	No. of Other Listed Companies in which the Director is a Director	Names of Listed Entities	Category of Directorship
Shri Dilip Ganesh Karnik	3	1. Birla Corporation Ltd. 2. Universal Cables Ltd. 3. ICICI Prudential Life Insurance Company Ltd.	1. Non-Executive Non-Independent Director 2. Non-Executive Non-Independent Director 3. Independent Director
Shri Y. S. Lodha (Managing Director)	1	Universal Cables Ltd.	Managing Director & CEO

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 items which are not permitted to be transacted through video conferencing. During the financial year 2019-20, only one Director of the Company, Shri Dilip Ganesh Karnik participated in one Board Meeting through 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 pertaining to all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances, if any, 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 re-appointment of Managing Director at the ensuing 37th Annual General Meeting (AGM) are given in the Annexure to the Notice of AGM of the Company.

A skill matrix setting out the core skills/expertise/competencies identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for it to function effectively and those actually available with the Board are stated below:

- (i) Knowledge and insight of Company's businesses of Cable and Engineering, Procurement and Construction (EPC), strategic plans, policies and culture including those policies which are approved by the Board or any committee of the Board, major risks/threats and potential opportunities and knowledge of the industry segments in which the Company operates.  
Shri Harsh V. Lodha, Shri D.R. Bansal, Shri Pracheta Majumdar, Shri R.C. Tapuriah, Shri J. Veeraraghavan, Shri Y.S. Lodha and Shri Shiv Dayal Kapoor predominantly possess these skills/expertise/competences.
- (ii) Behavioral Skills comprising of, inter alia, attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company, adequate commitment to the Board and the Company, demonstration of highest level of integrity and maintenance of confidentiality, devotion of sufficient time for effective participation in Board and other meetings, regularity in attending Board and other meetings from time to time.  
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 and Shri Y.S. Lodha, possess these skills/expertise/competences.
- (iii) Business strategy and planning, sales and marketing, Corporate Governance, foreign exchange management, administration, strategic thinking and decision making, selecting the leadership team while ensuring that the Company has right strategy in place together with competitiveness and sustainability of its operations.  
Shri Harsh V. Lodha, Shri R.C. Tapuriah, Shri D.R. Bansal, Shri Pracheta Majumdar, Shri Shiv Dayal Kapoor, Shri Dilip Ganesh Karnik and Shri Y.S. Lodha, predominantly possess these skills/expertise/competences.
- (iv) Financial and Management skills.  
Shri Harsh V. Lodha, Shri Y.S. Lodha, Shri J. Veeraraghavan, Shri R.C. Tapuriah, Shri D.R. Bansal, Shri Pracheta Majumdar, Shri S.K. Misra and Shri Shiv Dayal Kapoor predominantly possess these skills/expertise/competences.
- (v) Technical and professional skills and specialised knowledge with respect to Company's business and operations.  
Shri Harsh V. Lodha, Shri Y.S. Lodha, Shri D.R. Bansal, Shri Pracheta Majumdar and Shri Shiv Dayal Kapoor predominantly possess these skills/expertise/competences.

- (vi) Knowledge of legal regulations to the extent apply and extend to the Company and its business segments viz Cable and Engineering, Procurement and Construction, social and Corporate Social Responsibility activities, compliance to environmental laws/regulations and other applicable laws, safety and security of Company's human resources, property, plant & equipment, etc.

Shri Dilip Ganesh Karnik, Shri Harsh V. Lodha, Shri Y.S. Lodha, Shri D.R. Bansal, Shri J. Veeraraghavan, Shri S.K. Misra and Smt. Kiran Aggarwal possess these skills/expertise/competences.

### 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, 2020 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, inter alia, 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
  - Modified opinion(s), if any, in the draft audit report.
- (v) Reviewing with the management, the quarterly financial results 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 Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) \* Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments; and
- (xxi) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

\*Addition/Amendment in the Terms of Reference by the Board of Directors in its Meeting held on May 16, 2019.

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 16, 2019	August 9, 2019	November 9, 2019	February 7, 2020
Shri R. C. Tapuriah	No	Yes	Yes	Yes
Shri J. Veeraraghavan	Yes	No	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 was 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, President, 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 August 5, 2019.

#### 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:

- (i) 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;
- (ii) 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;
- (iii) to formulate criteria for evaluation of Independent Directors and the Board and to carry out evaluation of every director's performance;
- (iv) to devise a policy on Board diversity; and
- (v) \*to recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

\*Addition/Amendment in the Terms of Reference by the Board of Directors in its Meeting held on May 16, 2019.

During the year two Meetings of the Nomination and Remuneration Committee were held on May 16, 2019 and August 9, 2019. 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:

Name of the Member	Designation	Category	Number of Meetings attended
Shri R. C. Tapuriah	Chairman	Independent Non-Executive Director	1
Shri J. Veeraraghavan	Member	Independent Non-Executive Director	1
Shri D. R. Bansal	Member	Non-Executive Director	2

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

#### 4.1 Remuneration Policy

The Company's Remuneration Policy, inter alia, 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 and performance linked incentive/yearly Special Allowance being variable component to select cadre of employees. The overall performance of the individual is a key consideration when determining salary increase and determination of performance linked incentive. 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 such other payments/benefits (excluding stock options, if any) including remuneration/compensation by way of profit related commission or otherwise as permissible for each financial year commencing on or after 1st April, 2019 of such sum or sums in such proportion/manner and upto such extent as the Board of Directors shall determine from time to time within the overall maximum limit of 1% (One percent) per annum of Net Profits of the Company for the relevant financial year computed in the manner as laid down in Section 198 and other governing provisions of the Companies Act, 2013 and rules made thereunder. Further, the maximum remuneration payable to any one Managing 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 approvals of shareholders, 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, 2020, are set out below:

- (i) Apart from payment of Sitting Fees for attending the Meetings of the Board of Directors and /or Committee thereof; and a token amount of One (1) Rupee towards remuneration/compensation by way of profit related commission or otherwise payable to each of the Non-Executive Directors including Shri Harsh V. Lodha, Chairman and all Independent Directors of the Company for the financial year 2019-20, no other remuneration during the financial year ended March 31, 2020 was 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:

Name of the Director	Sitting Fees (₹ in lakhs)
Shri Harsh V. Lodha	1.60
Shri J. Veeraraghavan	2.60
Shri S. K. Misra	3.40
Shri R. C. Tapuriah	2.55
Shri D.R.Bansal	1.85
Shri Pracheta Majumdar	2.40
Shri Shiv Dayal Kapoor	1.75
Smt. Kiran Aggarwal	1.70
Shri Dilip Ganesh Karnik	1.60

- (ii) Remuneration to Shri Y. S. Lodha, Managing Director of the Company is paid in accordance with the applicable provisions of the Companies Act, 2013. Annual increment together with half-yearly Performance Linked Incentive, if any, 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:

Name	Salary	Perquisites, etc.	Total
Shri Y. S. Lodha	184.84	42.92	227.76

(₹ in lakhs)

**Notes:**

- (a) Sitting fees include fees paid for attending Committee Meetings.
- (b) 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.
- (c) 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.
- (d) 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 are 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.
- (e) The Company does not have any scheme for grant of Stock Options to its Directors, Managing Director or other employees.
- (f) 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:

- (i) 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;
- (ii) \*To approve or authorise transmission/consolidation/ sub-division/ dematerialisation or rematerialisation of equity shares of the Company;
- (iii) \*Resolving the grievances of the shareholders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- (iv) \*Review of measures taken for effective exercise of voting rights by shareholders;
- (v) \*Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agents; and
- (vi) \*Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

\*Addition/Amendment in the Terms of Reference by the Board of Directors in its Meeting held on May 16, 2019.

During the year one meeting of the Stakeholders Relationship Committee was held on May 16, 2019. The composition of the Stakeholders Relationship Committee and the details of meeting attended by the members thereof are given below:

Name of the Member	Designation	Category	Number of Meeting attended
Shri R. C. Tapuriah	Chairman	Independent Non-Executive Director	-
Shri D. R. Bansal	Member	Non-Executive Director	1
Shri Shiv Dayal Kapoor	Member	Independent Non-Executive Director	1

The Company Secretary of the Company 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 Meeting is circulated to the Board of Directors for its noting at the Board Meeting.

During the year under review, 10 (Ten) 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, 2020 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, 2020.

**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:

- (i) 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;
- (ii) To recommend the amount of expenditure to be incurred on the CSR activities in a financial year;
- (iii) To monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- (iv) 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 August 9, 2019 and November 9, 2019. 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 Meetings attended
Shri D. R. Bansal	Chairman	Non-Executive Director	2
Shri J. Veeraraghavan	Member	Independent Non-Executive Director	1
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 February 7, 2020, interalia, to discuss:

- (i) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- (ii) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and
- (iii) 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 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 the performance of Individual Directors. During the year under review, one meeting of the Independent Directors of the Company was held, without the presence of Non-Independent Directors, Managing Director and management representatives, wherein the performance of Non-Independent Directors, Chairman (Non-executive), Managing Director and the Board of Directors as a whole were reviewed. The review of performance of the Chairman of the Company was carried out, inter alia, taking into account the views of the Non-Executive Directors and Managing Director. 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 the Board, its Committees and Individual 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 Individual 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
2018-19	Registered Office of the Company -Udyog Vihar, P.O. Chorhata, Rewa - 486 006 (M.P.)	36th AGM	August 5, 2019	12.30 p.m.
2017-18	Same as above	35th AGM	July 31, 2018	4.30 p.m
2016-17	Same as above	34th AGM	July 24, 2017	11.30 a.m.

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

- (i) Special Resolutions concerning: (a) Re-appointment of Smt. Kiran Aggarwal as an Independent Director of the Company, not liable to retire by rotation, for the second term of 5 (five) consecutive years with effect from 10th November, 2019 to 9th November, 2024 pursuant to provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules framed thereunder read with Schedule VI of the Act, Regulation 17(1A), Regulation 25 and all other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (b) Payment of annual remuneration/compensation by way of profit related commission or otherwise as permissible to Shri Harsh V. Lodha, Non-Executive Chairman of the Company, which may exceed fifty percent of the total annual remuneration/compensation payable to all Non-Executive Directors of the Company pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as inserted vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, read with Sections 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), which were passed by shareholders of the Company with requisite majority at 36th AGM of the Company held on August 5, 2019.
- (ii) None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a Special Resolution through Postal Ballot mandatorily.

## 10. 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](http://www.vtlrewa.com)

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

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

## 11. GENERAL SHAREHOLDER INFORMATION

11.1 **Company Registration Details** : L31300MP1983PLC002134

### 11.2 Annual General Meeting:

- Date and Time : August 18, 2020 at 11.30 A.M.
- Venue : Registered Office of the Company at Udyog Vihar, P.O.Chorhata, Rewa – 486 006 (M.P.) alongwith the facility of VC/ OAVM pursuant to the MCA Circular No. 20/2020 dated May 5, 2020 (For details please refer to the Notice of this AGM).

11.3 **Financial Year** : Begins on 1st April and ends on 31st March of the following year.

### 11.4 **Financial Calendar (2020-21)** : (tentative)

- Quarterly Financial Results :
- ending June 30, 2020 : In or before second week of August, 2020
  - ending September 30, 2020 : In or before second week of November, 2020
  - ending December 31, 2020 : In or before second week of February, 2021
  - ending March 31, 2021 : In or before third week of May, 2021



- 11.5 **Book Closure date(s)** : Wednesday, the August 12, 2020 to Tuesday, the August 18, 2020 (both days inclusive)
- 11.6 **Dividend Payment date** : On or after August 22, 2020
- 11.7 **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 2019-20 as well as 2020-21 to BSE & NSE.

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

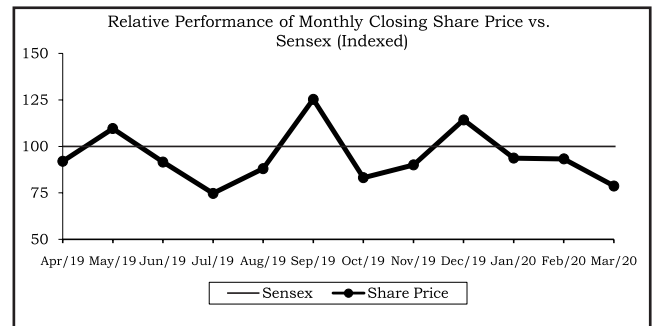
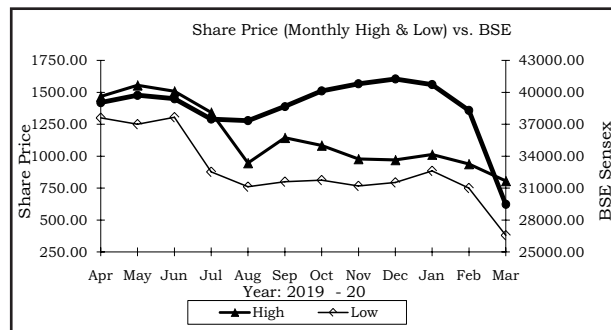
**Demat ISIN Number for NSDL & CDSL:** INE707A01012

**11.9 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, 2019	1467.80	1300.00	12800	1475.00	1300.50	84325
May, 2019	1554.75	1250.00	31005	1559.80	1255.20	198462
June, 2019	1507.85	1303.70	26999	1492.05	1300.00	71311
July, 2019	1341.05	876.20	30642	1349.80	886.30	248509
August, 2019	946.70	760.00	20486	949.00	756.20	200044
September, 2019	1144.00	800.00	26861	1122.70	791.30	116485
October, 2019	1083.55	811.20	24406	1084.00	859.30	109903
November, 2019	978.40	766.00	31992	978.80	761.95	161442
December, 2019	970.35	793.75	26519	975.00	791.75	343242
January, 2020	1012.00	884.00	20892	1010.00	874.00	146876
February, 2020	938.10	750.00	11558	939.00	745.00	94160
March, 2020	805.00	380.00	40437	805.30	395.75	212989

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



**11.11 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

**11.12 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. during the year under review were processed by the Registrar and Share Transfer Agents of the Company on weekly basis and the same were 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 Agents 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 was placed at every Board Meeting on quarterly basis. The Registrar and Share Transfer Agents / delegated authority /Stakeholders Relationship Committee attended the formalities pertaining to transfer of shares at least once in a fortnight, while generally ensuring that transmission requests were processed for shares held in dematerialized mode and physical mode within seven days and twenty one days respectively, after receipt of specified documents, complete in all respect, and dispatch of share certificates were generally completed within 15 days, while the request for dematerialisation of equity shares is generally confirmed/rejected within an average period of 15 days. Members may further note that as per amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed with effect from 1st April, 2019 unless the securities are held in the dematerialized form with a depository. Members are therefore advised to dematerialise their holding of equity shares in the Company for facilitating transfer of shares. 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 as and when required/deemed appropriate to monitor, supervise and ensure that there are no delays or lapses in the system.

**11.13 (a) Distribution of Shareholding as on March 31, 2020 :**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	10038	92.90	885431	7.47
501 - 1000	335	3.10	250354	2.11
1001 - 2000	165	1.53	242073	2.04
2001 - 3000	71	0.66	177755	1.50
3001 - 4000	41	0.38	145445	1.23
4001 - 5000	25	0.23	110116	0.93
5001 - 10000	54	0.50	387030	3.27
10001 and above	76	0.70	9652659	81.45
<b>GRAND TOTAL</b>	<b>10805</b>	<b>100.00</b>	<b>11850863</b>	<b>100.00</b>
<b>Physical Mode</b>	<b>1711</b>	<b>15.84</b>	<b>251820</b>	<b>2.12</b>
<b>Electronic Mode</b>	<b>9094</b>	<b>84.16</b>	<b>11599043</b>	<b>97.88</b>

**(b) Category of Shareholders as on March 31, 2020:**

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Promoter and Promoter Group	11	0.10	5160205	43.54
Mutual Funds/Unit Trust of India	7	0.06	1038300	8.76
Alternate Investment Funds	1	0.01	52729	0.44
Foreign Portfolio Investor	24	0.22	227839	1.92
Financial Institutions/Banks/Foreign Bank	13	0.12	28665	0.24
Individuals	9602	88.87	2815525	23.76
Hindu Undivided Family	322	2.98	140657	1.19
Non Resident Indians	400	3.70	121027	1.02
Directors and their Relatives	1	0.01	500	0.01
Persons Acting in Concert	10	0.09	1254686	10.59
Unclaimed Shares	1	0.01	1701	0.01
Clearing Member	45	0.42	21096	0.18
Bodies Corporate	368	3.41	987933	8.34
<b>GRAND TOTAL</b>	<b>10805</b>	<b>100.00</b>	<b>11850863</b>	<b>100.00</b>

- 11.14 **Dematerialisation of Shares and liquidity:** 11599043 Equity Shares representing 97.88% 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, 2020.

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 2019-20. Relevant data for the approximate average daily turnover in terms of volume for the financial year 2019-20 is given below :

BSE	NSE	BSE + NSE
1238	8048	9286

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

- 11.15 **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.
- 11.16 **Commodity price risk or foreign exchange risk and hedging activities :** During the year 2019-20, 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 on selective basis based on professional opinion/judgement. The Company does not enter into hedging of Commodities. The details of foreign currency exposure and the exposure to Commodity and Commodity risk faced by the Company are disclosed in Note No(s).48(a)(i) and 48(a)(iv) respectively to the financial statements.
- 11.17 **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 details of unpaid/unclaimed dividend details are available on the website of the Company on [www.vtlrewa.com](http://www.vtlrewa.com).

11.18 **Plant Location:**

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

11.19 **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@vtlrewa.com](mailto:investorgrievance@vtlrewa.com)

11.20 **Credit Ratings:**

The List of All Credit Ratings obtained by the Company for all debt instruments or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad, during financial year 2019-20 (including revisions) are stated herein:

Sl. No.	Credit Rating Obtained	Type of Borrowing	Amount of Borrowing (₹ in Crores)	Whether reviewed rating or fresh rating	In case of reviewed rating, earlier rating
(i)	CRISIL A1+	Commercial Paper	200 (Proposed borrowing)	Reviewed	CRISIL A1+
(ii)	CARE A+; Stable(A Plus); Outlook:Stable	Non-Convertible Debenture Issue	100.00	Reviewed	CARE AA-; Stable (Double A Minus); Outlook:Stable
(iii)	CARE A+; Stable (A Plus); Outlook: Stable	Long-Term Bank Limits	1107.50 (Term Loan of 197.50 and Cash Credit of 910.00)	Reviewed	CARE AA-; Stable (Double A Minus); Outlook: Stable
(iv)	CARE A1+ (A One Plus)	Short-Term Bank Limits	2090.50	Reviewed	CARE A1+ (A One Plus)

**12. OTHER DISCLOSURES**

- (a) There were no materially significant related party transactions during the financial year 2019-20 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, 2020, 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.41(A) 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) Commodities form a major part of business of the Company and hence commodity price risk is one of the important risks for the Company. The Company has a robust framework in place to protect the Company's interest from risks arising out of market volatility and time to time to apprise the Board members about the risk assessment and minimisation 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. The Company has not entered into any type of hedging of Commodities during the year under review.
- (h) The Company has not raised any funds through preferential allotment or qualified institutional placement during the year under review.
- (i) A Certificate has been obtained from Shri Rajesh Kumar Mishra, Practicing Company Secretary that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed/re-appointed or continuing as Director of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.
- (j) There is no recommendation of any committee of Board which has not been accepted by the Board during the year under review.
- (k) Total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditors of the Company was Rs.31,48,000/-. The firm of Statutory Auditors of the Company does not have any network firm/network entity of which the Statutory Auditors are a part as per confirmation obtained from it.
- (l) Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as follows:
  - (i) number of complaints filed during the financial year - NIL
  - (ii) number of complaints disposed of during the financial year - N.A. as there was no complaint.
  - (iii) number of complaints pending as on end of the financial year - NIL
- (m) There is no non compliance of any Requirement of Corporate Governance as mentioned of Sub paras (2) to (10) of Part C of Schedule V of the LODR.
- (n) 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.1.5 of Notes to financial statements in the Annual Report.
- (o) During the year 2019-20, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts/swaps for hedging foreign exchange exposures against imports as and when considered appropriate based on professional advice. The details of foreign currency exposure are enclosed in Note No.48(a)(i) to the annual financial statements.
- (p) 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 had any material pecuniary relationship or transactions with the Company during the year under review other than – (i) sitting fees for attending the meeting(s) of Board of Directors and/or any Committees thereof during the financial year 2019-20; and (ii) a token amount of One (1) Rupee towards remuneration/compensation by way of profit related commission or otherwise payable to each of the Non-Executive Directors including Shri Harsh V. Lodha, Chairman and all Independent Directors of the Company for the financial year 2019-20 given the prevailing adverse and challenging business environment across all sectors of economy in India due to fallout of COVID-19 pandemic.

- (q) 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, 2020. The Managing Director & CEO and the Chief Financial Officer have also furnished a certificate pertaining to the financial year ended on March 31, 2020 to the Board of Directors in accordance with Regulation 33(2)(a) of the Listing Regulations.
- (r) 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, as amended, 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.
- (s) 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.
- (t) 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, the requirement viz. moving towards regime of financial statements with unmodified audit opinion, has generally been complied with.
- (u) The disclosures 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
17A	Maximum Number of Directorships	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)
24A	Secretarial Audit	Yes
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

- (v) 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.

**13 Disclosure with respect to unclaimed suspense account:** Pursuant to Regulation 39(4) read with Schedule VI of the Listing Regulations, the Company has transferred to the 'Unclaimed Securities Suspense Account' the unclaimed equity shares which were issued in physical form from time to time. The details of such unclaimed Suspense Account pursuant to the provisions as prescribed under Clause F of Schedule V of Listing Regulations are as under:

Sl. No.	Particulars	No. of Shareholders	No. of Equity Shares
(a)	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2019	10	1701
(b)	Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the financial year 2019-20	Nil	Nil
(c)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the financial year 2019-20	Nil	Nil
(d)	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2020	10	1701

The voting rights on outstanding shares lying in the “Unclaimed Securities Suspense Account” shall continue to remain frozen till the rightful owners of such shares claims the shares.

#### 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, 2020.

For Vindhya Telelinks Limited

Place : Rewa  
Date : May 18, 2020

Y.S. LODHA  
Managing Director & CEO

#### CERTIFICATE FROM PRACTISING COMPANY SECRETARY

[Pursuant to clause 10(i) of Schedule V to Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, R.K. Mishra & Associates, Practising Company Secretaries, hereby certify that none of the Directors on the Board of the Vindhya Telelinks Limited (CIN: L31300MP1983PLC002134) (“the Company”), have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs or any such Statutory Authority.

For R.K. MISHRA & ASSOCIATES

Place : Satna  
Date : June 1, 2020

Rajesh Kumar Mishra  
Partner  
CP No. 4433  
FCS No. 5383  
UDIN : F005383B000306673

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

1. This certificate is issued in accordance with our engagement letter dated 1st April, 2019.
2. We, V. Sankar Aiyar & Co., the statutory auditors of Vindhya Telelinks Limited have examined the compliance of regulations of Corporate Governance by **Vindhya Telelinks Limited** ('the Company') for the year ended March 31, 2020 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**

3. 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**

4. 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.
5. 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.
6. 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**

7. 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, 2020. 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**

8. 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

Karthik Srinivasan  
Partner  
Membership No. 514998  
UDIN : 20514998AAAADG3237

Place : New Delhi  
Date : June 1, 2020

# Independent Auditor's Report

TO THE MEMBERS OF VINDHYA TELELINKS LIMITED

## Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Vindhya Telelinks Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sl. No.	Key Audit Matter	Auditor's Response
1	<p><b>Revenue recognition for construction contracts:</b></p> <p>In respect of construction contracts, the management is required to make various accounting estimates and judgements for the purpose of revenue recognition over time like identification of performance obligation, determination of transaction price, the stage of completion, the timing of revenue recognition, estimated project costs and revenue. The process among others, take into consideration contract risks, price variation claims, liquidated damages &amp; penalties, periodic certification from customers, recoverability of trade receivables. The Company periodically reviews the estimates involved and any cumulative effect of such changes are recognised in the period in which such changes are determined.</p> <p>Given the significance of the revenue recognition as stated above, we determined this to be a key audit matter.</p> <p>Refer Note No. 1.4 (b) and Note No. 1.5 (k) of the standalone financial statements.</p>	<p>Our audit procedure included, among others,</p> <ul style="list-style-type: none"> <li>• Reviewing the terms and conditions of contracts on sample basis (including amendments/ modifications/clarifications thereon, if any) for the purpose of identification of performance obligation, reviewing the estimated contract revenue and costs including consistent application, and adjustments thereon on account of potential liquidated damages and penalties, if any, change in scope, actual cost incurred till year end, certification by customers, etc.</li> <li>• Testing the internal controls adopted by the Company relevant to ensuring the completeness and accuracy of revenue recognition.</li> <li>• Reviewed the adequacy of the disclosures in the Notes to the standalone financial statements.</li> </ul>



<p>2</p>	<p><b>Indefeasible Right to Use (IRU) - Lease arrangements:</b></p> <p>The Company as a lessor enters into certain non-cancellable long-term finance lease arrangements for passive optical fibre cable networks under IP-1 on Indefeasible Right to Use (IRU) basis. As per the accounting policy, these transactions are treated as an Outright sales. Profit or loss resulting from outright sales is recognised in the statement of profit and loss immediately. The cost of sales and carrying amount of unsold passive optical fibre network under IP-1 are determined. This involves making estimates and judgement with respect to allocation of materials, subcontracting cost and other costs on the basis of total estimated fibre pairs/duct to be sold under a specific route. The estimates and underlying assumptions are reviewed on a periodic basis. Given the significance of the IRU in the financial statements as at 31st March, 2020, we determined this to be a key audit matter.</p> <p>Refer Note No. 1.5 (p) &amp; (g) of the standalone financial statements.</p>	<p>Our audit procedures included the review of:</p> <ul style="list-style-type: none"> <li>• the accounting treatment followed for revenue recognition vis-à-vis IRU contracts entered into by the Company.</li> <li>• the terms and conditions of the contracts and evaluating the point of transfer of control.</li> <li>• the estimates involved in allocation of cost of sales of IRU network and that of unsold portion of the network and basis of estimating the net realisable value.</li> <li>• the adequacy of the disclosures in the Notes to the standalone financial statements.</li> </ul>
<p>3</p>	<p><b>Valuation of trade receivables in view of the risk of credit losses:</b></p> <p>Trade receivables is a significant item in the Company's financial statements as at March 31, 2020 and assumptions used for estimating the credit loss on receivables is an area which is determined by management's judgment.</p> <p>The Company makes an assessment of the estimated credit losses on trade receivables based on credit risk, project status, past history, latest discussion/ correspondence with the customer.</p> <p>Given the significance of these receivables in the financial statements as at 31st March, 2020, we determined this to be a key audit matter.</p> <p>Refer Note No. 1.5 i (1) (b) &amp; 48(b) of the standalone financial statements.</p>	<p>Our audit procedure included, among others:</p> <ul style="list-style-type: none"> <li>• Evaluated the accounting policy of the company.</li> <li>• Inquired with senior management regarding status of collectability of the receivable.</li> <li>• Discussion of material outstanding balances with the audit committee.</li> <li>• Assessed the information/assumptions used by the Management to determine the expected credit losses by considering credit risk of the customer, cash collection, and the level of credit loss over time;</li> </ul> <p>Based on our work as stated above, no significant deviations were observed in respect of management's assessment of valuation of trade receivables.</p>

### Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2019-20, but does not include the Standalone financial statements and our auditor's report thereon.

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

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

Based on the work we have performed, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the standalone financial statements

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

In preparing the standalone financial statements, the Management is responsible for assessing the Company's ability to continue as a

going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's responsibility for the audit of standalone financial statements**

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

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

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

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

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

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

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The balance sheet, the statement of profit and loss including other comprehensive income, the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact, if any, of pending litigations on its financial position in its standalone financial statements – Refer Note No. 36 (a) (i), (ii) & (v) to the standalone financial statements.
  - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
  - (iii) There were no amounts, which were required to be transferred during the year 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

Karthik Srinivasan  
Partner

Membership No. 514998  
UDIN : 20514998AAAADE6367

Place : New Delhi  
Dated : June 1, 2020

### **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 over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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 over financial reporting 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 controls, both applicable to an audit of Internal Financial Controls and, both issued by 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 controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Karthik Srinivasan  
Partner  
Membership No. 514998

Place : New Delhi  
Dated : June 1, 2020

UDIN : 20514998AAAADE6367

### **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 standalone 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) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program the fixed assets were physically verified during the year by the management during the year. According to information and explanations given to us, 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 save and except underground optical fibre cable network built by the Company under IP-1 License which is verified from the inspection/acceptance testing (AT) reports, 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 In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

- v The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi 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, duty of customs, 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 31st March, 2020, 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 31st March, 2020 in respect of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax.
- 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 standalone financial statements as required by the applicable accounting standards.
- 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-IA of the Reserve Bank of India Act, 1934.

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

Karthik Srinivasan  
Partner  
Membership No. 514998  
UDIN : 20514998AAAADE6367

Place : New Delhi  
Dated : June 1, 2020

**BALANCE SHEET AS AT 31ST MARCH, 2020**

	Note No.	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	11522.36	12764.10
(b) Capital Work-in-Progress		1914.18	-
(c) Investment Property	3	94.18	96.50
(d) Intangible Assets	4	44.76	65.41
(e) Financial Assets			
(i) Investments	5	14965.64	22035.52
(ii) Trade Receivables	6	4111.56	1865.07
(iii) Other Financial Assets	7	2260.65	1548.64
(f) Non-Current Tax Assets (Net)		1629.02	839.89
(g) Other Non-Current Assets	8	187.24	75.11
<b>Total Non-Current Assets</b>		<b>36729.59</b>	<b>39290.24</b>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	9	97402.77	80314.74
(b) Financial Assets			
(i) Trade Receivables	10	110216.45	120968.05
(ii) Cash and Cash Equivalents	11	347.08	156.51
(iii) Bank Balances Other than (ii) above	12	861.75	3389.08
(iv) Other Financial Assets	13	3043.54	1641.80
(c) Current Tax Assets (Net)		347.38	333.61
(d) Other Current Assets	14	11524.09	14819.64
(e) Assets Classified as Held for Sale/Disposal		21.00	8.50
<b>Total Current Assets</b>		<b>223764.06</b>	<b>221631.93</b>
<b>Total Assets</b>		<b>260493.65</b>	<b>260922.17</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	1185.00	1184.58
(b) Other Equity	16	76640.43	71865.33
<b>Total Equity</b>		<b>77825.43</b>	<b>73049.91</b>
<b>LIABILITIES</b>			
<b>(1) NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	17	36433.71	35482.99
(ii) Other Financial Liabilities	18	876.83	10.81
(b) Provisions	19	1822.25	2380.41
(c) Deferred Tax Liabilities (Net)	20	97.72	1121.01
<b>Total Non-Current Liabilities</b>		<b>39230.51</b>	<b>38995.22</b>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	21	46634.40	44585.14
(ii) Trade Payables	22		
Due to Micro and Small Enterprises		1184.44	5313.99
Due to Other than Micro and Small Enterprises		57444.62	61445.56
(iii) Other Financial Liabilities	23	6975.15	4257.79
(b) Other Current Liabilities	24	28285.34	29851.98
(c) Provisions	25	2913.76	1994.60
(d) Current Tax Liabilities (Net)		-	1427.98
<b>Total Current Liabilities</b>		<b>143437.71</b>	<b>148877.04</b>
<b>Total Equity and Liabilities</b>		<b>260493.65</b>	<b>260922.17</b>

The accompanying Notes No. 1 to 50 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

Harsh V. Lodha  
(DIN : 00394094)

Chairman

Y.S. Lodha  
(DIN : 00052861)

Managing Director & CEO

Karthik Srinivasan  
Partner  
Membership No. 514998

Saurabh Chhajer

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

Place : New Delhi  
Dated : June 1, 2020

Place : Satna  
Dated : June 1, 2020

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

	Note No.	For the year ended 31st March, 2020 (₹ in lakhs)	For the year ended 31st March, 2019 (₹ in lakhs)
<b>A INCOME</b>			
Revenue from Operations	26	<b>188319.31</b>	209536.95
Other Income	27	<b>1896.19</b>	1332.34
<b>Total Revenue</b>		<b>190215.50</b>	210869.29
<b>B EXPENSES</b>			
(i) Cost of Raw Materials Consumed		<b>32483.19</b>	48808.26
(ii) Cost of Materials and Other Contract Expenses	28	<b>127191.81</b>	147420.23
(iii) Changes in Inventories of Finished Goods and Work-in-Progress etc.	29	<b>(17382.65)</b>	(41561.97)
(iv) Employee Benefits Expense	30	<b>9646.75</b>	8703.16
(v) Finance Costs	31	<b>9701.54</b>	7624.25
(vi) Depreciation and Amortisation Expenses	32	<b>2073.24</b>	1990.46
(vii) Other Expenses	33	<b>10369.38</b>	12195.77
<b>Total Expenses</b>		<b>174083.26</b>	185180.16
<b>C PROFIT BEFORE TAX</b>		<b>16132.24</b>	25689.13
<b>D TAX EXPENSES</b>			
(i) Current Tax	34	<b>4090.83</b>	8688.37
(ii) Earlier Year Tax Expense/(Written Back)		<b>(309.47)</b>	1.59
(iii) Deferred Tax Charge/(Credit)		<b>(338.64)</b>	133.65
<b>Total Tax Expense</b>		<b>3442.72</b>	8823.61
<b>E PROFIT FOR THE YEAR</b>		<b>12689.52</b>	16865.52
<b>F OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
(i) Items that will not be re-classified to Profit or Loss			
(a) Equity Instruments through OCI		<b>(7069.88)</b>	5419.21
(b) Re-measurement of Defined Benefit Plan		<b>(3.29)</b>	(52.58)
(ii) Taxes relating to the above items			
(a) Equity Instruments through OCI		<b>684.65</b>	(684.65)
(b) Re-measurement of Defined Benefit Plan		<b>0.83</b>	18.37
<b>Total Other Comprehensive Income</b>		<b>(6387.69)</b>	4700.35
<b>G TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>6301.83</b>	21565.87
(Comprising Profit and Other Comprehensive Income for the year)			
<b>Earning per Equity Share (EPS) in Rupees</b>	35		
Basic and Diluted EPS (Face Value of ₹ 10/- each)		<b>107.08</b>	142.31

The accompanying Notes No. 1 to 50 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

Harsh V. Lodha  
(DIN : 00394094)

Chairman

Y.S. Lodha  
(DIN : 00052861)

Managing Director & CEO

Karthik Srinivasan  
Partner  
Membership No. 514998

Saurabh Chhajer

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

Place : New Delhi  
Dated : June 1, 2020

Place : Satna  
Dated : June 1, 2020

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

	For the year ended 31st March, 2020 (₹ in lakhs)	For the year ended 31st March, 2019 (₹ in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	<b>16132.24</b>	25689.13
<b>Adjustments for :</b>		
Depreciation and Amortisation Expenses	2073.24	1990.46
(Profit)/Loss on Disposal of Fixed Assets (Net)	0.10	(1.68)
Provision for Warranty Expenses (Net)	966.71	1259.90
Provision for MTM of Derivative Instruments	(21.12)	(16.73)
(Gain)/Loss on Unrealised Foreign Exchange Rate Fluctuations		
On Borrowings	291.67	(63.27)
On Others	(55.91)	(25.49)
Allowance for Expected Credit Loss (Net)	249.56	87.69
Interest Income	(339.65)	(317.21)
Dividend Income	(1186.51)	(596.84)
Rent from Investment Property	(57.24)	(56.44)
Interest Expense	8798.59	6074.19
	<b>10719.44</b>	<b>8334.58</b>
<b>Operating Profit before Working Capital Changes</b>	<b>26851.68</b>	<b>34023.71</b>
<b>Movement in Working Capital:</b>		
Increase/(Decrease) in Trade Payables and Provisions	(15763.16)	22424.64
Decrease/(Increase) in Trade Receivables/Contract Assets/ Contract Liabilities	18090.77	(31420.24)
Decrease/(Increase) in Inventories	(17088.03)	(43029.29)
Decrease/(Increase) in Loans and Advances	(2721.93)	727.08
	<b>(17482.35)</b>	<b>(51297.81)</b>
<b>Cash Flow Generated from/(used in) Operations</b>	<b>9369.33</b>	<b>(17274.10)</b>
Direct Taxes Paid (Net of Refunds)	<b>(6011.41)</b>	<b>(8526.20)</b>
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>3357.92</b>	<b>(25800.30)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(3526.10)	(5501.20)
Proceeds from Sale of Fixed Assets	391.99	59.21
(Investment )/Maturity of Bank Deposits	1931.09	1159.79
Proceeds from Government Grants	1096.17	313.22
Rent from Investment Property	57.24	56.44
Interest Received	337.51	322.39
Dividend Received	1186.51	596.84
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>	<b>1474.41</b>	<b>(2993.31)</b>



	<b>For the year ended 31st March, 2020</b>		<b>For the year ended 31st March, 2019</b>	
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)**
**C. CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Share Capital	0.42	0.37
Proceeds from Securities Premium	1.66	1.49
Proceeds from Long Term Borrowings	6619.62	27445.12
Repayment from Long Term Borrowings	(2916.06)	(1379.81)
Proceeds from Short Term Borrowings	30871.13	30968.63
Repayment from Short Term Borrowings	(28941.38)	(20888.23)
Repayment of Lease Liability - Principal	(38.88)	-
Repayment of Lease Liability - Interest	(84.76)	-
Interest Paid	(8639.88)	(6068.42)
Dividend Paid (including Dividend Distribution Tax)	(1513.63)	(1413.90)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>(4641.76)</b>	<b>28665.25</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>190.57</b>	<b>(128.36)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>156.51</b>	<b>284.87</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>347.08</b>	<b>156.51</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	<b>7.73</b>	3.08
Cheques/Drafts on Hand	<b>137.45</b>	97.19
Balance in Current Accounts	<b>201.90</b>	56.24
	<b>347.08</b>	156.51

- (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, 2019	Proceeds	Repayment	Unrealised foreign exchange (gain)/ loss & others	As at 31st March, 2020
Long Term Borrowings (Including current portion)	38315.31	6619.62	(2916.06)	260.30	<b>42279.17</b>
Short Term Borrowings	44585.14	30871.13	(28941.38)	64.54	<b>46579.43</b>
Interest Accrued on Borrowings	250.68	291.46	(250.68)	-	<b>291.46</b>
<b>Total Liabilities from Financing Activities</b>	<b>83151.13</b>	<b>37782.21</b>	<b>(32108.12)</b>	<b>324.84</b>	<b>89150.06</b>

As per our attached report of even date.

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

 Harsh V. Lodha  
 (DIN : 00394094)

Chairman

 Y.S. Lodha  
 (DIN : 00052861)

Managing Director &amp; CEO

 Karthik Srinivasan  
 Partner  
 Membership No. 514998

Saurabh Chhajjar

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

 Place : New Delhi  
 Dated : June 1, 2020

 Place : Satna  
 Dated : June 1, 2020

**STATEMENT OF CHANGES IN EQUITY**
**(a) Equity Share Capital**

(₹ in lakhs)

Particulars	Amount
Balance as at 31st March, 2018	1184.21
Movement during the year 2018-19	0.37
Balance as at 31st March, 2019	1184.58
Movement during the year 2019-20	0.42
<b>Balance as at 31st March, 2020</b>	<b>1185.00</b>

**(b) Other Equity**

(₹ in lakhs)

Particulars	Surplus				Items of Other Comprehensive Income	Total
	Securities Premium	Debenture Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments Fair Value Through Other Comprehensive Income	
Balance as at 31st March, 2018	3885.84	1253.00	30000.00	14357.59	2230.23	51726.66
Profit for the year 2018-19	-	-	-	16865.52	-	16865.52
Other Comprehensive Income for the year 2018-19	-	-	-	(34.21)	4734.56	4700.35
Transfer from Retained Earnings	-	832.00	-	(832.00)	-	-
Securities Premium received during the Year 2018-19	1.49	-	-	-	-	1.49
Final Dividend and Tax thereon	-	-	-	(1428.69)	-	(1428.69)
Balance as at 31st March, 2019	3887.33	2085.00	30000.00	28928.21	6964.79	71865.33
Profit for the year 2019-20	-	-	-	12689.52	-	12689.52
Other Comprehensive Income for the year 2019-20	-	-	-	(2.46)	(6385.23)	(6387.69)
Transfer from Debenture Redemption Reserve	-	(2085.00)	2085.00	-	-	-
Securities Premium received during the Year	1.66	-	-	-	-	1.66
Final Dividend and Tax thereon	-	-	-	(1528.39)	-	(1528.39)
<b>Balance as at 31st March, 2020</b>	<b>3888.99</b>	<b>-</b>	<b>32085.00</b>	<b>40086.88</b>	<b>579.56</b>	<b>76640.43</b>

**Nature and Purpose of Surplus**
**(a) Securities Premium**

Securities Premium represents the amount received by the Company over and above nominal value upon issue of equity shares with premium. The Securities Premium can be utilised in accordance with the provisions of Section 52 and other applicable provisions of the Companies Act, 2013.

**(b) Debenture Redemption Reserve**

In accordance with section 71(4) of Companies Act, 2013 and rules notified there under, the Company has created Debenture Redemption Reserve (DRR) out of the profits available for payment of dividend and the amount credited to DRR is not utilised except for the redemption of unsecured non-convertible debentures.

During the year Ministry of Corporate Affairs, Government of India vide its notification dated 16th August, 2019 amended the Companies (Share Capital and Debenture) Rules, 2014 by relaxing the requirement of creation of DRR. Accordingly, the balance of ₹ 2085.00 lakhs has been transferred in General Reserve.

**(c) General Reserve**

The General Reserve represents free reserves being an appropriation of profit/retained earnings and kept aside to meet the future requirements as and when they arise. Mandatory transfer to General Reserve is not required under the Companies Act, 2013. As the General Reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve are not reclassified subsequently to the Statement of Profit and Loss.

As per our attached report of even date.

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

Harsh V. Lodha  
(DIN : 00394094)

Chairman

Y.S. Lodha  
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Managing Director & CEO

Karthik Srinivasan  
Partner  
Membership No. 514998

Saurabh Chhajer

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

Place : New Delhi  
Dated : June 1, 2020

Place : Satna  
Dated : June 1, 2020

## 1. NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020

### 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 Engineering, Procurement and Construction (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 Standalone Financial Statements were approved by the Board of Directors of the Company in their meeting held on 1st June, 2020.

### 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.

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 of 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 judgments, 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 judgments 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 under IP-1 on Indefeasible Right-of-use Assets (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-116. Cost of passive optical fibre cable networks under IP-1 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. Such estimations include fibre/duct to be sold under a specific route, measurement of contract obligations, etc. The estimates and underlying assumptions are reviewed on a periodic basis.

#### (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. The Company estimates the total cost, contract risks (including the estimates of liquidated damages), price variation claims, etc. 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, government grants/subsidies 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
Office Equipment & Computer	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.

Right-of-use Assets (Land) is amortised on a straight line basis over the period of Lease (30 to 99 Years).

Right-of-use Assets (Building under operating Lease) is amortised on a straight line basis over the period of lease term (9 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 Property, 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/subsidies will be received. Government subsidies/incentives inextricably based upon and linked to fixed capital investments in Property, 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 deducted from the carrying amount of Property, Plant and Equipment.

Export benefits availed as per prevalent schemes are accounted for in the year in which the goods are exported subject to the condition that there exists no significant uncertainty with regard to 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. Work in Progress in Cable Segment includes direct materials (determined on a transaction moving weighted average basis), labour and a proportion of overheads. The Valuation of Work in Progress in EPC Segment comprises of materials, Sub-contracting cost and other allocated cost of the respective project / Passive Optical Fibre Cable Network.
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

**(i) 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.

**(ii) 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.

**(iii) 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**
**(i) Investment in subsidiaries, Joint Ventures and Associates**

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

**(ii) 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.

**(c) 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.

**(d) 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**
**(a) 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.

**(b) 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 profit or 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.

**(c) 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 from Contract with Customer**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (i) The Company's performance does not create an asset with an alternate use to the Company and the Company has as an enforceable right to payment for performance completed to date.
- (ii) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- (iii) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractual terms and conditions. Taxes (GST) collected on behalf of the government are excluded from revenue. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. Revenue is disclosed net of returns, incentives and returns, as applicable.

Variable consideration includes volume discounts, price concessions, liquidated damages, incentives, etc. The Company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The variable consideration is adjusted as and when the expectation regarding the same changes.

#### Revenue from Sale of Goods

Performance obligation in case of Revenue from sale of goods is satisfied at a point in time and is recognised when control of goods is transferred to the customers. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

#### Revenue from Turnkey Projects/ Contracts

Performance Obligation in case of revenue from Turnkey Projects/Contracts is satisfied over the period of time, since the customer controls the assets as they are created and the Company has enforceable right to payment for performance completed to date. Revenue from Turnkey Projects/Contracts, where the outcome can be estimated reliably is recognised under the percentage of completion method by reference to the stage of completion of contract activity. The stage of completion is determined on the basis of work certified which is based upon Company's effort or input to the satisfaction of performance obligation. 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, if any, 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.

If contract revenue recognised is in excess of interim billing, the same is recognised as "Contract Asset". Similarly, if interim billing exceeds contract revenue, the same is recognised as "Contract Liabilities". Prepayments from customers are recognised as liabilities. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of the contract.

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

Revenue from Sale of IRU networks are recognised as per Accounting Policy given in note no. 1.5(p).

Services Income (mainly on account of operation and maintenance of IRU networks) is recognised over the period as per the terms and conditions of the contract.

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 except actuarial gains and losses on compensated absences benefits which are charged to the Statement of Profit and Loss.

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) Leases

Where the Company is the Lessee:

The Company's lease asset classes primarily consist of leases for land and building. The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contract existing and entered into on or after April 1, 2019. The Company has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The Company recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. In the comparative period, lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss over the lease term.

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. Costs including depreciation are recognised as an expense in the Statement of Profit and Loss.

Finance lease transactions (including Indefeasible Right-of-use Assets (IRU) Networks) where control, 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.

### (q) 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.

**(r) 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.

For the purpose of calculating diluted earnings per share, net profit or loss attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year is adjusted for the effect of all dilutive potential equity shares.

**(s) 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.

**2. PROPERTY, PLANT AND EQUIPMENT**

(₹ in lakhs)

Particulars	Freehold Land	Right-of-use Assets (Land)	Buildings	Right-of-use Assets (Building)	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
<b>Gross Block</b>									
As at 31st March, 2018	113.18	33.38	1367.86	-	8494.30	331.04	156.71	240.85	10737.32
Additions during the year 2018-19	-	-	1206.10	-	5020.67	156.56	-	77.67	6461.00
Deletions/Adjustments during the year 2018-19	-	-	-	-	178.45	0.51	0.76	10.71	190.43
As at 31st March, 2019	113.18	33.38	2573.96	-	13336.52	487.09	155.95	307.81	17007.89
Additions during the year 2019-20	-	-	-	994.02	1360.72	46.61	-	33.89	2435.24
Deletions/Adjustments during the year 2019-20 (Refer Note ii below)	-	-	61.66	-	1861.99	1.15	-	25.10	1949.90
<b>As at 31st March, 2020</b>	<b>113.18</b>	<b>33.38</b>	<b>2512.30</b>	<b>994.02</b>	<b>12835.25</b>	<b>532.55</b>	<b>155.95</b>	<b>316.60</b>	<b>17493.23</b>
<b>Accumulated Depreciation</b>									
As at 31st March, 2018	-	1.36	78.10	-	2069.48	150.90	37.72	65.14	2402.70
Depreciation for the year 2018-19	-	0.68	63.97	-	1739.18	110.11	17.52	36.03	1967.49
Deletions/Adjustments during the year 2018-19	-	-	-	-	119.46	0.33	0.16	6.45	126.40
As at 31st March, 2019	-	2.04	142.07	-	3689.20	260.68	55.08	94.72	4243.79
Depreciation for the year 2019-20	-	0.68	76.42	92.04	1706.04	120.18	16.27	38.64	2050.27
Deletions/Adjustments during the year 2019-20	-	-	-	-	310.34	0.90	-	11.95	323.19
<b>As at 31st March, 2020</b>	<b>-</b>	<b>2.72</b>	<b>218.49</b>	<b>92.04</b>	<b>5084.90</b>	<b>379.96</b>	<b>71.35</b>	<b>121.41</b>	<b>5970.87</b>
<b>Net Block</b>									
As at 31st March, 2019	113.18	31.34	2431.89	-	9647.32	226.41	100.87	213.09	12764.10
<b>As at 31st March, 2020</b>	<b>113.18</b>	<b>30.66</b>	<b>2293.81</b>	<b>901.98</b>	<b>7750.35</b>	<b>152.59</b>	<b>84.60</b>	<b>195.19</b>	<b>11522.36</b>

**Notes:**

- (i) Refer Note No. 17 and 21 for details of mortgage/ hypothecations of Property, Plant and Equipment towards security.
- (ii) Adjustments during the year includes ₹1222.12 lakhs disbursed/sanctioned as subsidies under Industrial Investment Promotion Incentive Schemes linked to Fixed Capital Investment in Property, Plant and Equipment, etc.

**3. INVESTMENT PROPERTY**

(₹ in lakhs)

<b>Particulars</b>	<b>Buildings</b>
<b>Gross Block</b>	
As at 31st March, 2018	103.46
Additions during the year 2018-19	-
Deletions/Adjustments during the year 2018-19	-
As at 31st March, 2019	103.46
Additions during the year 2019-20	-
Deletions/Adjustments during the year 2019-20	-
<b>As at 31st March, 2020</b>	<b>103.46</b>
<b>Accumulated Depreciation</b>	
As at 31st March, 2018	4.64
Depreciation for the year 2018-19	2.32
Deletions/Adjustments during the year 2018-19	-
As at 31st March, 2019	6.96
Depreciation for the year 2019-20	2.32
Deletions/Adjustments during the year 2019-20	-
<b>As at 31st March, 2020</b>	<b>9.28</b>
<b>Net Block</b>	
As at 31st March, 2019	96.50
<b>As at 31st March, 2020</b>	<b>94.18</b>
<b>Fair Value</b>	
As at 31st March, 2019	1738.21
<b>As at 31st March, 2020</b>	<b>1973.00</b>

Fair Value is determined based on valuation measured taking reference from credible sources on a case to case basis. Valuation is based on assumptions like Market Trend, etc. The fair value measurement is categorised in Level-2 of fair value hierarchy.

(₹ in lakhs)

<b>Information regarding Income and Expenditure relating to Investment Property</b>	<b>Year ended 31st March, 2020</b>	<b>Year ended 31st March, 2019</b>
Rental Income derived from Investment Property	<b>57.24</b>	56.44
Less : Direct Operating Expenses (including Repairs and Maintenance) for earning rental income	<b>0.96</b>	0.97
Less : Depreciation	<b>2.32</b>	2.32
Profit arising from Investment Property	<b>53.96</b>	53.15

**4. INTANGIBLE ASSETS**

(₹ in lakhs)

<b>Particulars</b>	<b>Computer Software</b>
<b>Gross Block</b>	
As at 31st March, 2018	103.27
Additions during the year 2018-19	-
Deletions/Adjustments during the year 2018-19	-
As at 31st March, 2019	103.27

**4. INTANGIBLE ASSETS (Contd.)**

(₹ in lakhs)

Particulars	Computer Software
Additions during the year 2019-20	-
Deletions/Adjustments during the year 2019-20	-
<b>As at 31st March, 2020</b>	<b>103.27</b>
<b>Accumulated Amortisation</b>	
As at 31st March, 2018	17.21
Amortisation for the year 2018-19	20.65
Deletions/Adjustments during the year 2018-19	-
As at 31st March, 2019	37.86
Amortisation for the year 2019-20	20.65
Deletions/Adjustments during the year 2019-20	-
<b>As at 31st March, 2020</b>	<b>58.51</b>
<b>Net Block</b>	
As at 31st March, 2019	65.41
<b>As at 31st March, 2020</b>	<b>44.76</b>

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
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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) August Agents Limited	<b>1525.02</b>	1525.02
1,50,00,200 (1,50,00,200) Insilco Agents Limited	<b>1500.02</b>	1500.02
1,50,00,200 (1,50,00,200) Laneseda Agents Limited	<b>1500.02</b>	1500.02
	<b>4525.06</b>	4525.06

**Investment in a Joint Venture**

36,00,000 (36,00,000) Birla Visabeira Pvt. Limited	<b>360.00</b>	360.00
	<b>360.00</b>	360.00

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

82,74,963 (82,74,963) Universal Cables Limited	<b>4945.62</b>	4945.62
63,80,243 (63,80,243) Birla Corporation Limited	<b>1917.58</b>	1917.58

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

1,20,00,000 (1,20,00,000) Punjab Produce Holdings Limited	<b>1200.00</b>	1200.00
	<b>8063.20</b>	8063.20

Aggregate Amount of Investments in Subsidiaries, Associates &amp; Joint Ventures at Cost

**12948.26**

12948.26

**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>1885.03</b>	8911.85
	<b>1885.03</b>	8911.85

	<b>As at 31st March, 2020 (₹ in lakhs)</b>	<b>As at 31st March, 2019 (₹ in lakhs)</b>
<b>5. NON-CURRENT INVESTMENTS (Contd.)</b>		
<b>Unquoted - Fully Paid up Equity Shares of ₹ 10/- each</b>		
2,99,940 (2,99,940) Birla Financial Corporation Limited	<b>124.72</b>	168.30
9,800 (9,800) Universal Telelinks Private Limited	<b>3.93</b>	3.70
9,800 (9,800) Universal Electricals Private Limited	<b>3.70</b>	3.41
	<b>132.35</b>	175.41
Aggregate Amount of Investments recognised at Fair Value through Other Comprehensive Income	<b>2017.38</b>	9087.26
<b>Total (A+B)</b>	<b>14965.64</b>	22035.52
<b>Aggregate Amount of Quoted Investments</b>	<b>8748.23</b>	15775.05
<b>Aggregate Market Value of Quoted Investments</b>	<b>35329.61</b>	60661.75
<b>Aggregate Amount of Unquoted Investments</b>	<b>6217.41</b>	6260.47
*12,50,000 (12,50,000) Fully paid up Equity Shares Pledged with Banks		
<b>6. TRADE RECEIVABLES (NON-CURRENT)</b>		
<i>(Unsecured)</i>		
Trade Receivables -Considered Good	<b>4111.56</b>	1865.07
Trade Receivables which have significant increase in credit risk	<b>57.67</b>	-
	<b>4169.23</b>	1865.07
Less: Allowance for Expected Credit Loss	<b>57.67</b>	-
	<b>4111.56</b>	1865.07
<b>7. OTHER FINANCIAL ASSETS (NON-CURRENT)</b>		
<i>(Unsecured and Considered Good)</i>		
Loans to Employees	<b>12.81</b>	7.82
Security Deposits	<b>832.51</b>	721.73
Non Current Bank Balances		
Term Deposit Accounts with Banks	<b>1415.33</b>	819.09
	<b>2260.65</b>	1548.64
<b>8. OTHER NON-CURRENT ASSETS</b>		
<i>(Unsecured and Considered Good)</i>		
Capital Advance	<b>171.44</b>	45.56
Prepaid Expenses	<b>15.80</b>	29.55
	<b>187.24</b>	75.11
<b>9. INVENTORIES</b>		
Raw Materials	<b>6318.31</b>	6696.87
[including in Transit ₹ 833.91 lakhs (₹ 974.96 lakhs)]		
Packing Materials	<b>154.25</b>	147.63
Stores and Spares [including in Transit ₹ Nil (₹ 4.55 lakhs)]	<b>206.65</b>	129.33
Work-in-Progress [including Passive Optical Fibre Cable Networks under IP-1 of ₹ 69408.34 lakhs (₹ 55307.46 lakhs)]	<b>87606.43</b>	73305.87
Finished Goods	<b>3058.46</b>	-
Scrap Materials	<b>58.67</b>	35.04
	<b>97402.77</b>	80314.74

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>10. TRADE RECEIVABLES</b>		
<i>(Unsecured)</i>		
Trade Receivables - Considered Good	110216.45	120968.05
Trade Receivables which have significant increase in credit risk	191.89	-
Trade Receivables - Credit Impaired	174.63	174.63
	<u>110582.97</u>	<u>121142.68</u>
Less: Allowance for Expected Credit Loss	366.52	174.63
	<u>110216.45</u>	<u>120968.05</u>
<b>11. CASH AND CASH EQUIVALENTS</b>		
Balances with Banks - Current Accounts	201.90	56.24
Cheques, Drafts on Hand	137.45	97.19
Cash on Hand	7.73	3.08
	<u>347.08</u>	<u>156.51</u>
<b>12. OTHER BANK BALANCES</b>		
Unclaimed Dividend Accounts	62.86	48.10
Term Deposit Accounts (Term Deposit Receipts are under lien with Banks towards Margin against Letter(s) of Credit, Bank Guarantees and other Commitments)	798.89	3340.98
	<u>861.75</u>	<u>3389.08</u>
<b>13. OTHER FINANCIAL ASSETS</b>		
<i>(Unsecured and Considered Good)</i>		
Loans to Employees	14.53	11.05
Security Deposits	604.04	331.37
Industrial Investment Promotion Incentives Receivable	125.95	-
Duty Scrip in Hand	31.64	62.10
Claims, Export Benefits Receivable, etc.	133.48	180.68
MTM on Forward Contracts	30.58	-
ROW/ Other Charges Recoverable from Customers	2103.32	1056.60
	<u>3043.54</u>	<u>1641.80</u>
<b>14. OTHER CURRENT ASSETS</b>		
<i>(Unsecured and Considered Good)</i>		
Prepaid Expenses	258.17	237.93
Balances with Government Authorities	5159.87	3765.55
Contract Assets	5619.32	10223.78
Other Advances	486.73	592.38
	<u>11524.09</u>	<u>14819.64</u>
<b>15. EQUITY SHARE CAPITAL</b>		
<b>Authorised</b>		
1,50,00,000 (1,50,00,000) Equity Shares of ₹ 10/- each	1500.00	1500.00
<b>Issued</b>		
1,18,52,014 (1,18,52,014) Equity Shares of ₹ 10/- each	1185.20	1185.20

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
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**15. EQUITY SHARE CAPITAL (Contd.)**
**Subscribed and Fully paid up**

1,18,50,863 (1,18,50,863)	Equity Shares of ₹ 10/- each	1185.09	1185.09
	Less: Calls Unpaid	0.09	0.51
		1185.00	1184.58

**(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, 2020		As at 31st March, 2019	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Outstanding at the beginning of the year	11850863	1185.09	11850863	1185.09
Outstanding at the end of the year	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 face value of ₹10/- per share and 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:**

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Universal Cables Limited	3454530	29.15	3454530	29.15
The Punjab Produce & Trading Company Private Limited	1291374	10.90	1291374	10.90
Belle Vue Clinic	1164286	9.82	1164286	9.82
Reliance Capital Trustee Co. Limited A/c Nippon India Small Cap Fund	1035708	8.74	1016415	8.58

**16. OTHER EQUITY**
**Securities Premium**

Opening Balance	3887.33	3885.84
Add : Received during the year	1.66	1.49
Closing Balance	3888.99	3887.33

**Debenture Redemption Reserve**

Opening Balance	2085.00	1253.00
Add : Transferred from Retained Earnings	-	832.00
Less : Transferred to General Reserve	2085.00	-
Closing Balance	-	2085.00

**General Reserve**

Opening Balance	30000.00	30000.00
Add : Transferred from Debenture Redemption Reserve	2085.00	-
Closing Balance	32085.00	30000.00

**Retained Earnings**

Opening Balance	28928.21	14357.59
Add : Profit for the year	12689.52	16865.52
Less : Item of Other Comprehensive Income Recognised Directly in Retained Earnings [Re-measurement of Defined Employment Benefits Plan (Net of tax)]	(2.46)	(34.21)
	41615.27	31188.90

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>16. OTHER EQUITY (Contd.)</b>		
Less: Appropriations		
Transferred to Debenture Redemption Reserve	-	832.00
Dividend on Equity Shares	1422.10	1185.09
Tax on Dividend on Equity Shares	106.29	243.60
	<u>1528.39</u>	<u>2260.69</u>
	<u>40086.88</u>	<u>28928.21</u>
<b>Other Comprehensive Income</b>		
<b>Equity Instruments through OCI</b>		
Opening Balance	6964.79	2230.23
Add : Other Comprehensive Income for the year	(6385.23)	4734.56
Closing Balance	<u>579.56</u>	<u>6964.79</u>
	<u>76640.43</u>	<u>71865.33</u>

**17. BORROWING NON-CURRENT**
**Secured**

## Loans from Banks

Rupee Term Loans	9976.49	10453.31
Foreign Currency Term Loan	-	772.51
Supplier's Credit in Foreign Currency	3990.79	2136.28

**Unsecured**

Redeemable Non-Convertible Debentures	8548.38	10203.89
Other Loans		
From Bodies Corporate	20000.00	15000.00
	<u>42515.66</u>	<u>38565.99</u>

Less: Current Maturities of Long-term Borrowings at the year end (disclosed under Note No. 23)

**Secured**

Rupee Term Loans	2500.00	416.12
Foreign Currency Term Loan	-	772.51
Supplier's Credit in Foreign Currency	12.32	10.15

**Unsecured**

Redeemable Non-Convertible Debentures	3569.63	1884.22
	<u>6081.95</u>	<u>3083.00</u>
	<u>36433.71</u>	<u>35482.99</u>

**Secured :**

- Rupee Term Loan taken from a bank is secured by way of hypothecation over the entire Passive Optical Fibre Cable Networks under IP-1 Assets, both present and future and repayable in 8 quarterly instalments starting from October, 2020. The said loan carries interest @9.40% p.a.
- Supplier's Credit in Foreign Currency amounting to ₹ 3576.10 lakhs from a bank are secured by way of exclusive hypothecation charge on certain Plant & Equipment procured under the facility, both present & future, carry interest rate of 0.55% p.a to 2.49% p.a and due for repayment between September, 2021 and November, 2022. The Company has an option on due date, to convert the Supplier's Credit into Rupee Term Loan. The Supplier's Credit amounting to ₹ 414.69 lakhs from a bank is secured by first Pari Passu Charge over entire fixed assets (both present and future) of the Company by way of hypothecation of entire moveable fixed assets and equitable mortgage on immoveable fixed assets of the Company, carries interest rate of 3.89 % p.a and due for repayment on April, 2021. The said Supplier's Credit is further secured by second charge by way of hypothecation of entire Current Assets, both present and future, of the Company namely stocks of raw materials, stores & spares, semi finished and finished goods, bills receivables, book debts, claims etc.



**17. BORROWING NON-CURRENT (Contd.)**
**Unsecured :**

- (a) 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)	-	₹ 1700 lakhs on 23.10.2020

- (b) Loans from Bodies Corporate amounting to ₹ 20000.00 lakhs carry rate of interest of 9.50 % to 10.00% p.a. and due for repayment in between September, 2021 and June, 2022.

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>18. OTHER FINANCIAL LIABILITIES (NON-CURRENT)</b>		
Security Deposits	10.81	10.81
Lease Liabilities	866.02	-
	<b>876.83</b>	10.81

**19. PROVISIONS (NON CURRENT)**

Provision for Employee Benefits		
Gratuity	68.57	52.68
Compensated Absences	-	14.36
Pension	27.57	27.06
Others		
Provision for Warranty*	1726.11	2286.31
	<b>1822.25</b>	2380.41

\* Provision for Warranty represents the expected cost of meeting obligations of rectification/replacement/major maintenance 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 certain contracts of supply of manufactured and outsourced products executed by the Company. It is expected that the expenditure will be incurred over the contractual warranty period.

**20. DEFERRED TAX LIABILITIES (NET)**
**(a) Deferred Tax Liabilities**

WDV of Property, Plant and Equipments and Intangible Asset	386.41	724.04
Fair Value of Investment through Other Comprehensive Income	-	684.65
	<b>386.41</b>	1408.69

**(b) Deferred Tax Assets**

Allowance for Expected Credit Loss	106.76	61.02
Items Deductible on Payment Basis and Others	181.93	226.66
	<b>288.69</b>	287.68
<b>Net Deferred Tax Liabilities</b>	<b>97.72</b>	1121.01

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

Opening Balance	1121.01	302.71
Deferred Tax Expense recognised in the Statement of Profit and Loss	(338.64)	133.65
Deferred Tax on Other Comprehensive Income	(684.65)	684.65
Closing Balance	<b>97.72</b>	1121.01

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>21. BORROWINGS</b>		
<b>Working Capital Loans/Borrowings from Banks (Secured)</b>		
Working Capital Demand Loans	34437.34	14999.95
Cash Credit Facilities	5240.72	28510.54
Buyer's Credit	1533.34	-
Supplier's Credit in Foreign Currency	-	372.12
Export Packing Credit	423.00	702.53
	<b>41634.40</b>	<b>44585.14</b>
<b>Other Loans (Unsecured)</b>		
From Body Corporate	5000.00	-
	<b>5000.00</b>	-
	<b>46634.40</b>	<b>44585.14</b>

**Secured :**

- (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 Buyer's Credit in Foreign Currency are secured by way of hypothecation on entire Current Assets (excluding assets specifically charged to specific Project Lenders), both present and future, of the Company viz Inventories, bills receivables, book debts (trade receivables), claims, etc. and are further secured by way of first charge over entire fixed assets (excluding assets specifically charged to specific term and Project Lenders) of the Company alongwith other consortium members by way of hypothecation of entire movable fixed assets and equitable mortgage on certain immovable properties of the Company ranking pari-passu interse amongst consortium lenders. As a collateral security, the Working Capital Loans/Borrowings from Banks including Buyer's Credit 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) Working Capital Loans/Borrowings of ₹ 23000.00 lakhs (both fund and non-fund based) from a bank are secured by way of exclusive charge on all the assets (including entire project cash flows) of a specific project.
- (d) Buyer's Credit in Foreign Currency availed from a Bank are due for repayment in between April, 2020 and June, 2020 and carry rate of interest of 1.91 % p.a. to 2.38% p.a.

**Unsecured :**

- (a) Loan from a Body Corporate amounting to ₹ 5000.00 lakhs carries rate of interest of 9.00 % p.a and is due for repayment in March, 2021.

**22. TRADE PAYABLES**

Due to Micro and Small Enterprises*	1184.44	5313.99
Due to Other than Micro and Small Enterprises	57444.62	61445.56
	<b>58629.06</b>	<b>66759.55</b>

\*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 Enterprises. This information has been determined to the extent such Enterprises have been identified on the basis of information available with the Company.

**23. OTHER FINANCIAL LIABILITIES**

Current Maturities of Long Term Borrowings	6081.95	3083.00
Accrued Employee Benefits Expense	329.02	611.20
Unclaimed Dividend*	62.86	48.10
Creditors/Liability Pertaining to Capital Expenditure	449.55	494.37
Lease Liabilities	51.77	-
MTM on Swap/ Forward Contracts	-	21.12
	<b>6975.15</b>	<b>4257.79</b>

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

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>24. OTHER CURRENT LIABILITIES</b>		
Statutory Dues	1005.11	2171.86
Contract Liability	23593.11	18414.30
Advances from Customers	3687.12	9265.82
	<u>28285.34</u>	<u>29851.98</u>
<b>25. PROVISION</b>		
Provision for Employee Benefits		
Gratuity	74.82	48.59
Compensated Absences	5.34	21.61
Pension	4.44	4.44
Others	262.02	248.12
Provision for Warranty	2567.14	1671.84
	<u>2913.76</u>	<u>1994.60</u>
	<b>For the year ended 31st March, 2020 (₹ in lakhs)</b>	<b>For the year ended 31st March, 2019 (₹ in lakhs)</b>
<b>26. REVENUE FROM OPERATIONS</b>		
Sale of Products	33338.62	53937.24
Engineering, Procurement & Construction (EPC) Revenue and Services [Refer Note No.38 (a)]	154242.37	154605.16
Other Operating Income	738.32	994.55
[Including Export incentives of ₹ 162.60 lakhs (₹ 131.65 lakhs) and Sale of Scrap Materials ₹ 566.06 lakhs (₹ 529.34 lakhs) ]		
	<u>188319.31</u>	<u>209536.95</u>
<b>27. OTHER INCOME</b>		
Interest Income	339.65	317.21
Dividend Income on Non Current Investments		
From Subsidiaries measured at cost	905.01	-
From Associate(s) measured at cost	165.50	538.84
From Equity Instruments measured at FVTOCI	116.00	58.00
Gain on Foreign Currency Transactions (Net)	-	243.04
Rent Received	68.69	67.84
Unspent Liabilities/Sundry Balances Written Back (Net)	220.36	-
Allowances for Expected Credit Loss Written Back (Net)	-	86.94
Profit on Disposal of Fixed Assets (Net)	-	1.68
Other Non Operating Income	80.98	18.79
	<u>1896.19</u>	<u>1332.34</u>
<b>28. COST OF MATERIALS AND OTHER CONTRACT EXPENSES</b>		
Materials Purchased	57319.03	104030.72
Other Engineering & Construction Expenses	69872.78	43389.51
	<u>127191.81</u>	<u>147420.23</u>

	For the year ended 31st March, 2020 (₹ in lakhs)	For the year ended 31st March, 2019 (₹ in lakhs)
<b>29. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS, ETC.</b>		
<b>Closing Inventories</b>		
Work-in-Progress	87606.43	73305.87
Finished Goods	3058.46	-
Scrap Materials	58.67	35.04
	<u>90723.56</u>	<u>73340.91</u>
<b>Opening Inventories</b>		
Work-in-Progress	73305.87	31760.19
Finished Goods	-	-
Scrap Materials	35.04	18.75
	<u>73340.91</u>	<u>31778.94</u>
	<u>(17382.65)</u>	<u>(41561.97)</u>
<b>30. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Benefits, etc.	8817.39	7953.55
Contribution to Provident and Other Funds, etc.	452.73	405.74
Employees Welfare Expenses	376.63	343.87
	<u>9646.75</u>	<u>8703.16</u>
<b>31. FINANCE COSTS</b>		
Interest Expense	8713.83	6074.19
Interest on Lease Liability	84.76	-
Other Borrowing Costs	902.95	1550.06
	<u>9701.54</u>	<u>7624.25</u>
<b>32. DEPRECIATION AND AMORTISATION EXPENSE</b>		
On Property, Plant and Equipment	2050.27	1967.49
On Investment Property	2.32	2.32
On Intangible Assets	20.65	20.65
	<u>2073.24</u>	<u>1990.46</u>
<b>33. OTHER EXPENSES</b>		
Consumption of Stores and Spares	604.78	910.24
Packing Materials	1178.12	1787.99
Processing/Job work and Testing Charges	50.20	110.60
Power and Fuel	927.77	984.87
Rent	746.49	739.00
Repair & Maintenance		
Plant & Equipment	92.93	182.85
Buildings	121.60	410.52
Others	95.82	79.18
Insurance	438.53	475.01
Rates & Taxes	1452.63	1622.75
Travelling and Conveyance	1564.46	1542.05

	For the year ended 31st March, 2020 (₹ in lakhs)	For the year ended 31st March, 2019 (₹ in lakhs)
<b>33. OTHER EXPENSES (Contd.)</b>		
Payment to Auditors		
Statutory Auditors		
Audit Fees	18.00	15.00
Tax Audit Fee	1.00	1.00
Quarterly Reviews	5.75	5.00
Taxation Matters	1.10	0.60
Certification, etc.	4.65	5.60
Reimbursement of Expenses	0.98	1.06
Cost Auditors		
Audit Fees	0.75	0.55
Reimbursement of Expenses	0.13	0.09
Legal and Professional	265.50	189.01
Loss on Sale/Discard of Fixed Assets (Net)	0.10	-
Allowance for Expected Credit Loss	249.56	174.63
Bad Debts/Sundry Balances Written Off (Net)	-	246.55
Foreign Exchange Rate Fluctuation (Net)	120.65	-
Warranty Expenses (Net)	966.71	1259.90
Miscellaneous Expenses [Including ₹ 313.60 lakhs (₹ 220.40 lakhs) incurred towards Corporate Social Responsibility]	1461.17	1451.72
	<b>10369.38</b>	<b>12195.77</b>
<b>34. TAX EXPENSE</b>		
<b>Amount Recognised in the Statement of Profit and Loss</b>		
Current Tax		
Current Tax	4090.83	8688.37
Tax adjustment of earlier years	(309.47)	1.59
	<b>3781.36</b>	<b>8689.96</b>
Deferred Tax Charge/(Credit)	(338.64)	133.65
<b>Total Tax Expense</b>	<b>3442.72</b>	<b>8823.61</b>
<b>Amount Recognised in the OCI</b>		
Deferred Tax on Equity Instrument through OCI	684.65	684.65
Current Income Tax on Re-measurement of Defined Benefit Plan	0.83	(18.37)
<b>Total Tax Expense</b>	<b>685.48</b>	<b>666.28</b>
<b>Reconciliation of Effective Tax Rate:</b>		
Accounting Profit Before Income Tax	16132.24	25689.13
Enacted Income Tax Rate	25.17%	34.94%
Tax at applicable Statutory Income Tax Rate	4060.16	8976.81
Tax Effect of Exempt Income	(298.62)	(208.56)
Tax Effect of Permanent Disallowances	32.17	40.36
Tax Effect of Change in Tax Rates	(122.08)	-
Others	(0.06)	13.41
Tax adjustment of earlier years	(228.85)	1.59
Tax Expenses Recognised in the Statement of Profit and Loss	<b>3442.72</b>	<b>8823.61</b>
Effective Income Tax Rate	<b>21.34%</b>	<b>34.35%</b>

**34. TAX EXPENSE (Contd.)**

The Government of India vide the Taxation Laws (Amendment) Act, 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay income tax at reduced rate effective 1st April, 2019, subject to certain conditions. Consequently, the Tax Expense for the year ended 31st March, 2020 has been provided for/ re-measured at reduced tax rate.

**35. Earnings per share (EPS):**

	<b>As at 31st March, 2020 (₹ in lakhs)</b>	<b>As at 31st March, 2019 (₹ in lakhs)</b>
Weighted Average Number of Equity Shares outstanding during the year	<b>11850863</b>	11850863
Profit for the year (₹ in lakhs)	<b>12689.52</b>	16865.52
Nominal value of each equity share (₹)	<b>10.00</b>	10.00
EPS (Basic and Diluted)	<b>107.08</b>	142.31

**36. Contingent liabilities and Commitments (to the extent not provided for) –**
**(a) Contingent liabilities:**

- (i) Pending cases with income tax appellate authorities/ judicial authorities where income tax department has preferred appeals – Liability not ascertainable.
- (ii) The Company has preferred a Writ Petition before the Hon'ble High Court of Uttarakhand against the Order passed by the Appellate Authority for Advance Ruling, Uttarakhand (AAAR) with regard to eligibility of Input Tax Credit amounting to ₹ 2269.05 lakhs (₹ 1917.71 lakhs) on goods and services used for constructing the passive optical fibre cable networks for being used by the telecom operators/service providers under Indefeasible Right-of-Use (IRU) terms. The said Order of AAAR has been stayed by the Hon'ble High Court of Uttarakhand for the time being and the matter is subjudice. The external consultants / subject matter experts are of the opinion that the Company has a good case on merit and accordingly in the opinion of the management there is no likelihood of adverse outcome based on the facts and circumstances of the case.
- (iii) The future cash outflows, if any, in respect of (i) & (ii) above are determinable only on receipt of judgements pending at various forums/authorities.
- (iv) Cross corporate guarantee given to consortium of Banks as collateral against term loan(s) and working capital credit facilities granted to a Body Corporate - Refer Note No. 46(a).
- (v) Claims against the Company not acknowledged as debts ₹ 59.36 lakhs (₹ 59.36 lakhs).

**(b) Commitments:**

- Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 623.09 lakhs (₹ 1357.85 lakhs).
- (c) The Board of Directors in its Meeting held on 1st June, 2020 has recommended a dividend of ₹ 10 per share (₹ 12 per share) per fully paid up equity shares of ₹ 10/- each for the financial year ended on 31st March, 2020. The same is subject to approval by the shareholders in the ensuing Annual General Meeting of the Company.

**37. (a)** The Company's manufacturing operations and turnkey projects execution (EPC contracts and related services) were impacted for a certain period as a consequence of complete lockdown imposed by Central and State Government authorities in India considering public health and safety due to COVID-19 pandemic thereby restricting normal business activities. In spite of partial withdrawal of lockdown, the ongoing restrictions by the appropriate Government authorities to contain the pandemic continue to impact normal production and cause supply chain disruption, besides adversely impacting the smooth execution of turnkey projects, etc. As per the current assessment, the Company does not foresee incremental risk on carrying amounts of inventories and recoverability of trade receivables and other assets given the measures being pursued to safeguard/mitigate related risks. However, the eventual outcome due to ongoing said COVID-19 pandemic may be different from those estimated as on the date of approval of these financial statements.

**(b)** The Company has availed/opted for following facilities from its Bankers in terms of "COVID 19 Regulatory Package" dated 27th March, 2020 read together with "Statement on Developmental and Regulatory Policies" dated 22nd May, 2020 announced by Reserve Bank of India (RBI) in order to partially mitigate the liquidity risk arising due to disruption caused in business on account of COVID-19 Pandemic-

- (i) Moratorium of six months on payment of instalments in terms loan (principal and/or interest components) falling due between 1st March, 2020 and 31st August, 2020. The repayment schedule for such loans as also the residual tenor will be shifted across the board by six months after the moratorium period. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period;

- (ii) Deferment of the recovery of interest applied in respect of working capital facilities sanctioned in the form of cash credit/ overdraft facility during the period from 1st March 2020 upto 31st August 2020 (deferment); and
- (iii) Conversion of accumulated interest on working capital facilities over the deferment period (upto 31st August, 2020) into a funded interest term loan which shall be repayable not later than the end of the current financial year (i.e. 31st March, 2021).

**38. Revenue from Contracts with Customers**

- (a) The disaggregation of the Company's revenue from customers are given below :

(₹ in lakhs)

<b>Types of Goods/ Services</b>	<b>2019-20</b>	<b>2018-19</b>
Sale of Products (Predominantly Telecommunication Cables) (Net of Inter segment Revenue: ₹ 11269.98 lakhs (₹ 15591.89 lakhs))	<b>33338.62</b>	53937.24
Engineering, Procurement and Construction (Turnkey Contracts & Services Business)		
- Construction Contracts	<b>101260.08</b>	87304.48
- Indefeasible Right-of-Usage Assets (IRU)	<b>49403.36</b>	65420.89
- Operation & Maintenance Services	<b>3578.93</b>	1879.79
<b>Total Revenue from Contracts with Customers</b>	<b>187580.99</b>	208542.40
<b>Timing of Revenue Recognition</b>		
- Good/Services Transferred at a Point in Time	<b>82741.98</b>	119358.13
- Good/Services Transferred Over Time	<b>104839.01</b>	89184.27
<b>Total Revenue from Contracts with Customers</b>	<b>187580.99</b>	208542.40

- (b) Contract Balances :

(₹ in lakhs)

<b>Particulars</b>	<b>31st March, 2020</b>	<b>31st March, 2019</b>
Trade Receivables	<b>114328.01</b>	122833.12
Contract Assets	<b>5619.32</b>	10223.78
Contract Liabilities	<b>27280.23</b>	27680.12

Trade Receivables are non-interest bearing and are generally due within 90 days except retention and other money held by the customers as per the governing terms and conditions of the contracts.

Contract assets includes Unbilled Revenue as receipt of customer's acceptance is conditional upon successful completion of milestone and certification of installation. Contract Liabilities include advances received from customers and Excess of Billing over the Revenue.

- (c) Reconciliation of the amount of Revenue from Operations Recognised in the Statement of Profit and Loss with the Contract Prices:

(₹ in lakhs)

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
Revenue as per Contract Price	<b>195721.96</b>	228393.24
Adjustments		
Less: Sales Return, Discount, Rebate, Customer Claim and Others	<b>1642.30</b>	(409.37)
Less: Opening Balance of Contract Assets	<b>(10223.78)</b>	(12510.16)
Add: Closing Balance of Contract Assets	<b>5619.32</b>	10223.78
Add: Opening Balance of Contract Liability	<b>18414.30</b>	1259.21
Less: Closing Balance of Contract Liability	<b>(23593.11)</b>	(18414.30)
Revenue as per Statement of Profit and Loss	<b>187580.99</b>	208542.40

(d) The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31st March, 2020 :

(₹ in lakhs)

Particulars	31st March, 2020	31st March, 2019
Upto One Year	<b>78986.31</b>	117401.15
One to three Year	<b>13876.75</b>	12158.00

### 39. Employee Benefits:

(a) Gratuity and Pension:

(i) Amount of net employee benefits exposure recognised in the Statement of Profit and Loss:

(₹ in lakhs)

Description	Gratuity		Pension	
	2019-20	2018-19	2019-20	2018-19
Current Service Cost	<b>123.86</b>	73.92	-	-
Interest Cost on Benefit Obligation	<b>64.33</b>	51.76	<b>2.23</b>	2.28
Expected Return on Plan Assets	<b>(59.94)</b>	(50.91)	-	-
Net Actuarial (Gain)/Loss recognised	-	-	<b>2.72</b>	0.98
Net Employee Benefit Expense	<b>128.25</b>	74.77	<b>4.95</b>	3.26

(ii) Amount recognised in Other Comprehensive Income:

(₹ in lakhs)

Description	Gratuity		Pension	
	2019-20	2018-19	2019-20	2018-19
Actuarial Gain/ (Loss) on Plan Assets	<b>4.96</b>	3.79	-	-
Actuarial Gain/ (Loss) on DBO arising from- Experience Adjustment	<b>42.42</b>	(32.61)	-	-
Difference in Present Value of Obligation	<b>(50.67)</b>	(23.76)	-	-
Amount Recognised in OCI	<b>(3.29)</b>	(52.58)	-	-

(iii) Amount recognised in the Balance Sheet:

(₹ in lakhs)

Description	Gratuity		Pension	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Defined Benefit Obligation	<b>1028.23</b>	849.74	<b>32.01</b>	31.50
Less: Fair value of the plan assets	<b>884.84</b>	747.11	-	-
Less: Paid by Group Company	-	1.36	-	-
Net Asset/(Liability)	<b>(143.39)</b>	(101.27)	<b>(32.01)</b>	(31.50)

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

(₹ in lakhs)

Description	Gratuity		Pension	
	2019-20	2018-19	2019-20	2018-19
Opening Defined Benefit Obligation	<b>849.74</b>	686.80	<b>31.50</b>	32.68
Interest cost	<b>64.33</b>	51.76	<b>2.23</b>	2.28
Current Service Cost	<b>123.86</b>	73.92	-	-
Benefits Paid	<b>(17.95)</b>	(19.11)	<b>(4.44)</b>	(4.44)
Actuarial (Gain)/Loss	<b>8.25</b>	56.37	<b>2.72</b>	0.98
Closing Defined Benefit Obligation	<b>1028.23</b>	849.74	<b>32.01</b>	31.50



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

(₹ in lakhs)

Description	Gratuity	
	2019-20	2018-19
Opening Fair Value of Plan Assets	747.11	638.50
Expected Return on Plan Assets	59.94	50.91
Contributions by Employer	103.00	80.00
Benefits Paid	(30.17)	(26.09)
Actuarial Gain/(Loss)	4.96	3.79
Closing Fair Value of Plan Assets	884.84	747.11

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

Description	Gratuity (%)	
	2019-20	2018-19
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 ₹ 145.00 lakhs to its defined benefit approved Gratuity plan during the financial year 2020-21.

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

Description	Gratuity		Pension	
	2019-20	2018-19	2019-20	2018-19
Mortality Table	IAL (2012-14) Ultimate	IAL (2012-14) Ultimate	LIC(1996-98) Ultimate	LIC(1996-98) Ultimate
Attrition Rate	5.00% p.a.	5.00% p.a.	N.A.	N.A.
Imputed Rate of Interest (IC)	7.65% p.a.	7.65% p.a.	7.60% p.a.	7.50% p.a.
Imputed Rate of Interest (D)	6.77% p.a.	7.65% p.a.	6.75% p.a.	7.60% p.a.
Salary Rise	8.00% p.a.	8.00% p.a.	N.A.	N.A.
Expected Return on Plan Assets	7.65% p.a.	7.65% p.a.	N.A.	N.A.
Remaining Working Life (Years)	21.01 years	21.43 years	N.A.	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	Gratuity			
		As at 31st March, 2020		As at 31st March, 2019	
		Decrease	Increase	Decrease	Increase
Discount Rate	1%	64.39	(57.19)	51.51	(46.28)
Salary Growth Rate	1%	(57.07)	62.99	(46.55)	50.84
Attrition Rate	1%	8.73	(7.92)	2.69	(2.50)

(ix) Maturity Profile of Defined Benefit Obligation:

(₹ in lakhs)

Description	Gratuity	
	As at 31st March, 2020	As at 31st March, 2019
Within next 12 months (next annual reporting period)	77.35	50.15
Between 1 to 5 years	593.93	529.05
Between 5 to 10 years	421.00	384.23
10 years and above	608.35	507.98

(b) Provident Fund :

The Company contributes its share to an approved provident fund trust. 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, 2020. The Company's aggregate Contribution of ₹ 248.52 lakhs (₹ 214.13 lakhs) to the said Fund 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	As at 31st March, 2020	As at 31st March, 2019
Plan Asset Fair Value	4077.70	3688.87
Present Value of Defined Benefit Obligation	4058.88	3623.58
Shortfall if any	-	-
Assumption used in determining the present value of DBO		
- Discounted rate	8.50%p.a.	8.65% p.a.
- Yield	8.85%p.a.	8.85% p.a.

(c) Defined Contribution Plan:

Company's contribution to defined contribution schemes such as Government administered Provident/Family Pension Fund pertaining to select employees rendering services in the state of Jammu and Kashmir and an approved Superannuation Fund are charged to the Statement of Profit and Loss as incurred. The Company has no further obligation beyond its contribution. The Company has recognised the following contributions as expense in the Statement of Profit and Loss.

(₹ in lakhs)

Defined Contribution Plan	2019-20	2018-19
Contribution to Superannuation Fund	57.15	53.70
Contribution to Employee's Regional Provident Fund (J&K)	10.70	7.02

**40. Segment Information:**

Details of the each operating segment :

- 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, 2020			Year ended 31st March, 2019		
	Cable	EPC	Total	Cable	EPC	Total
<b>Revenue</b>						
External Sales and Other Operating Income (Net)	33846.62	154472.69	188319.31	54653.19	154883.76	209536.95

(₹ in lakhs)

Business Segments	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Cable	EPC	Total	Cable	EPC	Total
Inter Segment Sales (at arm's length basis)	11269.98	-	11269.98	15591.89	-	15591.89
Other Income*	103.94	197.40	301.34	378.26	(27.81)	350.45
<b>Total Revenue from Operations</b>	<b>45220.54</b>	<b>154670.09</b>	<b>199890.63</b>	70623.34	154855.95	225479.29
<b>Results</b>						
Segment Results (PBIT)	6002.92	18099.97	24102.89	10804.78	20464.95	31269.73
Interest Expense (Net)			(8374.18)			(5756.98)
Unallocable Income/(Expense) (Net)			403.53			176.38
Tax Expenses (Net)			(3442.72)			(8823.61)
<b>Profit After Tax</b>			<b>12689.52</b>			16865.52
<b>Other Information</b>						
Segment Assets	38278.38	205463.57	243741.95	46043.43	191955.23	237998.66
Unallocable Assets			16751.70			22923.51
<b>Total Assets</b>			<b>260493.65</b>			260922.17
Segment Liabilities	7243.65	85237.10	92480.75	15848.95	86264.28	102113.23
Unallocable Liabilities			90187.47			85759.03
<b>Total Liabilities</b>			<b>182668.22</b>			187872.26
Capital Expenditure Incurred	3265.75	89.65	3355.40	5812.10	194.05	6006.15
Depreciation and Amortisation	1697.06	376.18	2073.24	1606.21	384.25	1990.46

\*Excludes ₹ 1594.85 lakhs (₹ 981.89 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	2019-20	2018-19
(i)	Domestic Market (within India)	184738.47	206776.51
(ii)	Overseas Markets (outside India)	3580.84	2760.44
	<b>Total</b>	<b>188319.31</b>	209536.95

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 customer of EPC business segment was ₹ 45203.60 lakhs (₹ 73165.73 lakhs), which is more than 10% of the total revenue of the Company.



(₹ in lakhs)

Sl. No.	Nature of Transaction	Year	AAL	IAL	LAL	BVPL	UCL	B.CORP	PPHL	RCCPL	BFFOPL	SPL	VGf	EPF	USAF
(vi)	Other Service Charges/Lease Rent Paid	2019-20	-	-	-	-	8.11	6.00	-	-	-	-	-	-	-
		2018-19	-	-	-	-	6.51	6.00	-	-	3.01	-	-	-	-
(vii)	Dividend Received	2019-20	305.00	300.00	300.00	-	165.50	-	-	-	-	-	-	-	-
		2018-19	-	-	-	-	124.12	414.72	-	-	-	-	-	-	-
(viii)	Dividend Paid	2019-20	-	-	-	-	414.54	0.01	14.62	-	-	-	-	-	-
		2018-19	-	-	-	-	345.45	0.01	12.18	-	-	-	-	-	-
(ix)	Interest Received	2019-20	-	-	-	-	37.74	-	-	-	-	-	-	-	-
		2018-19	-	-	-	-	-	-	-	-	-	-	-	-	-
(x)	Unsecured Loan Given	2019-20	-	-	-	-	3000.00	-	-	-	-	-	-	-	-
		2018-19	-	-	-	-	-	-	-	-	-	-	-	-	-
(xi)	Unsecured Loan Repaid	2019-20	-	-	-	-	3000.00	-	-	-	-	-	-	-	-
		2018-19	-	-	-	-	-	-	-	-	-	-	-	-	-
(xii)	Contributions	2019-20	-	-	-	-	-	-	-	-	-	-	103.00	493.56	57.15
		2018-19	-	-	-	-	-	-	-	-	-	-	80.00	449.28	53.70
(xiii)	Withdrawal	2019-20	-	-	-	-	-	-	-	-	-	-	17.94	281.77	-
		2018-19	-	-	-	-	-	-	-	-	-	-	19.11	87.72	-
(xiv)	Balance Outstanding at the year end														
	Non Current Investments in Equity Shares	2019-20	1525.02	1500.02	1500.02	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
		2018-19	1525.02	1500.02	1500.02	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
	Trade Payables	2019-20	-	-	-	-	6371.59	0.54	-	-	1913.68	2.96	-	-	-
		2018-19	-	-	-	-	3843.58	-	-	-	6058.16	177.56	-	-	-
	Receivable	2019-20	-	-	-	-	1267.25	19.54	-	5.37	-	-	-	-	-
2018-19		-	-	-	-	-	2.68	-	12.31	-	-	-	-	-	

**(II) Details of transactions with Key Managerial Personnel (KMP): (₹ in lakhs)**

(₹ in lakhs)

Particulars	Shri Y.S. Lodha		Shri Saurabh Chhajer		Shri Satyendu Pattnaik		Shri Rajesh Ramnani		Non Executive Directors	
	Managing Director		Chief Financial Officer		Company Secretary		Company Secretary			
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Short Term Employee Benefit	227.76	184.57	50.03	44.01	13.66	19.14	2.52	-	-	-
Post Employment Benefit (Refer footnote no. (i))	-	-	-	-	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-	-	-	19.45	21.85
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.
- Details of transactions with KMP as tabulated above do not include a token amount of ₹ 1/- (One Rupee) towards remuneration/compensation by way of profit related commission payable to each of Non-Executive Directors including Chairman and all Independent Directors of the Company for the financial year 2019-20 as approved by the Board of Directors in its Meeting held on 1st June, 2020.
- Transaction mentioned above are exclusive of Goods and Services Tax (GST), wherever applicable.
- 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 in the above disclosure.

- (b) Disclosure as required under SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 in respect of transactions with an entity viz. The Punjab Produce & Trading Company Private Limited [excluding an entity covered in disclosure under Note No.: 41(a)] belonging to the promoters/promoter group which holds 10% or more shareholding in the Company :

Sl. No.	Nature of Transactions	2019-20	2018-19
(i)	Interest paid on Inter Corporate Loan	547.40	147.95
(ii)	Inter Corporate Loan Taken	3000.00	3,000.00
(iii)	Dividend Paid (excluding Dividend Distribution Tax)	154.96	129.14
(iv)	Outstanding Balance of Inter Corporate Loan	6000.00	3,000.00

42. Disclosure as required under the Micro Small and Medium Enterprises Development Act, 2006 read with Notification No. GSR 679 (E) dated 4th September, 2015 to the extent available/ascertained:

(₹ in lakhs)

Sl. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
(i)	The principal amount and interest due thereon remaining unpaid to any supplier at the end of each financial year.	1184.44	5313.99
(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.	-	-

43. Leases:

- (a) Right-of-Use Assets (Building under Operating Lease) :

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. However, the company didn't have any agreements existing as on 1st April 2019, which require recognition of Right-of-Use Assets and Lease liabilities. As a result, neither the comparative information nor the opening retained earnings has been restated. Refer Note 48(c) for contractual maturities of lease liabilities.

Impact of Adoption of Ind AS 116 on the Statement of Profit and Loss (excluding corresponding deferred tax):

(₹ in lakhs)

Sl. No.	Particulars	2019-20
(i)	Interest on lease liabilities	84.76
(ii)	Depreciation of Right-of-Use Assets (Refer Note 1.5(d))	92.04
(iii)	Actual Lease Rent Paid	(123.64)
(iv)	Impact on the Statement of Profit and Loss	53.16

**Lease Liabilities Reconciliation**

(₹ in lakhs)

Sl. No.	Particulars	2019-20
(i)	Lease liabilities recognised as on 01.04.2019	-
(ii)	Lease liability on new leases recognised during the year	<b>956.67</b>
(iii)	Interest on lease liabilities	<b>84.76</b>
(iv)	Repayment/ Actual Rent	<b>123.64</b>
(v)	Lease liabilities as on 31.03.2020 (Refer Note 18 and 23)	<b>917.79</b>

(b) The Company has taken certain offices and residential premises/facilities under operating lease/ sub-lease agreements for short period. The aggregate lease rental of ₹ 744.63 lakhs (₹ 737.14 lakhs) on such leases has been charged to the Statement of Profit and Loss.

(c) Indefeasible Right-of-Usage (IRU) Agreement(s)

The disclosure relating to Indefeasible Right-of-Usage (IRU) Agreement(s) entered into by the Company with certain customers for providing telecommunications cable network connectivity is given herein:

(₹ in lakhs)

Sl. No.	Particulars	2019-20	2018-19
(i)	Revenue from IRU recognised as an Outright Sale	<b>49403.36</b>	65420.89
(ii)	Cost of Sale and Warranty	<b>42625.26</b>	58073.69
(iii)	Profit Recognised [(i)-(ii)]	<b>6778.10</b>	7347.20

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

(₹ in lakhs)

Particulars	2019-20	2018-19
At the beginning of the Year	<b>3958.15</b>	2897.16
Arising during the year	<b>1078.47</b>	1311.48
Utilized/Written Back during the year	<b>743.37</b>	250.49
At the end of the year	<b>4293.25</b>	3958.15

**45. 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 – ₹ 313.60 lakhs (₹ 219.84 lakhs).

(b) Details of amount actually spent by the Company :

(₹ in lakhs)

Sl. No.	Particulars	2019-20			2018-19		
		Amount Spent	Amount Yet to be Spent	Total	Amount Spent	Amount Yet to be Spent	Total
(i)	Construction/acquisition of any asset	-	-	-	-	-	-

(₹ in lakhs)

Sl. No.	Particulars	2019-20			2018-19		
		Amount Spent	Amount Yet to be Spent	Total	Amount Spent	Amount Yet to be Spent	Total
(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 undertaking approved CSR projects/ programmes/ activities.	312.40	-	312.40	208.70	-	208.70
	(b) Direct Contribution for approved CSR Projects / programmes / activities.	1.20	-	1.20	11.70	-	11.70

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

(a) Corporate Guarantee given:

(₹ in lakhs)

Name of the Company	As at 31st March, 2020	As at 31st March, 2019	Purpose
Birla Cable Limited (BCL)	25500.00	16415.00	*Cross corporate guarantee given to consortium of Banks as collateral against term loan(s) and working capital credit facilities granted to BCL.

\*BCL has also given a cross corporate guarantee of ₹ 272861.00 lakhs (₹ 218361.00 lakhs) against total credit facilities availed by the Company from consortium of banks.

(b) Investments made: Details of Investments made are given in Note No. 5.

(c) Loan Given : Details of Loan given are mentioned in Note No. 41(a).

**47. Fair Value of Financial Assets and Financial Liabilities :**

(₹ in lakhs)

Sl. No.	Particulars	Fair Value Hierarchy	Note No.	As at 31st March, 2020		As at 31st March, 2019	
				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	1885.03	1885.03	8911.85	8911.85
	-Investment in Un-Quoted Equity Instruments	Level 3	B	132.35	132.35	175.41	175.41
(b)	At Amortised Cost						
	-Trade Receivables	}	C	114328.01	114328.01	122833.12	122833.12
	-Other Financial Asset			5273.61	5273.61	3190.44	3190.44
	-Cash and Cash Equivalents			347.08	347.08	156.51	156.51
	-Other Bank Balances			861.75	861.75	3389.08	3389.08
(c)	At Fair Value through Profit & Loss (FVTPL)						
	[Provision for MTM on Derivative Instruments (Net)]						
	-Foreign Exchange Forward Contract	Level-2	D	30.58	30.58	-	-
	<b>Total Financial Assets</b>			<b>122858.41</b>	<b>122858.41</b>	<b>138656.41</b>	<b>138656.41</b>



(₹ in lakhs)

Sl. No.	Particulars	Fair Value Hierarchy	Note No.	As at 31st March, 2020		As at 31st March, 2019	
				Carrying Value	Fair Value	Carrying Value	Fair Value
<b>II</b>	<b>Financial Liabilities</b>						
(a)	At Amortised Cost						
	-Borrowings	}	C	<b>89150.06</b>	<b>89150.06</b>	83151.13	83151.13
	-Trade Payable			<b>58629.06</b>	<b>58629.06</b>	66759.55	66759.55
	-Other Financial Liabilities			<b>1770.03</b>	<b>1770.03</b>	1164.48	1164.48
(b)	At Fair Value through Profit & Loss (FVTPL) [Provision for MTM on Derivative Instruments (Net)]						
	-Foreign Exchange Forward Contract	Level-2	D	-	-	27.52	27.52
	-Foreign Exchange Swap Contracts	Level-2	D	-	-	(6.40)	(6.40)
	<b>Total Financial Liabilities</b>			<b>149549.15</b>	<b>149549.15</b>	151096.28	151096.28

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:

- (A) The Company has opted to fair value its quoted equity instruments at its market quoted price through Other Comprehensive Income (OCI), save and except investments in Associates which are valued at cost.
- (B) The Company has opted to fair value its unquoted equity instruments at its Net Asset Value/Adjusted Net Asset Value through OCI, save and except investments in Wholly Owned Subsidiaries, a Joint Venture and an Associate which are valued at cost.
- (C) 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, non-current financial assets and non-current financial liabilities.
- (D) 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).

#### 48. 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.

##### (a) 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 four types of Risk: Foreign currency Risk, Interest rate Risk, Rights of the Way and other Contractual Obligation Risk, Other Price Risk such as Commodity Price risk and Equity Price Risk.

##### (i) 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, 2020		As at 31st March, 2019	
	In Foreign Currency	₹ in lakhs	In Foreign Currency	₹ in lakhs
<b>Hedged :</b>				
Financial Liabilities				
Foreign currency exposures covered by Forward Contracts				
Long-term Borrowings	USD	-	USD	695136.27
Short-term Borrowings	USD	767680.46	USD	350000.00
	EUR	-	EUR	157500.00
Other Payables	USD	103845.00	USD	1903827.00
<b>Total Hedged:</b>	USD	871525.46	USD	2948963.27
	EUR	-	EUR	157500.00
<b>Unhedged :</b>				
Financial Liabilities				
Long-term Borrowings	USD	895750.48	USD	964400.05
	EUR	3929404.16	EUR	2230590.88
Short-term Borrowings	USD	1252533.33	USD	5392.57
	EUR	-	EUR	940.19
Other Payables	USD	966989.76	USD	61809.00
	EUR	182620.69	EUR	283105.76
	NPR	449058.00	NPR	-
Financial Assets				
Receivables	USD	622930.08	USD	307236.59
	EUR	380837.04	EUR	-
	NPR	11348757.00	NPR	11348757.00
Bank Balances	USD	1.00	USD	1.00
	NPR	4967293.00	NPR	5605272.00
<b>Net Unhedged Exposure</b>	USD	2492342.49	USD	724364.03
	NPR	(15866992.00)	NPR	(16954029.00)
	EUR	3731187.81	EUR	2514636.83

**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 fair value of monetary assets and liabilities consequent to changes in the foreign exchange rate as under:

(₹ in lakhs)

Particulars	2019-20	2018-19
Change in USD	(+)5%	(+)5%
Effect on Profit before Tax	(94.85)	(25.35)
Change in USD	(-)5%	(-)5%
Effect on Profit before Tax	94.85	25.35

(₹ in lakhs)

Particulars	2019-20	2018-19
Change in EURO	(+)5%	(+)5%
Effect on Profit before Tax	(157.60)	(98.93)
Change in EURO	(-)5%	(-)5%
Effect on Profit before Tax	157.60	98.93

**(ii) 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 could have unforeseen impact on Company's cost of borrowings, thus impacting the profit and loss. 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 Redeemable Non-Convertible Debentures.

(₹ in lakhs)

	<b>Type of Exposure</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
A.	Fixed Rate Borrowings	<b>33548.38</b>	25203.89
B.	Variable Rate Borrowings (including Short Term Borrowings)	<b>55601.68</b>	57947.24
	Less : Borrowings Hedged by Swap Contracts	-	(772.51)
		<b>55601.68</b>	57174.73

**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>2019-20</b>	<b>2018-19</b>
Interest Rate increase by 0.25%	<b>(139.00)</b>	(142.94)
Interest Rate decrease by 0.25%	<b>139.00</b>	142.94

**(iii) Rights of the Way and other Contractual Obligation Risk:**

The Rights of the Way and other permission are subject to governing terms and conditions and varying interpretations each of which may result in modifications, expiry of terms, additional payments and/or restoration liability which could adversely affect the passive optical fibre cable networks under IP-1/Turnkey Projects. Further, the contracts/IRU agreements with customers have certain underlying obligations relating to rectification, replacement and major maintenance of the network during the validity period of such agreements. The Company makes provision for warranty for the same as per management's best estimates of expected cost to meet such obligations.

**(iv) 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, aluminium, 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.

**(v) Equity Price Risk:**

The Company is exposed 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 investment in securities, fluctuation in their prices are considered acceptable and do not warrant any management estimation.

**(b) 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) and Corporate guarantee given to banks as collateral against term loan(s) and working capital credit facilities to a body Corporate, Birla Cable Limited.

Customer credit risk is managed by each business segment 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, on the age of specific receivable balance and the current and expected collection trends, age of its contracts in progress, historically observed default over the expected life of trade receivables and is adjusted for forward-looking estimates and other factors. Company's EPC business segment customers profile include

Government owned utilities/ entities/ and both public and private telecom sector operators and service providers. Credit risk on receivables is limited due to the Company's large and diverse customer base which includes public sector enterprises, state owned companies and private corporates. 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. Impairment allowance for trade receivables if any, is provided on the basis of respective credit risk of individual customer as on the reporting date.

The lenders assesses the credit quality of Birla Cable Limited on a regular basis. Further, considering its financial position, intrinsic value, business profile and future growth prospects, the credit risk is low. The Company has also accepted corporate guarantee from Birla Cable Limited (Cross corporate guarantee) against its total credit facilities and term loan(s) availed from its consortium of banks.

The fixed deposits with banks predominantly comprises of margin money against bank guarantees, letter(s) of credit, etc. as per the terms of sanction of non fund based credit facilities and the Company are not exposed to credit risk based on historical records of no or stray cases of invocation of bank guarantees or devolvement of LC's.

**(c) Liquidity Risk:**

Liquidity risk is the risk where the Company may 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 payments:

(₹ in lakhs)

Particulars	Payable on Demand*	Payable on Demand*	Upto 12 Months	1 to 5 Years	More than 5 Years
<b>As at 31st March, 2020</b>					
Borrowings*	<b>89150.06</b>	<b>40101.06</b>	<b>12615.29</b>	<b>36433.71</b>	-
Lease Liability	<b>917.79</b>	-	<b>51.77</b>	<b>346.03</b>	<b>519.99</b>
Trade and Other Payables	<b>59481.30</b>	<b>62.86</b>	<b>59407.63</b>	<b>10.81</b>	-
<b>Total</b>	<b>149549.15</b>	<b>40163.92</b>	<b>72074.69</b>	<b>36790.55</b>	<b>519.99</b>
<b>As at 31st March, 2019</b>					
Borrowings*	83151.13	44213.02	3455.12	35482.99	-
Trade and Other Payables	67945.15	48.10	67886.24	10.81	-
<b>Total</b>	<b>151096.28</b>	<b>44261.12</b>	<b>71341.36</b>	<b>35493.80</b>	-

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

**49. Capital Management:**

The Company's policy is to maintain an adequate capital base so as to maintain credit worthiness and to sustain future growth. 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, 2020	As at 31st March, 2019
Borrowings	<b>89150.06</b>	83151.13
Less: Cash and Cash Equivalents	<b>347.08</b>	156.51
<b>Net Debt</b>	<b>88802.98</b>	82994.62
Equity Share Capital	<b>1185.00</b>	1184.58
Other Equity	<b>76640.43</b>	71865.33
<b>Total Capital</b>	<b>77825.43</b>	73049.91
<b>Capital and Net Debt</b>	<b>166628.41</b>	156044.53
<b>Gearing Ratio</b>	<b>53.29%</b>	53.19%

50. Previous year figures have been regrouped/rearranged, wherever considered necessary to conform to current year classification. The figures in brackets are those in respect of the previous accounting year.

As per our attached report of even date.

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

Karthik Srinivasan  
Partner  
Membership No. 514998

Place : New Delhi  
Dated : June 1, 2020

Signatures to Notes 1 to 50

Harsh V. Lodha  
(DIN : 00394094)

Chairman

Y.S. Lodha  
(DIN : 00052861)

Managing Director & CEO

Saurabh Chhajjer

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

Place : Satna  
Dated : June 1, 2020

# Independent Auditor's Report

TO THE MEMBERS OF VINDHYA TELELINKS LIMITED

## Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Vindhya Telelinks Limited (the "Holding company") and its subsidiaries (the Holding company and its subsidiaries together referred to as the "Group"), its joint venture and associates, which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are independent of the Group, its joint venture and associates, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, joint venture and associates, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sl. No.	Key Audit Matter	Auditor's Response
1.	<p><b>Revenue recognition for construction contracts: (including an associate company)</b></p> <p>In respect of construction contracts, the management is required to make various accounting estimates and judgements for the purpose of revenue recognition over time like identification of performance obligation, determination of transaction price, the stage of completion, the timing of revenue recognition, estimated project costs and revenue. The process among others, take into consideration contract risks, price variation claims, liquidated damages &amp; penalties, periodic certification from customers, recoverability of trade receivables. The Company periodically reviews the estimates involved and any cumulative effect of such changes are recognised in the period in which such changes are determined.</p> <p>Given the significance of the revenue recognition as stated above, we determined this to be a key audit matter.</p>	<p>Our audit procedure included, among others,</p> <ul style="list-style-type: none"> <li>• Reviewing the terms and conditions of contracts on sample basis (including amendments/modifications/clarifications thereon, if any) for the purpose of identification of performance obligation, reviewing the estimated contract revenue and costs including consistent application, and adjustments thereon on account of potential liquidated damages and penalties, if any, change in scope, actual cost incurred till year end, certification by customers, etc.</li> <li>• Testing the internal controls adopted by the Company relevant to ensuring the completeness and accuracy of revenue recognition.</li> <li>• Reviewed the adequacy of the disclosures in the Notes to the standalone financial statements.</li> </ul>

<p>2. <b>Indefeasible Right to Use (IRU) - Lease arrangements:</b></p> <p>The Company as a lessor enters into certain non-cancellable long-term finance lease arrangements for passive optical fibre cable networks under IP-1 on Indefeasible Right to Use (IRU) basis. As per the accounting policy, these transactions are treated as an Outright sales. Profit or loss resulting from outright sales is recognised in the statement of profit and loss immediately. The cost of sales and carrying amount of unsold passive optical fibre network under IP-1 are determined. This involves making estimates and judgement with respect to allocation of materials, subcontracting cost and other costs on the basis of total estimated fibre pairs/duct to be sold under a specific route. The estimates and underlying assumptions are reviewed on a periodic basis. Given the significance of the IRU in the financial statements as at 31st March, 2020, we determined this to be a key audit matter.</p>	<p>Our audit procedures included the review of:</p> <ul style="list-style-type: none"> <li>the accounting treatment followed for revenue recognition vis-à-vis IRU contracts entered into by the Company.</li> <li>the terms and conditions of the contracts and evaluating the point of transfer of control.</li> <li>the estimates involved in allocation of cost of sales of IRU network and that of unsold portion of the network and basis of estimating the net realisable value.</li> <li>the adequacy of the disclosures in the Notes to the standalone financial statements.</li> </ul>
<p>3. <b>Valuation of trade receivables in view of the risk of credit losses (including an associate company):</b></p> <p>Trade receivables is a significant item in the Company's financial statements as at March 31, 2020 and assumptions used for estimating the credit loss on receivables is an area which is determined by management's judgment.</p> <p>The Company makes an assessment of the estimated credit losses on trade receivables based on credit risk, project status, past history, latest discussion/ correspondence with the customer.</p> <p>Given the significance of these receivables in the financial statements as at 31st March, 2020, we determined this to be a key audit matter.</p>	<p>Our audit procedure included, among others:</p> <ul style="list-style-type: none"> <li>Evaluated the accounting policy of the company.</li> <li>Inquired with senior management regarding status of collectability of the receivable.</li> <li>Discussion of material outstanding balances with the audit committee.</li> <li>Assessed the information/assumptions used by the Management to determine the expected credit losses by considering credit risk of the customer, cash collection, and the level of credit loss over time.</li> </ul> <p>Based on our work as stated above, no significant deviations were observed in respect of management's assessment of valuation of trade receivables.</p>
<p>4. <b>Recoverability of MAT credit entitlement in future – Relating to an associate Company:</b></p> <p>An associate has recognised deferred tax assets mainly on account of tax credit available for set off (Minimum Alternate Tax) under the Income Tax Act, 1961. Under Ind AS 12 – Income Taxes, deferred tax assets shall be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised. The assessment of valuation of deferred tax assets requires significant management judgement and estimation. This include, amongst others, making estimation of long-term future profitability, future revenue from proposed projects and tax regulations and developments.</p> <p>As a result, the recognition of the deferred tax asset by an Associate and its consequent impact (Holding company's share in Associate) on the Net Assets and Profit of the Consolidated Financial Statements has been considered significant.</p>	<p>Audit procedures included, among others, review of:</p> <ul style="list-style-type: none"> <li>the appropriateness of the methodology applied by the associate Company with applicable Indian accounting standards and applicable taxation laws along with the future business forecast of taxable profits.</li> <li>the likelihood of the associate Company to utilize the available MAT credit entitlements in the future with underlying projections and assumptions relating to future estimated profits, future capitalisations and depreciation allowance thereon and future estimates of taxable income.</li> <li>the adequacy of the associate company's disclosures on deferred tax assets and assumptions used.</li> </ul>

We have determined that there are no other key audit matters to be communicated in our report.

**Information Other than the consolidated financial statements and Auditor's Report Thereon**

The Holding company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Financial Statements, the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of management and those charged with governance for the consolidated financial statements**

The Holding company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group, its joint venture and associates in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group, 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, its joint venture and associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding company, as aforesaid.

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

The respective Board of Directors of the Companies included in the Group, its joint venture and associates are also responsible for overseeing the financial reporting process of the Group, its joint venture and associates.

### **Auditor's responsibility for the audit of consolidated financial statements**

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

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

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



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its joint venture and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

### Other Matters

- Three subsidiaries whose financial statements reflect total assets of Rs. 22788.72 Lakhs as at March 31, 2020, total revenues of Rs. 1174.55 Lakhs, total net profit after tax of Rs. 875.87 Lakhs and total comprehensive income of Rs. 535.69 Lakhs for the year ended on that date respectively, and net cash inflows of Rs. 2.62 Lakhs for the year ended March 31, 2020, as considered in the consolidated results included in the statement. The financial statement of the subsidiaries prepared under Accounting Standards (IGAAP) have been converted to Indian Accounting Standards ('Ind AS') and audited by respective Independent auditor for the purpose of consolidation with the Holding Company. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.
- The financial statements and other financial information in respect of an associate have not been audited by their auditors. The consolidated financial statements include the Group's share of net profit/ (loss) (including Other Comprehensive Income) of Rs. (5,940.92) Lakhs for the year ended March 31, 2020 in respect of such associate. Our opinion on the consolidated Ind AS financial results, 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.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

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

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statement.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the 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 Financial Statement.
- In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- On the basis of the written representations received from the directors of the Holding company as on March 31, 2020 and taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of its subsidiary companies, joint venture and associates, 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, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls 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 Holding company, 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 Holding company's internal financial controls over financial reporting.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and based on the reports of the statutory auditors of its subsidiary companies, joint venture and associates and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Holding company, subsidiaries, joint venture and associates to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated 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 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 Holding company 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

Karthik Srinivasan  
Partner

Membership No. 514998  
UDIN: 20514998AAAADF7253

Place : New Delhi

Dated : June 1, 2020

## **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 financial statements of the Group, its joint venture and its associates as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statement of Vindhya Telelinks Limited (hereinafter referred to as "Holding company") 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 Holding company, 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 Holding company, 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 Holding company, 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 Holding company, its subsidiary companies, its joint venture and associate companies, 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 statements were operating effectively as at March 31, 2020, 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 other 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, its joint venture and associate 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

Karthik Srinivasan  
Partner  
Membership No. 514998  
UDIN: 20514998AAAADF7253

Place : New Delhi  
Dated : June 1, 2020

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020**

	Note No.	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	11522.36	12764.10
(b) Capital Work-in-Progress		1914.18	-
(c) Investment Property	3	94.18	96.50
(d) Intangible Assets	4	44.76	65.41
(e) Investments accounted for using the Equity Method	5	209284.67	163167.86
(f) Financial Assets			
(i) Investments	6	8724.34	17313.51
(ii) Trade Receivables	7	4111.56	1865.07
(iii) Loans	8	8800.00	7800.00
(iv) Other Financial Assets	9	2260.65	1548.64
(g) Non-Current Tax Assets (Net)		1670.97	842.83
(h) Other Non-Current Assets	10	187.24	75.11
<b>Total Non-Current Assets</b>		<b>248614.91</b>	<b>205539.03</b>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	11	97402.77	80314.74
(b) Financial Assets			
(i) Trade Receivables	12	110216.45	120968.05
(ii) Cash and Cash Equivalents	13	536.32	343.13
(iii) Bank Balances other than (ii) above	14	861.75	3389.08
(iv) Other Financial Assets	15	3044.89	1643.15
(c) Current Tax Assets (Net)		354.80	333.61
(d) Other Current Assets	16	11526.50	14830.87
(e) Assets Classified as Held for Sale/Disposal		21.00	8.50
<b>Total Current Assets</b>		<b>223964.48</b>	<b>221831.13</b>
<b>Total Assets</b>		<b>472579.39</b>	<b>427370.16</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	17	1185.00	1184.58
(b) Other Equity	18	239967.23	238106.39
<b>Total Equity</b>		<b>241152.23</b>	<b>239290.97</b>
<b>LIABILITIES</b>			
<b>(1) NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	36433.71	35482.99
(ii) Other Financial Liabilities	20	876.83	10.81
(b) Provisions	21	1822.25	2380.41
(c) Deferred Tax Liabilities (Net)	22	48827.37	1301.64
<b>Total Non-Current Liabilities</b>		<b>87960.16</b>	<b>39175.85</b>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	23	46634.40	44585.14
(ii) Trade Payables	24		
Due to Micro and Small Enterprises		1184.44	5313.99
Due to Other than Micro and Small Enterprises		57445.30	61446.22
(iii) Other Financial Liabilities	25	6975.15	4257.79
(b) Other Current Liabilities	26	28291.95	29859.05
(c) Provisions	27	2935.76	2013.17
(d) Current Tax Liabilities (Net)		-	1427.98
<b>Total Current Liabilities</b>		<b>143467.00</b>	<b>148903.34</b>
<b>Total Equity and Liabilities</b>		<b>472579.39</b>	<b>427370.16</b>

The accompanying Notes No. 1 to 51 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

Karthik Srinivasan  
Partner  
Membership No. 514998

Harsh V. Lodha  
(DIN : 00394094)

Chairman

Y.S. Lodha  
(DIN: 00052861)

Managing Director & CEO

Saurabh Chhajjar

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

Place : New Delhi  
Date : June 1, 2020

Place : Satna  
Date : June 1, 2020

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

	Note No.	For the year ended 31st March, 2020 (₹ in lakhs)	For the year ended 31st March, 2019 (₹ in lakhs)
<b>A INCOME</b>			
Revenue from Operations	28	188319.31	209536.95
Other Income	29	2165.74	3751.81
<b>Total Income</b>		<b>190485.05</b>	<b>213288.76</b>
<b>B EXPENSES</b>			
(i) Cost of Raw Materials Consumed		32483.19	48808.26
(ii) Cost of Materials and Other Contract Expenses	30	127191.81	147420.23
(iii) Changes in Inventories of Finished Goods and Work-in-Progress etc.	31	(17382.65)	(41561.97)
(iv) Employee Benefits Expense	32	9661.68	8718.27
(v) Finance Costs	33	9701.54	7624.25
(vi) Depreciation and Amortisation Expenses	34	2073.24	1990.46
(vii) Other Expenses	35	10386.71	12207.96
<b>Total Expenses</b>		<b>174115.52</b>	<b>185207.46</b>
<b>C Profit for the year before share in Profit of Associates/Joint Venture</b>		<b>16369.53</b>	<b>28081.30</b>
<b>D Share of Profit/(Loss) of Associates &amp; Joint Venture [Refer Note No. 50 (b)]</b>		<b>20053.87</b>	<b>8629.07</b>
<b>E PROFIT BEFORE TAX</b>		<b>36423.40</b>	<b>36710.37</b>
<b>F TAX EXPENSES</b>	36		
(i) Current Tax		4338.33	9103.35
(ii) Earlier Year Tax Expense/(Written Back)		(314.47)	-
(iii) Deferred Tax Charge/(Credit)		8659.27	46.28
<b>Total Tax Expense</b>		<b>12683.13</b>	<b>9149.63</b>
<b>G PROFIT FOR THE YEAR</b>		<b>23740.27</b>	<b>27560.74</b>
<b>H OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
(i) Items that will not be re-classified to Profit or Loss :			
(a) Equity Instruments through OCI/ Revaluation Reserve		(7360.66)	5583.11
(b) Re-measurement of Defined Benefit Plan		(3.29)	(52.58)
(ii) Share of Equity Accounted Investees [Refer Note No. 50 (b)]		(13843.18)	(1266.44)
(iii) Taxes relating to the above items			
(a) Equity Instruments through OCI/ Revaluation Reserve		635.24	(704.64)
(b) Re-measurement of Defined Benefit Plan		0.83	18.37
(c) Share of Equity Accounted Investees		434.53	-
<b>Total Other Comprehensive Income/(Loss)</b>		<b>(20136.53)</b>	<b>3577.82</b>
<b>I TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>3603.74</b>	<b>31138.56</b>
(Comprising Profit and Other Comprehensive Income for the year)			
<b>Earnings per Equity Share (EPS) in Rupees</b>	37		
Basic and Diluted EPS (Face Value of ₹ 10/- each)		200.33	232.56

The accompanying Notes No. 1 to 51 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

Karthik Srinivasan  
Partner  
Membership No. 514998

Harsh V. Lodha  
(DIN : 00394094)

Chairman

Y.S. Lodha  
(DIN: 00052861)

Managing Director & CEO

Saurabh Chhajjar

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

Place : New Delhi  
Date : June 1, 2020

Place : Satna  
Date : June 1, 2020

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

	<b>For the year ended 31st March, 2020</b>		<b>For the year ended 31st March, 2019</b>	
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before Tax and Share of Profit in Associates/Joint Venture</b>				
<b>Adjustments for :</b>		<b>16369.53</b>		28081.30
Depreciation and Amortisation Expenses	2073.24		1990.46	
(Profit)/Loss on Disposal of Fixed Assets (Net)	0.10		(1.68)	
(Profit)/Loss on Sale of Investments	(316.72)		(537.38)	
Provision for Warranty Expenses (Net)	966.71		1259.90	
Provision for MTM of Derivative Instruments	(21.12)		(16.73)	
(Gain)/Loss on Unrealised Foreign Exchange Rate Fluctuations				
On Borrowings	291.67		(63.27)	
On Others	(55.91)		(25.49)	
Allowance for Expected Credit Loss (Net)	249.56		87.69	
Interest Income	(1118.00)		(949.50)	
Dividend Income	(360.99)		(1846.64)	
Rent from Investment Property	(57.24)		(56.44)	
Interest Expense	8798.59		6074.19	
		<b>10449.89</b>		5915.11
<b>Operating Profit before Working Capital Changes</b>		<b>26819.42</b>		33996.41
<b>Movement in Working Capital :</b>				
Increase/(Decrease) in Trade Payables and Provisions	(15760.17)		22433.49	
Decrease/(Increase) in Trade Receivables/ Contract Assets/ Contract Liabilities	18090.77		(31420.24)	
Decrease/(Increase) in Inventories	(17088.03)		(43029.29)	
Decrease/(Increase) in Loans and Advances	(3713.11)		(2284.15)	
		<b>(18470.54)</b>		(54300.19)
<b>Cash Flow generated from/(used in) Operations</b>		<b>8348.88</b>		(20303.78)
Direct Taxes Paid (Net of Refunds)		<b>(6300.34)</b>		(8937.51)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>		<b>2048.54</b>		(29241.29)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(3526.10)		(5501.20)	
Proceeds from sale of Fixed Assets	391.99		59.21	
(Investment )/Maturity of Bank Deposits	1931.09		1159.79	
(Purchase)/Sale of Investments	1545.24		1630.56	
Proceeds from Government Grants	1096.17		313.22	
Rent from Investment Property	57.24		56.44	
Interest Received	1115.86		954.68	
Dividend Received	360.99		1846.64	
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>		<b>2972.48</b>		519.34

	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
	(₹ in lakhs)    (₹ in lakhs)	(₹ in lakhs)    (₹ in lakhs)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)**
**C. CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Share Capital	0.42	0.37
Proceeds from Securities Premium	1.66	1.49
Proceeds from Long Term Borrowings	6619.62	27445.12
Repayment from Long Term Borrowings	(2916.06)	(1379.81)
Proceeds from Short Term Borrowings	30871.13	30968.63
Repayment from Short Term Borrowings	(28941.38)	(20888.23)
Repayment of Lease Liability - Principal	(38.88)	-
Repayment of Lease Liability - Interest	(84.76)	-
Interest Paid	(8639.88)	(6068.42)
Dividend Paid (including Dividend Distribution Tax)	(1699.70)	(1413.90)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>(4827.83)</b>	28665.25
<b>Net increase/(Decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>193.19</b>	(56.70)
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>343.13</b>	399.83
<b>Cash and Cash Equivalents at the end of the year</b>	<b>536.32</b>	343.13
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	7.78	3.23
Cheques/Drafts on Hand	137.45	97.19
Balance in Current Accounts	391.09	242.71
	<b>536.32</b>	343.13

(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, 2019	Proceeds	Repayment	Unrealised foreign exchange gain/(loss)	As at 31st March, 2020
Long Term Borrowings (Including current portion)	38315.31	6619.62	(2916.06)	260.30	<b>42279.17</b>
Short Term Borrowings	44585.14	30871.13	(28941.38)	64.54	<b>46579.43</b>
Interest Accrued on Borrowings	250.68	291.46	(250.68)	-	<b>291.46</b>
<b>Total Liabilities from Financing Activities</b>	<b>83151.13</b>	<b>37782.21</b>	<b>(32108.12)</b>	<b>324.84</b>	<b>89150.06</b>

As per our attached report of even date.

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

Karthik Srinivasan  
Partner  
Membership No. 514998

Harsh V. Lodha  
(DIN : 00394094)

Chairman

Y.S. Lodha  
(DIN: 00052861)

Managing Director & CEO

Saurabh Chhajjar

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

Place : New Delhi  
Date : June 1, 2020

Place : Satna  
Date : June 1, 2020

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**(a) Equity Share Capital**

(₹ in lakhs)

Particulars	Amount
Balance as at 31st March, 2018	1184.21
Movement during the year 2018-19	0.37
Balance as at 31st March, 2019	1184.58
Movement during the year 2019-20	0.42
<b>Balance as at 31st March, 2020</b>	<b>1185.00</b>

**(b) Other Equity**

(₹ in lakhs)

Particulars	Surplus						Items of Other Comprehensive Income		Total
	Securities Premium	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 31st March, 2018	3885.84	1253.00	40600.00	3155.94	0.03	105106.36	33688.35	20705.51	208395.03
Profit for the year 2018-19	-	-	-	-	-	27560.74	-	-	27560.74
Other Comprehensive Income for the year 2018-19	-	-	-	-	-	(31.86)	3591.05	18.63	3577.82
Transfer from Retained Earnings	-	832.00	1500.00	556.85	-	(2888.85)	-	-	-
Securities Premium Received during the Year	1.49	-	-	-	-	-	-	-	1.49
Final Dividend and Tax thereon	-	-	-	-	-	(1428.69)	-	-	(1428.69)
Balance as at 31st March, 2019	3887.33	2085.00	42100.00	3712.79	0.03	128317.70	37279.40	20724.14	238106.39
Impact of Adoption of Ind AS 116	-	-	-	-	-	(30.10)	-	-	(30.10)
Profit for the year 2019-20	-	-	-	-	-	23740.27	-	-	23740.27
Other Comprehensive Income for the year 2019-20	-	-	-	-	-	(2.46)	(18908.04)	(1226.03)	(20136.53)
Transfer from Retained Earnings	-	-	750.00	175.29	-	(925.29)	-	-	-
Transfer from Debenture Redemption Reserve	-	(2085.00)	2085.00	-	-	-	-	-	-
Securities Premium Received during the Year	1.66	-	-	-	-	-	-	-	1.66
Final Dividend and Tax thereon	-	-	-	-	-	(1714.46)	-	-	(1714.46)
<b>Balance as at 31st March, 2020</b>	<b>3888.99</b>	<b>-</b>	<b>44935.00</b>	<b>3888.08</b>	<b>0.03</b>	<b>149385.66</b>	<b>18371.36</b>	<b>19498.11</b>	<b>239967.23</b>



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Contd.)**
**Nature and Purpose of Surplus**
**(a) Securities Premium**

Securities Premium represents the amount received by the Holding Company over and above nominal value upon issue of equity shares with premium. The Securities Premium can be utilised in accordance with the provisions of Section 52 and other applicable provisions of the Companies Act, 2013.

**(b) Debenture Redemption Reserve**

In accordance with section 71(4) of Companies Act, 2013 and rules notified there under, the Holding Company has created Debenture Redemption Reserve (DRR) out of the profits available for payment of dividend and the amount credited to DRR is not utilised except for the redemption of unsecured non-convertible debentures.

During the year Ministry of Corporate Affairs, Government of India vide it's notification dated 16th August, 2019 amended the Companies (Share Capital and Debenture) Rules, 2014 by relaxing the requirement of creation of DRR. Accordingly, the balance of ₹ 2085.00 lakhs has been transferred in General Reserve.

**(c) General Reserve**

The General Reserve represents free reserves being an appropriation of profit/retained earnings and kept aside to meet the future requirements as and when they arise. Mandatory transfer to General Reserve is not required under the Companies Act, 2013. As the General Reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve are not reclassified subsequently to the Statement of Profit and Loss.

**(d) Reserve Fund**

Reserve Fund represents statutory reserve created by Non Banking Finance Company (NBFC) subsidiaries under Reserve Bank of India Act, 1934.

As per our attached report of even date.

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

Karthik Srinivasan  
Partner  
Membership No. 514998

Harsh V. Lodha  
(DIN : 00394094)

Chairman

Y.S. Lodha  
(DIN: 00052861)

Managing Director & CEO

Saurabh Chhajer

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

Place : New Delhi  
Date : June 1, 2020

Place : Satna  
Date : June 1, 2020

## 1. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

### 1.1 Company Overview and General Information

Vindhya Telelinks Limited 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 were approved by the Board of Directors of the Company in their meeting held on 1st June, 2020. The Consolidated Financial Statements as at 31st March, 2020 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.

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 places 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 Holding 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 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	Right-of use Assets (Land)	Buildings	Right-of use Assets (Buildings)	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
<b>Gross Block</b>									
As at 31st March, 2018	113.18	33.38	1367.86	-	8494.30	331.04	156.71	240.85	10737.32
Additions during the year 2018-19	-	-	1206.10	-	5020.67	156.56	-	77.67	6461.00
Deletions/Adjustments during the year 2018-19	-	-	-	-	178.45	0.51	0.76	10.71	190.43
As at 31st March, 2019	113.18	33.38	2573.96	-	13336.52	487.09	155.95	307.81	17007.89
Additions during the year 2019-20	-	-	-	994.02	1360.72	46.61	-	33.89	2435.24
Deletions/Adjustments during the year 2019-20 (Refer No. ii below)	-	-	61.66	-	1861.99	1.15	-	25.10	1949.90
<b>As at 31st March, 2020</b>	<b>113.18</b>	<b>33.38</b>	<b>2512.30</b>	<b>994.02</b>	<b>12835.25</b>	<b>532.55</b>	<b>155.95</b>	<b>316.60</b>	<b>17493.23</b>
<b>Accumulated Depreciation</b>									
As at 31st March, 2018	-	1.36	78.10	-	2069.48	150.90	37.72	65.14	2402.70
Depreciation for the year 2018-19	-	0.68	63.97	-	1739.18	110.11	17.52	36.03	1967.49
Deletions/Adjustments during the year 2018-19	-	-	-	-	119.46	0.33	0.16	6.45	126.40
As at 31st March, 2019	-	2.04	142.07	-	3689.20	260.68	55.08	94.72	4243.79
Depreciation for the year 2019-20	-	0.68	76.42	92.04	1706.04	120.18	16.27	38.64	2050.27
Deletions/Adjustments during the year 2019-20	-	-	-	-	310.34	0.90	-	11.95	323.19
<b>As at 31st March, 2020</b>	<b>-</b>	<b>2.72</b>	<b>218.49</b>	<b>92.04</b>	<b>5084.90</b>	<b>379.96</b>	<b>71.35</b>	<b>121.41</b>	<b>5970.87</b>
<b>Net Block</b>									
As at 31st March, 2019	113.18	31.34	2431.89	-	9647.32	226.41	100.87	213.09	12764.10
<b>As at 31st March, 2020</b>	<b>113.18</b>	<b>30.66</b>	<b>2293.81</b>	<b>901.98</b>	<b>7750.35</b>	<b>152.59</b>	<b>84.60</b>	<b>195.19</b>	<b>11522.36</b>

**Notes:**

- (i) Refer Note No. 19 and 23 for details of mortgage/ hypothecations of Property, Plant and Equipment towards security.
- (ii) Adjustments during the year includes ₹ 1222.12 lakhs disbursed/ sanctioned as subsidies under Industrial Investment Promotion Incentive Schemes linked to Fixed Capital Investment in Property, Plant and Equipment, etc.

**3. INVESTMENT PROPERTY**

(₹ in lakhs)

<b>Particulars</b>	<b>Buildings</b>
<b>Gross Block</b>	
As at 31st March, 2018	103.46
Additions during the year 2018-19	-
Deletions/Adjustments during the year 2018-19	-
As at 31st March, 2019	103.46
Additions during the year 2019-20	-
Deletions/Adjustments during the year 2019-20	-
<b>As at 31st March, 2020</b>	<b>103.46</b>
<b>Accumulated Depreciation</b>	
As at 31st March, 2018	4.64
Depreciation for the year 2018-19	2.32
Deletions/Adjustments during the year 2018-19	-
As at 31st March, 2019	6.96
Depreciation for the year 2019-20	2.32
Deletions/Adjustments during the year 2019-20	-
<b>As at 31st March, 2020</b>	<b>9.28</b>
<b>Net Block</b>	
As at 31st March, 2019	96.50
<b>As at 31st March, 2020</b>	<b>94.18</b>
<b>Fair Value:</b>	
As at 31st March, 2019	1738.21
<b>As at 31st March, 2020</b>	<b>1973.00</b>

Fair Value is determined based on valuation measured taking reference from credible sources on a case to case basis. Valuation is based on assumptions like Market Trend, etc. The fair value measurement is categorised in Level-2 of fair value hierarchy.

(₹ in lakhs)

<b>Information regarding Income and Expenditure relating to Investment Property</b>	<b>Year ended 31st March, 2020</b>	<b>Year ended 31st March, 2019</b>
Rental Income derived from Investment Property	<b>57.24</b>	56.44
Less :Direct Operating Expenses (including Repairs and Maintenance) for earning rental income	<b>0.96</b>	0.97
Less: Depreciation	<b>2.32</b>	2.32
Profit arising from Investment Property	<b>53.96</b>	53.15

**4. INTANGIBLE ASSETS**

(₹ in lakhs)

Particulars	Computer Software
<b>Gross Block</b>	
As at 31st March, 2018	103.27
Additions during the year 2018-19	-
Deletions/Adjustments during the year 2018-19	-
As at 31st March, 2019	103.27
Additions during the year 2019-20	-
Deletions/Adjustments during the year 2019-20	-
<b>As at 31st March, 2020</b>	<b>103.27</b>
<b>Accumulated Amortisation</b>	
As at 31st March, 2018	17.21
Amortisation for the year 2018-19	20.65
Deletions/Adjustments during the year 2018-19	-
As at 31st March, 2019	37.86
Amortisation for the year 2019-20	20.65
Deletions/Adjustments during the year 2019-20	-
<b>As at 31st March, 2020</b>	<b>58.51</b>
<b>Net Block</b>	
As at 31st March, 2019	65.41
<b>As at 31st March, 2020</b>	<b>44.76</b>

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
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**5. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**
**Investment in a Joint Venture**

3,600,000 (3,600,000)	Birla Visabeira Private Limited	<b>786.46</b>	595.42
		<b>786.46</b>	595.42

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

10,528,988 (10,528,988)	Universal Cables Limited	<b>35628.77</b>	29228.67
24,394,915 (24,394,915)	Birla Corporaton Limited	<b>155034.82</b>	113700.44

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

12,000,000 (12,000,000)	Punjab Produce Holdings Limited	<b>17834.62</b>	19643.33
		<b>208498.21</b>	162572.44
		<b>209284.67</b>	163167.86

**Aggregate Amount of Quoted Investments**
**190663.59** 142929.11

**Aggregate Market Value of Quoted Investments**
**110111.24** 151307.18

**Aggregate Amount of Unquoted Investments**
**18621.08** 20238.75

			As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>6. NON-CURRENT INVESTMENTS</b>				
<b>A Investments carried at Fair Value through Other Comprehensive Income</b>				
<b>Quoted - Fully paid up Equity Shares of ₹ 10/- each</b>				
5,800,100	(5,800,100)	Birla Cable Limited	<u>1885.03</u>	<u>8911.85</u>
			<b>1885.03</b>	<b>8911.85</b>
<b>Unquoted - Fully paid up Equity Shares of ₹ 10/- each</b>				
1,710,487	(1,710,487)	Birla Furukawa Fibre Optics Limited	<b>2360.47</b>	2651.25
299,940	(299,940)	Birla Financial Corporation Limited	<b>124.72</b>	168.30
9,800	(9,800)	Universal Telelinks Private Limited	<b>3.93</b>	3.70
9,800	(9,800)	Universal Electricals Private Limited	<b>3.70</b>	3.41
			<u>2492.82</u>	<u>2826.66</u>
<b>Total (A)</b>			<b>4377.85</b>	<b>11738.51</b>
<b>B Investment in Bond at Amortised Cost</b>				
3,585	(3,585)	Power Finance Corporation Limited	<b>60.60</b>	60.60
<b>Total (B)</b>			<b>60.60</b>	<b>60.60</b>
<b>C Investments measured at Fair Value through Profit and Loss</b>				
<b>Unquoted - Fully paid up units of ₹10/- each unless otherwise stated</b>				
552,894	(552,894)	HDFC Low Duration Fund Direct	<b>244.43</b>	225.92
-	(719,572)	PGIM India Ultra Short Term Fund	-	166.19
447,885	(447,885)	HSBC Low Duration Fund Direct	<b>74.35</b>	76.56
1,592,891	(1,592,891)	IDFC Banking & PSU Debt Fund -Growth	<b>286.15</b>	258.47
-	(384,339)	HDFC Medium Term Opportunities Fund - Direct Plan Growth	-	80.47
294,784	(579,741)	HDFC Short Term Debt Fund - Direct	<b>67.47</b>	120.76
2,162,751	(947,027)	IDFC Banking Debt Fund Direct Plan Growth	<b>388.52</b>	153.67
-	(53,783)	DSP BlackRock Banking and PSU Debt Fund Direct Growth	-	8.64
24,516	(359,392)	Nippon India Short Term Fund Direct Plan Growth	<b>9.69</b>	129.65
198,130	(263,297)	HDFC Floating Rate Income Fund - Direct Plan - Growth	<b>70.10</b>	86.11
-	(450,000)	IDFC Dynamic Corporate Bond Fund Direct Plan Growth	-	57.87
1,337,929	(856,695)	L&T Ultra Short Term Fund - Direct Plan Growth	<b>447.27</b>	266.77
-	(408,975)	Nippon India Prime Debt Fund Direct Plan Growth	-	164.06
604,635	(566,488)	ICICI Prudential Short Term Plan - Direct - Growth	<b>268.25</b>	228.54
2,380,000	(2,380,000)	UTI Fixed Term Income Fund - Series - XXVIII - VII (1169 days)	<b>258.34</b>	256.50
-	(410,096)	PGIM India Floating Rate Fund Direct Plan	-	85.46
-	(450,000)	IDFC Corporate Bond Fund - Direct Plan Growth	-	57.87
-	(606,638)	PGIM India Low Duration Fund - Direct Plan Growth	-	160.44
-	(165,259)	DSP Low Duration Fund - Direct Growth	-	22.77
-	(558,887)	UTI Short Term Income Fund - Direct Plan	-	129.52
483,202	(483,202)	Axis Short Term Fund - Direct Plan - Growth	<b>112.95</b>	102.56
-	(434,094)	PGIM India Short Maturity Fund Direct Plan Growth	-	153.63
371,441	-	IDFC Bond Fund Short Term Plan - Growth	<b>161.07</b>	-
1,786,129	-	IDFC Ultra Short Term Fund - Direct Plan Growth	<b>203.73</b>	-
620,061	-	Kotak Savings Fund - Direct Plan Growth	<b>203.71</b>	-
548,152	-	Sundaram Corporate Bond Fund Direct Growth	<b>161.11</b>	-

		As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>6. NON-CURRENT INVESTMENTS (Contd.)</b>			
<b>C Investments measured at Fair Value through Profit and Loss (Contd...)</b>			
14,347	- Tata Treasury Advantage Fund Direct Plan Growth	<b>5.69</b>	-
917,381	- UTI Corporate Bond Fund Direct Growth Plan	<b>108.43</b>	-
- (804,845)	Reliance Short Term Fund - Direct Plan Growth	-	290.34
- (183,060)	Reliance Medium Term Fund - Direct Plan Growth	-	73.43
<b>Unquoted - Fully paid up units of ₹1000/- each unless otherwise stated</b>			
- (14,347)	TATA Treasury Advantage Fund Direct	-	411.96
- (12,352)	Reliance Low Duration Fund - Growth	-	326.14
- (912)	Franklin India Short Term Income Retail Plan Direct	-	38.25
31,595 (30,979)	Kotak Low Duration Fund -Direct Plan Growth	<b>815.54</b>	736.38
- (19,124)	UTI Treasury Advantage Fund Direct Plan Growth	-	497.61
- (8,999)	ICICI Prud. Floating Interest Fund Direct Plan Growth	-	26.18
- (4,607)	Invesco India Treasury Advantage Fund Direct Plan Growth	-	121.68
4,449	- Invesco India Corporate Bond Fund- Direct Plan Growth	<b>107.11</b>	-
9,850	- UTI Money Market Fund Direct Growth	<b>223.37</b>	-
2,248	- Nippon India Money Market Fund-Direct Growth Plan	<b>68.61</b>	-
	<b>Total (C)</b>	<b>4285.89</b>	5514.40
	<b>TOTAL (A+B+C)</b>	<b>8724.34</b>	17313.51

\*12,50,000 (12,50,000) Fully paid up Equity Shares Pledged with Banks

**7. TRADE RECEIVABLES (NON CURRENT)**

*(Unsecured)*

Trade Receivables- Considered Good	<b>4111.56</b>	1865.07
Trade Receivables which have significant increase in credit risk	<b>57.67</b>	-
	<b>4169.23</b>	1865.07
Less: Allowance for Expected Credit Loss	<b>57.67</b>	-
	<b>4111.56</b>	1865.07

**8. LOANS (At amortised cost)**

*(Unsecured and Considered Good)*

To Related Parties	<b>8800.00</b>	7800.00
	<b>8800.00</b>	7800.00

**9. OTHER FINANCIAL ASSETS (NON CURRENT)**

*(Unsecured and Considered Good)*

Loans to Employees	<b>12.81</b>	7.82
Security Deposits	<b>832.51</b>	721.73
Non Current Bank Balances		
-Term Deposit Accounts with Banks	<b>1415.33</b>	819.09
	<b>2260.65</b>	1548.64

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>10. OTHER NON-CURRENT ASSETS</b> <i>(Unsecured and Considered Good)</i>		
Capital Advances	171.44	45.56
Prepaid Expenses	15.80	29.55
	<u>187.24</u>	<u>75.11</u>
<b>11. INVENTORIES</b>		
Raw Materials [Including in Transit ₹ 833.91 lakhs (₹ 974.96 lakhs)]	6318.31	6696.87
Packing Materials	154.25	147.63
Stores and Spares [including in Transit ₹ Nil (₹ 4.55 lakhs)]	206.65	129.33
Work-in-Progress [including Passive Optical Fibre Cable Networks under IP-1 of ₹ 69408.34 lakhs (₹ 55307.46 lakhs)]	87606.43	73305.87
Finished Goods	3058.46	-
Scrap Materials	58.67	35.04
	<u>97402.77</u>	<u>80314.74</u>
<b>12. TRADE RECEIVABLES</b> <i>(Unsecured)</i>		
Trade Receivable - Considered Good	110216.45	120968.05
Trade Receivable which have significant increase in credit risk	191.89	-
Trade Receivable - Credit Impaired	174.63	174.63
	<u>110582.97</u>	<u>121142.68</u>
Less: Allowance for Expected Credit Loss	366.52	174.63
	<u>110216.45</u>	<u>120968.05</u>
<b>13. CASH AND CASH EQUIVALENTS</b>		
Balances with Banks - Current Accounts	391.09	242.71
Cheques, Drafts on Hand	137.45	97.19
Cash on Hand	7.78	3.23
	<u>536.32</u>	<u>343.13</u>
<b>14. OTHER BANK BALANCES</b>		
Unclaimed Dividend Accounts	62.86	48.10
Term Deposit Accounts (Term Deposit Receipts are under lien with Banks towards Margin against Letter(s) of Credit, Bank Guarantees and other Commitments)	798.89	3340.98
	<u>861.75</u>	<u>3389.08</u>
<b>15. OTHER FINANCIAL ASSETS</b> <i>(Unsecured and Considered Good)</i>		
Interest Accrued on Investments	1.35	1.35
Loans to Employees	14.53	11.05
Security Deposits	604.04	331.37
Industrial Investment Promotion Incentives Receivables	125.95	-



	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>15. OTHER FINANCIAL ASSETS (Contd.)</b>		
Duty Scrip in Hand	31.64	62.10
Claim, Export Benefits Receivable etc.	133.48	180.68
MTM on Forward Contracts	30.58	-
ROW/ Other Charges Recoverable from Customers	2103.32	1056.60
	<b>3044.89</b>	<b>1643.15</b>

**16. OTHER CURRENT ASSETS**
*(Unsecured and Considered Good)*

Prepaid Expenses	258.17	237.93
Balance With Government Authorities	5159.87	3765.55
Contract Assets	5619.32	10223.78
Other Advances	489.14	603.61
	<b>11526.50</b>	<b>14830.87</b>

**17. EQUITY SHARE CAPITAL**
**Authorised**

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

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

1,18,50,863	(1,18,50,863)	Equity Shares of ₹ 10/- each	1185.09	1185.09
		Less: Calls Unpaid	0.09	0.51
			<b>1185.00</b>	<b>1184.58</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, 2020		As at 31st March, 2019	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Outstanding at the beginning of the year	11850863	1185.09	11850863	1185.09
Outstanding at the end of the year	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 face value of ₹10/- per share and 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 :**

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Universal Cables Limited	3454530	29.15	3454530	29.15
The Punjab Produce & Trading Company Private Limited	1291374	10.90	1291374	10.90
Belle Vue Clinic	1164286	9.82	1164286	9.82
Reliance Capital Trustee Co. Limited A/c Nippon India Small Cap Fund	1035708	8.74	1016415	8.58

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>18. OTHER EQUITY</b>		
<b>Capital Reserve</b>		
Difference between the cost of the investment in the Subsidiaries and Company's portion in Equity of the Subsidiaries at the time of acquisition	0.03	0.03
	<u>0.03</u>	<u>0.03</u>
<b>Securities Premium</b>		
Opening Balance	3887.33	3885.84
Add : Received during the year	1.66	1.49
Closing Balance	<u>3888.99</u>	<u>3887.33</u>
<b>Debenture Redemption Reserve</b>		
Opening Balance	2085.00	1253.00
Add : Transferred from Retained Earnings	-	832.00
Less : Transferred to General Reserve	2085.00	-
Closing balance	<u>-</u>	<u>2085.00</u>
<b>Reserve Fund (under Reserve Bank of India Act, 1934)</b>		
Opening Balance	3712.79	3155.94
Add : Transferred from Retained Earnings	175.29	556.85
Closing balance	<u>3888.08</u>	<u>3712.79</u>
<b>General Reserve</b>		
Opening Balance	42100.00	40600.00
Add : Transferred from Retained Earnings	750.00	1500.00
Add : Transferred from Debenture Redemption Reserve	2085.00	-
Closing Balance	<u>44935.00</u>	<u>42100.00</u>
<b>Retained Earnings</b>		
Opening Balance	128317.70	105106.36
Add : Ind AS 116 Impact	(30.10)	-
Add : Profit for the year	23740.27	27560.74
Add : Item of Other Comprehensive Income recognised directly in Retained Earnings [Re-measurement of Defined Employment Benefits Plan (Net of tax)]	(2.46)	(31.86)
	<u>152025.41</u>	<u>132635.24</u>
Less: Appropriations		
Transferred to Debenture Redemption Reserve	-	832.00
Transferred to Reserve Fund	175.29	556.85
Transferred to General Reserve	750.00	1500.00
Dividend on Equity Shares	1422.10	1185.09
Tax on Dividend on Equity Shares	292.36	243.60
	<u>2639.75</u>	<u>4317.54</u>
	<u>149385.66</u>	<u>128317.70</u>
<b>Other Comprehensive Income</b>		
<b>Equity/Debt Instrument Through OCI</b>		
Opening Balance	37279.40	33688.35
Add : Other Comprehensive Income for the year	(18908.04)	3591.05
Closing Balance	<u>18371.36</u>	<u>37279.40</u>

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>18. OTHER EQUITY (Contd.)</b>		
<b>Revaluation Reserve</b>		
Opening Balance	20724.14	20705.51
Add : Other Comprehensive Income for the year	(1226.03)	18.63
Closing Balance	<u>19498.11</u>	<u>20724.14</u>
	<b>239967.23</b>	<b>238106.39</b>

**19. BORROWING NON-CURRENT**
**Secured**

## Loans from Banks

Rupee Term Loan	9976.49	10453.31
Foreign Currency Term Loan	-	772.51
Supplier's Credit in Foreign Currency	3990.79	2136.28

**Unsecured**

Redemable Non-Convertible Debentures	8548.38	10203.89
Other Loans		
From a Bodies Corporate	20000.00	15000.00
	<u>42515.66</u>	<u>38565.99</u>

Less: Current Maturities of Long-term Borrowings at the year end (disclosed under Note No. 25)

**Secured**

Rupee Term Loans	2500.00	416.12
Foreign Currency Term Loan	-	772.51
Supplier's Credit in Foreign Currency	12.32	10.15

**Unsecured**

Redeemable Non-Convertible Debentures	3569.63	1884.22
	<u>6081.95</u>	<u>3083.00</u>
	<b>36433.71</b>	<b>35482.99</b>

**Secured :**

- (a) Rupee Term Loan taken from a bank is secured by way of hypothecation over the entire Passive Optical Fibre Cable Networks under IP-1 Assets, both present and future and repayable in 8 quarterly instalments starting from October, 2020. The said loan carries interest @9.40% p.a.
- (b) Supplier's Credit in Foreign Currency amounting to ₹ 3576.10 lakhs from a bank are secured by way of exclusive hypothecation charge on certain Plant & Equipment procured under the facility, both present & future, carry interest rate of 0.55% p.a to 2.49% p.a and due for repayment between September, 2021 and November, 2022. The Company has an option on due date, to convert the Supplier's Credit into Rupee Term Loan. The Supplier's Credit amounting to ₹ 414.69 lakhs from a bank is secured by first Pari Passu Charge over entire fixed assets (both present and future) of the Company by way of hypothecation of entire moveable fixed assets and equitable mortgage on immoveable fixed assets of the Company, carries interest rate of 3.89 % p.a and due for repayment on April, 2021. The said Supplier's Credit is further secured by second charge by way of hypothecation of entire Current Assets, both present and future, of the Company namely stocks of raw materials, stores & spares, semi finished and finished goods, bills receivables, book debts, claims etc.

	<b>As at 31st March, 2020 (₹ in lakhs)</b>	<b>As at 31st March, 2019 (₹ in lakhs)</b>
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**19. BORROWING NON-CURRENT (Contd.)**
**Unsecured :**

- (a) 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)	-	₹ 1700 lakhs on 23.10.2020

- (b) Loans from Bodies Corporate amounting to ₹ 20000.00 lakhs carry rate of interest of 9.50 % to 10.00% p.a. and due for repayment in between September, 2021 and June, 2022.

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

Security Deposits	<b>10.81</b>	10.81
Lease Liability	<b>866.02</b>	-
	<b>876.83</b>	10.81

**21. PROVISIONS (NON CURRENT)**
**Provision for Employee Benefits**

Gratuity	<b>68.57</b>	52.68
Compensated Absences	-	14.36
Pension	<b>27.57</b>	27.06

**Others**

Provision for Warranty*	<b>1726.11</b>	2286.31
	<b>1822.25</b>	2380.41

\* Provision for Warranty represents the expected cost of meeting obligations of rectification/replacement/major maintenance 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 certain contracts of supply of manufactured and outsourced products executed by the Company. It is expected that the expenditure will be incurred over the contractual warranty period.

**22. DEFERRED TAX LIABILITIES (NET)**
**(a) Deferred Tax Liabilities**

WDV of Property, Plant and Equipments and Intangible Asset	<b>386.41</b>	724.04
On Account of Financial Assets	<b>260.08</b>	-
Fair Value of Investment through Other Comprehensive Income	-	871.66
Profit of Associates	<b>48475.69</b>	-
	<b>49122.18</b>	1595.70

**(b) Deferred Tax Assets**

Allowance for Expected Credit Loss	<b>106.76</b>	61.02
Items Deductible on Payment Basis and Others	<b>188.05</b>	233.04
	<b>294.81</b>	294.06

<b>Net Deferred Tax Liabilities</b>	<b>48827.37</b>	1301.64
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	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>22. DEFERRED TAX LIABILITIES (NET) (Contd.)</b>		
Reconciliation of Deferred Tax Liabilities (Net):		
Opening Balance	1301.64	550.72
Deferred Tax Expense recognised in the Statement of Profit and Loss	8659.27	46.28
Deferred Tax Expense recognised on Other Comprehensive Income	(1069.77)	704.64
Deferred Tax Credit/ (Charge) recorded in Investments *	39936.23	-
<b>Closing Balance</b>	<b>48827.37</b>	<b>1301.64</b>

\* Share in profit of Associate companies and carrying amount of Investments in Associates were hitherto considered net of dividend distribution tax (DDT). However, the provision for deferred tax liability on the undistributed profits of associate companies (group entities) for the financial year ended on 31st March, 2020 has been made in the Consolidated Financial Statements as per provisions of the Finance Act, 2020 where dividend distribution tax has been removed. Consequent to this change, Deferred Tax Liability and carrying value of Investments in Associates have increased by ₹ 39936.23 lakhs, being impact of amendment upto 31st March 2019.

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

Working Capital Demand Loans	34437.34	14999.95
Cash Credit Facilities	5240.72	28510.54
Buyer's Credit	1533.34	-
Supplier's Credit in Foreign Currency	-	372.12
Export Packing Credit	423.00	702.53
	<b>41634.40</b>	<b>44585.14</b>

**Other Loans (Unsecured)**

From Body Corporate (Repayable on demand)	5000.00	-
	<b>5000.00</b>	<b>-</b>
	<b>46634.40</b>	<b>44585.14</b>

- 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.
- Working Capital Loans/Borrowings (both fund and non-fund based) from Banks including Buyer's Credit in Foreign Currency are secured by way of hypothecation on entire Current Assets (excluding assets specifically charged to specific Project Lenders), both present and future, of the Company viz Inventories, bills receivables, book debts (trade receivables), claims, etc. and are further secured by way of first charge over entire fixed assets (excluding assets specifically charged to specific term and Project Lenders) of the Company alongwith other consortium members by way of hypothecation of entire movable fixed assets and equitable mortgage on 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 including Buyer's Credit 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.
- Working Capital Loans/Borrowings of ₹ 23000.00 lakhs (both fund and non-fund based) from a bank are secured by way of exclusive charge on all the assets (including entire project cash flows) of a specific project.
- Buyer's Credit in Foreign Currency availed from a Bank are due for repayment in between April, 2020 and June, 2020 and carry rate of interest of 1.91 % p.a. to 2.38% p.a.

**Unsecured :**

- Loan from a Body Corporate amounting to Rs. 5000.00 lakhs carries rate of interest of 9.00 % p.a and is due for repayment in March, 2021.

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
<b>24. TRADE PAYABLES</b>		
Due to Micro and Small Enterprises*	1184.44	5313.99
Due to Other than Micro and Small Enterprises	57445.30	61446.22
	<u>58629.74</u>	<u>66760.21</u>
* 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 Enterprises. This information has been determined to the extent such Enterprises have been identified on the basis of information available with the Company.		
<b>25. OTHER FINANCIAL LIABILITIES</b>		
Current Maturities of Long Term Borrowings	6081.95	3083.00
Accrued Employee Benefits Expense	329.02	611.20
Unclaimed Dividend*	62.86	48.10
Creditors/Liability Pertaining to Capital Expenditure	449.55	494.37
Lease Liabilities	51.77	-
MTM on Swap/ Forward Contracts	-	21.12
	<u>6975.15</u>	<u>4257.79</u>
* This does not include any amount due and outstanding to be credited to Investors Education and Protection Fund during the year.		
<b>26. OTHER CURRENT LIABILITIES</b>		
Statutory Dues	1011.72	2178.93
Contract Liability	23593.11	18414.30
Advances from Customers	3687.12	9265.82
	<u>28291.95</u>	<u>29859.05</u>
<b>27. PROVISION</b>		
Provision for Employee Benefits		
Gratuity	74.82	48.59
Compensated Absences	5.34	21.61
Pension	4.44	4.44
Others	262.02	248.12
Provision for Warranty	2567.14	1671.84
Contingent Provision against Standard Assets	22.00	18.57
	<u>2935.76</u>	<u>2013.17</u>

	For the year ended 31st March, 2020 (₹ in lakhs)	For the year ended 31st March, 2019 (₹ in lakhs)
<b>28. REVENUE FROM OPERATIONS</b>		
Sale of Products	33338.62	53937.24
Engineering, Procurement & Construction (EPC) Revenue and Services [Refer Note No.40(a)]	154242.37	154605.16
Other Operating Income [Including Export incentives of ₹ 162.60 lakhs (₹ 131.65 lakhs) and Sale of Scrap Materials ₹ 566.06 lakhs (₹ 529.34 lakhs)]	738.32	994.55
	<b>188319.31</b>	<b>209536.95</b>
<b>29. OTHER INCOME</b>		
Interest Income		
On Loan measured at amortised cost	771.23	627.34
On Bond measured at amortised cost	4.95	4.95
On Others	341.82	317.21
Dividend Income on Investments		
From Associates	79.49	1743.60
Equity instruments measured at FVTOCI	165.50	102.62
On Others	116.00	0.42
Gain on Sale of Investments designated at FVTPL (Net)	56.97	223.94
Fair Value gain arising on investments measured at FVTPL	259.75	313.44
Gain on Foreign Currency transactions and translations (Net)	-	243.04
Rent Received	68.69	67.84
Unspent Liabilities/ Sundry Balances Written Back (Net)	220.36	-
Allowances for Expected Credit Loss Written Back (Net)	-	86.94
Profit on Disposal of Fixed Assets (Net)	-	1.68
Other Non Operating Income	80.98	18.79
	<b>2165.74</b>	<b>3751.81</b>
<b>30. MATERIALS PURCHASED/ SUBCONTRACT EXPENSES</b>		
Materials Purchased	57319.03	104030.72
Other Engineering & Construction Expenses	69872.78	43389.51
	<b>127191.81</b>	<b>147420.23</b>
<b>31. CHANGES IN INVENTORIES OF FINISHED GOODS, AND WORK-IN-PROGRESS ETC.</b>		
<b>Closing Inventories</b>		
Work-in-Progress	87606.43	73305.87
Finished Goods	3058.46	-
Scrap Materials	58.67	35.04
	<b>90723.56</b>	<b>73340.91</b>
<b>Opening Inventories</b>		
Work-in-Progress	73305.87	31760.19
Finished Goods	-	-
Scrap Materials	35.04	18.75
	<b>73340.91</b>	<b>31778.94</b>
	<b>(17382.65)</b>	<b>(41561.97)</b>

	For the year ended 31st March, 2020 (₹ in lakhs)	For the year ended 31st March, 2019 (₹ in lakhs)
<b>32. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Benefits, etc.	8832.04	7968.09
Contribution to Provident and Other Funds, etc.	452.73	405.74
Employees Welfare Expenses	376.91	344.44
	<u>9661.68</u>	<u>8718.27</u>
<b>33. FINANCE COSTS</b>		
Interest Expense	8713.83	6074.19
Interest on Lease Liability	84.76	-
Other Borrowing Costs	902.95	1550.06
	<u>9701.54</u>	<u>7624.25</u>
<b>34. DEPRECIATION AND AMORTISATION EXPENSE</b>		
On Property, Plant and Equipment	2050.27	1967.49
On Investment Property	2.32	2.32
On Intangible Assets	20.65	20.65
	<u>2073.24</u>	<u>1990.46</u>
<b>35. OTHER EXPENSES</b>		
Consumption of Stores and Spares	604.78	910.24
Packing Materials	1178.12	1787.99
Processing/Job work and Testing Charges	50.20	110.60
Power and Fuel	927.77	984.87
Rent	746.49	739.00
Repair & Maintenance		
Plant & Equipment	92.93	182.85
Buildings	121.60	410.52
Others	95.82	79.18
Insurance	438.53	475.01
Rates & Taxes	1453.14	1623.37
Travelling and Conveyance	1564.46	1542.05
Payment to Auditors		
Statutory Auditors		
Audit Fees	18.72	15.72
Tax Audit Fee	1.27	1.00
Quarterly Reviews	6.09	4.50
Taxation Matters	1.10	0.60
Certification, etc.	6.05	6.70
Reimbursement of Expenses	1.22	1.06
Cost Auditors		
Audit Fees	0.75	0.55
Reimbursement of Expenses	0.13	0.09



	For the year ended 31st March, 2020 (₹ in lakhs)	For the year ended 31st March, 2019 (₹ in lakhs)
<b>35. OTHER EXPENSES (Contd.)</b>		
Legal and Professional	271.44	195.56
Allowance for Expected Credit Loss	249.56	174.63
Loss on Sale/Discard of Fixed Assets (Net)	0.10	-
Bad Debts/Sundry Balances Written Off (Net)	-	246.55
Foreign Exchange Rate Fluctuation (Net)	120.65	-
Warranty Expenses (Net)	966.71	1259.90
Contingent Provision against Standard Assets	3.43	1.78
Miscellaneous Expenses [Including ₹ 313.60 lakhs (₹ 220.40 lakhs) incurred towards Corporate Social Responsibility]	1465.65	1453.64
	<b>10386.71</b>	<b>12207.96</b>
<b>36. TAX EXPENSE</b>		
<b>Amount Recognised in the Statement of Profit and Loss</b>		
<b>Current Tax</b>		
Current Tax	4338.33	9102.37
Tax adjustment of earlier years	(314.47)	0.98
	<b>4023.86</b>	9103.35
Deferred Tax Charge/(Credit)	8659.27	46.28
<b>Total Tax Expense</b>	<b>12683.13</b>	9149.63
<b>Amount Recognised in the OCI</b>		
Deferred Tax on Equity Instrument through OCI	(635.24)	704.64
Current Income Tax on Re-measurement of Defined Benefit Plan	(0.83)	(18.37)
Share of Equity Accounted Investees	(434.53)	-
<b>Total Tax Expense</b>	<b>(1070.60)</b>	686.27
<b>Reconciliation of Effective Tax Rate:</b>		
Accounting Profit Before Income Tax	36423.40	28081.31
Enacted Income Tax Rate	25.17%	34.94%
Tax At applicable Statutory Income Tax Rate	9167.04	9807.97
Tax effect of Exempt Income	(94.33)	(352.36)
Tax effect of Permanent Disallowances	3.21	40.36
Tax effect of change in Tax rates	(27.91)	(38.87)
Tax adjustment of earlier years	(233.85)	0.98
Associate share due to abolishment of DDT (Refer Note 22)	3926.84	-
Others	(57.87)	(308.45)
Tax Expenses Recognised in the Statement of Profit and Loss	<b>12683.13</b>	9149.63
Effective Income Tax Rate	<b>34.82%</b>	32.58%

The Government of India vide the Taxation Laws (Amendment) Act, 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay income tax at reduced rate effective 1st April, 2019, subject to certain conditions. Consequently, the Tax Expense of the Holding Company for the year ended 31st March, 2020 has been provided for/re-measured at reduced tax rate.

**37. Earnings Per Share (EPS):**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Weighted Average Number of Equity Shares outstanding during the year	<b>11850863</b>	11850863
Profit for the year (₹ in lakhs)	<b>23740.27</b>	27560.74
Nominal Value of each Equity Share (₹)	<b>10.00</b>	10.00
EPS (Basic and Diluted)	<b>200.33</b>	232.56

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

- (i) Pending cases with income tax appellate authorities/ judicial authorities where income tax department has preferred appeals – Liability not ascertainable.
- (ii) The Holding Company has preferred a Writ Petition before the Hon'ble High Court of Uttarakhand against the Order passed by the Appellate Authority for Advance Ruling, Uttarakhand (AAAR) with regard to eligibility of Input Tax Credit amounting to ₹ 2269.05 lakhs (₹ 1917.71 lakhs) on goods and services used for constructing the passive optical fibre cable networks for being used by the telecom operators/service providers under Indefeasible Right of Use (IRU) terms. The said Order of AAAR has been stayed by the Hon'ble High Court of Uttarakhand for the time being and the matter is subjudice. The external consultants /subject matter experts are of the opinion that the Company has a good case on merit and accordingly in the opinion of the management there is no likelihood of adverse outcome based on the facts and circumstances of the case.
- (iii) The future cash outflows, if any, in respect of (i) & (ii) above are determinable only on receipt of judgements pending at various forums/authorities.
- (iv) Corporate guarantee of ₹ 25500.00 lakhs (₹ 16415.00 lakhs) has been given by Holding Company to consortium of Banks as collateral against term loan(s) and working capital credit facilities granted to a Body Corporate. The Body Corporate has also given a Corporate guarantee of ₹ 272861.00 lakhs (₹ 218361.00 lakhs) against total credit facilities availed by the Holding Company from consortium of banks.
- (v) Claim against the Holding Company not acknowledged as debts ₹ 59.36 lakhs (₹ 59.36 lakhs).

**(b) Commitments:**

- (i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 623.09 lakhs (₹ 1357.85 lakhs).

**39. (a)** The Holding Company's manufacturing operations and turnkey projects execution (EPC contracts and related services) were impacted for a certain period as a consequence of complete lockdown imposed by Central and State Government authorities in India considering public health and safety due to COVID-19 pandemic thereby restricting normal business activities. In spite of partial withdrawal of lockdown, the ongoing restrictions by the appropriate Government authorities to contain the pandemic continue to impact normal production and cause supply chain disruption, besides adversely impacting the smooth execution of turnkey projects, etc. As per the current assessment, the Holding Company does not foresee incremental risk on carrying amounts of inventories and recoverability of trade receivables and other assets given the measures being pursued to safeguard/mitigate related risks. However, the eventual outcome due to ongoing said COVID-19 pandemic may be different from those estimated as on the date of approval of these financial statements.

**(b)** The Holding Company has availed/opted for following facilities from its Bankers in terms of "COVID 19 Regulatory Package" dated 27th March, 2020 read together with "Statement on Developmental and Regulatory Policies" dated 22nd May, 2020 announced by Reserve Bank of India (RBI) in order to partially mitigate the liquidity risk arising due to disruption caused in business on account of COVID-19 Pandemic-

- (i) Moratorium of six months on payment of instalments in terms loan (principal and/or interest components) falling due between 1st March, 2020 and 31st August, 2020. The repayment schedule for such loans as also the residual tenor will be shifted across the board by six months after the moratorium period. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period;
- (ii) Deferment of the recovery of interest applied in respect of working capital facilities sanctioned in the form of cash credit/ overdraft during the period from 1st March, 2020 upto 31st August, 2020 (deferment); and
- (iii) Conversion of accumulated interest on working capital facilities over the deferment period (upto 31st August, 2020) into a funded interest term loan which shall be repayable not later than the end of the current financial year (i.e. 31st March, 2021).

**40. Revenue from Contract With Customers**

(a) The disaggregation of the Group Revenue from Customers are given below :

(₹ in lakhs)

<b>Types of Goods/ Services</b>	<b>2019-20</b>	<b>2018-19</b>
Sale of Manufacturing Products (Predominantly Telecommunication Cables) [Net of Inter Segment Revenue: ₹ 11269.98 lakhs (₹ 15591.89 lakhs)]	<b>33338.62</b>	53937.24
Engineering, Procurement and Construction (Turnkey Contracts & Services Business)		
- Construction Contracts	<b>101260.08</b>	87304.48
- Indefeasible Right of Usage (IRU)	<b>49403.36</b>	65420.89
- Operation & Maintenance Services	<b>3578.93</b>	1879.79
<b>Total Revenue from Contracts with Customers</b>	<b>187580.99</b>	208542.40
<b>Timing of Revenue Recognition</b>		
- Good/Services Transferred at a Point in Time	<b>82741.98</b>	119358.13
- Good/Services Transferred Over Time	<b>104839.01</b>	89184.27
<b>Total Revenue from Contracts with Customers</b>	<b>187580.99</b>	208542.40

(b) Contract Balances :

(₹ in lakhs)

<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Trade Receivables	<b>114328.01</b>	122833.12
Contract Assets	<b>5619.32</b>	10223.78
Contract Liabilities	<b>27280.23</b>	27680.12

Trade Receivables are non-interest bearing and are generally due within 90 days except retention and other money held by the customers as per the governing terms and conditions of the contracts.

Contract assets includes Unbilled Revenue as receipt of customer's acceptance is conditional upon successful completion of milestone and certification of installation. Contract Liabilities include advances received from customers and Excess of Billing over the Revenue.

(c) Reconciliation of the amount of Revenue from Operations Recognised in the Statement of Profit and Loss with the Contract Prices

(₹ in lakhs)

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
Revenue as per Contract Price	<b>195721.96</b>	228393.24
Adjustments		
Less: Sales Return, Discount, Rebate, Customer Claim and Others	<b>1642.30</b>	(409.37)
Less: Opening Balance of Contract Assets	<b>(10223.78)</b>	(12510.16)
Add: Closing Balance of Contract Assets	<b>5619.32</b>	10223.78
Add: Opening Balance of Contract Liability	<b>18414.30</b>	1259.21
Less: Closing Balance of Contract Liability	<b>(23593.11)</b>	(18414.30)
Revenue as per Statement of Profit and Loss	<b>187580.99</b>	208542.40

(d) The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31st March, 2020 :

(₹ in lakhs)

<b>Particulars</b>	<b>31st March, 2020</b>	<b>31st March, 2019</b>
Upto one year	<b>78986.31</b>	117401.15
One to three year	<b>13876.75</b>	12158.00

**41. 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	
	2019-20	2018-19	2019-20	2018-19
Current Service Cost	123.86	73.92	-	-
Interest Cost on Benefit Obligation	64.33	51.76	2.23	2.28
Expected Return on Plan Assets	(59.94)	(50.91)	-	-
Net Actuarial (Gain)/Loss recognised	-	-	2.72	0.98
Net Employee Benefit Expense	128.25	74.77	4.95	3.26

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

(₹ in lakhs)

Description	Gratuity		Pension	
	2019-20	2018-19	2019-20	2018-19
Actuarial Gain/(Loss) on Plan Assets	4.96	3.79	-	-
Actuarial Gain/(Loss) on DBO arising from- Experience Adjustment	42.42	(32.61)	-	-
Difference in Present Value of Obligation	(50.67)	(23.76)	-	-
Amount Recognised in OCI	(3.29)	(52.58)	-	-

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

(₹ in lakhs)

Description	Gratuity		Pension	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Defined Benefit Obligation	(1028.23)	(849.74)	(32.01)	(31.50)
Less: Fair Value of the Plan Assets	884.84	747.11	-	-
Less: Paid by Group Company	-	1.36	-	-
Net Asset/(Liability)	(143.39)	(101.27)	(32.01)	(31.50)

## (iv) Changes in Present Value of the Defined Benefit Obligation:

(₹ in lakhs)

Description	Gratuity		Pension	
	2019-20	2018-19	2019-20	2018-19
Opening Defined Benefit Obligation	849.74	686.80	31.50	32.68
Interest cost	64.33	51.76	2.23	2.28
Current Service Cost	123.86	73.92	-	-
Benefits Paid	(17.95)	(19.11)	(4.44)	(4.44)
Actuarial (Gain)/Loss	8.25	56.37	2.72	0.98
Closing Defined Benefit Obligation	1028.23	849.74	32.01	31.50

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

(₹ in lakhs)

Description	Gratuity	
	2019-20	2018-19
Opening Fair Value of Plan Assets	747.11	638.50
Expected Return on Plan Assets	59.94	50.91
Contributions by Employer	103.00	80.00
Benefits Paid	(30.17)	(26.09)
Actuarial Gain/(Loss)	4.96	3.79
Closing Fair Value of Plan Assets	884.84	747.11

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

Description	Gratuity (%)	
	2019-20	2018-19
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 Holding Company expects to contribute ₹145.00 lakhs to its defined benefit approved gratuity plan during the financial year 2020-21.

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

Description	Gratuity		Pension	
	2019-20	2018-19	2019-20	2018-19
Mortality Table	<b>IAL (2012-14) Ultimate</b>	IAL (2012-14) 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>7.65% p.a.</b>	7.65% p.a.	<b>7.60% p.a.</b>	7.50% p.a.
Imputed Rate of Interest (D)	<b>6.77% p.a.</b>	7.65% p.a.	<b>6.75% p.a.</b>	7.60% p.a.
Salary Rise	<b>8.00% p.a.</b>	8.00% p.a.	<b>N.A.</b>	N.A.
Expected Return on Plan Assets	<b>7.65% p.a.</b>	7.65% p.a.	<b>N.A.</b>	N.A.
Remaining Working Life (Years)	<b>21.01 years</b>	21.43 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	Gratuity				
	Delta Effect of	As at 31st March, 2020		As at 31st March, 2019	
		Decrease	Increase	Decrease	Increase
Discount Rate	1%	<b>64.39</b>	<b>(57.19)</b>	51.51	(46.28)
Salary Growth Rate	1%	<b>(57.07)</b>	<b>62.99</b>	(46.55)	50.84
Attrition Rate	1%	<b>8.73</b>	<b>(7.92)</b>	2.69	(2.50)

- (ix) Maturity Profile of Defined Benefit Obligation:

(₹ in lakhs)

Description	Gratuity	
	As at 31st March, 2020	As at 31st March, 2019
Within next 12 months (next annual reporting period)	<b>77.35</b>	50.15
Between 1 to 5 years	<b>593.93</b>	529.05
Between 5 to 10 years	<b>421.00</b>	384.23
10 years and above	<b>608.35</b>	507.98

- (b) Provident Fund :

The Holding Company contributes its share to an approved provident fund trust. The Holding 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, 2020. The Company's aggregate Contribution of ₹ 248.52 lakhs (₹ 214.13 lakhs) to the said Fund 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)

<b>Defined Contribution Plan</b>	<b>As at 31st March, 2020</b>	As at 31st March, 2019
Plan Asset Fair Value	<b>4077.70</b>	3688.87
Present Value of Defined Benefit Obligation	<b>4058.88</b>	3623.58
Shortfall if any	-	-
Assumption used in determining the present value of DBO		
- Discount rate	<b>8.50%p.a.</b>	8.65%p.a.
- Yield	<b>8.85%p.a.</b>	8.85%p.a.

(c) Defined Contribution Plan:

Holding Company's contribution to defined contribution schemes such as Government administered Provident/ Family Pension Fund pertaining to select employees rendering services in the state of Jammu and Kashmir and an approved Superannuation Fund are charged to the Statement of Profit and Loss as incurred. The Holding Company has no further obligation beyond its contribution. The Holding Company has recognised the following contributions as expense in the Statement of Profit and Loss.

(₹ in lakhs)

<b>Defined Contribution Plan</b>	<b>2019-20</b>	2018-19
Contribution to Superannuation Fund	<b>57.15</b>	53.70
Contribution to Employee's Regional Provident Fund (J&K)	<b>10.70</b>	7.02

**42. Segment Information:**

**Cable**

- Manufacturing and marketing of telecommunication cables, other types of wires & cables and FRP rods/glass rovings, etc

**EPC (Engineering, Procurement & 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)

<b>Business Segments</b>	<b>Year ended 31st March, 2020</b>			Year ended 31st March, 2019		
	<b>Cable</b>	<b>EPC</b>	<b>Total</b>	Cable	EPC	Total
<b>Revenue</b>						
External Sales and Other Operating Income (Net)	<b>33846.62</b>	<b>154472.69</b>	<b>188319.31</b>	54653.19	154883.76	209536.95
Inter Segment Sales (at arm's length basis)	<b>11269.98</b>	-	<b>11269.98</b>	15591.89	-	15591.89
Other Income*	<b>103.94</b>	<b>197.40</b>	<b>301.34</b>	378.26	(27.81)	350.45
<b>Total Revenue from Operations</b>	<b>45220.54</b>	<b>154670.09</b>	<b>199890.63</b>	70623.34	154855.95	225479.29
<b>Results</b>						
Segment Results (PBIT)	<b>6002.92</b>	<b>18099.97</b>	<b>24102.89</b>	10804.78	20464.95	31269.73
Interest Expense (Net)			<b>(7595.83)</b>			(5124.69)
Unallocable Income/(Expense) (Net)			<b>19916.34</b>			10565.33
Tax Expenses (Net)			<b>(12683.13)</b>			(9149.63)
<b>Profit After Tax</b>			<b>23740.27</b>			27560.74
<b>Other Information</b>						
Segment Assets	<b>38278.38</b>	<b>205463.57</b>	<b>243741.95</b>	46043.43	191955.23	237998.66
Unallocable Assets			<b>228837.44</b>			189371.50
<b>Total Assets</b>			<b>472579.39</b>			427370.16
Segment Liabilities	<b>7243.65</b>	<b>85237.10</b>	<b>92480.75</b>	15848.95	86264.28	102113.23
Unallocable Liabilities			<b>138946.41</b>			85965.96
<b>Total Liabilities</b>			<b>231427.16</b>			188079.19
Capital Expenditure Incurred	<b>4259.77</b>	<b>89.65</b>	<b>4349.42</b>	5812.10	194.05	6006.15
Depreciation and Amortisation	<b>1697.06</b>	<b>376.18</b>	<b>2073.24</b>	1606.21	384.25	1990.46

\* Excludes ₹1864.40 lakhs (₹3401.36 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	2019-20	2018-19
(i)	Domestic Market (within India)	<b>184738.47</b>	206776.51
(ii)	Overseas Markets (outside India)	<b>3580.84</b>	2760.44
	<b>Total</b>	<b>188319.31</b>	209536.95

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

- (c) Revenue from two customer of EPC business segment was ₹ 45203.60 lakhs (₹ 73165.73 lakhs), which is more than 10% of the total revenue of the Group.

**43. (A) 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 Venture (Joint Arrangement)	Birla Visabeira Private Limited (BVPL)																																			
(ii)	Entity where a Key Management Personnel (KMP)/ relatives of KMP have significant influence	Shakun Polymers Limited (SPL)																																			
(iii)	Associate Company	Universal Cables Limited (UCL) Birla Corporation Limited (B.CORP) Punjab Produce Holdings Limited (PPHL)																																			
(iv)	Joint Venture of an Associate Company	Birla Furukawa Fibre Optics Private Limited (BFFOPL)																																			
(v)	Wholly Owned Subsidiaries of an Associate Company	RCCPL Private Limited (RCCPL)																																			
(vi)	Key Management Personnel (KMP)	<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Shri Harsh V. Lodha</td> <td style="width: 5%;"></td> <td style="width: 35%;">Chairman</td> </tr> <tr> <td>Shri J. Veeraraghavan</td> <td rowspan="6" style="font-size: 3em; vertical-align: middle;">}</td> <td rowspan="6">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> <td></td> <td>Managing Director</td> </tr> <tr> <td>Shri Dilip Ganesh Karnik</td> <td></td> <td>Chief Financial Officer</td> </tr> <tr> <td>Shri Y.S. Lodha</td> <td></td> <td>Company Secretary</td> </tr> <tr> <td>Shri Saurabh Chhajer</td> <td></td> <td></td> </tr> <tr> <td>Shri Satyendu Pattnaik</td> <td></td> <td></td> </tr> <tr> <td>(Upto 6.04.2019 and w.e.f. 9.08.2019)</td> <td></td> <td></td> </tr> <tr> <td>Shri Rajesh Ramnani</td> <td></td> <td>Company Secretary</td> </tr> <tr> <td>(From 16.05.2019 to 19.06.2019)</td> <td></td> <td></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		Managing Director	Shri Dilip Ganesh Karnik		Chief Financial Officer	Shri Y.S. Lodha		Company Secretary	Shri Saurabh Chhajer			Shri Satyendu Pattnaik			(Upto 6.04.2019 and w.e.f. 9.08.2019)			Shri Rajesh Ramnani		Company Secretary	(From 16.05.2019 to 19.06.2019)		
Shri Harsh V. Lodha		Chairman																																			
Shri J. Veeraraghavan	}	Non-Executive Directors																																			
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Shri Rajesh Ramnani		Company Secretary																																			
(From 16.05.2019 to 19.06.2019)																																					
(vii)	Post Employment Benefit Plan Entities	VTL Employees Group Gratuity Cum Life Assurance Scheme (VGF) Employees Provident Fund (EPF) UCL Superannuation Fund (USAF)																																			

**(a) Details of Transactions with Related Parties:**

Sl. No.	Nature of Transaction	Year	BVPL	UCL	B.CORP	PPHL	RCCPL	BFFOPL	SPL	VGf	EPF	USAF
(i)	Purchase of Finished Goods/ Traded Goods, Raw Materials	<b>2019-20</b>	-	<b>16018.67</b>	-	-	<b>6.39</b>	<b>3561.52</b>	<b>67.65</b>	-	-	-
		2018-19	-	9439.79	3.52	-	71.14	14649.73	709.20	-	-	-
(ii)	Sale of Finished Goods, Traded Goods, Raw Materials and Consumables	<b>2019-20</b>	-	<b>3691.56</b>	<b>166.16</b>	-	<b>29.31</b>	<b>6.12</b>	-	-	-	-
		2018-19	-	1183.84	106.65	-	76.37	8.62	0.27	-	-	-
(iii)	Purchase of Old/ Used Fixed Assets	<b>2019-20</b>	-	<b>11.28</b>	-	-	-	-	-	-	-	-
		2018-19	-	-	-	-	-	-	-	-	-	-
(iv)	Sale of Old/ Used Fixed Assets	<b>2019-20</b>	-	<b>10.16</b>	-	-	-	-	-	-	-	-
		2018-19	-	18.79	-	-	-	-	-	-	-	-
(v)	Unsecured Loan Given	<b>2019-20</b>	-	<b>3000.00</b>	-	-	-	-	-	-	-	-
		2018-19	-	3000.00	-	-	-	-	-	-	-	-
(vi)	Unsecured Loan Repaid	<b>2019-20</b>	-	<b>3000.00</b>	-	-	-	-	-	-	-	-
		2018-19	-	-	-	-	-	-	-	-	-	-
(vii)	Other Service Charges/ Lease Rent Received	<b>2019-20</b>	-	<b>9.51</b>	-	-	-	-	-	-	-	-
		2018-19	-	5.36	-	-	-	-	-	-	-	-
(viii)	Other Service Charges/ Lease Rent Paid	<b>2019-20</b>	-	<b>8.11</b>	<b>6.00</b>	-	-	-	-	-	-	-
		2018-19	-	6.51	6.00	-	-	3.01	-	-	-	-
(ix)	Interest Received on Inter-Corporate Loans/ Others	<b>2019-20</b>	-	<b>771.75</b>	-	-	-	-	-	-	-	-
		2018-19	-	627.34	-	-	-	-	-	-	-	-
(x)	Dividend Received	<b>2019-20</b>	-	<b>210.57</b>	-	-	-	<b>34.40</b>	-	-	-	-
		2018-19	-	157.93	1585.67	-	-	44.62	-	-	-	-
(xi)	Dividend Paid	<b>2019-20</b>	-	<b>414.54</b>	<b>0.01</b>	<b>14.62</b>	-	-	-	-	-	-
		2018-19	-	345.45	0.01	12.18	-	-	-	-	-	-
(xii)	Contributions	<b>2019-20</b>	-	-	-	-	-	-	-	<b>103.00</b>	<b>493.56</b>	<b>57.15</b>
		2018-19	-	-	-	-	-	-	-	80.00	449.28	53.70
(xiii)	Withdrawal	<b>2019-20</b>	-	-	-	-	-	-	-	<b>17.94</b>	<b>281.77</b>	-
		2018-19	-	-	-	-	-	-	-	19.11	87.72	-
(xiv)	Balance Outstanding at the year end											
	Cost of Non Current Investments in Equity Shares	<b>2019-20</b>	<b>360.00</b>	<b>7478.10</b>	<b>6424.49</b>	<b>1200.00</b>	-	<b>1596.15</b>	-	-	-	-
		2018-19	360.00	7478.10	6424.49	1200.00	-	1596.15	-	-	-	-
	Trade Payables	<b>2019-20</b>	-	<b>6371.59</b>	<b>0.54</b>	-	-	<b>1913.68</b>	<b>2.96</b>	-	-	-
		2018-19	-	3843.58	-	-	-	6058.16	177.56	-	-	-
	Receivable	<b>2019-20</b>	-	<b>1267.25</b>	<b>19.54</b>	-	<b>5.37</b>	-	-	-	-	-
2018-19		-	-	2.68	-	12.31	-	-	-	-	-	
Loan outstanding	<b>2019-20</b>	-	<b>7800.00</b>	-	-	-	-	-	-	-	-	
	2018-19	-	7800.00	-	-	-	-	-	-	-	-	
(xv)	Maximum amount of loans and advances outstanding at any time during the year	<b>2019-20</b>	-	<b>10800.00</b>	-	-	-	-	-	-	-	-
		2018-19	-	7800.00	-	-	-	-	-	-	-	-



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

Particulars	Shri Y.S. Lodha		Shri Saurabh Chhajjer		Shri Satyendu Pattnaik		Shri Rajesh Ramnani		Non Executive Directors	
	Managing Director		Chief Financial Officer		Company Secretary		Company Secretary			
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Short Term Employee Benefit	227.76	184.57	50.03	44.01	13.66	19.14	2.52	-	-	-
Post Employment Benefit (Refer foot note no. (i))	-	-	-	-	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-	-	-	19.45	21.85
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 Holding Company as a whole.
- Details of transactions with KMP as tabulated above do not include a token amount of ₹ 1/- (One Rupee) towards remuneration/compensation by way of profit related commission payable to each of Non-Executive Directors including Chairman and all Independent Directors of the Holding Company for the financial year 2019-20 as approved by the Board of Directors in its Meeting held on 1st June, 2020.
- Transactions mentioned above are exclusive of Goods and Services Tax (GST), wherever applicable.
- 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 in the above disclosure.
- Inter Corporate loans/advances have been given for business purposes.

**(B) Disclosure as required under SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 in respect of transactions with an entity viz. The Punjab Produce & Trading Company Private Limited (excluding an entity covered in disclosure under Note No.: 43(A)(a)) belonging to the promoters/promoter group which holds 10% or more shareholding in the Holding Company :**

(₹ in lakhs)

Sl. No.	Nature of Transactions	2019-20	2018-19
1	Interest Paid on Inter Corporate Loan	547.40	147.95
2	Inter Corporate Loan Taken	3000.00	3000.00
3	Dividend Paid (excluding Dividend Distribution Tax)	154.96	129.14
4	Outstanding Balance of Inter Corporate Loan	6000.00	3000.00

**44. Leases:**
**(a) Right-of-Use Assets (Building under operating Lease) :**

The Holding Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 and related interpretation and guidance. The Holding Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. However, the Holding Company didn't have any agreements existing as on 1st April 2019, which require recognition of Right-of-use Assets and Lease liabilities. As a result, neither the comparative information nor the opening retained earnings has been restated. Refer Note 47(c) for contractual maturities of lease liabilities.

**Impact of Adoption of Ind AS 116 on the Statement of Profit and Loss (excluding corresponding deferred tax):**

(₹ in lakhs)

Sl. No.	Particulars	2019-20
(i)	Interest on lease liabilities	<b>84.76</b>
(ii)	Depreciation of Right-of-use Assets	<b>92.04</b>
(iii)	Actual Lease Rent Paid	<b>(123.64)</b>
(iv)	Impact on the Statement of Profit and Loss	<b>53.16</b>

**Lease Liabilities Reconciliation**

(₹ in lakhs)

Sl. No.	Particulars	2019-20
(i)	Lease liabilities recognised as on 1st April, 2019	-
(ii)	Lease liability on new leases recognised during the year	<b>956.67</b>
(iii)	Interest on lease liabilities	<b>84.76</b>
(iv)	Repayment/ Actual Rent	<b>123.64</b>
(v)	Lease liability as on 31st March, 2020 (Refer Note 17 and 23)	<b>917.79</b>

- (b) The Holding Company has taken certain offices and residential premises/facilities under operating lease/ sub-lease agreements for short period. The aggregate lease rental of ₹ 744.63 lakhs (₹ 737.14 lakhs) on such leases has been charged to the Statement of Profit and Loss.

- (c) Indefeasible Right-of-Usage (IRU) Agreement(s)

The disclosure relating to Indefeasible Right-of-Usage (IRU) Agreement(s) entered into by the Holding Company with certain customers for providing telecommunications cable network connectivity is given herein:

(₹ in lakhs)

Sl. No.	Particulars	2019-20	2018-19
(i)	Revenue from IRU recognised as an Outright Sale	<b>49403.36</b>	65420.89
(ii)	Cost of Sale and Warranty	<b>42625.26</b>	58073.69
(iii)	Profit Recognised [(i)-(ii)]	<b>6778.10</b>	7347.20

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

(₹ in lakhs)

Particulars	2019-20	2018-19
At the beginning of the Year	<b>3958.15</b>	2897.16
Arising during the year	<b>1078.47</b>	1311.48
Utilised/Written Back during the year	<b>743.37</b>	250.49
At the end of the year	<b>4293.25</b>	3958.15

**46. Fair Value of Financial Assets and Financial Liabilities:**

(₹ in lakhs)

Sl. No.	Particulars	Fair Value Hierarchy	Note No.	As at 31st March, 2020		As at 31st March, 2019	
				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	<b>4285.89</b>	<b>4285.89</b>	5514.40	5514.40

(₹ in lakhs)

Sl. No.	Particulars	Fair Value Hierarchy	Note No.	As at 31st March, 2020		As at 31st March, 2019	
				Carrying Value	Fair Value	Carrying Value	Fair Value
(b)	At Fair Value through Other Comprehensive Income (FVTOCI)						
	-Investment in Quoted Equity Instruments	Level 1	B	1885.03	1885.03	8911.85	8911.85
	-Investment in Un-Quoted Equity Instruments	Level 3	C	2492.82	2492.82	2826.66	2826.66
(c)	At Amortised Cost						
	-Tax Free Bonds		D	60.60	60.60	60.60	60.60
	-Trade Receivables	}	E	114328.01	114328.01	122833.12	122833.12
	-Loan			8800.00	8800.00	7800.00	7800.00
	-Other Financial Asset			5274.96	5274.96	3191.79	3191.79
	-Cash and Cash Equivalents			536.32	536.32	343.13	343.13
	-Other Bank Balances			861.75	861.75	3389.08	3389.08
	-Foreign Exchange Forward Contract			Level-2	F	30.58	30.58
	<b>Total Financial Assets</b>			<b>138555.96</b>	<b>138555.96</b>	<b>154870.63</b>	<b>154870.63</b>
<b>II</b>	<b>Financial Liabilities</b>						
(a)	At Amortised Cost						
	-Borrowings		E	89150.06	89150.06	83151.13	83151.13
	-Trade Payable			58629.74	58629.74	66760.21	66760.21
	-Other Financial Liabilities			1770.03	1770.03	1164.48	1164.48
(b)	At Fair Value through Profit & Loss (FVTPL)						
	[Provision for MTM on Derivative Instruments (Net)]						
	-Foreign Exchange Forward Contract	Level-2	F	-	-	27.52	27.52
	-Foreign Exchange Swap Contracts	Level-2		-	-	(6.40)	(6.40)
	<b>Total Financial Liabilities</b>			<b>149549.83</b>	<b>149549.83</b>	<b>151096.94</b>	<b>151096.94</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 Value 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, 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).

**47. Financial Risk Management Objectives and Policies:**

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

**(a) 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 four types of Risk: Foreign Currency Risk, Interest Rate Risk, Rights of the Way and other Contractual Obligation Risk, Other Price Risk such as Commodity Price Risk and Equity Price Risk.

**(i) 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 Holding 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 Holding 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 Holding 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, 2020			As at 31st March, 2019		
	In Foreign Currency	₹ in lakhs		In Foreign Currency	₹ in lakhs	
<b>Hedged :</b>						
Financial Liabilities						
Foreign currency exposures covered by Forward Contracts						
Long-term Borrowings	USD	-	-	USD	695136.27	484.02
Short-term Borrowings	USD	767680.46	582.67	USD	350000.00	243.71
	EUR	-	-	EUR	157,500.00	123.92
Other Payables	USD	103845.00	78.82	USD	1903827.00	1325.63
Total	USD	871525.46	661.49	USD	2948963.27	2053.36
	EUR	-	-	EUR	157,500.00	123.92
<b>Unhedged :</b>						
Financial Liabilities						
Long-term Borrowings	USD	895750.48	679.87	USD	964400.00	671.51
	EUR	3929404.16	3310.92	EUR	2230590.88	1,755.03
Short-term Borrowings	USD	1252533.33	950.67	USD	5392.57	3.75
	EUR	-	-	EUR	940.19	0.74
Other Payables	USD	966989.76	733.95	USD	61809.00	43.04
	EUR	182620.69	153.88	EUR	283105.76	222.75
	NPR	449058.00	2.81	NPR	-	-
Financial Assets						
Receivables	USD	622930.08	467.51	USD	307236.59	211.32
	EUR	380837.04	312.82	EUR	-	-
	NPR	11348757.00	70.93	NPR	11348757.00	70.93
Bank Balances	USD	1.00	-	USD	1.00	-
	NPR	4967293.00	31.05	NPR	5605272.00	35.03
Net Exposure	USD	2492342.49	1896.98	USD	724363.98	506.98
	NPR	(15866992.00)	(99.17)	NPR	(16954029.00)	(105.96)
	EUR	3731187.81	3151.98	EUR	2514636.83	1978.52

**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 fair value of monetary assets and liabilities consequent to changes in the foreign exchange rate as under:

(₹ in lakhs)

<b>Particulars</b>	<b>2019-20</b>	2018-19
Change in USD	<b>(+)5%</b>	(+)5%
Effect on Profit before Tax	<b>(94.85)</b>	(25.35)
Change in USD	<b>(-)5%</b>	(-)5%
Effect on Profit before Tax	<b>94.85</b>	25.35

(₹ in lakhs)

<b>Particulars</b>	<b>2019-20</b>	2018-19
Change in EURO	<b>(+)5%</b>	(+)5%
Effect on Profit before Tax	<b>(157.60)</b>	(98.93)
Change in EURO	<b>(-)5%</b>	(-)5%
Effect on Profit before Tax	<b>157.60</b>	98.93

**(ii) 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 could have unforeseen impact on Holding Company's cost of borrowings, thus impacting the profit and loss. The Holding 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 Redeemable Non-Convertible Debentures.

(₹ in lakhs)

<b>Type of Exposure</b>		<b>As at 31st March, 2020</b>	As at 31st March, 2019
A.	Fixed Rate Borrowings	<b>33548.38</b>	25203.89
B.	Variable Rate Borrowings (including Short Term Borrowings)	<b>55601.68</b>	57947.24
	Less: Borrowings Hedged by Swap Contracts	-	(772.51)
		<b>55601.68</b>	57174.73

**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>2019-20</b>	2018-19
Interest Rate Increase by 0.25%	<b>(139.00)</b>	(142.94)
Interest Rate Decrease by 0.25%	<b>139.00</b>	142.94

**(iii) Rights of the Way and other Contractual Obligation Risk:**

The Rights of the Way and other permission are subject to governing terms and conditions and varying interpretations each of which may result in modifications, expiry of terms, additional payments and/or restoration liability which could adversely affect the passive optical fibre cable networks under IP-1/ Turnkey Projects. Further, the contracts/ IRU agreements with customers have certain underlying obligations relating to rectification, replacement and major maintenance of the network during the validity period of such agreements. The Holding Company makes provision for warranty for the same as per management's best estimates of expected cost to meet such obligations.

**(iv) Commodity Price Risk:**

The Holding 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 Holding 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.

(v) 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 & Joint Ventures 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 or loss.

(b) 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 Holding Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and corporate guarantee given to banks as collateral against term loan(s) and working capital credit facilities to a body corporate, Birla Cable Limited.

Customer credit risk is managed by each business segment and is subject to the Holding Company's established policy, procedures and control relating to customer credit risk management. The Holding Company assesses the credit quality of the counterparties taking into account their financial position, on the age of specific receivable balance and the current and expected collection trends, age of its contracts in progress, historically observed default over the expected life of trade receivables and is adjusted for forward-looking estimates and other factors. Holding Company's EPC business segment customers profile include Government owned utilities/ entities/ and both public and private telecom sector operators and service providers. Credit risk on receivables is limited due to the Holding Company's large and diverse customer base which includes public sector enterprises, state owned companies and private corporates. 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. Impairment allowance for trade receivables if any, is provided on the basis of respective credit risk of individual customer as on the reporting date.

The lenders assesses the credit quality of Birla Cable Limited on a regular basis. Further, considering its financial position, intrinsic value, business profile and future growth prospects, the credit risk is low. The Holding Company has also accepted corporate guarantee from Birla Cable Limited (cross corporate guarantee) against its total credit facilities and term loan(s) availed from its consortium of banks.

The fixed deposits with banks predominantly comprises of margin money against bank guarantees, letter(s) of credit, etc. as per the terms of sanction of non fund based credit facilities and in the opinion of the Company are not exposed to credit risk based on historical records of no or stray cases of invocation of bank guarantees or developments of LC's.

(c) 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:

Particulars	(₹ in lakhs)				
	Carrying Value	Payable on Demand*	Upto 12 Months	1 to 5 Years	More than 5 Year
<b>As at 31st March, 2020</b>					
<b>Borrowings*</b>	<b>89150.06</b>	<b>40101.06</b>	<b>12,615.29</b>	<b>36,433.71</b>	<b>-</b>
<b>Lease Liability</b>	<b>917.79</b>	<b>-</b>	<b>51.77</b>	<b>346.03</b>	<b>519.99</b>
<b>Trade and Other Payables</b>	<b>59481.98</b>	<b>62.86</b>	<b>59408.31</b>	<b>10.81</b>	<b>-</b>
<b>Total</b>	<b>149549.83</b>	<b>40163.92</b>	<b>72075.37</b>	<b>36790.55</b>	<b>519.99</b>
<b>As at 31st March, 2019</b>					
<b>Borrowings*</b>	<b>83151.13</b>	<b>44213.02</b>	<b>3455.12</b>	<b>35482.99</b>	<b>-</b>
<b>Trade and Other Payables</b>	<b>67945.81</b>	<b>48.10</b>	<b>67886.90</b>	<b>10.81</b>	<b>-</b>
<b>Total</b>	<b>151096.94</b>	<b>44261.12</b>	<b>71342.02</b>	<b>35493.80</b>	<b>-</b>

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

**48. Capital Management:**

The Group policy is to maintain an adequate capital base so as to maintain credit worthiness and to sustain future growth. 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, 2020	As at 31st March, 2019
Borrowings	<b>89150.06</b>	83151.13
Less: Cash and Cash Equivalents	<b>536.32</b>	343.13
<b>Net Debt</b>	<b>88613.74</b>	82808.00
Equity Share Capital	<b>1185.00</b>	1184.58
Other Equity	<b>239967.23</b>	238106.39
<b>Total Capital</b>	<b>241152.23</b>	239290.97
<b>Capital and Net Debt</b>	<b>329765.97</b>	322098.97
<b>Gearing Ratio</b>	<b>26.87%</b>	25.71%

**49. 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>Holding Company</b>								
Vindhya Telelinks Limited	<b>64877.17</b>	26.90%	<b>11784.52</b>	49.64%	<b>(6387.69)</b>	31.73%	<b>5396.83</b>	149.74%
<b>Indian Subsidiary Companies</b>								
August Agents Limited	5102.39	2.12%	304.72	1.28%	(112.92)	0.56%	191.80	5.32%
Insilco Agents Limited	4998.72	2.07%	249.35	1.05%	(112.92)	0.56%	136.43	3.79%
Laneseda Agents Limited	5364.97	2.22%	321.81	1.36%	(114.35)	0.57%	207.46	5.76%
<b>Total of Subsidiaries</b>	<b>15466.08</b>	<b>6.41%</b>	<b>875.88</b>	<b>3.69%</b>	<b>(340.19)</b>	<b>1.69%</b>	<b>535.69</b>	<b>14.87%</b>
<b>Associate Companies (Investment as per Equity Method)</b>								
Birla Corporation Limited	117776.30	48.84%	8641.41	36.40%	(4535.45)	22.52%	4105.96	113.94%
Universal Cables Limited	28543.81	11.84%	1983.46	8.35%	(2668.32)	13.25%	(684.86)	(19.00%)
Punjab Produce and Holdings Limited	13702.41	5.68%	263.76	1.11%	(6204.68)	30.81%	(5940.92)	(164.85%)
<b>Total of Associate Companies</b>	<b>160022.52</b>	<b>66.36%</b>	<b>10888.63</b>	<b>45.86%</b>	<b>(13408.45)</b>	<b>66.58%</b>	<b>(2519.82)</b>	<b>(69.91%)</b>
<b>Joint Venture Company (Investment as per Equity Method)</b>								
Birla Visabeira Private Limited	786.46	0.33%	191.24	0.81%	(0.20)	0.00%	191.04	5.30%
<b>Total of Joint Venture Company</b>	<b>786.46</b>	<b>0.33%</b>	<b>191.24</b>	<b>0.81%</b>	<b>(0.20)</b>	<b>0.00%</b>	<b>191.04</b>	<b>5.30%</b>
<b>Grand Total</b>	<b>241152.23</b>	<b>100.00%</b>	<b>23740.27</b>	<b>100.00%</b>	<b>(20136.53)</b>	<b>100.00%</b>	<b>3603.74</b>	<b>100.00%</b>

**50. Disclosure pursuant to Ind AS 112 – “Disclosure of Interest in other entities”:- Joint Venure and Associates:**
**(a) Summarised Financial Information for Associates & Joint Venture**

(₹ in lakhs)

Particulars	Universal Cables Ltd. (UCL) (Consolidated)		Birla Corporation Ltd. (Consolidated)		Panjab Produce Holdings Ltd. (Consolidated)		Birla Visabeira Pvt. Ltd.	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Current Assets	<b>113152.94</b>	94150.35	<b>269390.00</b>	250451.00	<b>256.79</b>	360.21	<b>11587.65</b>	8653.90
Non-current Assets	<b>104804.39</b>	90922.78	<b>948153.00</b>	882710.00	<b>36517.69</b>	50638.40	<b>859.50</b>	410.55
Current Liabilities	<b>87587.94</b>	67481.56	<b>203046.05</b>	178515.00	<b>11.33</b>	4.21	<b>7712.37</b>	4381.48
Non-current Liabilities	<b>31350.19</b>	17673.92	<b>526922.00</b>	505124.00	<b>88.49</b>	88.49	<b>2768.60</b>	3194.39
Net Assets	<b>99019.20</b>	99917.65	<b>487574.95</b>	449522.00	<b>36674.66</b>	50905.91	<b>1966.18</b>	1488.58
Group's share in %	<b>30.34%</b>	30.34%	<b>31.68%</b>	31.68%	<b>48.04%</b>	48.04%	<b>40.00%</b>	40.00%
Group's Share	<b>30042.41</b>	30315.01	<b>154463.73</b>	142408.56	<b>17618.50</b>	24455.19	<b>786.46</b>	595.42
Goodwill/(Capital Reserve)	<b>210.41</b>	210.41	<b>571.09</b>	571.09	<b>216.12</b>	216.12	-	-
Other Adjustments*	<b>5375.95</b>	(1296.76)	-	(29279.21)	-	(5027.98)	-	-
Carrying Amount	<b>35628.77</b>	29228.66	<b>155034.82</b>	113700.44	<b>171834.62</b>	19643.33	<b>786.46</b>	595.42
Market Value of Quoted Investment	<b>8860.14</b>	23221.68	<b>101251.09</b>	128085.50	-	-	-	-
Revenue	<b>156895.69</b>	141654.86	<b>691569.00</b>	654873.00	<b>557.58</b>	702.60	<b>8830.64</b>	9032.98
Profit for the year	<b>9007.54</b>	13585.89	<b>50518.00</b>	25570.00	<b>359.04</b>	826.73	<b>478.09</b>	540.01
Other Comprehensive Income	<b>(9035.22)</b>	3498.57	<b>(12368.00)</b>	2005.00	<b>(14590.29)</b>	(7024.02)	<b>(0.49)</b>	0.22
Total Comprehensive Income	<b>(27.68)</b>	17084.46	<b>38150.00</b>	27575.00	<b>(14231.25)</b>	(6197.29)	<b>477.60</b>	540.23

\* Includes adjustment on account of cross holding between Group & UCL. In previous year, adjustment also on account of Dividend Distribution Tax (DDT).

**(b) Share in Profit and Loss, Commitments and Contingent Liabilities in respect of Associates/Joint Venture :**

(₹ in lakhs)

Particulars	2019-20		2018-19	
	Associates	Joint Ventures	Associates	Joint Ventures
Share in Profit/(loss) (including Other Comprehensive Income) (after deferred tax)	<b>(2519.82)</b>	<b>191.04</b>	7146.54	216.09
Share in Contingent Liabilities	<b>14346.39</b>	-	14296.64	-

51. Previous year figures have been regrouped/rearranged, wherever considered necessary to conform to current year classification. The figures in brackets are those in respect of the previous accounting year.

As per our attached report of even date.

Signatures to Notes 1 to 51

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

 Karthik Srinivasan  
Partner  
Membership No. 514998

 Harsh V. Lodha  
(DIN : 00394094)

Chairman

 Y.S. Lodha  
(DIN: 00052861)

Managing Director &amp; CEO

Saurabh Chhajer

Chief Financial Officer

Satyendu Pattnaik

Company Secretary

 Place : New Delhi  
Date : June 1, 2020

 Place : Satna  
Date : June 1, 2020



**STATEMENT CONTAINING SALIENT 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	Turnovers	Profit Before Taxation	Profit After Taxation	Dividend	% of Shareholding
1	August Agents Ltd.	1525.02	5990.24	7610.77	95.51	4945.67	391.71	383.04	304.72	305.00	100%
2	Insilco Agents Ltd.	1500.02	5893.50	7478.34	84.82	4410.07	352.43	337.38	249.34	300.00	100%
3	Laneseda Agents Ltd.	1500.02	6096.67	7699.62	102.93	4390.61	430.40	421.88	321.81	300.00	100%

**PART "B" ASSOCIATES AND JOINT VENTURE COMPANY:**
**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 at Cost in Associates/Joint Venture (₹ In Lakhs)	Extent of Holding %	Network attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year (including Other Comprehensive Income)		Description of how there is significant influence	Reason why the Associate/ Joint Venture is not consolidated
			No.	No.				Considered in Consolidation	Not Considered in Consolidation		
1	Universal Cable Ltd.	31.03.2020	10528988		7478.09	30.34%	35628.77	(684.06)	-	Associate Company	NA
2	Birla Corporation Ltd.	31.03.2020	24394915		6424.49	31.68%	155034.82	4075.86	-	Associate Company	NA
3	Punjab Produce Holdings Ltd. *	31.03.2019	12000000		1200.00	48.04%	17834.62	(5940.91)	-	Associate Company	NA
4	Birla Visabeira Pvt. Ltd.	31.03.2020	3600000		360.00	40.00%	786.46	191.04	-	Joint Venture	NA

\* Figures reported above are as per unaudited converged Ind AS Financial Statements for the year ended 31st March, 2020

**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.

Harsh V.Lodha (DIN : 00394094)	Chairman
Y.S. Lodha (DIN: 00052861)	Managing Director & CEO
Saurabh Chhajjer	Chief Financial Officer
Satyendu Pattnaik	Company Secretary

 Place : Satna  
Date : June 1, 2020



# 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: \_\_\_\_\_, or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Seventh Annual General Meeting of the Company, to be held on Tuesday, the August 18, 2020 at 11.30 A.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, 2020, 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, 2020, and Report of Auditors thereon.		
2.	Declaration of Dividend on Equity Shares for the financial year ended March 31, 2020.		
3.	Re-appointment of Shri Pracheta Majumdar (DIN:00179118), as a Director, who retires by rotation.		
4.	Appointment of Messrs BGJC & Associates LLP, Chartered Accountants (Firm Registration No.003304N), as Statutory Auditors of the Company for a term of 5 (five) consecutive years commencing from the conclusion of this 37th Annual General Meeting (AGM) until the conclusion of the 42nd AGM of the Company along with the remuneration.		
Special Business			
5.	Approval of related party agreement(s)/contract(s)/ arrangement(s)/transaction(s) with Universal Cables Limited, a related party.		
6.	Re-appointment of Shri Y.S. Lodha (DIN:00052861) as the Managing Director & CEO of the Company not liable to retire by rotation, for a further period of 5 (five) consecutive years effective from 4th November, 2020 to 3rd November, 2025 along with the remuneration.		
7.	Ratification of remuneration to be paid to Cost Auditors of the Company for the financial year ending March 31, 2021.		
8.	Payment of annual remuneration/compensation for the financial year 2020-21 to Shri Harsh V Lodha, Non-Executive Non-Independent Chairman, which may exceed 50% of the total remuneration payable to all Non-Executive Directors of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020

Signature of shareholder : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

### 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 Seventh Annual. General Meeting.
- 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 SEVENTH ANNUAL GENERAL MEETING

Date of Meeting – August 18, 2020

Folio No. /DP Id./Client Id.	
Name and Address of the Shareholder/ Proxy/Authorised Representative	
No. of Share held	

I certify that I am member/proxy for the member(s) of the Company.

I hereby record my presence at the THIRTY SEVENTH ANNUAL GENERAL MEETING of Vindhya Telelinks Limited being held on Tuesday, the August 18, 2020 at 11.30 A.M. at Udyog Vihar, P.O.Chorhata, Rewa – 486 006 (M.P).

Signature of the Shareholder/Proxy/Authorised  
Representative present

### NOTE(S):

- (1) Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over 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.
200707003	*

\* 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.22 to the Notice dated June 1, 2020 of the Thirty Seventh Annual General Meeting. The Voting period for e-voting begins on August 14, 2020 at 9.00 a.m. and ends on August 17, 2020 at 5.00 p.m. The e-voting module shall be disabled by CDSL for voting thereafter.





TEMPLES IN THE COMPANY'S TOWNSHIP AT REWA, MADHYA PRADESH



Solar Energy & Power Distribution Cable Plant at Rewa (M.P.)



Expansion Project for Optical Fibre Cables at Rewa (M.P.)



CSR Activity of the Company at Rewa (M.P.)

**REGISTERED OFFICE & WORKS**

Udyog Vihar, P.O.Chorhata,  
Rewa-486 006,  
Madhya Pradesh, India.  
Tel.: +91 7662 400 400  
Fax: +91 7662 400 591

**CORPORATE OFFICE**

Commercial Plaza, 2<sup>nd</sup> Floor,  
Wing-B Radisson Hotel NH-8,  
Mahipalpur, New Delhi-110 037,  
India.  
Tel.: +91 11 45538800  
Fax: +91 11 26779038

**EPC DIVISION****NEW DELHI**

Commercial Plaza, G Floor, Wing-B  
Radisson Hotel NH-8, Mahipalpur,  
New Delhi-110 037, India.  
Tel.: +91 11 45538800  
Fax: +91 11 26779038

**NOIDA**

6<sup>th</sup> Floor, Tower-A,  
Plot No A-3,4,5 Prius Global,  
Sector-125, Noida-201 301,  
Uttar Pradesh, India.  
Tel.: +91 120 4950200  
Fax: +91 120 4950222

**MARKETING OFFICES****AHMEDABAD**

A 801, Sivanta One,  
Opp Bank Of Baroda, Near V.S.  
Hospital, Ashram Road, Paldi,  
Ahmedabad-380 007  
Gujarat, India.  
Tel.: +91 79 26575670  
Fax: +91 79 26575671

**BENGALURU**

287, 15<sup>th</sup> Main, RMV Extension,  
Sadashiv Nagar,  
Nr. Nagasena School,  
Bengaluru-560 080,  
Karnataka, India.  
Tel.: +91 80 23612484/ 23619983  
Fax: +91 80 23619981

**CHENNAI**

GR Towers, 2<sup>nd</sup> Floor, 136,  
Nelson Manickam Road,  
Aminjikarai,  
Chennai-600 029,  
Tamil Nadu, India.  
Tel.: +91 44 23746623/ 23746624  
Fax: +91 44 23746625

**GOA**

Plot Nos. L62 to L 64,  
Verna Industrial Estate,  
Verna, Salcete-403 722,  
Goa, India.  
Tel.: +91 832 6696400  
Fax: +91 832 2782614

**HYDERABAD**

No 603/1, Block-1, White House,  
Municipal No -6-3-1192/1/603/1,  
Begumpet, Hyderabad-500 016,  
Telangana, India.  
Tel.: +91 40 23408218/ 29701825  
Fax: +91 40 23403272

**KOLKATA**

27-B, Camac Street,  
5<sup>th</sup> Floor, Kolkata-700 016,  
West Bengal, India.  
Tel.: +91 33 22805043/ 22805044  
Fax: +91 33 22816227

**MUMBAI**

Sharda Terraces, 9<sup>th</sup> Floor,  
Plot No. 65, Sector- 11, CBD Belapur,  
Navi Mumbai-400 614,  
Maharashtra, India.  
Tel.: +91 22 41268855/ 27560463/ 64  
Fax: +91 22 41268899



*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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