



Vindhya Telelinks Ltd.

Reg. Office : Udyog Vihar, P.O. Chorhata
Rewa - 486 006 (M.P.) INDIA
Tel. : (07662) 400400 • Fax : (07662) 400591
E-Mail : headoffice@vtirewa.com
Website : www.vtirewa.com
PAN No. AAACV7757J
CIN No. L31300MP1983PLC002134

VTL/CS/16-17/

23 AUG 2016

BSE Ltd.
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building,
P.J.Towers, Dalal Street,
Fort,
MUMBAI-400 001

The Manager,
Listing Department,
The National Stock Exchange of India Ltd,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E),
MUMBAI-400 051

Company's Scrip Code: 517015

Company's Scrip Code: VINDHYATEL EQ

Dear Sir,

Sub: Annual Report and Accounts for the year 2015-16 pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In pursuance to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report and Accounts of the Company for the year 2015-16 duly adopted by the Members in the Thirty Third Annual General Meeting of the Company held on 19th August, 2016.

This is for your records.

Thanking you,

Yours faithfully,
for Vindhya Telelinks Limited



(Ashok Mishra)
Company Secretary

Encl: As above



Works : i) Plot No.1, Udyog Vihar, P.O. Chorhata, Rewa - 486 006 (M.P.)
ii) Plot No. 1-C & 1-D, Udyog Vihar, P.O. Chorhata, Rewa - 486 006 (M.P.)





ANNUAL REPORT 2015-16

Linking the World...



VINDHYA TELELINKS LIMITED

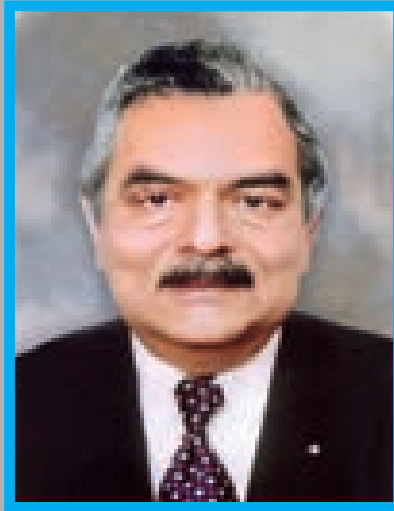
VTL



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 2015-16

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 Y.S. LODHA

Chairman

Managing Director

AUDIT COMMITTEE

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

Chairman

AUDITORS

V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
NEW DELHI

SOLICITORS

NMS & COMPANY
NEW DELHI

BANKERS

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

REGISTERED OFFICE & WORKS

UDYOG VIHAR
P.O. CHORHATA
REWA - 486 006 (M.P.)

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NOTICE

NOTICE is hereby given that the Thirty Third Annual General Meeting of the Members of Vindhya Telelinks Limited will be held on Friday, the August 19, 2016 at 11.30 A.M. at the Registered Office of the Company at Udyog Vihar, P.O.Chorhata, Rewa (M.P.) - 486 006, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) the audited Financial Statements of the Company for the financial year ended March 31, 2016 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, 2016 and the Report of Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2016.
3. To appoint a Director in place of Shri Harsh V. Lodha (DIN: 00394094), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To ratify re-appointment of Messrs V. Sankar Aiyar & Co., Chartered Accountants, (Registration No. 109208W) as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be decided by the Board of Directors of the Company from time to time.

SPECIAL BUSINESS:

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

“RESOLVED that in supersession of the earlier resolution passed by the Members of the Company through Postal Ballot on August 5, 2014, save as respect things done or omitted to be done before such supersession, and pursuant to the provisions of Section(s) 180(1)(c), 180(2) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, including any statutory modifications or re-enactments thereof read together with Articles of Association of the Company and subject to any other approval, if so required, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, any sum or sums of money in any manner for the purpose of business of the Company and upon such terms and conditions, with or without security, as the Board of Directors may in its absolute discretion think fit, notwithstanding that the money to be borrowed together with monies already borrowed by the Company (apart from temporary loans as defined in Explanation to Section 180(1)(c) of the Companies Act, 2013, obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed at any time the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs.1800 Crores (Rupees One Thousand Eight Hundred Crores).

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds, and things to sign and execute all such documents, deeds, application, instruments and writings on behalf of the Company as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/ or any member of such Committee or Managing Director or any Director or any other Officer of the Company or any other person in accordance with applicable provisions of the Companies Act, 2013 and rules made thereunder .”

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

“RESOLVED that in supersession of the earlier resolution passed by the Members of the Company through Postal Ballot on August 5, 2014, save as respect things done or omitted to be done before such supersession and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, including any statutory modifications or re-enactments thereof, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to create and/or modify such mortgages, charges, hypothecations, pledges and other securities in addition to the existing mortgages, charges, hypothecations, pledges and securities created by the Company, on all or any of the immovable and movable properties or such other assets of the Company, wheresoever situate, both present and future, and the whole or any part of the undertaking of the Company together with powers to take over the management of the business and concern of the Company in certain events, in such manner as the Board of Directors may deem fit, to or in favour of all or any of the financial institutions/banks/lenders/any other investing agencies and trustees for the holders of debentures/bonds/other financial instruments which may be issued to and subscribed by all or any of the financial institutions/ banks/ lenders/ other investing agencies or any other person(s)/bodies corporate by private placement or otherwise, to secure rupee/foreign currency loans and/or the issue of debentures, bonds or other financial instruments (hereinafter collectively referred to as “Loans”), provided that the total amount of Loans together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company to the aforesaid parties or any of them under the arrangements entered into/to be entered into by the Company in respect of which such mortgages, charges, hypothecations, pledges and other securities created / to be created, shall not, at any time exceed the limit of Rs.2500 Crores (Rupees Twenty Five Hundred Crores only).

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised and shall always be deemed to have been so authorised to decide on all matters and finalise with the aforesaid parties or any of them, the documents for creating the aforesaid mortgages, charges, hypothecations or securities and to accept or make any alterations, changes, variations to or in the terms and conditions and to do all such acts, deeds, and things to sign and execute all such documents, deeds, application, instruments and writings on behalf of the Company as may be required and on such terms and conditions as it may consider necessary and expedient in its absolute discretion and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/or any member of such Committee or Managing Director or any Director or any other officer of the Company or any other person in accordance with applicable provisions of the Companies Act, 2013 and rules made thereunder.”

7. 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 Section 94 and other applicable provisions, if any, of the Companies Act, 2013 read with



Rule 5 (2) of the Companies (Management and Administration) Rules, 2014, the approval of the members of the Company be and is hereby accorded to keep, maintain and preserve Register of Members, Index of Members, Register of renewed and duplicate shares and/or any other Register required to be maintained under Section 88 of the Companies Act, 2013 and rules made thereunder, at the Office of the Registrar and Share Transfer Agent of the Company viz. Messrs Link Intime India Private Limited, presently situated at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400078 or at any other place within the local limits of Mumbai (Maharashtra) under the custody of a person so authorised by the Board of Directors in this regard, instead of keeping, maintaining and preserving the said Registers/Index of Members at the Registered Office of the Company.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to sign and submit such documents or forms or intimation, etc. and to do all such acts, deeds, matters and things as it may, in its sole discretion deem necessary, proper, desirable to give effect to the above resolution."

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

"RESOLVED that pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs.55,000/- (Rupees Fifty Five Thousand only) plus applicable Service Tax and reimbursement of out of pocket expenses as fixed by the Board of Directors and payable to Messrs D. Sabyasachi & Co., Cost Accountants, being the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, be and is hereby ratified and approved.

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

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

By Order of the Board of Directors
for Vindhya Telelinks Limited

Ashok Mishra
Company Secretary

May 19, 2016

NOTES FOR MEMBERS' ATTENTION

1. The explanatory statements setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be received in the enclosed Proxy Form of the Registered Office of the Company not less than forty-eight hours before the time fixed for the Meeting, i.e. by 11.30 a.m. on August 17, 2016.
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 10 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. A proxy form is annexed herewith.
3. Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. Corporate members intending to attend Annual General Meeting through their authorised representatives are requested to send to the Company, a certified copy of the Board Resolution, Power of Attorney or such other valid authorisations, authorising them to attend and vote on their behalf at the Meeting. Members who hold shares in de-materialized form are requested to bring their DP I.D. and client I.D. No.(s) for easier identification of attendance at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All relevant documents referred to in the accompanying Notice and the Statement shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays, upto and including the date of the Meeting. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Meeting (AGM).
5. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Friday, the August 12, 2016 to Friday, the August 19, 2016 (both days inclusive) for the purpose of determining the names of members eligible for final dividend on equity shares (if declared) and the Meeting.
6. The dividend on Equity Shares, if approved at the Annual General Meeting, will be credited / despatched between August 19, 2016 and September 17, 2016 to those members whose names shall appear on the Company's Register of Members on August 11, 2016. In respect of the shares held in dematerialised form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
7. Messrs Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 continue to act in the capacity of Registrar and Share Transfer Agents for physical shares of the Company. Messrs Link Intime India Pvt. Ltd. is also the depository interface of the Company with both NSDL and CDSL. Members are requested to address all correspondences, including dividend matters, to the said Registrar and Share Transfer Agents.



8. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company/Registrar and Share Transfer Agents.
9. Non-resident Indian Members are requested to inform Registrar and Share Transfer Agents, immediately of:
 - (i) the change in the residential status on return to India for permanent Settlement.
 - (ii) the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
10. Members are requested to note that the Company's shares are under compulsory demat trading for all the investors. The Company has connectivity from the NSDL and CDSL and equity shares of the Company may be held in the electronic form with any Depository Participant (DP) with whom the members/investors are having their depository account. The ISIN No. for the Equity Shares of the Company is INE707A01012. In case of any query/difficulty in any matter relating thereto may be addressed to the Registrar and Share Transfer Agents.
11. 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 electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN details to the Company at its Registered Office or to the Registrar and Share Transfer Agents.
12. This Notice of the Meeting (AGM) along with the Attendance Slip, Proxy Form, Route map of the venue of the Meeting and the Annual Report & Accounts 2015-16 are being sent through electronic mode to all the members whose e-mail addresses (IDs) are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by the permitted mode. Members who wish to update or register their e-mail addresses with the Company or with the Depositories, may use the Form for updation/registration. The Form can also be downloaded from the Company's website: www.vtlrewa.com under the section 'Investor Relation'.
13. Additional information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking re-appointment at the Meeting is furnished and forms a part of the Notice. The Director has furnished the requisite consent/declaration for his re-appointment.
14. Members desirous of obtaining any information on Annual Financial Statements of the Company at the Meeting are requested to write to the Company at least 10 (ten) days before the date of the Meeting, so that the information required may be made available at the Meeting.
15. Members who have so far not encashed their dividend warrants for the year ended March 31, 2014 onwards, are therefore requested immediately to write to the Company or Company's 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.
16. The Company was not required to transfer the unclaimed dividends during the financial year 2015-16 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company.
17. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members the facility of voting and remote e-voting on resolutions proposed to be considered at the Annual General Meeting. The facility of casting the votes by the Members using an electronic voting system for a place other than venue of the Meeting ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The e-voting rights of the shareholders/beneficial owners shall be reckoned on the Equity Share held by them as on August 11, 2016 (Record Date).
18. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on August 15, 2016 at 9.00 a.m. and ends on August 18, 2016 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, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	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"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/ Attendance Slip in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Vindhya Telelinks Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
19. The 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, 2016.
20. The Company has appointed Shri Rajesh Kumar Mishra, Practicing Company Secretary or failing him Shri R.S.Bajaj, Practicing Company Secretary as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.
21. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
22. The results shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of Annual General Meeting. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website www.vtlrewa.com and on the website of CDSL 48 (forty eight hours) of passing of the resolutions and communicated to the Stock Exchanges where the equity shares of the Company are listed viz. BSE Ltd. and the National Stock Exchange of India Ltd.

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

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice dated May 19, 2016:

Item No. 5

The Members of the Company through postal ballot accorded their consent on August 5, 2014 by way of a Special Resolution under Section 180(1)(c) of the Companies Act, 2013 to borrow monies, apart from the temporary loans (as more specifically defined in Explanation to Section 180(1)(c) of the Companies Act, 2013 i.e. loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature) obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, upto an amount not exceeding in aggregate Rs.1600 Crores (Rupees One Thousand Six Hundred Crores only) and outstanding at any time.

Over the period there has been substantial increase in the business activities of the Company and in order to meet the capital expenditure requirements besides additional working capital needs from time to time, it is considered desirable to increase the Company's existing borrowing limit of Rs.1600 Crores (Rupees One Thousand Six Hundred Crores) to Rs.1800 Crores (Rupees One Thousand Eight Hundred Crores) as proposed in the resolution.

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

The Board therefore commends the Special Resolution set out at Item No.5 of the accompanying Notice for consent/approval of the Members of the Company.

Item No. 6

In terms of the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of a public company cannot, except with the consent of the members of the Company by way of a Special Resolution in General Meeting, create mortgages, charges, hypothecations, pledges and other securities in order to secure borrowings, in favour of all or any of the financial institutions /banks/lenders/any other investing agencies or any other person(s)/bodies corporate and trustees for the holders of debentures/bonds/other financial instruments which may be issued to and subscribed by all or any of the financial institutions/banks/lenders/other investing agencies or any other person(s)/bodies corporate by private placement or otherwise. The Members of the Company through postal ballot accorded their consent on 5th August, 2014, by way of a Special Resolution to the Board of Directors to create mortgages/charges/hypothecations/other securities on the assets of the Company in order to secure such borrowings upto an amount of Rs.1600 Crores (Rupees One Thousand Six Hundred Crores only).

With the proposed enhancement in the borrowings limit of the Company from Rs. 1600 Crores to Rs. 1800 Crores together with temporary loans and other credit facilities obtained/to be obtained from Company's bankers in the ordinary course of business may, if necessary, be secured by way of mortgage/ charge/ hypothecation/ pledge on the Company's assets in favour of all or any of the financial institutions/banks/ lenders/any other investing agencies and trustees for the holders of debentures/bonds/other financial instruments, which may be issued to and subscribed by all or any of the financial institutions/banks/lenders/other investing agencies or any other person(s)/bodies corporate by private placement or otherwise, it is necessary to pass a special resolution under Section 180(1)(a) of the Companies Act, 2013, for creation of mortgages, charges, hypothecations, pledges and/or other securities for an amount not exceeding the limit of Rs.2500 Crores (Rupees Two Thousand Five Hundred Crores) and the Resolution set out under Item No.6 of the Notice is to seek Members consent to the same.

None of the Directors/Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the accompanying Notice.

The Board therefore commends the Special Resolution set out at Item No.6 of the accompanying Notice for consent/approval of the Members of the Company.

Item No. 7

As per the provisions of Section 94 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Management and Administration) Rules, 2014, the Register of Members and Index of Members, etc. are required to be maintained at the registered office of the Company unless a Special Resolution is passed in a general meeting authorising the keeping of the Registers and Index at any other place in India in which more than one-tenth of the total members entered in the Register of Members reside and the Registrar of Companies has been given a copy of the proposed Special Resolution in advance to this effect.

Based on the geographic spread of the present shareholders base of the Company, it is ascertained that more than one-tenth of the total number of members entered in the Register of Members of the Company reside or having registered addresses at Mumbai thereby providing an option to the Company to keep the Register of Members, Index of Members and all other Registers pursuant to Section 88 at Mumbai instead of the Registered Office of the Company. In view of the above, as a measure of prompt service and facilitation of convenience to the Members of the Company, it is considered desirable to keep, maintain and preserve Register of Members and Index of Members, etc. at office of Registrar and Share Transfer Agent of the Company viz. Messrs Link Intime India Private Limited, presently situated at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400078 or at any other place within the local limits of Mumbai (Maharashtra). A copy of the proposed Special Resolution as set out at Item No.7 is being forwarded in advance to the Registrar of Companies, Madhya Pradesh, Gwalior.

None of the Directors/Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 7 of the accompanying Notice.

The Board therefore commends the Special Resolution set out at Item no. 7 of the accompanying Notice for approval of the Members of the Company.

Item No. 8

Messrs D. Sabyasachi & Co., Cost Accountants, were appointed as Cost Auditors for the year ending March 31, 2017 by the Board of Directors on the recommendation of the Audit Committee, at a remuneration of Rs.55,000/- plus Service Tax as applicable thereon and reimbursement of out of pocket expenses in connection with audit of the cost records maintained by the Company in accordance with the Companies (Cost Records and Audit) Rules, 2014, as amended.



As per Rule 14 of The Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors as approved by the Board of Directors is required to be ratified subsequently by the Members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No.8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors/Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 8 of the accompanying Notice.

The Board therefore commends the Ordinary Resolution set out at Item no. 8 of the accompanying Notice for approval of the Members of the Company.

Details of a Director seeking re-appointment in the ensuing Annual General Meeting scheduled to be held on August 19, 2016.

Name of Director	Shri Harsh V. Lodha
Date of Birth	13.02.1967
Age	49 years
Date of Appointment	05.05.2004
Qualification & Experience	Shri Harsh V. Lodha, holds a Bachelor's Degree in Commerce from Calcutta University and is a qualified Chartered Accountant. He possess vast and varied experience of about 29 years in profession and industry. He has worked with Lodha & Co., Chartered Accountants, in the capacity as a partner from 1988 to 2008. He retired from the said firm as Joint Country Managing Partner in October 2008. He has served on various key positions of committee constituted by FICCI, ICAI, Department of Company Affairs and Reserve Bank of India. He has served as Honorary Consul of the Government of Romania for West Bengal, Orissa and Bihar. He has also served as the Vice Consul of the Republic of Philippines for Eastern India.
Number of Shares held in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	None
Number of Board meeting attended during the financial year 2015-16	4
List of outside Directorships held*	Alfred Herbert (India) Ltd. Birla Corporation Ltd. Birla Ericsson Optical Ltd. Hindustan Gum & Chemicals Ltd. J.K. Fenner (India) Ltd. Punjab Produce Holdings Ltd. Universal Cables Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	None
Chairman/Member of the Committee of the Board of Directors of other Public Companies	Chairman - (i) Stakeholders Relationship Committee of Birla Corporation Ltd. (ii) Investors Grievance Committee of Alfred Herbert (India) Ltd. Member - Audit Committee of Punjab Produce Holdings Ltd.

* Number of other Directorships held by the Director, as mentioned above, excludes Directorships in private limited companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and LLP's besides trustees/membership of Managing Committees of various trusts and other bodies/chambers and are based on the latest declarations received from the Director. The details of Committee Membership/ Chairmanship is in accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and reflect the Membership/Chairmanship of the Audit Committee and Stakeholder Relationships Committee alone of all other public limited companies.

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

May 19, 2016

By Order of the Board of Directors
for Vindhya Telelinks Limited

Ashok Mishra
Company Secretary



Directors' Report

TO THE SHAREHOLDERS

Your Directors have the pleasure of presenting their Thirty Third Annual Report, together with the Audited Financial Statements of the Company for the year ended March 31, 2016.

SUMMARY OF FINANCIAL RESULTS & STATE OF COMPANY'S AFFAIRS

	2015-16	2014-15
	Rs. in lacs	Rs. in lacs
Revenue from Operations (Gross)	102806.84	69606.32
Other Income	1788.18	1023.45
	<u>104595.02</u>	<u>70629.77</u>
The year's working shows a -		
Profit before Depreciation, Exceptional Item and Tax	13377.17	7497.38
Less : Depreciation and Amortisation expense	1317.37	1005.33
: Exceptional Item	477.76	-
Profit before Tax	11582.04	6492.05
Less : Tax Expense/(Credit) :		
- Current Tax/Minimum Alternate Tax (MAT)	3772.55	295.17
(Net of MAT Credit Entitlement, if any)	74.78	412.02
- Deferred Tax Charge	7734.71	5784.86
Net Profit for the Year	<u>7734.71</u>	<u>5784.86</u>

GENERAL & CORPORATE MATTERS

During the year under review, your Company delivered a robust financial performance and set new records both in terms of an all-time high Revenue and highest ever Profit from Operations, when viewed in the backdrop of highly competitive and challenging business environment prevailing in the industry. Gross revenue from operations for the year grew by around 48% to Rs.102806.84 lacs as compared to Rs.69606.32 lacs during the previous year driven by higher sales revenue in both Cables and EPC business segments. The Exports revenue including project exports, stood at Rs.7227.58 lacs during the year under review as compared to Rs.7038.61 lacs for the previous year. Despite a significant increase in finance costs with interest rates remaining at elevated levels throughout the year, the Profit (before depreciation, exceptional item and tax) for the year increased by around 80 % and stood at Rs.13377.17 lacs as compared to Rs.7497.38 lacs in the previous year primarily resulting from increased revenue from both i.e. Cables and EPC business segments and better products mix. The EPC business segment has displayed stellar financial performance both in terms of Revenue which has increased by approx.173% to Rs.55336.36 lacs, as well as profitability, which has significantly improved owing to strong execution capabilities by way of adhering to disciplined project implementation methodologies. It is noteworthy to report that the Company has developed robust skill and knowledge required for executing complex telecommunication cable network projects meeting the world class network design, engineering and construction standards. The outlook for current primary business verticals of the EPC business segment, viz. Telecom, Power and Sewerage pipeline and/or treatment, remains reasonably positive in the current year with comfortable order book in hand and more projects in the horizon.

During the year under review, your Company consolidated its position further in the telecom cable industry and launched various new innovative and cost competitive products to serve the existing and new end users. To keep pace with the latest technological advancements in the industry, your Company continued to upgrade the technology involved in various processes and systems to derive cost advantages and also to maintain its leadership position in terms of products offering.

Overall, the domestic telecom industry as a whole is expected to grow at decent levels when compared to global trends. As a committed long term telecom cable industry player, your Company has already taken steps to leverage the status of a leading end to end total solution provider in telecom cables to other business verticals like power distribution/transmission, sewerage pipelines besides incidental and allied projects thereby positioning the Company as an infrastructure solution provider in the related business verticals. The Company now has to its credit reasonable credentials, qualifying it to bid for bigger turn-key projects to drive the growth potential to greater heights in the years to come. Armed with complete product portfolio in the value chain, your Company is geared up to take on the competition by offering complete solutions in terms of both products and services to serve the customers in a best suited manner. The Company is also well positioned to cater to the ever increasing needs of the telecom service providers for mobile and fixed line network expansion in this era of huge data boom especially for building networks with optical fibre in the backbone, metro, access and last mile segments.

DIVIDEND AND RESERVES

After considering the Company's profitability, free cash flow and overall financial performance, the Board of Directors of the Company is pleased to recommend a Dividend of Rs.6/- (previous year Rs.5/-) per equity share of face value Rs.10/- each (i.e. 60%) for the financial year ended on March 31, 2016. The distribution of Dividend on equity shares, if approved by the Members at the ensuing Annual General Meeting, will result in payout of Rs. 711.05 lacs excluding Tax on Dividend and Surcharge/Education Cess thereon. Your Board also proposed to transfer Rs. 7000.00 lacs to the General Reserve out of the amount available for appropriation leaving a surplus of Rs. 6321.51 lacs in the statement of Profit and Loss to be carried forward.

**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 during the year by focusing on cash flows and working capital management. By availing alternate funding options like issuance of Commercial Papers, your Company ensured efficiency in its borrowing costs.

CORPORATE GOVERNANCE

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As a part of its initiative under Corporate Social Responsibility (CSR), the Company has undertaken CSR activities in the areas of (i) promoting education and employment enhancing skills, (ii) making available safe drinking water, (iii) ensuring environment sustainability through green land development, (iv) measures undertaken for the benefit of armed forces veterans, war widows and their dependents, and (v) conservation of natural resources, in the area where the Company operates. These activities are largely in accordance with Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Company's CSR Policy. The CSR activities during the year were implemented through Madhav Prasad Priyamvada Birla Apex Charitable Trust, a registered trust under Section 12A of the Income Tax Act, 1961.

The Annual Report on CSR activities 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.

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, 2016, 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, 2016 and 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 system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The 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 the implementation of risk management and risk mitigation measures through their review of potential risks which could negatively impact the operations, the proposed budget and plan, the Company's strategic framework besides inherent risks associated with the products/goods dealt with by the Company as well as execution of turnkey projects of EPC business segment. Your Company's approach to address business risks is comprehensive and includes periodic review of such risks and a framework for mitigating and reporting mechanism of such risks. In the view of the Board of Directors, there are no material risks, which may threaten the existence of the Company.

The Board of Directors of the Company has laid down the policies and procedures for internal financial controls to be followed by the Company 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 decided by the Board. In addition, the policies and procedures have been designed with an intent to ensure safeguarding of Company's assets, the prevention and detection of frauds and errors, the accuracy in completeness of the accounting records and the timely preparation of reliable financial information.

The management is committed to ensure effective internal financial controls environment, which provides assurance on the efficiency of its business operations coupled with adherence to its established policies, safety/security of its assets besides orderly



and legitimate conduct of Company's business in the circumstances, which may reasonably be foreseen. The Company has defined organisation structure, authority levels, delegated powers, internal procedures, rules and guidelines for conducting business transactions. The Company's system and process relating to internal controls and procedures for financial reporting have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in India, the Companies Act, 2013 and rules framed thereunder and all other applicable regulatory/statutory guidelines, etc. for disclosure 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, the Audit Committee as well as the Board of Directors conduct an evaluation of the adequacy and effectiveness of the system of internal financial controls system on an ongoing basis.

INDUSTRIAL RELATIONS AND SAFETY

Industrial relations remained cordial throughout the year. Your Directors recognize and appreciate the sincere and hard work, loyalty, dedicated efforts and contribution of all the employees in the growth and performance of the Company during the year.

The Company continues to accord a very high priority to both industrial safety and environmental protection and these are ongoing process at the Company's plant and facilities to maintain high awareness levels. The Company has also stressed the need to adopt the highest safety standards on projects undertaken by the Engineering, Procurement and Construction (EPC) business segment with the emphasis on ensuring that safety on all projects under execution are given a great deal of importance. The 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. 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

The Company's manufacturing facilities continue to remain certified by independent and reputed external agency as being compliant as well as aligned with the external standards for Quality Management System ISO 9001:2008, Environmental Management System ISO 14001:2004 and Occupational Health and Safety Management System OHSAS 18001:2007. During the year, the audits for these Certifications established continuous improvement in performance against these standards.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Harsh V. Lodha [DIN 00394094], 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.

The brief resume and other details of Director seeking re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the Notice of the ensuing Annual General Meeting, which is being sent to the shareholders along with Annual Report.

During the year under review, there was no change in the Board of Directors of the Company.

KEY MANAGERIAL PERSONNEL

Shri Y.S. Lodha, Managing Director & CEO, Shri Saurabh Chhajer, Chief Financial Officer and Shri Ashok Mishra, Company Secretary are the Key Managerial Personnel of the Company. During the year under review, there was no change in the Key Managerial Personnel of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

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

MEETINGS OF BOARD AND COMPOSITION OF COMMITTEES

During the year under review, the Board met four times viz. on May 16, 2015, August 11, 2015, November 6, 2015 and February 9, 2016.

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



PERFORMANCE EVALUATION OF BOARD, COMMITTEES & DIRECTORS

Pursuant to the Provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company carried out the formal annual evaluation of its own performance and that of its Committees and individual Directors, inter alia, to assess the skill set and contribution that are desired, recognising that competencies and experiences evolves over time. The process was conducted by allowing the Board to engage in candid discussions with each Director with the underlying objective of taking best possible decisions in the interest of the Company and its stakeholders. The Directors were individually evaluated based on personal interaction to ascertain feedback 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 discussed the annual performance evaluation of Directors carried out by the Nomination and Remuneration Committee and review of the performance of the Chairman (taking into account the views of non-executive directors and Managing Director), the Non-independent Directors and the Board as a whole carried out by the Independent Directors. A statement indicating the manner, in which formal annual evaluation has been made by the Board of Directors, is given in the Report on Corporate Governance which forms a part of the Annual Report.

SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

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

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

AUDITORS

Messrs V. Sankar Aiyar & Co., Chartered Accountants (Registration No.109208W), were appointed as Statutory Auditors to hold office for a term of 5 (five) years until the conclusion of thirty seventh Annual General Meeting of the Company to be held for the financial year 2019-20, subject to ratification of their appointment as such by the members at every Annual General Meeting. They have confirmed to the Company that their appointment, if ratified by the members at the ensuing thirty third Annual General Meeting, would be according to the terms and conditions prescribed under Section(s) 139 and 141 of the Companies Act, 2013 and rules framed thereunder and that they are not disqualified for appointment as Auditors within the meaning of the said Act, The Chartered Accountants Act, 1949 and the rules and regulations made thereunder.

The Board of Directors has re-appointed Messrs D. Sabyasachi & Co., Cost Accountants, as Cost Auditors for conducting audit of the cost records/accounts maintained by the Company in respect of specified products of the Company covered under the Companies (Cost Records and Audit) Amendment Rules, 2014 and fixed their remuneration based on the recommendation of the Audit Committee. The remuneration payable to Cost Auditors is subject to ratification by the shareholders in the ensuing Annual General Meeting of the Company.

AUDITORS' REPORT

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

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Messrs R.K.Mishra & Associates, Company Secretaries (PCS Registration no.14474) were appointed to undertake the Secretarial Audit of the Company for the year ended March 31, 2016. The Report of the Secretarial Auditor is given in Annexure-II, which is attached hereto and forms a part of the Directors' Report.



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

RELATED PARTY TRANSACTIONS

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

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

SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES

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

Birla Ericsson Optical Limited, an existing joint venture company, established in pursuance to a Joint Venture Agreement entered into by your Company alongwith Universal Cables Ltd. and Ericsson Cables AB, Sweden and engaged in the business of manufacturing and sales of Telecommunication Cables and other types of specialty wire and cables has achieved satisfactory financial performance. During the year under review, a new company in the name and style of "Birla Visabeira Private Limited", was incorporated as a joint venture company on September 15, 2015, in pursuance to a Joint Venture Agreement entered into by and between your Company and Visabeira Global SGPS., SA, Portugal with the main objectives of undertaking project business for network engineering services, construction of infrastructure, installation of networks, specialised consultancy services, operation and maintenance, etc. in certain specific areas in the telecommunications and power infrastructure segments in India and abroad. The Company is in the process of bidding for certain niche projects in India.

During the year under review, Universal Cables Ltd. has been classified as an Associate Company within the meaning of Section 2(76) of the Companies Act, 2013 read with definition of the term 'Associate' as per Accounting Standard (AS)-23 "Accounting for Investments in Associates in Consolidated Financial Statements" with effect from May 15, 2015 and accordingly, the financial statements of said Associate has been dealt with in the consolidated financial statements of the Company as per equity method as provided in the said Accounting Standard.

A Statement containing the salient features of the financial statements of subsidiaries, an associate company and joint venture companies 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 and forms a part of the Annual Report.

A report on the performance of financial position of each of three wholly owned subsidiaries, an associate company and two joint venture companies, 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

In accordance with the applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, read with Accounting Standard (AS)-21 "Consolidated Financial Statements", Accounting Standard (AS)-27 "Financial Reporting of Interests in Joint Venture" and Accounting Standard (AS)-23 "Accounting for Investments in Associates in Consolidated Financial Statements", the audited Consolidated Financial Statements of the Company as of and for the year ended March 31, 2016, forms a part of the Annual Report. The Financial Statements of subsidiary companies have been prepared in the same form and manner as that of the Company.

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

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

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

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

**EXTRACT OF ANNUAL RETURN**

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

PARTICULARS OF EMPLOYEES

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

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

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

GENERAL

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

- (a) The 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, 2016.
- (b) The Managing Director of the Company does not receive any remuneration or commission from any of the subsidiaries of the Company.
- (c) 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.
- (d) The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and Rules made thereunder. During the year under review, there were no cases filed or reported pursuant to the provisions of the said Act.
- (e) There are no material changes or commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

ACKNOWLEDGEMENT

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

Yours faithfully,

Harsh V. Lodha
(DIN: 00394094)

Chairman

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Directors

Managing Director

New Delhi, May 19, 2016



**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:**

CSR Policy is stated and disclosed on the website of the Company and can be accessed from weblink: www.vtlrewa.com

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

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

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

Average Net Profit : Rs. 3422.91 lacs

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

The Company was required to spend Rs. 68.46 lacs towards CSR. However, CSR Committee and the Board of Directors of the Company approved an enhanced outlay of Rs. 75.00 lacs towards CSR Expenditure for the financial year 2015-16.

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

- (a) **Total amount spent for the financial year** : Rs. 75.00 lacs
(b) **Amount unspent, if any** : Nil
(c) **Manner in which the amount spent during the financial year is detailed below:**

CSR Project or Activities	Sector	Location	Amount outlay (budget) project or programme wise	Amount spent on the projects or Programmes	Cumulative Expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1. Installing an electronic hardware for establishment of a supportive system for conducting a light and sound show in the premises of the war memorial.	Measures for the benefit of armed forces veterans, war widows and their dependents	Indian Army western command HQ at Chandimandir (Punjab), a territory in which EPC Division of the Company is executing a turnkey contract known as "Network for Spectrum" project.	Rs. 10.00 lacs	The entire allocated amount has been spent on the specified projects directly without any element of overhead having been included therein.	Rs. 90.00 lacs (including Rs. 15.00 Lacs pertaining to financial year 2014-15 and spent in the same year)	Rs. 75 lacs, the entire amount was spent through the implementing agency, "Madhav Prasad Priyamvada Birla Apex Charitable Trust" which is duly registered under Section 12A of the Income Tax Act, 1961.
2. Providing proper workshops and Installation of latest training equipments, tools, etc. at M.P. Birla Industrial Training Institute (Private) Rewa	Promoting education and employment enhancing skills	At local area within which the manufacturing facility of the Company is situated (District Rewa in the state of Madhya Pradesh)	Rs. 47.01 lacs			
3. Development of Garden and Face lift of the surrounding area	Ensuring Environment Sustainability Green Land Development	-do-	Rs. 2.45 lacs			
4. Safe Drinking Water for nearby Residents of the local area	Making available safe drinking water	-do-	Rs. 2.45 lacs			
5. Solar Power Panels and related equipment/ set up.	Conservation of natural resources	-do-	Rs. 13.09 lacs			

We hereby confirm that the implementation and monitoring of the CSR Policy is in accordance with the CSR objectives and Policy of the Company.

**Y.S. Lodha
Managing Director**

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



**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

[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 ('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, 2016 complied with the statutory provisions listed hereunder 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, 2016 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 and the Regulations and Bye-laws framed thereunder ;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder ;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).
- (vi) The Factories Act, 1948;
- (vii) The Industrial Dispute Act, 1947;
- (viii) The Payment of Wages Act, 1936;
- (ix) The Minimum Wages Act, 1948;
- (x) The Employees State Insurance Act, 1948;



- (xi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (xii) The Payment of Bonus Act, 1965 and Payment of Bonus (Amendment) Act, 2015;
- (xiii) The Payment of Gratuity Act, 1972;
- (xiv) The Contract Labour (Regulation and Abolition) Act, 1970;
- (xv) The Maternity Benefits Act, 1961;
- (xvi) The Child Labour Prohibition and Regulation Act, 1986;
- (xvii) The Apprentices Act, 1961;
- (xviii) The Equal Remuneration Act, 1976;
- (xix) The Employment Exchange (Vacancies) Act, 1976;
- (xx) The Environment (Protection) Act, 1986;
- (xxi) The Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2008;
- (xxii) The Water (Prevention and Control of Pollution) Act, 1974;
- (xxiii) The Air (Prevention and Control of Pollution) Act, 1981;
- (xxiv) The Indian Contract Act, 1872;
- (xxv) The Income Tax Act, 1961 and Indirect Tax Laws; and
- (xxvi) The Indian Stamp Act, 1999 and other applicable labour laws.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended (with effect from December 1, 2015).

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

I further report that Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors, Independent Directors. 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 in the Secretarial Standard issued by ICSI and/or with respect to Unpublished Price Sensitive Information at a shorter period with the unanimous general consent of all directors including Independent Directors 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 are 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 / debentures / sweat equity.
- (ii) Redemption / buy-back of equity shares.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaboration.

However the members of the Company have passed following resolution through postal ballot on 14th January, 2016:



- Ordinary Resolution pursuant to applicable provisions of the Companies Act, 2013 and applicable provisions of Listing Agreement/ Regulations for authority to the Board of Directors to enter into contracts/arrangements/ transactions with Birla Furukawa Fibre Optics Private Limited, a related party.

For R.K. Mishra & Associates
Company Secretaries

Kishor Kumar Gupta
Partner
CP No. 14474
ACS No. 38776

Place : Satna
Date : May 19, 2016

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 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records 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. The verification was done on test basis to ensure that correct facts are reflected in secretarial 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.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R.K. Mishra & Associates
Company Secretaries

Kishor Kumar Gupta
Partner
CP No. 14474
ACS No. 38776

Place : Satna
Date : May 19, 2016



FORM 'AOC-2'

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

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, 2016.
- (2) **Details of material contracts or arrangement or transactions at arm's length basis:**
- (a) **Name of the related party and nature of relationship:** Birla Furukawa Fibre Optics Private Limited (BFFOPL), a private limited company having common Directors.
- (b) **Nature of contracts/arrangements/transactions:** Purchase of various types and grades of optical fibre, a principal raw material for manufacturing optical fibre cable, sale of raw materials besides other transactions including reimbursement of expenses or other obligations, etc.
- (c) **Duration of the contracts/arrangements/transactions:** On going 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 Rs. 250 Crores (Rupees Two Hundred and Fifty Crores) per financial year.
- (d) **Salient terms of the contracts or arrangement or transactions including the value, if any, (Financial Year 2015-16):**
- (i) Purchase of various types and grade of optical fibre, a principal raw material for manufacturing optical fibre cable – Rs. 4069.28 lacs.
- (ii) Sale of raw material – Rs. 12.71 lacs.
- (iii) Lease rent received for residential flats given on operating lease – Rs. 1.98 lacs.
- The salient terms of contracts or arrangements or transaction were:
- (i) Purchase and sale of raw materials- 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.
- (ii) Operating lease for residential flats is for 11 months at a time at fixed rent payable monthly and determined based on prevalent rent of similar accommodation in the vicinity.
- (e) **Date of approval by the Board, if any:** Board of Directors approved on November 6, 2015, subject to approval of members. Shareholders approval was obtained on January 14, 2016.
- (f) **Amount paid as advances:** Nil

Yours faithfully,

Harsh V. Lodha
(DIN: 00394094)

Chairman

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Directors

Managing Director

New Delhi, May 19, 2016



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 percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel(KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2015-16 (₹ in lacs)	% increase in Remuneration in the financial year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Shri Y.S.Lodha (Managing Director)	101.07	31.00	57.43:1	The Revenue from Operations (Gross) of the Company increased by 47.70% and Profit after Tax increased by 33.71%.
2	Shri Saurabh Chhajer (Chief Financial Officer)	19.26	6.50*	10.94:1	
3	Shri Ashok Mishra (Company Secretary)	12.28	28.22*	6.98:1	

* Computed on annualized basis as Shri Saurabh Chhajer and Shri Ashok Mishra were employed for the part of the year in previous financial year 2014-15.

Note: No other Director except the Managing Director received any remuneration other than sitting fees during the financial year 2015-16.

- (ii) The median remuneration of employees of the Company during the financial year 2015-16 was ₹.1.76 lacs.
- (iii) In the financial year 2015-16, there was an increase of 7.58% in the median remuneration of employees.
- (iv) There were 553 permanent employees on the rolls of Company as on March 31, 2016.
- (v) Relationship between average increase in remuneration and company performance: The Profit after Tax for the financial year ended March 31, 2016 increased by 33.71% whereas the increase in median remuneration was 7.98%. The average increase in median remuneration was in line with the performance of the Company and partly on individual employee's performance.
- (vi) Comparison of remuneration of the each Key Managerial Personnel against the performance of the Company:

Designation	Percentage Increase in Remuneration of KMP	Percentage Increase (Decrease) in Profit (Loss) of the Company	Percentage Increase (Decrease) in Revenue from operations(Gross) of the Company
Managing Director	31.00	33.71%	47.70%
Chief Financial Officer	6.50	33.71%	47.70%
Company Secretary	28.22	33.71%	47.70%

- (vii) Variations in the market capitalization of the Company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in market quotation of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.

Name of Stock Exchange	Closing Market Price per Share (₹)		Percentage increase	Price Earnings Ratio		Market Capitalisation (₹ in lacs)	
	As on 31.03.2015	As on 31.03.2016		As on 31.03.2015	As on 31.03.2016	As on 31.03.2015	As on 31.03.2016
BSE	500.00	623.50	24.70%	10.24	9.55	59254.32	73890.13
NSE	506.90	624.75	23.25%	10.39	9.57	60072.02	74038.27

The Company has not made any Public Issue or Rights Issue of securities in the last 10 (Ten) years, and therefore no comparison has been made of current share price with public offer price.

The Company's shares are listed on BSE Limited and The National Stock Exchange of India Limited.



- (viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2015-16 was 15.07% whereas the increase in the managerial remuneration for the same financial year was 31.00%.
- (ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors and Senior Management Personnel.
- (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: The Managing Director is the highest paid Director. No employee received remuneration higher than the Managing Director.
- (xi) It is hereby affirmed that the remuneration paid during the year ended March 31, 2016 is as per the Remuneration Policy of the Company.



FORM NO.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[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 : 27th January, 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 Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West), Mumbai-400078
Telephone No.(022)25946970, Fax No.(022)25946969
E-mail: rnt.helpdesk@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 are stated as under

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	43.76
2	Engineering, Procurement and Construction (EPC)	4220	56.24

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	August Agents Limited , C/o Birla Building, 4 th Floor, 9/1, R.N. Mukherjee Road, Kolkata-700001 (W.B.)	U51109WB1996PLC076597	Subsidiary	100.00	2(87)(ii)
2.	Insilco Agents Limited, C/o Birla Building, 4 th Floor, 9/1, R.N. Mukherjee Road, Kolkata-700001 (W.B.)	U51109WB1995PLC074406	Subsidiary	100.00	2(87)(ii)
3.	Laneseda Agents Limited, C/o Birla Building, 4 th Floor, 9/1, R.N. Mukherjee Road, Kolkata-700001 (W.B.)	U51909WB1995PLC075959	Subsidiary	100.00	2(87)(ii)
4.	Punjab Produce Holdings Limited, C/o Birla Building, 9/1, R.N. Mukherjee Road, Kolkata-700001 (W.B.)	U70109WB1995PLC074449	Associate	48.00	2(6)
5.	Birla Visabeira Private Limited, Commercial Plaza, 2 nd 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 Ericsson Optical Limited, Udyog Vihar, P.O. Chorhata, Rewa-486006 (M.P.)	L31300MP1992PLC007190	Associate	13.33	2(6)
8.	Birla Corporation Limited, C/o Birla Building, 4 th Floor, 9/1, R.N. Mukherjee Road, Kolkata-700001 (W.B.)	L01132WB1919PLC003334	Associate	8.29	2(6)

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



IV. 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 01.04.2015				No. of Shares held at the end of the year as on 31.03.2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
(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	5124105	5200	5129305	43.28	5129305	-	5129305	43.28	NIL
(e) Bank/Fl	-	-	-	-	-	-	-	-	NIL
(f) Any other	-	-	-	-	-	-	-	-	NIL
Sub-Total (A) (1)	5152105	5200	5157305	43.52	5157305	-	5157305	43.52	NIL
(2) Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	NIL
(b) Other-Individuals	-	-	-	-	-	-	-	-	NIL
(c) Bodies Corporate	-	-	-	-	-	-	-	-	NIL
(d) Bank/Fl	-	-	-	-	-	-	-	-	NIL
(e) Any other	-	-	-	-	-	-	-	-	NIL
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	NIL
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	5152105	5200	5157305	43.52	5157305	-	5157305	43.52	NIL
B. Public Shareholding									
(1) Institutions									
(a) Mutual Fund	1066477	400	1066877	9.00	1072901	400	1073301	9.06	(+) 0.06
(b) Bank/Fl	100	6254	6354	0.05	6773	4754	11527	0.10	(+) 0.05
(c) Central Government	-	-	-	-	-	-	-	-	NIL
(d) State Government(s)	-	-	-	-	-	-	-	-	NIL
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(f) Insurance Companies	-	-	-	-	-	-	-	-	NIL
(g) FIs	1110491	700	1111191	9.38	471310	700	472010	3.98	(-) 5.40
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(i) Other (Specify)	-	-	-	-	-	-	-	-	NIL
Sub-Total (B) (1)	2177068	7354	2184422	18.43	1550984	5854	1556838	13.14	(-) 5.29
(2) Non-Institutions									
(a) Bodies Corporate									
(i) Indian	359238	10280	369518	3.12	599155	10080	609235	5.14	(+) 2.02
(ii) Overseas	-	-	-	-	-	-	-	-	NIL
(b) Individuals									
(i) Individual Shareholders holding nominal Share Capital upto Rs.1 lac	673667	285228	958895	8.09	1082892	270218	1353110	11.42	(+) 3.33
(ii) Individual Shareholders holding nominal Share Capital in excess of Rs.1 lac	1826198	-	1826198	15.41	1745767	-	1745767	14.73	(-) 0.68
(c) Others (Specify) -									
(i) Trusts, Societies, etc.	1253886	-	1253886	10.58	1254886	-	1254886	10.59	(+) 0.01
(ii) NRIs/OCBs	38550	35676	74226	0.63	93661	35023	128684	1.08	(+) 0.45
(iii) Clearing Members/ Clearing House	26413	-	26413	0.22	45038	-	45038	0.38	(+) 0.16
Sub-Total (B) (2)	4177952	331184	4509136	38.05	4821399	315321	5136720	43.34	(+) 5.29
Total Public Shareholding (B)=(B)(1)+(B)(2)	6355020	338538	6693558	56.48	6372383	321175	6693558	56.48	NIL
C. Shares held by Custodian for GDRS & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	11507125	343738	11850863	100.00	11529688	321175	11850863	100.00	NIL



(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2015			Shareholding at the end of the year as on 31.03.2016			% 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.	Madhya Pradesh State Industrial Development Corporation Ltd.	28000	0.24	-	28000	0.24	-	NIL
6.	Baroda Agents & Trading Co. Pvt. Ltd.	15100	0.13	-	15100	0.13	-	NIL
7.	Gwalior Webbing Co.Pvt.Ltd.	8848	0.07	-	8848	0.07	-	NIL
8.	Birla Financial Corporation Ltd.	100	-	-	100	-	-	NIL
9.	East India Investment Co.Pvt.Ltd.	100	-	-	100	-	-	NIL
10.	Hindustan Gum & Chemicals Ltd.	100	-	-	100	-	-	NIL
11.	Birla Ericsson Optical Ltd.	100	-	-	100	-	-	NIL
Total		5157305	43.52	-	5157305	43.52	-	NIL

(iii) Change in Promoter's Shareholding (please specify, if there is no change)

Promoter's Shareholding	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	No change during the year			
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	No change during the year			
At the end of the year	No change during 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		Cumulative Shareholding during the year	
		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	1164286	9.82
2.	Reliance Capital Trustee Co. Ltd.-A/c Reliancesmall Cap Fund	826916	6.98	843216	7.12
3.	Acacia Partners, LP	476755	4.02	255000	2.15
4.	Shyamadevi Agrawal	297120	2.51	297120	2.51
5.	Acacia Institutional Partners, LP	283881	2.40	181800	1.53
6.	Acacia Banyan Partners	196800	1.66	10000	0.08
7.	Rachanadevi Agrawal	189236	1.60	19507	0.16
8.	Seetha Kumari	166171	1.40	223582	1.89
9.	Reliance Capital Trustee Co. Ltd.-A/c Reliance Capital Builder Fund-SR A	127500	1.08	127500	1.08
10.	Acacia Conservation Fund LP	115086	0.97	-	-
11.	Geeta Harsh Agrawal	-	-	201179	1.70
12.	Rachnadevi Raju Agarwal	-	-	153240	1.29
13.	Bang Securities Pvt. Ltd.	-	-	153000	1.29

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

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	None of the Directors and KMP holds Shares in the Company			
Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	None of the Directors and KMP holds Shares in the Company			
At the end of the year	None of the Directors and KMP holds Shares in the Company			

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

(Rs.in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	16433.10	13800.00	-	30233.10
(ii) Interest due but not paid	-	-	-	41.40
(iii) Interest accrued but not due	41.40	-	-	-
Total (i+ii+iii)	16474.50	13800.00	-	30274.50
Change in Indebtedness during the financial year				
• Addition				
- Principal Amount	-	4450.00	-	4450.00
- Interest due but not paid	-	-	-	-
• Reduction(-)				
- Principal Amount	(-)2979.51	-	-	(-)2979.51
- Interest due but not paid	(-)0.20	-	-	(-)0.20
Net Change [(+)/(-)]	(-)2979.31	4450.00	-	1470.29
Indebtedness at the end of the financial year				
(i) Principal Amount	13453.59	18250.00	-	31703.59
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	41.60	-	-	41.60
Total (i+ii+iii)	13495.19	18250.00	-	31745.19

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director**

Sl. No.	Particulars of Remuneration	Name of Managing Director—Shri Y.S. Lodha Amount (Rs. in lacs)
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	75.60
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	18.38
	(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 (Company's contribution to Provident and Superannuation Fund(s) to the extent not taxable)	7.10
	Total (A)	101.08



B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Director					Total Amount (Rs. in lacs)
		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	3.70	3.65	2.95	1.70	1.60	13.60
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	3.70	3.65	2.95	1.70	1.60	13.60
2.	Other Non-Executive Directors	Shri Harsh V. Lodha		Shri D.R. Bansal	Shri Pracheta Majumdar		
	Fee for attending Board/ Committee meetings	1.60		1.40	3.60		6.60
	Commission	-		-	-		-
	Others, please specify	-		-	-		-
	Total (2)	1.60		1.40	3.60		6.60
	Total (B)=(1+2)						20.20

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Shri Ashok Mishra Company Secretary	Shri Saurabh Chhajjer, CFO	Total (Rs. in lacs)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	5.62	10.08	15.70
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	6.66	9.18	15.84
	(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	-	-	-
	Total (C)	12.28	19.26	31.54

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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



ANNEXURE-VI

STATEMENT OF PARTICULARS OF EMPLOYEE AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2016.

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 (Rs. in lacs)	Previous employment/ designation before joining the Company
Shri Y.S. Lodha	Managing Director	Contractual	B.Com, F.C.A., A.C.S.	52	04.11.2006	29	101.08	Birla Ericsson Optical Ltd., Rewa, President & Secretary

Notes: (1) Gross remuneration comprises of Salary and Allowances, Company's contribution to provident fund, superannuation fund, perquisites/benefits but specifically does not include provision/payment towards incremental liability on account of gratuity and compensated absences since actuarial variation is done for the Company as a whole.

(2) Shri Y.S.Lodha himself or alongwith his spouse and dependent children, neither holds 2% or more of the equity share capital of the Company nor he is a relative of any Director of the Company.

Yours faithfully,

Harsh V. Lodha
(DIN: 00394094)

Chairman

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Directors

Managing Director

New Delhi, May 19, 2016



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 has a well structured energy management system in place and regular efforts are made to optimize process parameters and energy conservation. Additionally, while undertaking modernization and technological upgradation of production facilities, due consideration is also given in selection of plant and equipments which conforms to the best in class energy conservation parameters. The other identified key initiatives for conservation of energy during the year were -

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

- Plant offices conventional tube lights replaced with LED lights, Plant HPMV lamps replaced by High Bay LED lights and HPSV street lights replaced by LED lights resulting in total saving of approximately Rs. 5 lacs per year.
- Power Factor is maintained above 0.99 enabling maximum possible rebate in monthly HT power supply Bill.
- Re-alignment of plant layout for smooth process flow, better efficiency and minimum material movement.
- Operation of water lifting pump interlocked with level sensor. Old pumps of lower efficiency replaced with pumps having substantially higher efficiency.
- Ducting of air conditioning system for UPS room and replacement of old Triometric type and window Air-conditioners with new ductable Air-conditioners of overall lower capacity.
- Relocation of capacitor bank near load center to save energy loss in the cable.
- Exhaust duct installed in the water chiller at Secondary Coating area to reduce heat load on Air conditioner.
- Continuous focus on optimum use of power and creating awareness among all employees to prevent misuse of energy at all levels.

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

- Company is in the process of installing Solar Water heater for hot water trough in secondary coating lines.

(iii) The capital investment on energy conservation equipments:

- Capital expenditure has not been accounted for separately.

(B) Technology absorption:

(i) The efforts made towards technology absorption:

- With new and changing customer requirements the product designs are customized to meet their requirement.
- Process engineering is being done on continuous basis at all stages of production to meet the highest standard of manufacturing.
- Redefining the market place with disruptive innovation and development of newer products; and
- Continuously investing in new equipments, people and machines for manufacturing new products keeping in mind the future requirement of customer and to expand into new market segments.

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

- Flexible and agile manufacturing, keeping pace with rapid changing market needs. Launch of new products, improvements in productivity and overall operating efficiency;
- Better engagement with customer to understand their requirements and needs;
- Development of products meeting wider applications by modifying manufacturing processes; and
- Differentiated products, improved service delivery and customer satisfaction.

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

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

(iv) The expenditure incurred on Research and Development:

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



(C) Foreign exchange earnings and Outgo:

Details of foreign exchange earning and outgo are contained in Note No.44(a),44(b) and 44(e) of the Notes to the Financial Statements.

Yours faithfully,

Harsh V. Lodha
(DIN: 00394094)

Chairman

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Directors

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Managing Director

New Delhi, May 19, 2016



Management Discussion and Analysis

INDUSTRY STRUCTURE AND DEVELOPMENTS

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

Over the years, the telecom copper cable requirement has shrunked substantially, as the incumbent basic telephone service providers are the only users and that too mainly for maintenance of the legacy copper cable centric telecom networks. The main reason behind this is large scale rollout of optical fibre cable networks on a pan India basis by the telecom operators riding on its advantageous cost and advancements in the optical networking technology which offers high speed and enormous bandwidth benefits. However, with different construction using quad structure, Railways are using these copper cables albeit in low volumes unlike telecom operators used to in the past.

Due to its near infinite bandwidth carrying capacity, optical fibre cables have become a primary medium of communication in present day telecom networks which is playing a major role, starting from backbone, access, metro, intra-city and final premise distribution networks. All high speed data centric applications in both 3G and 4G LTE networks invariably warrant the use of optical fibre cables, thereby driving the demand for optical fibre cables in a big way. The telecom service providers are increasingly adapting to optical fibre even in the cell sites connecting the active equipment with optical fibre to derive the advantages it offers with excellent bandwidth carrying capabilities.

India is currently the second largest telecommunication market by subscribers after China and has the third largest number of internet users in the world. India's telephone subscriber base expanded at a CAGR of 20% to 1043 million over the fiscal year ended March, 2007 – March, 2016. Telecom industry in the country is seeing lot of enthusiasm due to robust growth in the penetration of smartphones, tablets which are clearly helping the digital revolution among the masses. The high octane growth in the social media, cloud computing and high bandwidth applications necessitate the need for a robust communication medium which is clearly favouring the widespread use of optical fibre cables across all types of modern telecommunication networks. India is therefore projected to be a rare bright spot in the telecommunications industry with a manifold increase in LTE subscriptions in the year 2016-17, allowing millions of people to benefit from the digital economy. Further, the smart cities initiatives by the Government are an attractive opportunity, interalia, in the areas of ICT infrastructure over the next few years.

Despite the importance of wireless and notwithstanding the availability of adequate and robust mobile networks, sustainability in broadband and telecom is not possible without enough optical fibre all over the country. India is at tremendous disadvantage compared to modern digital regimes of the US, Europe, China, etc. If not remedied quickly, this handicap could become an increasingly formidable challenge for the achievement of Broadband for All and Digital India initiatives since these demand tremendous data back-haul capacity, far beyond the limits of most microwave solutions. Therefore, the pace of growth and improved quality of mobile broadband services i.e. voice, data and video can be achieved only on the back of robust towers and optical fibre infrastructure. This, in turn, is driving demand for infill sites and backhaul networks.

The EPC Division of the Company currently concentrates on three primary business verticals viz. Telecom, Power and Sewerage Projects. In Telecom, it provides solutions in trenching and laying of optical fibre cables, installation and commissioning of telecom equipments, FTTx installation, civil work and operation & maintenance of network. In the power domain the services are offered to the power transmission and distribution sector with a focus primarily in the power distribution networks including those in rural India, renovation and augmentation of existing distribution systems, underground transmission, feeder segregation, installation of High Voltage Distribution System (HVDS) and Low Voltage Distribution Systems (LVDS), distribution lines, substation and transmission lines, capacitor bank and end to end LED lighting solutions, etc. The Company has also gained credential in city sewerage projects which are being executed through trenchless technology.

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

BUSINESS REVIEW AND OUTLOOK

The Government of India has unleashed its ambitious "Digital India" programme which will be powered by National Optical Fibre Network (NOFN) project as the triumph of Digital India rests on the robustness of its telecom sector. The NOFN which is now rechristened as "Bharat Net", aims to cover the countryside through a broadband network which will connect 250,000 gram panchayats with a bandwidth of 100 Mbps (megabits per second) by laying more than One Million KMs of Optical Fibre Cables. During the year under review, the NOFN Project implementation gained momentum leading to increased volume of consumption of optical fibre cables. This trend is likely to continue in the current year which will enhance the prospects of telecom cable industry to new heights. Other than the NOFN project, Government's Network For Spectrum (NFS) project has also consumed huge volumes of specialty optical fibre cables to free up the spectrum held by our country's armed forces for commercial use. This project will also involve some off-take of optical fibre cables for its continuous operation and maintenance purposes in the coming years. In addition, almost all private sector telecom service providers are upgrading their networks to offer high speed 4G telecom services and this change in the industry warrants the high volume usage of optical fibre cables not only in the backhaul, intra-city, metro and access networks but also upto the level of Antenna connecting the Radio base stations. This has already changed the telecom industry's



landscape in terms of high data usage growth which in turn is driving up the usage of optical fibre cables on a mass scale. Further growth in telecom infrastructure will be driven by a mix of operator-led-demand and public sector investments. The expansion of 3G coverage beyond cities, 4G network rollouts by all major operators, and the deployment of in-building solutions and microcells for increasing capacity will drive significant telecom infrastructure demand. The acquisition of additional spectrum will drive network expansion by incumbent operators as well as investments in telecom infrastructure. Further, high speed data networks will drive backhaul fiberisation. Meanwhile, the Government's BharatNet and Smart Cities projects will be the key enablers for investments in broadband infrastructure.

Recognising these new opportunities and the imperatives arising from the challenges in terms of cost reduction of networks based on advances in technology, the Company has transformed its business model and is well geared to capture the projected upswing in demand for optical fibre cables as a total solution provider. The Company now holds tremendous strengths to offer its products and services on a turn-key basis to reap benefits in an optimised way. The Company also continues to focus on its strategic initiative of re-aligning its products portfolio towards emerging demand of optical fibre cables from various newer applications including for Fibre-To-The-Home (FTTH) roll out by leading 3G/4G service providers and fiberisation of telecom towers.

Fibre-To-The-Home (FTTH) services, has already picked up its steam due to its huge advantages in terms of offerings of triple play services (Voice, Video and Data). The latest innovation in the technology front is driving down its cost of deliverables and ultimately it is finding favour in the cost effective business model consideration by the telecom service providers. Your Company with constant innovation and continuous improvement in its products and services offerings is geared up to seize the business opportunities for optical fibre cables emanating from FTTH networks building up in India.

The EPC Division of the Company continued its steady growth focusing on executing certain prestigious projects it won and exploring the opportunities being thrown open with the Governments thrust on Infrastructure. The prestigious "Network for Spectrum" project is being rolled out by the telecom vertical as per schedule, as revised, with leading position as compared to all its peers, which enhanced brand image of the Company in project execution capabilities as well. The Power vertical is executing five projects in the state of M.P. & Bihar as per the desired timelines and the Sewerage Vertical won two new projects on turnkey basis.

From low sentiments and adverse macroeconomic indicators, the Indian economy has vastly improved over the last two years. Inflation is declining and the current account deficit shriveling, exerting downward pressure on long-term interest rates. With the reforms having been initiated in a number of areas and many major ones on the horizon, the proposed welcome measures by the Government of India are throttling investment in the various infrastructure sector including Smart Cities project, expansion of ICT, and Broadband Networks, etc. This technology oriented project initiatives, will definitely give the desired impetus to the Company in leveraging the strengths from both its manufacturing and services business segments. To exploit these emerging opportunities, the Company's EPC Division has already firmed up its plans by way of building up from its own strengths and also working with technology partners in the relevant field to cater to the varied requirements of these new-age projects.

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. witnessed a marginal decrease from Rs.48514.16 lacs in the previous year to Rs.46981.88 lacs, during the year under review. However, the increase in revenue from OFC business at Rs.36050.78 lacs as compared to Rs.33262.49 lacs in the previous year is reasonably satisfactory, reflecting gradual shift in business model towards OFC segment. The Company has been constantly looking for export opportunities in this area and trying to expand the customer base across wider geography.

There is always a pressure on domestic price levels of telecom cables which gets amplified by the cut-throat competition from over capacity in the domestic cable industry. This prompted Company to change its strategy by offering turn-key business model by providing total solutions to the end users thereby keeping the customer base intact and leverage on the strengths of superior offerings from both products and services segments.

By way of continuous innovation and new product development drives, the Company is able to drive growth despite competitive environment prevailing in the industry and with the current trend of building up huge data capable networks, the optical fibre cables have already become the centre stage of telecom revolution happening in the country and it will definitely boost the Company's growth prospects. The ongoing projects from both public and private sector players coupled with future projects on the anvil, will definitely help the Company to reap the benefits in a substantial way.

Sale of Services (EPC Contracting/Turnkey Services)

Company's efforts to reap the benefits from some of the big ticket infrastructure projects have yielded excellent results, by relying upon its credentials in delivering turnkey projects timely with contemporary execution capabilities in power and telecommunications business verticals. Also the Sewerage Pipeline building vertical is performing satisfactorily with healthy order book.

In the Telecom Vertical, the Company won one package of the Defence NFS Project as a lead bidder and has been awarded the contract to roll-out state-of-the-art Intrusion Proof Network for Defence Services in the states of Himachal Pradesh, Punjab, Haryana and Delhi & NCR. The Company also received an Annual Maintenance Contract for maintaining the Network for a period of seven years as per the terms of the contract/tender at pre-determined prices. This project is being executed under the period under review



and expected to get completed in the current year. During the financial year 2015-16, a project worth Rs.475 Crores has been bagged in the Power Vertical for strengthening of Distribution Network under special plan (BRGF-Phase II) in the state of Bihar. The Company's EPC division is expected to fair well during the ensuing year with current order book totaling more than Rs. 900 Crores in all three verticals i.e. power, telecom and sewage systems, which re-assures sustainable business model in infrastructure business. Also the experience of executing these projects would create credentials required to be eligible for new mega projects and explore for opportunities outside India also.

With the Government's thrust on creating world class infrastructure in the country, the EPC Segment of the company is likely to grow at a higher pace.

OVERALL REVIEW

During the year under review, your Company's performance has witnessed significant improvement. The Company has increased its market share in domestic business and also achieved sustained business through exports besides excellent growth in EPC Division business activities.

FINANCIAL REVIEW

- The revenue from operations (gross) increased by a robust 47.70% to Rs.102806.84 lacs in 2015-16 as compared to Rs.69606.32 lacs in the previous year.
- The aggregate other income increased to Rs.1788.18 lacs as against Rs.1023.45 lacs compared from the previous year mainly due to dividend and interest income.
- The Company achieved profit before depreciation and tax of Rs.12899.41 lacs as against profit before depreciation of Rs.7497.38 lacs as compared to previous year mainly due to higher contribution from both the business segments.
- The finance costs are higher at Rs.5288.34 lacs (previous year Rs.3389.07 lacs) due to utilization of working capital limits.
- There was no change in the capital structure during the year. However, the increase in Reserves & Surplus by Rs 7328.41 lacs is majorly because of the net profit in the current year.
- The additions to the fixed assets of Rs.2419.04 lacs during the year mainly consist of capital expenditure incurred for augmenting production capacity of the Company's OFC Unit.
- The inventory has slightly decreased to Rs.7725.48 lacs as on March 31, 2016 from Rs.8006.64 lacs as at the end of the previous year.
- The trade receivables level at Rs.40008.90 lacs as on March 31, 2016 as compared to Rs.35169.05 lacs as on March 31, 2015 has increased due to higher sales in the EPC Division and retention money withheld by the customers of EPC Division as per the governing terms of the contracts awarded to the Company.
- For detailed information on the financial performance with respect to operational performance, a reference may please be made to the financial statements.

OPPORTUNITIES, THREATS & BUSINESS OUTLOOK

- The Government's flagship scheme of giving a boost to Indian Manufacturing Sector through the implementation of "Make in India" to provide larger market access to domestic manufacturing companies and also to provide greater employment opportunities will definitely give opportunities to the domestic cable industry and the mandate of the Government to follow Preferential Market Access Policy (PMA) may provide sustained demand for telecom cables to domestic manufacturers.
- Historically Indian Telecom Cable Segment market reeled continuously under low price realization levels due to less than utilized capacity of this industry. Despite this competitive scenario in the industry, it is buoyant considering the roll-out of big ticket infrastructure creation initiatives from both Government driven and private sector funded projects will give continuous traction for the telecom cable industry.
- By 2018, India is slated to become the top user of smartphones by the masses as per the recent market research and survey reports, as this propelling a very high growth in data traffic. This data traffic growth with quality service is possible only with the large scale deployment of optical fibre cables in the telecom network which would lead to sustained growth in telecom cable industry in long term.
- As part of the de-risking drive by the Company, the customer base is being widened to insulate itself from over-dependence on some leading customers by way of wide range of product offerings and innovation by way of competitive price listings in a customized manner.
- Withdrawal of concessional basic customs duty on one of the key raw material for optical fibre affects the price levels of finished cable products to an upward trajectory. This complicates the decent price realization efforts put in by the Company with the end users. This will further put pressure on the Company in already prevailing highly competitive market.
- Telecom Sector is impacted substantially by government policies and investment. While no reversal in the planned investment is envisaged, prices and demand are definitely subject to changes in policies on tendering and indenting. However, as



explained above the Government's ambitious targets for telecommunication expansion and broadband penetration seamlessly upto village levels should see favourable regulatory environment in India.

- Entry of some new domestic cable players and also established overseas players' entry into the raw material field in the country will definitely affect the competitive price dynamics of the industry in the short term, but the increased demand in the long term is expected to off-set these developments.
- Right-of-the-Way (RoW) is the major concern for any infrastructure building Company. As the EPC division of the Company executes various projects, there are always threats of time delays in obtaining permission from relevant authorities and this will cause the project with cost over-run as well. This affects the working capital cycle as cash flow gets disturbed due to this unforeseen circumstances beyond the reasonable control of the Company. However, the company has put in place various contingency mechanisms in the system to ward off this kind of risks. There is always a need for simplifying the procedures and formalities to be done in this kind of risks from the Government side which were seen in some of the projects like NFS in terms of facilitating RoW permissions well before the project start-up.
- Rising Human Resource challenges like workforce planning, retention, succession planning and skill gaps will play crucial role for the sustained viability and continuing success of the Company's businesses and can be categorised as Human Capital Risk to be dealt with as an important matter for future growth of both Cables and EPC business segments.

RISKS AND CONCERNS

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

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

Your Company has a defined risk management strategy with senior management identifying potential risk, evolving mitigation responses and monitoring the occurrence of risk.

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 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, rules and guidelines for conducting business transactions, ensuring reliability of financial controls and compliance with applicable laws and regulations.

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 Auditors regularly brief the Management and the Audit Committee on their significant audit observations/findings and also on the steps to be taken with regard to deviations, if any. The Audit Committee also reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, if any.

ENVIRONMENT & SAFETY

The Company successfully continued with the implementation of occupational health and safety, quality and environmental protection measures and these are ongoing processes at the Company's plant and facilities. Various proactive measures have also been adopted and implemented which, inter alia, include adoption of cleaner technologies wherever feasible, conservation of resources through waste reduction and training of employees with a focus on sustainable development by improving standards on safety and environment protection. As a recognition of these objectives, the entire range of products of the Company continue to remain certified to the requirement of international standard ISO 14001:2004 by the Det Norske Veritas (DNV).

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 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 preparing the organisation for the next generation of leadership 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. Training needs are identified in systematic manner and regular training programmes are organised both in house and external. The Board records its appreciation of the commitment and support of the employees. The Company employed 553 numbers of permanent employees on its Roll as on March 31, 2016.

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

CAUTIONARY STATEMENT

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



Report on Corporate Governance

Pursuant to Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Report on Corporate Governance for the year ended March 31, 2016 is set out below:

1. CORPORATE GOVERNANCE PHILOSOPHY

Good Corporate Governance is an integral part of the Company's Management and Business Philosophy.

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

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

2. BOARD OF DIRECTORS

The present strength of the Board of Directors is Nine (9) including one Woman Director. The Company has a regular Non-Executive Chairman. The number of Independent Directors on the Board is Five (5), which is more than half of the total number of Directors and the number of Non-Executive Directors is Eight (8), which is more than fifty percent of the total number of Directors, as laid down under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors on the Board is a member in more than Ten (10) committees or acts as chairman of more than Five (5) committees across all the companies in which he/she is a Director. The necessary disclosures regarding Committee memberships/ chairmanships have been made by the Directors. Further, none of the independent directors serves as such on the Board of more than Seven (7) listed companies. Also they do not serve as whole-time directors on the Board of any listed company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company other than the sitting fees payable to them alongwith reimbursement of incidental expenses incurred for attending the Meeting(s) of Board of Directors and Committee thereof. The terms and conditions of appointment of Independent Directors can be accessed on the Company's website viz: www.vtlrewa.com/http://www.vtlrewa.com/pdf/T&C_Appt_Independent_Directors_VTL.pdf.

During the financial year ended on March 31, 2016, four Board Meetings were held on May 16, 2015, August 11, 2015, November 6, 2015 and February 9, 2016. The maximum time gap between any two meetings was not more than one hundred and twenty days.

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 Directorships and Committee Memberships/Chairmanships		
		Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Shri Harsh V. Lodha (Chairman)	Non-Executive	4	Yes	7	1	2
Shri J. Veeraraghavan	Independent Non-Executive	4	Yes	None	None	None
Shri S.K. Misra	Independent Non-Executive	4	No	None	None	None
Shri R.C. Tapuriah	Independent Non-Executive	3	No	6	4	2
Shri D.R. Bansal	Non-Executive	3	No	2	1	None
Shri Pracheta Majumdar	Non-Executive	4	No	1	1	None
Shri Shiv Dayal Kapoor	Independent Non-Executive	4	No	7	4	3
Smt. Kiran Aggarwal	Independent Non-Executive	4	No	None	None	None
Shri Y.S. Lodha (Managing Director)	Executive	4	Yes	None	None	None

**Notes:**

- (i) Number of other Directorships held by the Directors, as mentioned above, excludes Directorships in private limited companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and LLP's besides trustee/membership of managing committees of various trusts and other bodies / chambers and are based on the latest declarations received from the Directors. The details of Committee Membership/Chairmanship is in accordance with Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and reflect the Membership/Chairmanship of the Audit Committee and the Stakeholders Relationship Committee alone of all other public limited companies.
- (ii) None of the Non-Executive Directors/Managing Director holds any Equity Shares of the Company as per the declarations received from them.
- (iii) None of the Directors on the Board has interse relationship with other Directors of the Company.

All material information are circulated to the Directors before the meeting or placed at the meeting including minimum information as required under Regulation 17(7) read with Schedule-II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the directors have complete and unrestricted access to any information required by them to understand the transactions and take decisions. This enables the Board to discharge its responsibilities effectively and make an informed decision. The compliance report of all laws applicable to the Company as prepared and compiled by the Company Secretary is circulated to all the Directors alongwith 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. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information including brief resume and profile of a Director retiring by rotation and eligible for re-appointment at the ensuing 33rd Annual General Meeting (AGM) are given in the Notice of AGM of the Company, annexed to this Annual Report.

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, 2016 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

* Shri J. Veeraraghavan was unanimously elected as Chairman of the Audit Committee Meeting held on February 9, 2016 in the absence of Shri R.C. Tapuriah.

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.

The role of Audit Committee and information being reviewed by the Audit Committee is in accordance with Regulation 18(3) read with Part-C of Schedule-II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013 and Terms of Reference of Audit Committee, interalia, include the following:

- (i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;



- Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.
- (v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the Whistle Blower mechanism;
- (xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
- (xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

Name of the Member	Meetings held and attendance particulars				
	May 16, 2015	August, 11, 2015	November 6, 2015	February 9, 2016	March 31, 2016
Shri R.C. Tapuriah	Yes	Yes	Yes	No	Yes
Shri J. Veeraraghavan	Yes	Yes	Yes	Yes	Yes
Shri S.K. Misra	Yes	Yes	Yes	Yes	Yes
Shri Pracheta Majumdar	Yes	Yes	Yes	Yes	Yes

The meeting of the Audit Committee is 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, Chief Financial Officer and other invited executives also attended the meetings to answer and clarify the issues raised at the meetings.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of the Nomination and Remuneration Committee as approved by the Board of Directors are briefly set out below:

- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal;
- to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;



- to formulate criteria for evaluation of Independent Directors and the Board and to carry out evaluation of every director's performance; and
- to devise a policy on Board diversity.

During the year one meeting of the Nomination and Remuneration Committee was held on May 16, 2015. The Composition and the attendance of Directors at this meeting are as under:

Name of the Member	Designation	Category	Number of Meeting 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	1

The Company Secretary of the Company acts as Secretary of the Committee was present in the Meeting of Nomination and Remuneration Committee held on May 16, 2015. The Minutes of the Meeting of the Nomination and Remuneration Committee Meeting were noted at the Board Meeting.

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

4.1 Remuneration Policy

The Company's Remuneration Policy, 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. The overall performance of the individual is a key consideration when determining salary increases. The competitive remuneration package for the Managing Director is recommended by the Nomination and Remuneration Committee to the Board for its consideration, based on criteria laid down in the Remuneration Policy. Independent Directors/Non-Executive Directors are paid remuneration by way of Sitting Fees and reimbursement of expenses for participation in the Meeting(s) of the Board of Directors of the Company or any duly constituted Committee thereof and/or such other payments/benefits (excluding stock options, if any), subject to the governing provisions of the Companies Act, 2013 and rules made thereunder. Further, the maximum remuneration payable to any one Managing Director or Whole-time Director or maximum overall remuneration payable to all Directors including Managing Director/ Executive Director shall be within overall limits as defined in the Companies Act, 2013 and rules framed thereunder read with Circulars/Guidelines issued by the Central Government and other authorities from time to time, subject to such approvals of shareholders and Central Government, as and when required. The premium paid by the Company for the Directors and Officers Liability Insurance Policy taken by the Company on behalf of its Directors for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust is not treated as part of the remuneration.

4.2 Remuneration of Directors/Managing Director

The details of remuneration of Non-Executive Directors/Managing Director for the financial year ended March 31, 2016, are set out below:

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

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

Name of the Director	Sitting Fees (Rs.in lacs)
Shri Harsh V. Lodha	1.60
Shri J.Veeraraghavan	3.70
Shri S.K.Misra	3.65
Shri R.C.Tapuriah	2.95
Shri D.R.Bansal	1.40
Shri Pracheta Majumdar	3.60
Shri Shiv Dayal Kapoor	1.70
Smt. Kiran Aggarwal	1.60



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

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

(Rs.in lacs)

Name	Salary	Perquisites, etc.	Total
Shri Y.S. Lodha	75.60	25.48	101.08

Notes: (1) Sitting fees include fees paid for attending Committee Meetings.

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

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee constituted by the Board of Directors of the Company is in compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

During the year two meetings of the Stakeholders Relationship Committee were held on May 16, 2015 and November 6, 2015. The composition of the Stakeholders Relationship Committee and the details of meeting attended by the members thereof are as follows:

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

Shri Ashok Mishra, Company Secretary also functions as the Compliance Officer.

During the year under review, 22 (Twenty two) complaints (excluding those correspondences which are not in the nature of complaints) were received from shareholders and investors directly or through regulatory authorities. All the complaints have been attended/resolved to the satisfaction of the complainants during the year 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, 2016.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was constituted by the Board of Directors of the Company in pursuance to



the provisions of Section 135 of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The terms of reference of the Corporate Social Responsibility Committee of the Company are as under:

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

During the year one meeting of the Corporate Social Responsibility Committee was held on November 6, 2015. The Composition and the attendance of Directors at this meeting are as under:

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

7. INDEPENDENT DIRECTORS' MEETING

During the year under review, a separate meeting of Independent Directors was held on March 31, 2016, interalia, to discuss:

- Evaluation of the performance of Non-Independent Directors and Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and necessarily perform its duties.

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

8. PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to the governing provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a formal annual evaluation was carried out by the Board of its own performance and that of its committees and Independent Directors. During the year under review, one meeting of the Independent Directors was held, without the presence of Non-Independent Directors and members of the management, wherein the performance of Non-Independent Directors, Chairman (Non-executive) and the Board of Directors as a whole were reviewed. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The performance evaluation of Committees and Independent Directors was carried out by the entire Board, excluding the director being evaluated, interalia, taking into account the criteria for evaluation formulated by the Nomination and Remuneration Committee. The Board of Directors also reviewed and discussed the annual performance evaluation of Directors carried out 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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



9. GENERAL BODY MEETINGS

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

Financial Year	Venue of the Meeting	Type of Meeting	Date of Meeting	Time of Meeting
2014-15	Registered Office of the Company - Udyog Vihar, P.O.Chorhata, Rewa - 486 006 (M.P.)	32 nd AGM	July 23, 2015	10.30 a.m.
2013-14	Same as above	31 st AGM	August 12, 2014	3.00 p.m.
2012-13	Same as above	30 th AGM	July 9, 2013	4.00 p.m.

All the resolutions set out in the respective notices of the above meetings were passed by the members as ordinary resolutions except a Special Resolution concerning re-appointment of Shri Y.S.Lodha as the Managing Director for a further period of five years with effect from November 4, 2015, which was passed by requisite majority at the 32nd AGM of the Company held on July 23, 2015.

Except three proposed resolutions as succinctly set out herein, none of the other Businesses proposed to be transacted in the ensuing 33rd Annual General Meeting requires passing a Special Resolution or through Postal Ballot mandatorily : (a) Increase in the borrowing powers/limit of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 upto an amount not exceeding in aggregate Rs.1800 Crores outstanding at any time.; (b) Authority to the Board of Directors pursuant to Section 180(1)(a) of the Companies Act, 2013 for creation of charge / mortgages / hypothecations / pledges/other security etc. in any form on the Company's assets, both present and future, for securing the borrowings for an amount not exceeding the limit of Rs.2500 Crores; and (c) Place of keeping Register of Members, Index of Members and any other Register required to be maintained under Section 88 of the Companies Act, 2013 at Mumbai (Maharashtra) instead of Registered office of the Company pursuant to Section 94 of the Companies Act, 2013.

RESOLUTIONS PASSED THROUGH POSTAL BALLOT

(a) Ordinary Resolution:

During the financial year 2015-16, the Company had taken unrelated Members consent/approval by way of Ordinary Resolution through postal ballot pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2015, to confer authority on the Board of Directors of the Company to enter into contracts/ arrangements/ transactions upto a maximum amount of Rs.250 Crores per financial year, with Birla Furukawa Fibre Optics Private Limited, a Related Party.

The result was announced at the registered office of the Company on January 14, 2016. Summary of the voting pattern was as under:

Description	No. of valid vote cast	Percentage of vote cast
Total number of votes cast in favour of the resolution	3775759	99.99
Total number of votes cast against the resolution	486	0.01

The above Ordinary Resolution was passed with the requisite majority. All the related parties abstained in the voting for the said ordinary resolution. The procedure prescribed under Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 were duly followed for the Postal Ballot while seeking approval/consent of Members on the above item of special business. Shri R.S.Bajaj, Practicing Company Secretary was appointed as Scrutinizer for business transacted under the Postal Ballot Notice dated November 6, 2015.

(b) Special Resolutions:

During the financial year 2014-15, the Company had obtained consent/approval of the members by way of Special Resolution(s) through postal ballot –

- Increase in the borrowing powers/limit of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 upto an amount not exceeding in aggregate Rs.1600 Crores outstanding at any time.;
- Authority to the Board of Directors pursuant to Section 180(1)(a) of the Companies Act, 2013 for creation of charge / mortgages / hypothecations / pledges/other security etc. in any form on the Company's assets, both present and future, for securing the borrowings for an amount not exceeding the limit of Rs.1600 Crores.; and
- to give Loan(s)/Guarantee(s) or provide securities in connection with Loan(s) to any other body corporate or person and/or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate.

The aforesaid approval was sought as required under Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 for which a separate postal ballot papers and other communications were circulated to all eligible members/shareholders of the Company. The above resolutions were passed with requisite majority.



10. DISCLOSURES

- (a) There were no materially significant related party transactions during the financial year 2015-16 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, 2016, in the ordinary course of business of the Company and at arm's length basis are disclosed in compliance with the Accounting Standard on "Related Party Disclosures" in Note No. 38 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.
- (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.
- (g) In the preparation of the financial statements for the year under review, no accounting treatment which was different from that prescribed in the Accounting Standards was followed. The significant accounting policies applied in preparation and presentation of financial statements have been set out in Note No.2 of Notes to financial statements in the Annual Report.
- (h) The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures covering the entire gamut of business operations of the Company including but not limited to commodity price risk. These procedures are periodically reviewed to ensure that executive management controls risks by means of a properly defined framework.
- (i) The designated senior management personnel of the Company have disclosed to the Board that no material, financial and/or commercial transactions have been entered into during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large. Further, none of the Non-Executive Directors has any material pecuniary relationship or transactions with the Company other than sitting fees payable to them. Disclosure of transactions in the ordinary course of business and at arm's length with an enterprise over which a non-executive director is able to exercise significant influence has been made under "Related Party Transactions" in the Notes to the Financial Statements.
- (j) In accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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, 2016.
- (k) In accordance with the Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by Insiders as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 2015, Shri Ashok Mishra, Company Secretary has been designated as the Compliance Officer of the Company under the Company's Code of Conduct for Prevention of Insider Trading. He is responsible for adherence to and ensuring compliance with the Code by the Company and its designated employees.
- (l) The Company also has a familiarization programmes/arrangements for its Independent Directors about the nature of operation/business of the Company and also the roles and responsibilities of Independent Directors, which can be accessed at: http://www.vtlrewa.com/pdf/familiarisation_programme_VTL.pdf.
- (m) Shri R.C.Tapuriah, Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee could not attend the 32nd Annual General Meeting (AGM) held on July 23, 2015 due to



illness. Hence, he authorised Shri J.Veeraraghavan, Director and a Member of Audit Committee & Nomination and Remuneration Committee as his authorised representative to attend the AGM to answer shareholders' queries.

- (n) The Company has presently not adopted certain discretionary requirements in regard to maintenance of Non-Executive Chairman's office, sending half-yearly declaration of financial performance including summary of the significant events in last six months to each household of shareholders and reporting of internal auditors directly to the Audit Committee. However, other discretionary requirements viz. separate persons to the post of the Chairman and Managing Director/ Chief Executive Officer and regime of financial statements with unmodified audit opinion, have generally been complied with.

11. MEANS OF COMMUNICATION

(a) **Quarterly Financial Results:**

Quarterly financial results are taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirements of the Listing Agreements/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

English Newspaper – Financial Express (All editions)

Vernacular Newspaper – Dainik Jagran (Rewa edition)

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

www.vtlrewa.com

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

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

12. GENERAL SHAREHOLDER INFORMATION

12.1 **Company Registration Details** : L31300MP1983PLC002134

12.2 **Annual General Meeting:**

- Date and Time : August 19, 2016 at 11.30 A.M.
- Venue : Registered Office of the Company at
Udyog Vihar, P.O.Chorhata,
Rewa – 486 006 (M.P.)

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

12.4 **Financial Calendar (2016-17):**

(tentative)

Quarterly Financial Results:

- ending June 30, 2016 : Second week of August, 2016
- ending September 30, 2016 : Second week of November, 2016
- ending December 31, 2016 : Second week of February, 2017
- ending March 31, 2017 : Third week of May, 2017

12.5 **Book Closure date(s)** : Friday, August 12, 2016 to Friday, August 19, 2016 (both days inclusive)

12.6 **Dividend Payment date** : On or after August 23, 2016

12.7 **Listing on Stock Exchanges** : (a) BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001
(b) The 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 2015-16 as well as 2016-17 to BSE & NSE.

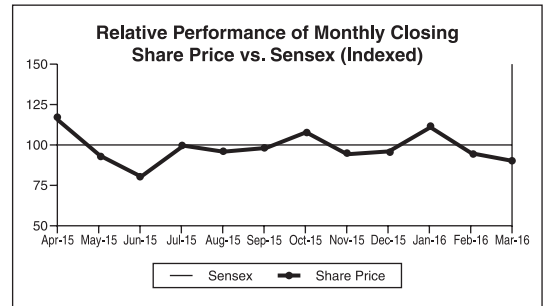
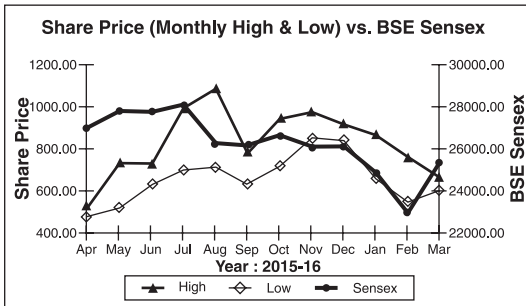
12.8 **Stock Code - Physical** : BSE, Mumbai - 517015
NSE, Mumbai - VINDHYATEL EQ

Demat ISIN Number for NSDL & CDSL : INE707A01012

**12.9 Stock Market Data:**

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

Month	BSE			NSE		
	High (in Rs.)	Low (in Rs.)	Monthly Volume (in Nos.)	High (in Rs.)	Low (in Rs.)	Monthly Volume (in Nos.)
April, 2015	530.00	480.00	11525	535.00	465.00	42473
May, 2015	736.00	518.00	93304	732.00	510.00	250828
June, 2015	728.00	633.00	38925	728.95	625.00	96154
July, 2015	992.00	698.00	525067	992.00	660.00	1115099
August, 2015	1089.50	715.00	209808	1075.00	711.55	569722
September, 2015	782.00	632.00	38209	785.00	625.10	184458
October, 2015	947.00	717.00	80617	944.00	713.90	288670
November, 2015	975.00	853.50	75960	975.00	854.95	301872
December, 2015	917.00	840.50	80308	921.00	820.00	520379
January, 2016	868.00	660.50	125448	865.95	639.20	261635
February, 2016	759.00	550.00	204225	769.70	546.00	164789
March, 2016	664.25	600.00	142236	674.90	580.00	104268

12.10 Share price performance in comparison to broad based indices – BSE Sensex:**12.11 Registrar and Share Transfer Agents:**

Messrs Link Intime India Pvt.Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S.Marg, Bhandup (West)
Mumbai – 400 078
Phone:+91-22-25946970
Fax :+91-22-25946969
Email : rnt.helpdesk@linkintime.co.in

12.12 Share Transfer System:

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

All transactions in connection with transfer, transmission, etc. are processed by the Registrar and Share Transfer Agents of the Company on weekly basis and the same are placed before the Committee of Directors/Committee of Officers, as the case may be, for approval at regular interval. With a view to expedite the process of share transfer in physical segment, the Board of Directors has delegated the authority to a Committee of Officers for approving transfer upto 1000 equity shares in each request. Further, to expedite the process of share transfer, the powers for processing of share transfer have been delegated to the Registrar and Share Transfer Agent of the Company in compliance with SEBI Circular No. CIR/MIRSD/8/2012 dated 05.07.2012. A summary of transfer/transmission of equity shares so approved by the Committee of officers is placed at every Board Meeting on quarterly basis. The process of share



transfer requests in physical form including despatch of share certificates is completed within 15 days on receipt of duly completed documents in all respects. The request for dematerialisation of equity shares is generally confirmed/rejected within an average period of 15 days. The Company obtains from a Company Secretary in practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges & Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

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

12.13 (a) **Distribution of Shareholding as on March 31, 2016:**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	7382	91.97	830191	7.00
501 - 1000	316	3.94	236572	2.00
1001 - 2000	161	2.00	230870	1.95
2001 - 3000	52	0.65	132332	1.12
3001 - 4000	15	0.19	51227	0.43
4001 - 5000	15	0.19	68221	0.58
5001 - 10000	32	0.40	248151	2.09
10001 and above	53	0.66	10053299	84.83
GRAND TOTAL	8026	100.00	11850863	100.00
Physical Mode	2122	26.44	321175	2.71
Electronic Mode	5904	73.56	11529688	97.29

(b) **Category of Shareholders as on March 31, 2016:**

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Promoter and Promoter Group	11	0.14	5157305	43.52
Mutual Funds/Unit Trust of India	10	0.12	1075401	9.08
Foreign Portfolio Investor	8	0.10	472010	3.98
Financial Institutions/Banks	14	0.17	9427	0.08
Individuals	7048	87.82	3040063	25.65
Trusts/Hindu Undivided Family	207	2.58	57613	0.49
Non Resident Indian	363	4.52	128684	1.09
Persons Acting in Concert	13	0.16	1257586	10.61
Unclaimed Shares	1	0.01	1701	0.01
Clearing Members	68	0.85	45038	0.38
Bodies Corporate	283	3.53	606035	5.11
GRAND TOTAL	8026	100.00	11850863	100.00

12.14 **Dematerialisation of Shares and liquidity:** 11529688 Equity Shares representing 97.29% 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, 2016.

Company's shares are reasonably liquid and are traded on the BSE Limited (BSE) and the National Stock Exchange of India Ltd.(NSE) during the financial year 2015-16. Relevant data for the approximate average daily turnover in terms of volume for the financial year 2015-16 is given below :

BSE	NSE	BSE + NSE
6690	15791	22481

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

12.15 **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely Impact on equity:** The Company has not issued any of these instruments so far.



12.16 Transfer of Shares in Unclaimed Suspense Account: Pursuant to Regulation 39(4) read with Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has transferred to the 'Unclaimed Suspense Account' the unclaimed equity shares where were issued in physical form from time to time. The details of such unclaimed shares are as under:

Sl. No.	Particulars	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2015	10	1701
2	Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the financial year 2015-16	Nil	Nil
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the financial year 2015-16	Nil	Nil
4	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2016	10	1701

The voting rights on the shares outstanding in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

12.17 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 Protection Fund (IEPF) administered by the Central Government. As of now, no amount is yet due for transfer to IEPF. The unpaid/unclaimed dividend details are available on the website of the Company on www.vtlrewa.com.

12.18 Plant Location:

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

12.19 Address for Correspondence:

Messrs Link Intime India Pvt.Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S.Marg , Bhandup (West)
Mumbai – 400 078
Phone : +91-22-25946970
Fax : +91-22-25946969
Email : rnt.helpdesk@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;
investorgrievance@vindhyaatelelinks.com



DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

As provided under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, it is stated that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management, for the financial year ended 31st March, 2016.

For Vindhya Telelinks Limited

Place : New Delhi
Date : April 30, 2016

Y.S. Lodha
Managing Director & CEO

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE TO THE MEMBERS OF VINDHYA TELELINKS LIMITED

1. We have examined the compliance of regulations of Corporate Governance as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by Vindhya Telelinks Limited ("the Company") for the year ended March 31, 2016.
2. The Compliance of regulations of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing regulations.
4. We further 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.

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

Place : New Delhi
Date : May 19, 2016

R. Raghuraman
Partner
Membership No. 081350



Independent Auditor's Report

TO THE MEMBERS OF VINDHYA TELELINKS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Vindhya Telelinks Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 express 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 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 of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure B" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

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

R. Raghuraman
Partner
Membership No. 081350

Place : New Delhi
Dated : May 19, 2016

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, 2016 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 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 financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, 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

R. Raghuraman
Partner
Membership No. 081350

Place : New Delhi
Dated : May 19, 2016

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)

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



- vii (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March, 2016, 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, 2016 in respect of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax except as follows.

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which amount relates	Amount Involved (Rs. in lacs)
WB VAT Act, 2003	Value Added Tax	Sales Tax Appellate Tribunal, Kolkata	FY 2009-10 (01.07.2009 to 31.03.2010)	8.39
WB VAT Act, 2003	Value Added Tax	Sr. Joint Commissioner Sales Tax, Kolkata	FY 2009-10 (01.04.2009 to 30.06.2009)	4.42
WB VAT Act, 2003	Value Added Tax	Sr. Joint Commissioner Sales Tax, Kolkata	FY 2008-09 (01.01.2009 to 31.03.2009)	41.71
MP Commercial Tax Act, 1994	Commercial tax	Deputy Commissioner of Commercial Tax, Satna	FY 2003-04	7.05
Service Tax (Finance Act, 1994)	Service Tax	Joint Commissioner, Central Excise, Bhopal	FY 2014-15	25.53

- 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. The Company does not have any loans or borrowings from financial institution, government or debenture holders in the books of accounts at any time during the year.
- ix The Company did not raise any money by way of initial / further public offer (including debt instruments) and term loans taken during the year have been applied for the purpose for which they were obtained.
- x Based on the audit procedure performed and the representation obtained from the management, no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.
- xi According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable 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 him. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- xvi In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

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

R. Raghuraman
Partner
Membership No. 081350

Place : New Delhi
Dated : May 19, 2016



BALANCE SHEET AS AT 31ST MARCH, 2016

	Notes	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	1184.15	1184.11
Reserves and Surplus	4	35565.98	28237.57
		<u>36750.13</u>	<u>29421.68</u>
NON-CURRENT LIABILITIES			
Long-term Borrowings	5	8786.18	12134.23
Deferred Tax Liabilities (Net)	6	486.80	412.02
Other Long-term Liabilities	7	9.60	-
Long-term Provisions	8	1608.81	486.75
		<u>10891.39</u>	<u>13033.00</u>
CURRENT LIABILITIES			
Short-term Borrowings	9	20519.53	18098.88
Trade Payables	10		
Payable to Micro Enterprises and Small Enterprises		1849.10	1116.00
Other Payables		16074.00	13906.85
Other Current Liabilities	11	6816.19	4096.37
Short-term Provisions	12	1345.03	1175.57
		<u>46603.85</u>	<u>38393.67</u>
Total		<u>94245.37</u>	<u>80848.35</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	13		
Tangible Assets		7886.77	6839.80
Intangible Assets		-	4.94
Capital Work-in-Progress		12.46	43.44
		<u>7899.23</u>	<u>6888.18</u>
Non-current Investments	14	13880.24	11768.37
Long-term Loans and Advances	15	458.02	1781.62
Other Non-current Assets	16	3220.14	1590.69
		<u>25457.63</u>	<u>22028.86</u>
CURRENT ASSETS			
Inventories	17	7725.48	8006.64
Trade Receivables	18	38447.64	34937.87
Cash and Cash Equivalents	19	2493.63	2143.10
Short-term Loans and Advances	20	13411.94	4289.27
Other Current Assets	21	6709.05	9442.61
		<u>68787.74</u>	<u>58819.49</u>
Total		<u>94245.37</u>	<u>80848.35</u>

The accompanying notes number 1 to 46 form an integral part of the Financial Statements.

As per our attached report of even date

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

R. Raghuraman
Partner
Membership No. 081350

Harsh V. Lodha
(DIN: 00394094)

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Saurabh Chhajjer

Ashok Mishra

New Delhi, May 19, 2016

Chairman

Directors

Managing Director

Chief Financial Officer

Company Secretary

New Delhi, May 19, 2016



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Notes	For the year ended 31st March, 2016 Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
REVENUE			
Revenue from Operations (Gross)	22	102806.84	69606.32
Less: Excise Duty		4421.08	4453.05
Revenue from Operations (Net)		98385.76	65153.27
Other Income	23	1788.18	1023.45
Total Revenue		100173.94	66176.72
EXPENSES			
Cost of Raw Materials Consumed	24	27208.79	32101.79
Purchase of Traded Goods		126.36	595.09
(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress, Traded Goods and Scrap Materials	25	(539.93)	(977.37)
Materials Purchased/Sub Contract Expenses	26	42073.28	14534.56
Employee Benefits Expense	27	3986.05	2935.45
Finance Costs	28	5288.33	3389.07
Depreciation and Amortisation Expense	29	1317.37	1005.33
Other Expenses	30	8653.89	6100.75
Total Expenses		88114.14	59684.67
PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		12059.80	6492.05
Exceptional Item (Refer Note No.33)		477.76	-
PROFIT BEFORE TAX		11582.04	6492.05
Tax Expense / (Credit)			
Current Tax/Minimum Alternate Tax (MAT)		3780.00	1290.00
Less: MAT Credit Entitlement relating to Earlier Years		(7.45)	(994.83)
Net Current Tax		3772.55	295.17
Deferred Tax Charge		74.78	412.02
Total Tax Expense		3847.33	707.19
PROFIT FOR THE YEAR		7734.71	5784.86
Earning per Equity Share (EPS) in Rupees			
Basic and Diluted EPS (Nominal Value of Shares Rs.10/- each)	31	65.27	48.81
The accompanying notes number 1 to 46 form an integral part of the Financial Statements.			

As per our attached report of even date

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

Harsh V.Lodha
(DIN: 00394094)

Chairman

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
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Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Directors

Managing Director

Saurabh Chhajjer

Chief Financial Officer

Ashok Mishra

Company Secretary

New Delhi, May 19, 2016

New Delhi, May 19, 2016



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax		11582.04		6492.05
Adjustments for :				
Depreciation and Amortisation	1317.37		1005.33	
(Profit)/Loss on Disposal of Fixed Assets (Net)	24.14		6.32	
(Gain)/Loss on Unrealised Foreign Exchange Rate Fluctuations	186.62		(97.77)	
Provision for Doubtful Debts (Net)	(108.03)		-	
Interest Income	(711.74)		(365.92)	
Dividend Income	(875.32)		(422.82)	
Interest Expense	4208.58	4041.62	2604.09	2729.23
Operating Profit before Working Capital Changes		15623.66		9221.28
Movement in Working Capital:				
Increase/(Decrease) in Trade Payables and Provisions	4667.74		5106.08	
Decrease/(Increase) in Trade Receivables	(4744.24)		(8875.46)	
Decrease/(Increase) in Inventories	281.16		(427.11)	
Decrease/(Increase) in Loans and Advances	(8713.11)		(3023.31)	
Decrease/(Increase) in Other Current Assets	2835.25	(5673.20)	(7314.13)	(14533.93)
Cash Generated from/(used in) Operations		9950.46		(5312.65)
Direct Taxes Paid (Net of Refunds)		(3067.32)		(1556.90)
Net Cash Flow from/(used in) Operating Activities (A)		6883.14		(6869.55)
B. CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase) of Fixed Assets	(2388.06)		(2020.56)	
Proceeds from Sale of Fixed Assets	35.49		3.27	
(Investment)/Maturity of Bank Deposits	(556.84)		(816.77)	
Investment in Shares	(2111.87)		-	
Interest Received	610.05		278.72	
Dividend Received	875.32		422.82	
Net Cash Flow from/(used in) Investing Activities (B)		(3535.91)		(2132.52)



	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs. in lacs	Rs. in lacs
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)		
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Capital	0.04	0.03
Proceeds from Securities Premium	0.20	0.17
Proceeds from Government Grant	357.19	-
Proceeds from Long-term Borrowings	4000.00	5146.17
Repayment of Long-term Borrowings	(5000.00)	-
Proceeds/(Repayment) from Short-term Borrowings	2301.38	6655.09
Interest Paid	(4208.38)	(2574.35)
Dividend Paid	(704.60)	(273.61)
Net Cash Flow from/(used in) Financing Activities (C)	(3254.17)	8953.50
Net Increase/(Decrease) in Cash and Cash Equivalents	93.06	(48.57)
Cash and Cash Equivalents at the beginning of the year	214.48	263.05
Cash and Cash Equivalents at the end of the year (Refer Note No.19)	307.54	214.48
Components of Cash and Cash Equivalents		
Cash on Hand	2.13	3.28
Cheques, Drafts on Hand	150.87	101.00
In Current Accounts	142.28	106.51
In Unpaid Dividend Account*	12.26	3.69
	307.54	214.48

*The balances are not available for use by the Company as they represent unclaimed dividend liabilities.

- (a) Difference of Rs.3844.97 lacs (Rs.3288.13 lacs) compared with Note No. 19 represents term deposit accounts held for short term with an original maturity of three months or more.
- (b) The Cash Flow Statement has been prepared under the 'Indirect method' as set out in Accounting Standard (AS)-3 on Cash Flow Statement.
- (c) Negative figures have been shown in brackets.

As per our attached report of even date

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

R. Raghuraman
Partner
Membership No. 081350

Harsh V.Lodha
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(DIN: 00052861)

Saurabh Chhajjer

Ashok Mishra

New Delhi, May 19, 2016

Chairman

Directors

Managing Director

Chief Financial Officer

Company Secretary

New Delhi, May 19, 2016

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****1. NATURE OF OPERATIONS**

VINDHYA TELELINKS LIMITED is engaged in the business of manufacturing and sale of telecommunication cables, other types of wires & cables, FRP rods/glass rovings, etc. and Engineering, Procurement and Construction (EPC) business.

2. SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of Accounting**

The financial statements of the Company have been prepared and presented as a going concern basis under the historical cost convention modified to the extent of the revaluation of fixed assets and comply in all material respects with generally accepted accounting principles (GAAP) in India, the applicable Accounting Standards as notified under the relevant provisions of the Companies Act, 2013 as amended/changed from time to time. All revenue and expenses are accounted for on accrual basis except certain insurance claims and government subsidy/incentives, which are recognised on acceptance basis, as and when the amount whereof can be ascertained with reasonable certainty. The accounting policies adopted in the preparation of financial statements have been consistently applied by the Company, unless otherwise stated.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgment, estimates and assumptions that affect the reported amounts of revenue, expenses assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. 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, uncertainty about these assumptions could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. 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.

(c) Fixed Assets including Intangible Assets

Tangible Assets are stated at cost (net of recoverable taxes (cenvat), trade discounts and rebates, claims, etc.) less accumulated depreciation and accumulated impairment losses, if any. The cost of a tangible asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Insurance spares (determined on the basis of irregular use) are capitalised and all other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred. Tangible assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately. When assets are sold, disposed or discarded, their cost and accumulated depreciation are removed from the accounts. Losses arising from the retirement of, and gains or losses arising from sale, disposal and discard of tangible assets are included in the Statement of Profit and Loss. In case of revaluation of fixed assets, the revalued amount as determined by the valuer is considered in the books of account and the differential amount is transferred to Revaluation Reserve. Deprecation on excess of revalued amount over cost is transferred from Revaluation Reserve to the Statement of Profit and Loss. Tangible assets which are not ready for their intended use on the date of Balance Sheet are shown as Capital Work-in-Progress.

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any.

(d) Depreciation and Amortisation

Depreciation on tangible assets is provided on Straight Line Method based on the life of the asset specified in 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, on pro-rata basis from the month the assets are ready to use, as detailed below:

Sl. No.	Nature of Fixed Assets	Useful life Considered
(i)	Leasehold Land(Over the Period of Lease)	30 to 99 Years
(ii)	Buildings(as per Schedule II)	30/60 Years
(iii)	Plant & Equipments (as per Technical Evaluation)	3 to 10 Years
(iv)	Furniture & Fixtures(as per Schedule II)	10 Years
(v)	Office Equipments (as per Technical Evaluation)	3 Years
(vi)	Vehicles (as per Schedule II)	8 to 10 Years

Depreciation on sale/disposal/discard of assets is provided up to the month prior to the month in which the assets are sold/disposed off/discarded.

An 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 has been estimated as five years.

(e) Impairment

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Government Grants and Subsidies

Grants and subsidies (including industrial investment promotion incentives linked to fixed capital investment in plant and machinery) from the Government are recognised when there is reasonable assurance that the conditions attached to them will be complied and grants/subsidy will be received. Government subsidy/incentives inextricably based upon and linked to fixed capital investments in plant and machinery 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 credited to Capital Reserve.

(g) Leases

Where the Company is the Lessor

(i) Operating Lease

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/sub-lease are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight line basis over the lease/sub-lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc are recognised immediately in the Statement of Profit and Loss.

(ii) Finance Lease

Finance lease transactions where significant risk & rewards of ownership are effectively transferred, are recognised as outright sales. Profit or Loss resulting from outright sale of the asset being leased, is recognised in the Statement of Profit and Loss immediately. Finance income, if any, is recognised over the lease term. Initial direct costs such as legal costs, brokerage costs, etc are recognised immediately in the Statement of Profit and Loss.

Where the Company is the Lessee

Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the assets during the lease/sub-lease term are classified as operating leases. Operating lease payments, are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease/sub-lease term.

(h) Investments

Investments which are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current (long-term) investments. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and quoted/fair value determined on an individual investment basis. Non-current investments are stated/carried at cost. However, provision for diminution in the value of Non-current (long term) investments is made only if such decline is other than temporary. On sale of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(i) Inventories

Inventories are valued as follows:

Raw Materials and Stores & Spares	:	Lower of cost and net realisable value. 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. Cost is determined on a transaction moving weighted average basis.
Traded Goods	:	Lower of cost and net realisable value. Cost is determined on a transaction moving weighted average cost basis.
Work-in-Progress and Finished Goods (Own manufactured)	:	Lower of cost and net realisable value. Cost includes direct materials (determined on a transaction moving weighted average cost basis), labour and proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
Scrap Materials	:	Estimated net realisable value

Note: Net realisable value is the estimated selling price in the ordinary course of business and at arm's length basis, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised

(i) Sale of Goods

Revenue from the sale of goods is recognised on transfer of significant risks and rewards incidental to ownership in the goods to the customer which generally coincides with dispatch of goods to customers. Sales are recorded inclusive of excise duty but net of return, if any, trade discounts, rebate, other pricing discounts, sales tax/VAT, freight and insurance. Revenue to the extent of price variation disputes, if any, which are subjected to resolution through arbitration is recognised based on interim relief granted by a court and/or after receipt of revenue in execution of the final award in favour of the Company, as the case may be.

(ii) Contract Revenue

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

Contract Revenue is accounted for on the basis of bills submitted to customers/bills certified by the customers or on technical evaluation of work executed based on joint inspection with customers and do not include material supplied by customers/clients free of cost. The income on account of claims/rewards or extra item works are recognised to the extent Company expects reasonable certainty about receipt or acceptance from the clients/customers. The estimates of contract costs and the revenue thereon are reviewed periodically by the management and the cumulative effect of any changes in the estimates is recognised in the period in which such changes are determined. Where it is probable that contract expenses will exceed total revenue from a contract, the expected loss is recognised immediately as an expense in the Statement of Profit and Loss.

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

(iii) Interest

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

(iv) Dividends

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

(v) Export Incentives

Export incentives are recognised in the year of export on the basis of receipt of proof of export.

(k) Foreign Currency Transactions**(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the prevailing exchange rate between the reporting currency and the foreign currency at the date of the transaction or that approximates the actual rate at the date of transaction.

(ii) Conversion

Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

(iv) Forward Exchange Contracts not Intended for Trading or Speculation Purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rate(s) change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for that year.



(v) Translation of Integral Foreign Operations

In respect of a branch, which is having integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year end exchange rate(s).

(l) Derivative Instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under Accounting Standard (AS) - 11 "The effect of changes in foreign exchange rates", are marked to market (MTM) on a portfolio basis, and the net loss, if any after considering the offsetting effect of gain on the underlying hedged item, is charged to the Statement of Profit and Loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

(m) Employee Benefits

The Company makes regular contributions to recognised Provident Fund (managed by an approved trust) /Family Pension Fund and approved Superannuation Fund as per Company's schemes, which are recognised as an expense in the Statement of Profit and Loss for the year when the employee renders the related service. Gratuity, Pension and Compensated Absences benefits payable as per Company's schemes are considered defined benefit schemes and are charged to the 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 comprise experience adjustments and effects of changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the year in which they arise.

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

(n) Income Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss. Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(o) Segment Reporting Policies

(i) Identification of Segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services and serves different markets. The analysis of geographical segments is based on the geographical location of the customers.

(ii) Allocation of Common Costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**(iii) Unallocated items**

The general corporate income and expense items which are not allocated to any business segment are considered unallocated items.

(iv) Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole.

(p) Borrowing Cost

Borrowing costs include interest and ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, attributable to the acquisition, construction or production of qualifying assets that necessarily take a substantial period of time to get ready for its intended use or sale are added to the cost upto the date when such assets are ready for their intended use. All other borrowing costs are recognised as expense in the period in which these are incurred, in accordance with the governing terms and conditions of the underlying borrowing.

(q) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to any provision is presented in the Statement of Profit and Loss, net of any reimbursement.

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.

(r) Cash and Cash Equivalents

Cash and cash equivalent for the purposes of cash flow statement comprise cash at bank and on hand and short-term investments with an original maturity of three months or less.

	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
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3. SHARE CAPITAL**Authorised**

1,50,00,000	(1,50,00,000) Equity shares of Rs. 10/- each	<u>1500.00</u>	<u>1500.00</u>
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Issued

1,18,52,014	(1,18,52,014) Equity shares of Rs. 10/- each	<u>1185.20</u>	<u>1185.20</u>
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Subscribed and Fully Paid-Up

1,18,50,863	(1,18,50,863) Equity shares of Rs. 10/- each fully paid-up	<u>1185.09</u>	1185.09
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	Less : Calls unpaid	<u>0.94</u>	0.98
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		<u>1184.15</u>	<u>1184.11</u>
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- (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, 2016		As at 31st March, 2015	
	No. of Shares	Rs. in lacs	No. of Shares	Rs. in lacs
Outstanding at the beginning of the year	11,850,863	1185.09	11,850,863	1185.09
Outstanding at the end of the year	11,850,863	1185.09	11,850,863	1185.09

(b) Term/Right attached to Equity Shares:

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

- (c) The Company has only one class of equity shares having nominal value of Rs.10/- each. The holders of equity shares are entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed



by Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. For the year ended 31st March 2016, the amount of per share dividend recognised for distribution to equity shareholders was Rs. 6/- per share, subject to approval of shareholders.

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

Sl. No.	Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
		No. of Shares	% of holding	No. of Shares	% of holding
(i)	Universal Cables Limited	3,454,530	29.15	3,454,530	29.15
(ii)	The Punjab Produce and Trading Co. Pvt. Ltd.	1,291,374	10.90	1,291,374	10.90
(iii)	Belle Vue Clinic	1,164,286	9.82	1,164,286	9.82
(iv)	Reliance Capital Trustee Co. Ltd. A/c Reliancesmall Cap Fund	843,216	7.12	826,916	6.98

	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
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4. RESERVES AND SURPLUS

Capital Reserve

Opening Balance	-	-
Add : Received during the year (Capital Subsidy being Industrial Investment Promotion Assistance)	357.19	-
Closing Balance	357.19	-

Securities Premium Account

Opening Balance	3885.23	3885.06
Add : Received during the year	0.20	0.17
Closing Balance	3885.43	3885.23

Revaluation Reserve (On Revaluation of Plant and Equipments)

Opening Balance	1.86	2.00
Less : Adjustment in respect of Sale/Disposal of underlying Fixed Assets	0.01	-
Less : Amount transferred to the Statement of Profit and Loss being difference of depreciation on revalued cost of assets and that on the original cost	-	0.14
Closing Balance	1.85	1.86

General Reserve

Opening Balance	18000.00	16858.85
Add : Transferred from surplus in the Statement of Profit and Loss	7000.00	1141.15
Closing Balance	25000.00	18000.00

Surplus in the Statement of Profit and Loss

Opening Balance	6350.48	2419.94
Add : Profit for the year	7734.71	5784.86
	14085.19	8204.80
Less : Appropriations		
Transferred to General Reserve	7000.00	1141.15
Proposed Dividend on Equity Shares	711.05	592.54
Tax on Dividend on Equity Shares	52.63	120.63
	7763.68	1854.32
Closing Balance	6321.51	6350.48
	35565.98	28237.57



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
5. LONG-TERM BORROWINGS		
Secured		
Loans from Banks		
Rupee Term Loan	1000.00	-
Foreign Currency Term Loan	2981.58	-
Supplier's Credit in Foreign Currency	702.48	634.23
Unsecured		
Other Loans		
From Bodies Corporate	6500.00	11500.00
	11184.06	12134.23
Less : Current maturities of Long-term Borrowings at the year end (Disclosed under Note No. 11)		
Supplier's Credit in Foreign Currency	702.48	-
Rupee Term Loan/ Foreign Currency Term Loan from a bank	995.40	-
Loans from Bodies Corporate	700.00	-
	2397.88	-
	8786.18	12134.23
(a) Supplier's Credit from a bank are secured by way of hypothecation of entire current assets of the Company namely stocks of raw materials, stocks-in-process, stores & spares, semi finished and finished goods, bills receivables, book debts, etc. both present and future, and are further secured by way of hypothecation of moveable fixed assets, both present and future, ranking pari-passu inter se and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company. As a collateral security, Supplier's Credit(s) are additionally secured by way of pledge of 12,50,000 equity shares and cross corporate guarantee of Birla Ericsson Optical Limited, a joint venture. Supplier's Credit(s) are repayable in the financial year 2016-17 and carries interest rate of 1.55% per annum to 2.10% per annum.		
(b) Rupee Term Loan and Foreign Currency Term Loan from a bank are secured by second charge by way of hypothecation of entire current assets of the Company namely stocks of raw materials, stocks-in-process, stores & spares, semi finished and finished goods, bills receivables, book debts, etc. both present and future. These Loans are further secured by way of hypothecation of moveable fixed assets, both present and future, ranking pari-passu inter se and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company. Rupee Term Loan and Foreign Currency Term Loan are repayable in sixteen quarterly installments from April, 2016. Rupee Term Loan carries interest rate of 10.65% per annum and Foreign Currency Term Loan carries interest rate of 4.65% per annum and 10.25% per annum (fully hedged) on the reporting date.		
(c) Loans from Bodies Corporate amounting to Rs. 700.00 lacs and Rs. 5800.00 lacs are repayable in full in the year 2016-17 and 2017-18 respectively. These loans carry interest rate of 10.50% per annum on the reporting date.		
6. DEFERRED TAX LIABILITIES (NET)		
(a) Deferred Tax Liabilities		
Depreciation and Amortisation on Fixed Assets	710.24	641.23
	Total	641.23
(b) Deferred Tax Assets		
Provision for Doubtful Trade Receivables	5.99	43.38
Taxes/Expenses Allowable for tax purpose when paid	217.45	185.83
	Total	229.21
Net Deferred Tax Liabilities	486.80	412.02



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
7. OTHER LONG-TERM LIABILITIES		
Security Deposits	9.60	-
	<u>9.60</u>	<u>-</u>
8. LONG-TERM PROVISIONS		
Provision for Warranty*	1513.07	198.59
Provision for Employee Benefits		
Compensated Absences	65.92	257.70
Pension	29.82	30.46
	<u>1608.81</u>	<u>486.75</u>

* Warranty provision represents the amount of expected cost of meeting obligation of rectification/replacement of products manufactured and supplied by the Company and forming part of turnkey projects under execution by the Company and a consortium member.

9. SHORT-TERM BORROWINGS

Working Capital Loans/Borrowings from Banks (Secured)

Working Capital Demand Loans	-	2500.00
Cash Credit Facilities	4353.73	7688.03
Buyer's Credit	3840.28	2577.78
Export Packing Credit	575.52	3033.07
	<u>8769.53</u>	<u>15798.88</u>

Other Loans (Unsecured)

Commercial Paper (At a Face Value of Rs. 5.00 lacs each)	10000.00	-
From Bodies Corporate (Repayable on Demand)	1750.00	2300.00
	<u>11750.00</u>	<u>2300.00</u>
	<u>20519.53</u>	<u>18098.88</u>

- (a) Working capital loans/borrowings from banks being working capital credit facilities, sanctioned by 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 concerned lender banks viz. State Bank of India (SBI), State Bank of Patiala (SBP), IDBI Bank Limited, HDFC Bank Limited and RBL Bank Limited are secured by way of hypothecation of entire current assets of the Company namely stocks of raw materials, stocks-in-progress, stores & spares, semi finished and finished goods, bills receivables, book debts (trade receivables), etc. both present and future, and are further secured by way of hypothecation of moveable fixed assets, both present and future, ranking pari-passu inter se and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company. As a collateral security, the working capital loans/borrowings are additionally secured by way of pledge of 12,50,000 equity shares held by the Company in Birla Ericsson Optical Limited and cross corporate guarantee of Birla Ericsson Optical Limited, a joint venture.



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
10. TRADE PAYABLES		
(A) Payable to Micro Enterprises and Small Enterprises		
(i) the principal amount and interest due thereon remaining unpaid to any supplier		
Principal amount	1849.10	1116.00
Interest thereon	-	-
(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.	-	-
(B) Other Payables	16074.00	13906.85
	17923.10	15022.85

11. OTHER CURRENT LIABILITIES

Current Maturities of Long-term Borrowings	2397.88	-
Interest accrued but not due on Borrowings	41.60	41.40
Sundry Deposits	0.52	5.35
Excess of Billing over Revenue	464.98	-
Other Payables		
Assigned Creditors	-	2842.72
Mobilisation and Other Advances from Customers	2779.86	260.37
Statutory Dues	706.32	539.71
Accrued Employee Benefits Expense	198.28	162.40
Creditors/Liability pertaining to Capital Expenditure	214.49	240.73
Unclaimed Dividend*	12.26	3.69
	6816.19	4096.37

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

12. SHORT TERM PROVISIONS

Provision for Employee Benefits		
Compensated Absences	39.13	31.92
Gratuity	47.20	41.30
Pension	4.44	4.44
Others	173.80	34.98
Provision for MTM on Derivative Instruments	101.05	-
Provision for Income Tax (Net of Advance Tax)	215.73	349.76
Proposed Dividend on Equity Shares	711.05	592.54
Tax on Dividend on Equity Shares	52.63	120.63
	1345.03	1175.57



13. FIXED ASSETS

Rs. in lacs

Nature of Fixed Assets	Gross Block			As at 31.03.2016	Depreciation /Amortisation			As at 31.03.2016	Net Block	
	As at 01.04.2015	Addition	Deductions/ Adjustment during the year		As at 01.04.2015	For the year	Deductions during the year		As at 31.03.2016	As at 31.03.2015
(A) TANGIBLE ASSETS:										
Freehold Land	113.18	-	-	113.18	-	-	-	-	113.18	113.18
Leasehold Land	44.68	-	-	44.68	10.62	0.68	-	11.30	33.38	34.06
Buildings*	2343.11	44.83	1.51	2386.43	1290.40	36.90	0.79	1326.51	1059.92	1052.71
Plant & Equipments**	15259.90	2107.49	148.47	17218.92	9897.42	1191.29	108.23	10980.48	6238.44	5362.48
Office Equipments	158.25	84.55	14.86	227.94	99.78	36.97	14.03	122.72	105.22	58.47
Furniture & Fixtures	310.62	34.87	25.52	319.97	198.24	18.92	19.46	197.70	122.27	112.38
Vehicles	192.34	147.30	31.08	308.56	87.80	27.67	19.29	96.18	212.38	104.54
Leasehold Improvements	39.55	-	-	39.55	37.57	-	-	37.57	1.98	1.98
TOTAL (A)	18461.63	2419.04	221.44	20659.23	11621.83	1312.43	161.80	12772.46	7886.77	6839.80
(B) INTANGIBLE ASSETS:										
Computer Software	70.80	-	-	70.80	65.86	4.94	-	70.80	-	4.94
TOTAL (B)	70.80	-	-	70.80	65.86	4.94	-	70.80	-	4.94
(C) CAPITAL WORK-IN-PROGRESS (at cost):										
Under installation/ commissioning	-	-	-	-	-	-	-	-	12.46	43.44
TOTAL (C)	-	-	-	-	-	-	-	-	12.46	43.44
TOTAL (A+B+C)	18532.43	2419.04	221.44	20730.03	11687.69	1317.37	161.80	2843.26	7899.23	6888.18
Previous Year	16223.75	2445.92	137.24	18532.43	10810.07	1005.47	127.85	11687.69	6844.74	

* Gross Block of Buildings include Rs. 112.79 lacs given on operating lease. The aggregate Net Block (written down value) of such Buildings given on operating lease as on 31st March, 2016 is Rs. 30.49 lacs and depreciation charged during the year is Rs. 0.74 lac.

** Gross Block of Plant & Equipments includes Rs. 750.46 lacs (Rs. 754.41 lacs) on account of addition on revaluation during the year ended 31st March, 1990, as per valuation carried out by the approved valuer. The method used for revaluation was then prevailing reinstatement cost/RBI price indices.

	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
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14. NON-CURRENT INVESTMENTS

Trade Investments (Valued at Cost)

Quoted - Fully paid up Equity Shares of Rs. 10/- each

Investment in a Joint Venture

40,00,100 (40,00,100) Birla Ericsson Optical Limited* 900.01 900.01

Investments in an Associate

82,74,963 (48,39,908) Universal Cables Limited** 4945.62 3193.75

Investments in Others

63,80,243 (63,80,243) Birla Corporation Limited 1917.58 1917.58

Aggregate amount of Quoted Investments

7763.21 6011.34

Unquoted - Fully paid up Equity Shares of Rs. 10/- each

Investment in Subsidiary Companies

1,52,50,200 (1,52,50,200) August Agents Limited 1525.02 1525.02

1,50,00,200 (1,50,00,200) Insilco Agents Limited 1500.02 1500.02

1,50,00,200 (1,50,00,200) Laneseda Agents Limited 1500.02 1500.02

4525.06 4525.06

Investment in a Joint Venture

36,00,000 (-) Birla Visabeira Private Limited 360.00 -

360.00 -



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
NON-CURRENT INVESTMENTS (Contd.)		
Other Investments		
2,99,940 (2,99,940) Birla Financial Corporation Limited	29.99	29.99
1,20,00,000 (1,20,00,000) Punjab Produce Holdings Limited	1200.00	1200.00
9,800 (9,800) Universal Telelinks Private Limited	0.98	0.98
9,800 (9,800) Universal Electricals Private Limited	0.98	0.98
	<u>1231.95</u>	<u>1231.95</u>
Unquoted - Non Trade Investment in the Equity Instruments		
6,900 (6,900) Free Press House Limited	0.02	0.02
	<u>0.02</u>	<u>0.02</u>
Aggregate Amount of Unquoted Investments		
	<u>6117.03</u>	<u>5757.03</u>
	<u>13880.24</u>	<u>11768.37</u>
Aggregate Market Value of Quoted Investments	<u>30469.55</u>	<u>29908.93</u>
* 12,50,000 (12,50,000) Shares Pledged with Banks.		
** The Company received a Letter of Allotment confirming allotment of 34,35,055 equity shares on 20th October, 2015, subscribed in the Rights Issue of Universal Cables Ltd. (UCL) out of which 10,15,101 equity shares are pending to be credited to Company's designated demat account, in view of the status-quo Order passed by the Hon'ble High Court of Delhi on 18th November, 2015, as intimated by UCL.		
15. LONG-TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Capital Advances	31.82	13.25
Loans and Advances to Employees	6.44	2.42
Security Deposits	165.70	262.33
Inter-corporate Loan	-	1500.00
Advance Income Tax/Tax Deducted at Source (Net)	240.10	-
Pre-paid Expenses	13.96	3.62
	<u>458.02</u>	<u>1781.62</u>
16. OTHER NON-CURRENT ASSETS		
(Unsecured and Considered Good)		
Long-term Trade Receivables	1561.26	231.18
Non-current Bank Balances		
- In term Deposit Accounts	1658.88	1359.51
(Term Deposit receipts are under lien with banks towards margin money)		
	<u>3220.14</u>	<u>1590.69</u>
17. INVENTORIES [Refer Note No. 2(i) for Mode of Valuation]		
Raw Materials [Including Material in Transit Rs. 415.66 lacs (Rs. 594.25 lacs)]	1824.32	2622.00
Packing Material	102.21	107.57
Stores and Spares	178.00	196.05
Traded Goods	11.06	51.28
Work-in-Progress (Refer Note No. 25)	5576.65	4686.85
Finished Goods	2.69	267.70
Scrap Materials	30.55	75.19
	<u>7725.48</u>	<u>8006.64</u>



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
18. TRADE RECEIVABLES (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	3467.61	5628.99
Considered Doubtful	17.32	125.35
	3484.93	5754.34
Others		
Considered Good	34980.03	29308.88
	38464.96	35063.22
Less: Provision for Doubtful Trade Receivables	17.32	125.35
	38447.64	34937.87
19. CASH AND CASH EQUIVALENTS		
Cash and Bank Balances		
Cash on Hand	2.13	3.28
Cheques, Drafts on Hand	150.87	101.00
Balances with Banks		
-In Current Accounts	142.28	106.51
-In Unpaid Dividend Account	12.26	3.69
	307.54	214.48
Other Bank Balances		
-In Term Deposit Accounts (Term Deposit Receipts are under lien with banks towards margin against Letter(s) of Credit, Bank Guarantees and other Commitments)	3844.97	3288.13
	4152.51	3502.61
Less: Term Deposit Accounts having more than 12 months maturity at the year end (Disclosed under Note No. 16)	1658.88	1359.51
	2493.63	2143.10
20. SHORT-TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Loans and Advances to Employees	8.36	31.70
Security Deposits	397.87	129.42
Advance Income Tax/Tax Deducted at Source (Net)	10.03	169.34
MAT Credit Entitlement	-	994.83
Excise Duty Refund Receivables	4.50	272.60
Advance Recoverable in Cash or Kind	12991.18	2691.38
	13411.94	4289.27
21. OTHER CURRENT ASSETS		
(Unsecured and Considered Good)		
Interest Accrued but not due on Term Deposit/Accounts	301.46	199.77
Claims, Export Benefits, etc.	175.95	326.60
Unbilled Revenue	6225.44	8915.73
Unamortised Premium on Forward Exchange Contracts	6.20	0.51
	6709.05	9442.61



	For the year ended 31st March, 2016 Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
22. REVENUE FROM OPERATIONS		
Sale of Products		
Telecommunications Cables	43208.86	43221.95
Other Wires & Cables	2959.97	3773.60
FRP Rods/Glass Rovings	589.28	700.58
Traded Goods*	223.77	818.03
	<u>46981.88</u>	<u>48514.16</u>
Sale of Services		
Contract Revenue	54139.54	19274.46
Indefeasible Right of Use [(IRU) Refer Note No. 39(b)]	1036.99	796.55
	<u>55176.53</u>	<u>20071.01</u>
Other Operating Revenue		
Scrap Materials	385.19	551.02
Processing & Job Work Income	70.36	133.98
Export Incentives	192.88	336.15
	<u>648.43</u>	<u>1021.15</u>
	<u>102806.84</u>	<u>69606.32</u>
*None of these individually account for more than 10% of total revenue from sale of products.		
23. OTHER INCOME		
Interest Income	711.74	365.92
Dividend Income on Non-current Investments	875.32	422.82
Gain on Foreign Currency Transactions and Translations (Net)	-	188.23
Provision for Doubtful Debts Written Back (Net)	108.03	-
Rent Received	57.64	31.12
Other Non Operating Income	35.45	15.36
	<u>1788.18</u>	<u>1023.45</u>
24. COST OF RAW MATERIALS CONSUMED		
Opening Stock	2622.00	3102.64
Add: Purchase [Less : Sales and Claim Rs.144.12 lacs (Rs. 1858.33 lacs)]	26411.11	31621.15
	<u>29033.11</u>	<u>34723.79</u>
Less: Closing Stock	1824.32	2622.00
	<u>27208.79</u>	<u>32101.79</u>
Details of Raw Materials Consumed		
Copper	5505.82	8932.89
Polyethylene	4890.20	5457.82
Single Mode Optical Fibre	7930.97	9297.77
Others*	8881.80	8413.31
	<u>27208.79</u>	<u>32101.79</u>
* None of these individually account for more than 10% of total cost of materials consumed.		



	For the year ended 31st March, 2016 Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
25. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS, ETC.		
Closing Inventories		
Work-in-Progress*	5576.65	4686.85
Finished Goods	2.69	267.70
Traded Goods	11.06	51.28
Scrap Materials	30.55	75.19
	<u>5620.95</u>	<u>5081.02</u>
Opening Inventories		
Work-in-Progress*	4686.85	3897.00
Finished Goods	267.70	42.97
Traded Goods	51.28	125.78
Scrap Materials	75.19	37.90
	<u>5081.02</u>	<u>4103.65</u>
	<u>(539.93)</u>	<u>(977.37)</u>
*Detail of Work-in-Progress		
Telecommunications Cables	1374.71	2112.23
Other Wires & Cables	586.49	110.09
FRP Rods/Glass Rovings	97.47	52.37
Contracts under Execution (EPC)	3517.98	2412.16
	<u>5576.65</u>	<u>4686.85</u>
26. MATERIALS PURCHASED/SUBCONTRACT EXPENSES		
Materials Purchased	19177.53	9192.28
Other Engineering & Construction Expenses	22895.75	5342.28
	<u>42073.28</u>	<u>14534.56</u>
27. EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus and Benefits, etc.	3511.09	2584.63
Contribution to Provident and Other Funds, etc.	256.02	172.31
Employees Welfare Expenses	218.94	178.51
	<u>3986.05</u>	<u>2935.45</u>
28. FINANCE COSTS		
Interest Expense	4208.58	2604.09
Loss on Foreign Currency Transactions and Translations (Net)*	227.81	-
Other Borrowing Costs	851.94	784.98
	<u>5288.33</u>	<u>3389.07</u>
*To the extent considered as an adjustment to borrowing costs.		
29. DEPRECIATION AND AMORTISATION EXPENSE		
On Fixed Assets (Refer Note No. 13)	1317.37	1005.47
Less: Transferred from Revaluation Reserve	-	0.14
	<u>1317.37</u>	<u>1005.33</u>



	For the year ended 31st March, 2016 Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
30. OTHER EXPENSES		
Consumption of Stores and Spares	440.05	488.56
Packing Materials	913.38	1125.61
Processing/Job Work and Testing Charges	46.76	169.04
Power and Fuel	702.31	696.51
Sales Commission (other than sole selling agent)	55.38	205.20
Rent	324.78	245.90
Repair & Maintenance		
Plant & Equipments	135.18	119.92
Buildings	281.62	82.86
Others	54.04	54.76
Insurance	191.00	114.92
Rates & Taxes	702.99	314.90
Travelling and Conveyance	690.08	443.31
Payment to Auditors		
Statutory Auditors		
Audit Fees	12.00	9.00
Tax Audit Fee	1.00	0.90
Quarterly Reviews	3.75	3.75
Taxation Matters	1.80	1.40
Certification, etc.	3.60	3.73
Reimbursement of Expenses	1.11	0.77
Cost Auditors		
Audit Fees	0.55	0.45
Certification, etc.	0.21	0.21
Reimbursement of Expenses	-	0.17
Legal and Professional	189.75	180.07
Loss on Sale/Discard of Fixed Assets (Net)	24.14	6.32
Bad Debts/Sundry Balances Written Off (Net)	669.03	761.90
Foreign Exchange Rate Fluctuation (Net)	68.56	-
Excise Duty on Increase/(Decrease) in Stocks	(5.05)	(2.48)
Warranty Expenses	1314.48	198.59
Miscellaneous Expenses	1831.39	874.48
	8653.89	6100.75

31. Earning Per Share (EPS):

Particulars	As at 31st March, 2016	As at 31st March, 2015
Basic/Weighted Average Number of Equity Shares outstanding at the end of the year	11850863	11850863
Profit for the year (Rs. in lacs)	7734.71	5784.86
Nominal Value of each Equity Share (Rs.)	10.00	10.00
EPS (Basic and Diluted)	65.27	48.81

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

- (a) Contingent Liabilities :
- (i) Claims against the Company/disputed liabilities not acknowledged as debts – Rs. Nil (Rs. 96.75 lacs).
 - (ii) Pending cases with income tax appellate authorities where income tax department has preferred appeals – Liability not ascertainable.
 - (iii) Sales tax & service tax matters under litigation Rs. 149.54 lacs (Rs. 115.20 lacs).
 - (iv) Appeals preferred by the Company against the claim/levy of differential sales tax due to timely non-submission of declaration forms for concessional sales tax demand(s)/levy whereof have been stayed and are pending with appellate authorities for their decision. The Company is contesting the demand(s)/levy on merits, liabilities against which are unascertainable until final outcome in the pending cases.
 - (v) Cross Corporate Guarantee given in connection with Loans/Working Capital Credit Facilities aggregating to Rs. 18450.00 lacs (outstanding as at 31st March, 2016 Rs. 8863.33 lacs) sanctioned by consortium of banks to a joint venture [(Refer Note No. 45(b)(i)].

The future cash outflow in respect of items (i) to (iv) above is determinable only on receipt of the decisions/judgments in the cases pending at various forums and authorities concerned. The management, however, believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

- (b) Commitments:
- (i) Estimated amount of contracts remaining to be executed on Capital Account (net of advances) and not provided for Rs. 205.19 lacs (Rs. 690.19 lacs).
 - (ii) Commitments relating to Derivatives are disclosed in Note No. 35.

- 33.** The Exceptional Item for the year ended 31st March, 2016, amounting to Rs. 477.76 lacs, represents settlement of claim(s) of an overseas supplier through an out of court settlement of various long standing disputes/claims pending in different courts in India and Arbitration in Japan.

34. Information pursuant to Accounting Standard (AS)-7 (Revised) on "Construction Contracts":

Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(a) Contract revenue recognised for the year	54139.54	19273.72
(b) The relevant information relating to all contracts in progress upto the reporting date are given below:		
(i) Aggregate amount of costs incurred	63541.79	31244.71
(ii) Recognised profits (less recognised losses) upto the reporting date	5854.68	2773.82
(iii) Amount of customer advances received and outstanding	2740.01	116.51
(iv) Amount due from customers (including retentions, if any) as an asset	19654.62	7425.49
(v) Contracts under execution		
- Advance billing to customers	Nil	Nil
- Unbilled revenue	6225.44	8915.73
- Excess of billing over revenue	464.98	Nil

**35. Derivative Instruments:**

The Company has entered into the following derivative instruments :

- (a) Details of outstanding forward exchange contracts entered into by the Company for hedge purpose and unhedged foreign currency exposures as at the year end:

Particulars	As at 31st March, 2016			As at 31st March, 2015		
	In Foreign Currency	Rs. in lacs		In Foreign Currency	Rs. in lacs	
Foreign currency exposures covered by Forward Contracts						
Borrowings						
Long-term	USD	147343	98.38	USD	-	-
Short-term	USD	641384	428.25	USD	-	-
Other Payables	USD	1090435	729.49	USD	442011	279.31
Total	USD	1879162	1256.12	USD	442011	279.31
Others						
Borrowing						
Long-term	USD	2071592	1383.20	USD	-	-
	EUR	927000	702.48	EUR	926962	634.23
Short-term	USD	4362479	2912.83	USD	4087824	2577.78
	EUR	658750	499.20	EUR	-	-
Other Payables	USD	647997	433.46	USD	1341936	847.95
	NPR	217844	1.36	NPR	7749218	48.43
	EUR	288343	218.92	EUR	287508	197.10
Receivables	USD	1769556	1165.61	USD	2771001	1723.03
	NPR	26252893	164.08	NPR	36126391	225.79
	EUR	66700	49.46	EUR	77445	51.80
Bank Balances	USD	1	-	USD	22	0.01
	NPR	374500	2.34	NPR	13892633	86.83
Total	USD	8851625	5895.10	USD	8200783	5148.77
	NPR	26845237	167.78	NPR	57768242	361.05
	EUR	1940793	1470.06	EUR	1291915	883.13

- (b) Foreign currency exposures hedged by Derivative Instrument and outstanding as at the year end:

Particulars	As at 31st March, 2016		As at 31st March, 2015		
	In Foreign Currency	Rs. in lacs	In Foreign Currency	Rs. in lacs	
Long-term Borrowings (Foreign Currency Term-Loan)/Currency Swap/Interest Rate Swap	USD	2218934	1500.00	-	-

- (c) A sum of Rs. 6.20 lacs (Rs. 0.51 lac) on account of unamortised foreign exchange premium on outstanding Forward Exchange Contracts is being carried forward to be debited to the Statement of Profit and Loss of the subsequent period.

36. Employee Benefits:

- (a) **Defined Benefit Plan :**

The Company's defined benefit plans include the approved funded Gratuity scheme which is administered through Group Gratuity scheme with Life Insurance Corporation of India and non- funded Pension scheme (applicable only to certain categories of ex-employees). Such defined benefits are provided for in the Statement of Profit and Loss based on valuations, as at the Balance Sheet date, carried out by independent actuaries. Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2016 are summarised below:



(i) Amount of Net Employee Benefit Exposure Recognised in the Statement of Profit and Loss:

Particulars	Gratuity		Pension	
	2015-16 Rs. in lacs	2014-15 Rs. in lacs	2015-16 Rs. in lacs	2014-15 Rs. in lacs
Current Service Cost	34.25	28.82	-	-
Interest Cost on Benefit Obligation	34.55	26.35	2.23	2.06
Expected Return on Plan Assets	(37.72)	(32.02)	-	-
Net Actuarial (Gain)/Loss Recognised	24.70	58.00	1.56	4.27
Add: Impact of Variation in Actual and Expected Return on Plan Assets	(1.62)	(1.77)	-	-
Net Employee Benefit Expense	54.16	79.38	3.79	6.33
Actual Return on Plan Assets	(39.34)	(33.79)	-	-

(ii) Amount Recognised in the Balance Sheet:

Particulars	Gratuity		Pension	
	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
Defined Benefit Obligation	525.71	442.38	34.25	34.90
Fair value of the Plan Assets	477.00	399.57		
Paid by Group Company	1.51	1.51		
Net Asset/(Liability)	(47.20)	(41.30)	(34.25)	(34.90)

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

Particulars	Gratuity		Pension	
	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
Opening Defined Benefit Obligation	442.38	342.05	34.90	33.01
Interest cost	34.55	26.35	2.23	2.06
Current Service Cost	34.25	28.82	-	-
Benefits Paid	(10.17)	(12.84)	(4.44)	(4.44)
Actuarial (Gain)/Loss	24.70	58.00	1.56	4.27
Closing Defined Benefit Obligation	525.71	442.38	34.25	34.90

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

Particulars	Gratuity	
	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
Opening Fair Value of Plan Assets	399.57	366.02
Expected Return on Plan Assets	37.72	32.02
Contributions by Employer	48.26	12.60
Benefits Paid	(10.17)	(12.84)
Actuarial Gain/(Loss)	1.62	1.77
Closing Fair Value of Plan Assets	477.00	399.57



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

Particulars	Gratuity	
	2015-16 (%)	2014-15 (%)
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 Rs. 50.00 lacs to its defined benefit approved Gratuity plan during the financial year 2016-17.

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

Particulars	Gratuity		Pension	
	2015-16	2014-15	2015-16	2014-15
Mortality Table	IAL 2006-08 Ultimate	IAL 2006-08 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	7.90% p.a	7.85% p.a	7.90%p.a.	7.80%p.a.
Salary Rise	7.50% p.a	7.50% p.a	N.A.	N.A.
Expected Return on Plan Assets	9.01% p.a.	8.75% p.a.	N.A.	N.A.
Remaining Working Life	15.24 Years	15.46 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.

Information relating to experience adjustments to plan assets and liabilities as required by Para 120(n)(ii) of the Accounting Standard (AS)-15 (revised) on "Employee Benefits" is not available with the Company. However, the impact of the same is not likely to be material.

(b) Defined Contribution Plan :

Company's contribution to defined contribution schemes such as approved and recognised Provident/Family Pension Fund and approved Superannuation Fund are charged to the Statement of Profit and Loss as incurred for the year when an employee renders the relevant service. The Company has no further obligations beyond its contributions. The Company has recognised the following contributions paid/payable to Provident/Family Pension Fund and Superannuation Fund as an employee benefits expense in the Statement of Profit and Loss.

Defined Contribution Plan	2015-16 Rs. in lacs	2014-15 Rs. in lacs
Contribution to Provident and Family Pension Funds	155.18	117.22
Contribution to Superannuation Fund	39.65	34.17

37. Segment Information:

In accordance with the Accounting Standard (AS)-17 on "Segment Reporting", the Company has identified two reportable business segments as the primary segment viz. Cables and Engineering, Procurement and Construction (EPC). Segments have been identified and reported taking into account nature of products and services, the deferring risks and returns, the organisation structure and the internal business reporting systems. A brief description of the types of products and services provided by each reportable segment is as follows:

"Cables"- 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 services with or without materials, as the case may be.



(a) Primary Segment Information (by business segments):

The following table presents revenue and profit/(loss) information regarding business segments for the year(s) ended 31st March, 2016 and 31st March, 2015 and certain liabilities information regarding business segments as at 31st March, 2016 and 31st March, 2015 :

Business Segments	Year ended 31st March , 2016			Year ended 31st March, 2015		
	Cables Rs. in lacs	EPC Rs. in lacs	Total Rs. in lacs	Cables Rs. in lacs	EPC Rs. in lacs	Total Rs. in lacs
Revenue						
External Sales and Other Operating Income (Net)	43032.68	55336.36	98369.04	44844.99	20207.78	65052.77
Inter Segment Sales (at arm's length basis)	16.72	-	16.72	100.50	-	100.50
Other Income*	122.71	20.77	143.48	187.33	16.26	203.59
Total Revenue	43172.11	55357.13	98529.24	45132.82	20224.04	65356.86
Results						
Segment Result (PBIT) (after considering Exceptional Item)	7238.58	7168.37	14406.95	5861.08	2445.86	8306.94
Unallocable Income/(Expenses) (Net)			671.93			423.28
Operating Profit			15078.88			8730.22
Interest Expenses (Net)			(3496.84)			(2238.17)
Tax Expenses (Net)			(3847.33)			(707.19)
Profit after Tax			7734.71			5784.86
Other Information						
Segment Assets	29737.15	50365.59	80102.74	38134.87	28277.25	66412.12
Unallocable Assets			14142.62			14436.23
Total Assets			94245.37			80848.35
Segment Liabilities	6023.68	18238.30	24261.98	13027.95	6645.57	19673.52
Unallocable Liabilities			33233.26			31753.15
Total Liabilities			57495.24			51426.67
Capital Expenditure Incurred	1498.74	889.32	2388.06	952.21	1068.35	2020.56
Depreciation and Amortisation	946.88	370.49	1317.37	895.19	110.14	1005.33

*Excludes Rs. 1644.70 lacs (Rs. 819.86 lacs) netted off from unallocated expenses and interest expense.

(b) Geographical Segments:

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

Sl. No.	Geographical Segments	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Domestic Market (within India)	91158.17	58114.66
(ii)	Overseas Markets (outside India)	7227.58	7038.61
	Total	98385.75	65153.27

(i) All the assets of the Company, except the carrying amount of assets aggregating to Rs. 763.09 lacs (Rs. 1973.25 lacs) are within India.

(ii) 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.



38. Disclosures in respect of Related Parties as defined in Accounting Standard (AS)-18, with whom transactions were entered into at an arm's length and in the normal/ordinary course of business during the year are given below:

- (i) Subsidiaries : August Agents Ltd. (AAL), Insilco Agents Ltd.(IAL), Laneseda Agents Ltd. (LAL)
- (ii) Joint Ventures : Birla Ericsson Optical Ltd. (BEOL) Birla Visabeira Private Limited (BVPL) (w.e.f 15th September 2015)
- (iii) Enterprise over which a director is able to exercise significant influence : Shakun Polymers Limited (SPL)
- (iv) Enterprise in which the Company has significant influence : Universal Cables Limited (UCL) (w.e.f 15th May, 2015)
- (v) Key Management Personnel (KMP) : Shri Y.S. Lodha (Managing Director)
- (vi) The Company by itself and/or along-with its subsidiaries hold more than 20% of the voting power of certain bodies corporate. The Company has been legally advised that it does not have any "significant influence" in the said bodies corporate as defined in Accounting Standard (AS)-18 - "Related Party Disclosures" and accordingly, has not considered the above investees as related parties under the said Accounting Standard.
- (a) Details of transactions with related parties (other than Key Management Personnel) :

Sl. No.	Nature of Transaction	Year	AAL	IAL	LAL	BVPL	BEOL	UCL	SPL
(i)	Purchases of Finished Goods, Traded Goods, Raw Materials	2015-16	-	-	-	-	444.24	2072.87	154.95
		2014-15	-	-	-	-	98.19	-	88.69
(ii)	Sale of Finished Goods, Traded Goods, Raw Materials and Consumables	2015-16	-	-	-	-	883.98	136.92	49.13
		2014-15	-	-	-	-	1549.31	-	-
(iii)	Other Service Charges/Lease Rent Received	2015-16	-	-	-	-	60.63	10.94	-
		2014-15	-	-	-	-	134.49	-	-
(iv)	Other Service Charges /Lease Rent Paid	2015-16	-	-	-	-	10.66	26.15	-
		2014-15	-	-	-	-	42.69	-	-
(v)	Inter-Corporate Loans taken	2015-16	250.00	250.00	300.00	-	4500.00	-	-
		2014-15	1100.00	675.00	925.00	-	5109.00	-	-
(vi)	Repayment of Inter-Corporate Loans taken	2015-16	250.00	250.00	300.00	-	4500.00	-	-
		2014-15	22.09	6.90	12.25	-	5609.00	-	-
(vii)	Interest paid on Inter-Corporate Loans taken/Others	2015-16	4.96	4.96	1.38	-	78.26	-	-
		2014-15	-	-	-	-	40.66	-	-
(viii)	Inter-Corporate Loans given	2015-16	-	-	-	-	1500.00	2400.00	-
		2014-15	-	-	-	-	370.00	-	-
(ix)	Repayment of Inter-Corporate Loans given	2015-16	-	-	-	-	1500.00	3900.00	-
		2014-15	-	-	-	-	370.00	-	-
(x)	Interest received on Inter-Corporate Loans given/ Others	2015-16	-	-	-	-	11.28	176.60	-
		2014-15	-	-	-	-	0.48	-	-
(xi)	Non-current Investments in Equity Shares during the year	2015-16	-	-	-	360.00	-	1751.88	-
		2014-15	-	-	-	-	-	-	-
(xii)	Cross Corporate Guarantee given to Bankers	2015-16	-	-	-	-	4700.00	-	-
		2014-15	-	-	-	-	13750.00	-	-
(xiii)	Cross Corporate Guarantee accepted	2015-16	-	-	-	-	61744.00	-	-
		2014-15	-	-	-	-	86687.00	-	-
(xiv)	Dividend Received	2015-16	152.50	150.00	150.00	-	40.00	-	-
		2014-15	-	-	-	-	40.00	-	-
(xv)	Dividend Paid	2015-16	-	-	-	-	-	172.73	-
		2014-15	-	-	-	-	-	69.09	-
(xvi)	Balance Outstanding at the year end								
	Non-current Investments in Equity Shares	2015-16	1525.02	1500.02	1500.02	360.00	900.01	4945.62	-
		2014-15	1525.02	1500.02	1500.02	-	900.01	3193.75	-
	Cross Corporate Guarantee given	2015-16	-	-	-	-	18450.00	-	-
		2014-15	-	-	-	-	13750.00	-	-



Sl. No.	Nature of Transaction	Year	AAL	IAL	LAL	BVPL	BEOL	UCL	SPL
	Cross Corporate Guarantee accepted	2015-16	-	-	-	-	148461.00	-	-
		2014-15	-	-	-	-	86687.00	-	-
	Other Payables	2015-16	-	-	-	-	-	-	85.20
		2014-15	-	-	-	-	-	-	-
(xvii)	Maximum amount of Loans and Advances outstanding at any time during the year	2015-16	-	-	-	-	1500.00	2400.00	-
		2014-15	-	-	-	-	270.00	1800.00	-

(b) Details of transactions with Key Managerial Personnel :

Particulars	Remuneration		Balance Outstanding at the year end -Payable	
	2015-16	2014-15	2015-16	2014-15
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Shri Y. S. Lodha	101.08	77.17	4.50	-

Notes:

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

39. Leases:

(a) Operating Lease :

The Company has taken certain office and residential premises/facilities under operating lease/sub-lease agreements. The lease agreements generally have an escalation clause and are not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease/sub-lease agreements. The aggregate lease rental of Rs. 169.03 lacs (Rs. 108.51 lacs) have been charged to the Statement of Profit and Loss.

(b) Finance Lease :

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

Sl. No.	Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Lease Revenue Recognised as an Outright Sale	1036.99	796.55
(ii)	Cost of Sale	879.00	365.74
(iii)	Profit Recognised [(i)-(ii)]	157.99	430.81

40. Interest in Joint Venture Company:

Pursuant to Accounting Standard (AS)-27 "Financial Reporting of Interest in Joint Ventures" the relevant information relating to Joint Venture Companies (JVCs) are given below:

Name of the Joint Venture Company	Country of Incorporation	Proportion of Ownership Interest	Description of Interest
Birla Ericsson Optical Ltd. (BEOL)	India	13.33%	JV is established principally for manufacture of Telecommunication Cables and Other types of Wires and Cables.
Birla Visabeira Private Ltd. (BVPL) w.e.f 15 th September 2015	India	40%	JV is established principally for undertaking Contracts for network engineering services, construction of infrastructure, installation of networks, specialized consultancy services, operation and maintenance etc. in certain specific areas in telecom and power sector(s).



The Company's share in the aggregate amounts of each of the Assets, Liabilities, Income, Expenses, Contingent Liabilities and Capital Commitments as at/for the years ended 31st March 31, 2016 and 31st March, 2015, to the extent applicable, in the said Joint Venture Companies as per their Audited Financial Statements are as under:

Particulars	BEOL		BVPL	
	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
LIABILITIES				
NON-CURRENT LIABILITIES				
Long-term Borrowings	218.84	181.11	-	-
Deferred Tax Liabilities (Net)	69.58	50.25	-	-
Long-term Provisions	22.10	19.27	-	-
CURRENT LIABILITIES				
Short-term Borrowings	627.60	584.65	-	-
Payable to Micro Enterprises and Small Enterprises	40.24	24.31	-	-
Other Payables	700.79	605.49	0.53	-
Other Current Liabilities	116.45	223.94	0.15	-
Short-term Provisions	69.70	62.69	0.20	-
Total	1865.30	1751.71	0.88	-
ASSETS				
NON-CURRENT ASSETS				
Fixed Assets				
Tangible Assets	813.93	547.48	-	-
Intangible Assets	-	-	-	-
Capital Work-in-Progress	0.45	12.44	-	-
Non-current Investments	254.07	187.45	-	-
Deferred Tax Asset (Net)	-	-	0.99	-
Long-term Loans and Advances	71.67	60.93	-	-
Other Non-current Assets	4.17	16.22	-	-
CURRENT ASSETS				
Inventories	595.07	583.39	-	-
Trade Receivables	1009.49	1088.81	-	-
Cash and Cash Equivalents	144.39	135.80	352.83	-
Short-term Loans and Advances	108.96	144.24	0.18	-
Other Current Assets	85.84	132.79	6.90	-
Total	3088.04	2909.55	360.90	-

REVENUE				
Revenue from Operations (Net)	3329.62	3517.74	-	-
Other Income	35.50	49.69	8.09	-
EXPENSES				
Cost of Materials Consumed	2376.06	2583.31	-	-
Purchase of Stock-in-Trade (Traded Goods)	2.35	22.96	-	-
(Increase)/Decrease in Inventories	33.88	3.63	-	-
Employee Benefits Expense	189.06	162.74	-	-
Finance Costs	86.92	110.67	-	-
Other Expenses	376.50	358.28	8.05	-
Depreciation and Amortisation Expense	95.58	79.65	-	-
Exceptional Item	63.65	-	-	-
Income Tax (MAT) and Deferred Tax Charge (Net)	28.07	79.62	0.03	-
Contingent Liabilities	18.06	14.52	-	-
Capital Commitment	4.77	231.87	-	-



41. There is no Impairment of Assets during the year.
42. Disclosure on Provision relating to Warranty in accordance with Accounting Standard (AS)- 29 "Provisions, Contingent Liabilities and Contingent Assets":

Particulars	As at 31st March 2016 Rs. in Lacs	As at 31st March 2015 Rs. in Lacs
At the beginning of the year	198.59	-
Arising during the year	1314.48	198.59
Utilised during the year	-	-
At the end of the year	1513.07	198.59

43. 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 – Rs. 68.46 lacs (Rs. 12.58 lacs).
- (b) Amount spent during the year 2015-16 and included under Miscellaneous Expenses in the Statement of Profit and Loss (Refer Note No. 30)

Sl. No.	Particulars	Spent in Cash (Rs. in lacs)	Yet to be spent in cash (Rs. in lacs)	Total (Rs. in lacs)
(i)	Construction/acquisition of any asset	-	-	-
(ii)	Other Purposes-Contribution to an approved/registered trust 'Madhav Prasad Priyamvada Birla Apex Charitable Trust' in which a director and his relatives are trustees.	75.00	-	75.00

44. Additional information pursuant to by way of notes of the Schedule III to the Companies Act, 2013:

- (a) Value of Imports on CIF basis:

Sl. No.	Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Raw Materials	11346.24	11242.55
(ii)	Capital Goods	1394.19	1337.10
(iii)	Components and Spare Parts	120.14	122.81
(iv)	Traded Goods	0.69	0.98

- (b) Expenditure in Foreign Currency (on accrual basis):

Sl. No.	Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Interest	81.75	41.28
(ii)	Commission	56.53	7.20
(iii)	Travelling	22.24	19.00
(iv)	Others (including Rs. 477.76 lacs pertaining to an Exceptional Item as referred to in Note No. 33)	512.97	571.63

- (c) Value of Imported and Indigenous Raw Materials and Components/Spare Parts Consumed and Percentage thereof:

Sl. No.	Particulars	2015-16		2014-15	
		Value Rs. in lacs	% to Total	Value Rs. in lacs	% to Total
(i)	Raw Materials Imported	12055.93	44.31	11698.68	36.44
	Indigenous	15152.86	55.69	20403.11	63.56
	Total	27208.79	100.00	32101.79	100.00
(ii)	Components and Spare Parts* Imported	133.61	30.36	186.90	38.22
	Indigenous	306.44	69.64	301.66	61.78
	Total	440.05	100.00	488.56	100.00

* Grouped under "Consumption of Stores & Spares" and "Repairs & Maintenance of Plant & Equipments" vide Note No. 30.



(d) Remittance in Foreign Currency on account of Dividend :

No remittance in foreign currency on account of dividend was made by the Company directly. The Company has, however, paid dividend in respect of equity shares held by certain Non-resident shareholders on repatriation basis. These, inter alia, include portfolio investment and direct investment where the amount is also credited to Non-Resident External Account (NRE A/c). The amount of dividend indirectly remitted to such Non-resident shareholders cannot be ascertained.

(e) Earnings in Foreign Exchange (on accrual basis):

Sl. No.	Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Export of Goods on FOB basis	7108.25	6372.49
(ii)	Contract Revenue	1.80	569.36
(iii)	Interest	0.72	1.39
(iv)	Others (Freight & Insurance)	85.30	98.60

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

Sl. No.	Name of the Company	As at 31 st March, 2016 Rs. in lacs	As at 31 st March, 2015 Rs. in lacs	Purpose
(a)	Unsecured Loan Given			
(i)	Universal Cables Ltd.	Nil	1500.00	Deployment of surplus funds for short term. Repayable on demand.
(b)	Guarantee Given			
(i)	Birla Ericsson Optical Ltd.	18450.00	13750.00	Cross corporate guarantee given to Banks as collateral against term loan(s) and working capital credit facilities granted to BEOL by banks. Corporate guarantee given towards performance of contractual obligation & liabilities assumed by Universal Cables Ltd. under a supply contact.
(ii)	Alstom Transport India Ltd.	Nil	5800.00	
(c)	Investment and Loan made during the year : Refer Note No. 38			

* The Company has also accepted Cross Corporate Guarantee from BEOL of Rs. 148461.00 lacs against total Credit Facilities availed from banks.

46. The Company has regrouped/reclassified previous year's figures to conform to current year's classification/disclosures. 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
ICAI Firm Registration No. 109208W

R. Raghuraman
Partner
Membership No. 081350

Signatures to Notes 1 to 46

Harsh V.Lodha
(DIN: 00394094)

Chairman

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Saurabh Chhajera

Ashok Mishra

Directors

Managing Director

Chief Financial Officer

Company Secretary



Independent Auditor's Report on Consolidated Financial Statement

TO THE MEMBERS OF VINDHYA TELELINKS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Vindhya Telelinks Limited** ("herein after referred to as "the Holding Company") and its subsidiaries (together referred to as "the Group"), an associate and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, including its associate and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

The respective Board of Directors of the Companies included in the Group and of its associate and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence obtained by us and audit evidence obtained by the other auditors in terms of their report referred to in other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and jointly controlled entities as at 31st March, 2016, their consolidated profit and their consolidated cash flow for the year ended on that date.

Other Matters

- (a) We did not audit the financial statement of all the subsidiaries (three), whose financial statement reflect total assets of Rs. 16023.62 lacs as at 31st March 2016, total revenues of Rs. 1826.01 lacs and net cash flows amounting to Rs. 128.34 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on consolidated financial statements, in so far relates to the amounts and disclosure included in respect of the subsidiaries and our report in sofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.



Our opinion 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 and the reports of the other auditors.

- (b) Read with Note no. 1(e) of the attached consolidated financial statements, the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated financial statements, Accounting Standard (AS) 23 Accounting for Investment in Associates in Consolidated Financial Statement and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures notified under Section 133 of the Act. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2016 taken on record by the Board of Directors of the holding company, and the reports of the statutory auditors of the subsidiaries, Associate and jointly controlled companies, none of the directors of the Group companies, its associate and jointly controlled companies is disqualified as on 31st March, 2016 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 the financial reporting and the operating effectiveness of such controls, referred to Our report in "Annexure A", which is based on the auditor's reports of the Holding Company, Subsidiary Companies, associate Company and Jointly controlled Companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting in the Holding Company and its subsidiary Companies, associate Company and Jointly Controlled Companies.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statement disclose the impact of pending litigations which would impact the consolidated financial position – Refer note no. 32 to the consolidated financial statement.
 - 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 were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group and jointly controlled entities. In respect of an associate Company, there has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund.
2. In respect of subsidiaries (as reported by their auditor's), as required under "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008", and on the basis of such checks as considered appropriate and according to the information and explanations given, it is stated that:
- (a) The subsidiaries have received "certificate of registration" from Reserve Bank of India for registration as "Non Banking Financial Company".
 - (b) In terms of their assets/income pattern for the financial year ended on 31st March, 2016, the subsidiaries are entitled to hold such certificate of registration.
- In respect of subsidiaries, it is further stated that:
- (a) Their Board of Directors have passed a resolution for the non-acceptance of any public deposits.
 - (b) The subsidiaries have not accepted any public deposits during the year.



- (c) The Subsidiaries have complied with the Prudential Norms relating to Income Recognition, Accounting Standards, Asset Classification and Provisioning for bad and doubtful debts as applicable to them.
- (d) None of the subsidiaries are “systemically important non deposit taking non-banking financial companies”.

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

R. Raghuraman
Partner
Membership No. 081350

Place : New Delhi
Dated : May 19, 2016

**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**

In conjunction with our audit of consolidated financial statements of the Company as of and for the year ended 31st March, 2016, We have audited the internal financial controls over financial reporting of **Vindhya Telelinks Limited** (“herein after referred to as “the Holding Company”) and its subsidiaries (together referred to as “the Group”), an associate and jointly controlled entities, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

**Opinion**

In our opinion, the Holding Company, its subsidiary companies, associate and jointly controlled companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

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

Place : New Delhi
Dated : May 19, 2016

R. Raghuraman
Partner
Membership No. 081350



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	1184.15	1184.11
Reserves and Surplus	4	47875.36	38891.52
		<u>49059.51</u>	<u>40075.63</u>
NON-CURRENT LIABILITIES			
Long-term Borrowings	5	9005.01	12315.35
Deferred Tax Liabilities (Net)	6	555.40	462.27
Other Long-term Liabilities	7	9.60	-
Long-term Provisions	8	1630.91	506.02
		<u>11200.92</u>	<u>13283.64</u>
CURRENT LIABILITIES			
Short-term Borrowings	9	21147.13	18683.53
Trade Payables	10		
Payable to Micro Enterprises and Small Enterprises		1889.34	1140.31
Other Payables		16775.90	14512.74
Other Current Liabilities	11	6933.03	4320.34
Short-term Provisions	12	1483.59	1257.44
		<u>48228.99</u>	<u>39914.36</u>
Total		<u>108489.42</u>	<u>93273.63</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	13		
Tangible Assets		8700.73	7387.30
Intangible Assets		-	4.92
Capital Work-in-Progress		12.91	55.89
		<u>8713.64</u>	<u>7448.11</u>
Non-current Investments	14	19996.82	16465.95
Long-term Loans and Advances	15	5330.53	6844.04
Other Non-current Assets	16	3224.31	1606.91
		<u>37265.30</u>	<u>32365.01</u>
CURRENT ASSETS			
Inventories	17	8320.55	8590.03
Trade Receivables	18	39457.13	36026.68
Cash and Cash Equivalents	19	3122.12	2281.66
Short-term Loans and Advances	20	13521.18	4433.51
Other Current Assets	21	6803.14	9576.74
		<u>71224.12</u>	<u>60908.62</u>
Total		<u>108489.42</u>	<u>93273.63</u>

The accompanying Notes 1 to 42 form an integral part of the Financial Statements.

As per our attached report of even date

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

R. Raghuraman
Partner
Membership No. 081350

Harsh V. Lodha
(DIN: 00394094)

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Saurabh Chhajer

Ashok Mishra

Chairman

Directors

Managing Director

Chief Financial Officer

Company Secretary

New Delhi, May 19, 2016

New Delhi, May 19, 2016



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	For the year ended 31st March, 2016 Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
REVENUE			
Revenue from Operations (Gross)	22	106333.09	73252.73
Less: Excise Duty		4721.07	4769.34
Revenue from Operations (Net)		101612.02	68483.39
Other Income	23	3141.98	2716.12
Total Revenue		104754.00	71199.51
EXPENSES			
Cost of Raw Materials Consumed	24	29493.37	34521.69
Purchase of Traded Goods		126.25	617.37
(Increase)/ Decrease in Inventories of Finished Goods, Work-in-Progress, Traded Goods and Scrap Materials	25	(506.06)	(973.74)
Materials Purchased/Sub Contract Expenses	26	42073.28	14534.56
Employee Benefits Expense	27	4188.35	3106.61
Finance Costs	28	5352.03	3453.02
Depreciation and Amortisation Expense	29	1412.92	1085.00
Other Expenses	30	9034.78	6443.47
Total Expenses		91174.92	62787.98
PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		13579.08	8411.53
Exceptional Item (Refer Note No. 33)		541.41	-
PROFIT BEFORE TAX		13037.67	8411.53
Tax Expense / (Credit)			
Current Tax / Minimum Alternate Tax (MAT)		4057.24	1545.31
Less: MAT Credit Entitlement relating to Earlier Years		(29.93)	(996.79)
Net Current Tax		4027.31	548.52
Income Tax of Earlier Years		(16.61)	(9.82)
Deferred Tax Charge		94.11	416.29
Total Tax Expense		4104.81	954.99
PROFIT FOR THE YEAR		8932.86	7456.54
Share of Profit in respect of Investment in Associate		557.55	-
PROFIT FOR THE YEAR		9490.41	7456.54
Earning per Equity Share (EPS)			
Basic and Diluted EPS (Nominal value of shares Rs. 10/- each)	31	80.08	62.92

The accompanying Notes 1 to 42 form an integral part of the Financial Statements.

As per our attached report of even date

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

R. Raghuraman
Partner
Membership No. 081350

Harsh V.Lodha
(DIN: 00394094)

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
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Y.S. Lodha
(DIN: 00052861)

Saurabh Chhajera

Ashok Mishra

Chairman

Directors

Managing Director

Chief Financial Officer

Company Secretary

New Delhi, May 19, 2016

New Delhi, May 19, 2016



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Rs. in lacs	For the year ended 31st March, 2016 Rs. in lacs	Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax		13037.67		8411.53
Adjustments for :				
Depreciation and Amortisation	1412.92		1085.00	
(Profit)/Loss on Disposal of Fixed Assets (Net)	24.26		6.90	
(Profit)/Loss on Sale of Investment	(191.90)		(189.14)	
(Gain)/Loss on Unrealised Foreign Exchange	30.74		(82.98)	
Provision for Doubtful Debts (Net)	(107.49)		1.30	
Interest Income	(1273.38)		(760.57)	
Dividend Income	(1472.94)		(1509.52)	
Interest Expense	4258.34	2680.55	2643.50	1194.49
Operating Profit/(Loss) before Working Capital Changes		15718.22		9606.02
Movement in Working Capital:				
Increase/(Decrease) in Trade Payables and Provisions	4578.04		4311.98	
Decrease/(Increase) in Trade Receivables	(4640.17)		(8714.22)	
Decrease/(Increase) in Inventories	269.48		(298.53)	
Decrease/(Increase) in Loans and Advances	(7329.81)		(8305.45)	
Decrease/(Increase) in Other Current Assets	2880.92	(4241.54)	(7663.15)	(20669.37)
Cash Generated from/(used in) Operations		11476.68		(11063.35)
Direct Taxes Paid (Net of Refunds)		(4340.29)		(380.81)
Net Cash Flow from/(used in) Operating Activities (A)		7136.39		(11444.16)
B. CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase) of Fixed Assets	(2741.98)		(2139.30)	
Proceeds from Sale of Fixed Assets	39.38		15.74	
(Purchase) of Investment	(3952.14)		(1225.82)	
Sale of Investment	1170.72		1563.84	
(Investment)/Redemption of Bank Deposits	(808.73)		(865.04)	
Interest Received	1165.94		682.64	
Dividend Received	1512.93		1509.52	
Net Cash Flow from/(used in) Investing Activities (B)		(3613.88)		(458.42)



	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)**C. CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from Share Capital	0.04		0.03	
Proceeds from Securities Premium	0.20		0.17	
Proceeds from Capital Subsidy	357.19		-	
Proceeds/(Repayment) of Long-term Borrowings	(875.97)		5988.61	
Proceeds/(Repayment) of Short-term Borrowings	2415.87		8771.68	
Interest Paid	(4257.21)		(2614.30)	
Dividend Paid	(843.58)		(319.10)	
Net Cash Flow from/(used in) Financing Activities (C)		(3203.46)		11827.09
Net Increase/(Decrease) in Cash and Cash Equivalents		319.05		(75.49)
Cash and Cash Equivalents at the beginning of the year		230.89		306.38
Cash and Cash Equivalents at the end of the year		549.94		230.89
Components of Cash and Cash Equivalents				
Cash on Hand		2.52		4.09
Cheques/Drafts on Hand		155.80		111.81
In Current Accounts		376.78		110.00
In Unpaid Dividend Account*		14.84		4.99
		549.94		230.89

* The Balances are not available for use by the Company as they represent unclaimed dividend liabilities.

- (a) Difference of Rs. 4235.23 lacs (Rs. 3246.50 lacs) compared with Note No. 19 represents Short Term Investments with an original maturity of three months or more.
- (b) The Cash Flow Statement has been prepared under the 'Indirect method' as set out in Accounting Standard (AS-3) on Cash Flow Statements.
- (c) Negative figures have been shown in brackets.

As per our attached report of even date

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

R. Raghuraman
Partner
Membership No. 081350

Harsh V.Lodha
(DIN: 00394094)

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Saurabh Chhajjer

Ashok Mishra

Chairman

Directors

Managing Director

Chief Financial Officer

Company Secretary

New Delhi, May 19, 2016

New Delhi, May 19, 2016

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

NOTES annexed to and forming part of the Consolidated Balance Sheet as at 31ST March, 2016, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year ended on that date.

1 The Consolidated Financial Statements relate to Vindhya Telelinks Ltd. (Holding Company), its Subsidiary Companies, its Joint Venture Companies and a Associate Company. The Consolidated Financial Statements have been prepared on the following basis:

- (a) The financial statements of the Holding Company and its subsidiary companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions.
- (b) The financial statements of the Subsidiary Companies, Joint Ventures and Associate used in the consolidation are drawn for the same reporting period as that of the Holding Company i.e. year ended 31st March, 2016.
- (c) The list of Subsidiary Companies which are included in the consolidation and the Holding Company's holding therein are as under:

Name of Subsidiaries	Country of Incorporation	Percentage of Ownership
August Agents Limited (AAL)	India	100 %
Insilco Agents Limited (IAL)	India	100 %
Laneseda Agents Limited (LAL)	India	100 %

- (d) Joint Venture Companies – In accordance with Accounting Standard (AS-27) notified under Companies (Accounts) Rules, 2014, the Holding Company has prepared the accompanying Consolidated Financial Statements by including the Holding Company's proportionate interest in the Joint venture's assets, liabilities, income, expenses and other relevant information after eliminating Holding company's share in intra group balances Rs. Nil (Rs. Nil) and intra group transactions Rs. 119.24 lacs (Rs. 196.51 lacs). Detail of joint venture is as follows:

Name of Joint Venture	Country of Incorporation	Percentage of Ownership
Birla Ericsson Optical Limited (BEOL)	India	13.33%
Birla Visabeira Private Limited (BVPL) (w.e.f 15 th September, 2016)	India	40%

- (e) In case of Associates, where Company holds directly or indirectly through subsidiary 20% or more equity or/and exercise significant influence, Investments are accounted for by using equity method in accordance with Accounting Standard (AS) 23 – "Accounting for Investments in Associates in Consolidated Financial Statements". Details of Associate Company is as follows:

Name of Associate Company	Country of Incorporation	Percentage of Ownership
Universal Cables Limited	India	27.15%

Post becoming Associate, the Company accounts for its share in the change in Net Assets of Associate through its Statement of Profit and Loss.

The Holding Company by itself or along with its subsidiaries holds more than 20% of the voting power of certain bodies corporate. The Holding Company has been legally advised that it does not have any "Significant Influence" in the said bodies corporate as defined in Accounting Standard (AS-18) "Related Party Disclosures" and accordingly, has not considered the above investees as related parties under (AS-18) and has not consolidated the financial statements of the above as "Associate" under Accounting Standard (AS-23).

- (f) The difference between the Cost of Investments and the Share of Net Assets at the time of acquisition of shares in the Subsidiaries and Associate Company is identified in the financial statements as Goodwill or Capital Reserve as the case may be.



(g) Information pursuant to schedule III of the Companies Act, 2013

Sl. No.	Name of the Entity	Net Assets		Share in Profit	
		As % of Consolidated Net Assets	Amount Rs. In lacs	As % of Consolidated Profit or Loss	Amount Rs. In lacs
Holding					
1	Vindhya Telelinks Ltd.	61.15	37506.50	77.47	7734.71
Subsidiaries (Indian)					
1	August Agents Ltd.	8.67	5318.83	5.17	515.82
2	Insilco Agents Ltd.	8.63	5296.23	5.40	538.84
3	Laneseda Agents Ltd.	8.70	5339.07	5.24	522.89
Associate Company (As per Equity Method)					
1	Universal Cables Ltd.	10.19	6248.47	5.59	557.55
Joint Ventures (As per Proportionate Consolidation/Investment)					
1	Birla Ericsson Optical Ltd.	2.07	1270.87	1.13	113.04
2	Birla Visabeira Private Ltd.	0.59	360.02	-	0.02
	Total	100.00	61339.99	100.00	9982.87

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements of the Group have been prepared and presented as a going concern basis under the historical cost convention modified to the extent of the revaluation of fixed assets and comply in all material respects with generally accepted accounting principles (GAAP) in India, the applicable Accounting Standards as notified under the relevant provisions of the Companies Act, 2013 as amended/changed from time to time. All revenue and expenses are accounted for on accrual basis except certain insurance claims and government subsidy/incentives, which are recognised on acceptance basis, as and when the amount whereof can be ascertained with reasonable certainty. The accounting policies adopted in the preparation of financial statements have been consistently applied by the Company, unless otherwise stated.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgment, estimates and assumptions that affect the reported amounts of revenue, expenses assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. 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, uncertainty about these assumptions could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. 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.

(c) Fixed Assets including Intangible Assets

Tangible Assets are stated at cost (Net of recoverable taxes (cenvat), trade discounts and rebates, claims, etc.) less accumulated depreciation and accumulated impairment losses, if any. The cost of a Tangible Asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. In case of a Joint Venture and Associate, the cost also comprise of adjustments arising from foreign exchange currency variation on monetary items attributable to depreciable fixed assets. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Insurance spares (determined on the basis of irregular use) are capitalised and all other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred. Tangible Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately. When assets are sold, disposed or discarded, their cost and accumulated depreciation are removed from the accounts. Losses arising from the retirement of, and gains or losses arising from sale, disposal and discard of tangible assets are included in the Statement of Profit and Loss. In case of revaluation of fixed assets, the revalued amount as determined by the valuer is considered in the books of account and the differential amount is transferred to Revaluation Reserve. Deprecation on excess of revalued amount over cost is transferred from Revaluation Reserve to the Statement of Profit and Loss. Tangible assets which are not ready for their intended use on the date of Balance Sheet are shown as Capital Work-in-Progress.

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any.

(d) **Depreciation and Amortisation**

Depreciation on Tangible Assets is provided on Straight Line Method based on the life of the asset specified in 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, on pro-rata basis from the month the assets are ready to use, as detailed below:

Sl. No.	Nature of Fixed Assets	Useful life Considered
(i)	Leasehold Land(Over the Period of Lease)	30 to 99 Years
(ii)	Buildings(as per Schedule II)	30/60 Years
(iii)	Plant & Equipments(as per Technical Evaluation & Schedule II)	3 to 15 Years
(iv)	Furniture & Fixtures(as per Schedule II)	10 Years
(v)	Office Equipments(as per Technical Evaluation & Schedule II)	3 Years
(vi)	Vehicles (as per Schedule II)	8 to 10 Years

Depreciation on sale/disposal/discard of assets is provided up to the month prior to the month in which the assets are sold/disposal off/discarded.

An 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 has been estimated as five years.

(e) **Impairment**

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) **Government Grants and Subsidies**

Grants and subsidies (including industrial investment promotion incentives linked to fixed capital investment in plant and machinery) from the Government are recognised when there is reasonable assurance that the conditions attached to them will be complied and grants/subsidy will be received. Government subsidy/incentives inextricably based upon and linked to fixed capital investments in plant and machinery 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 credited to Capital Reserve.

(g) **Leases**

Where the Group is the Lessor

(i) **Operating Lease**

Lease under which the Group does not transfer substantially all the risks and benefits of ownership of the asset is classified as operating lease. Assets subject to operating lease/sub-lease are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight line basis over the lease/sub-lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc are recognised immediately in the Statement of Profit and Loss.

(ii) **Finance Lease**

Finance lease transactions where significant risk & rewards of ownership are effectively transferred, are recognised as outright sales. Profit or Loss resulting from outright sale of the asset being leased, is recognised in the Statement of Profit and Loss immediately. Finance income, if any, is recognised over the lease term. Initial direct costs such as legal costs, brokerage costs, etc are recognised immediately in the Statement of Profit and Loss.

Where the Group is the Lessee

Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the assets during the lease/sub-lease term are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease/sub-lease term.

(h) **Investments**

Investments which are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current (long-term) investments. The cost comprises purchase price and directly attributable acquisition charges such as brokerage,

fees and duties. Current investments are carried in the financial statements at lower of cost and quoted/fair value determined on an individual investment basis. Non-current investments are stated/carried at cost. However, provision for diminution in the value of non-current (long term) investments is made only if such decline is other than temporary. On sale of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(i) **Inventories**

Inventories are valued as follows:

Raw materials and Stores & Spares	:	Lower of cost and net realisable value. 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. Cost is determined on a transaction moving weighted average basis.
Stock-in-Trade (Traded Goods)	:	Lower of cost and net realisable value. Cost is determined on a transaction moving weighted average cost basis.
Work-in-Progress and Finished Goods (Own Manufactured)	:	Lower of cost and net realisable value. Cost includes direct materials (determined on a transaction moving weighted average cost basis), labour and proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
Scrap Material	:	Estimated net realisable value.

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

(j) **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(i) **Sale of Goods**

Revenue from the sale of goods is recognised on transfer of significant risks and rewards incidental to ownership in the goods to the customer which generally coincides with dispatch of goods to customers. Sales are recorded inclusive of excise duty but net of return, if any, trade discounts, rebate, other pricing discounts, sales tax/VAT, freight and insurance. Revenue to the extent of price variation disputes, if any, which are subjected to resolution through arbitration is recognised based on interim relief granted by a court and/or after receipt of revenue in execution of the final award in favour of the Company, as the case may be.

(ii) **Contract Revenue**

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

Contract Revenue is accounted for on the basis of bills submitted to customers/bills certified by the customers or on technical evaluation of work executed based on joint inspection with customers and do not include material supplied by customers/clients free of cost. The income on account of claims/rewards or extra item works are recognised to the extent the Company expects reasonable certainty about receipt or acceptance from the clients/customers. The estimates of contract costs and the revenue thereon are reviewed periodically by the management and the cumulative effect of any changes in the estimates is recognised in the period in which such changes are determined. Where it is probable that contract expenses will exceed total revenue from a contract, the expected loss is recognised immediately as an expense in the Statement of Profit and Loss.

Pre-payments from customers are recognised as liabilities. A contract in progress for which the selling price of the work performed exceeds interim billings and expected losses is recognised as an asset. Contracts in progress for which interim billings and expected losses exceed the selling price are recognised as a liability.

(iii) **Interest**

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

(iv) **Dividends**

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

(v) **Export Incentives**

Export incentives are recognised in the year of export on the basis of receipt of proof of export.

(k) **Foreign Currency Transactions**

(i) **Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the prevailing exchange rate between the reporting currency and foreign currency at the date of the transaction or that approximates the actual rate at the date of transaction.

(ii) **Conversion**

Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(iii) **Exchange Differences**

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss, except in case of long-term liabilities (in Joint Venture), where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets, except in case of a Joint Venture and associate, exchange differences arising on the settlement of long-term monetary items or on reporting company's long-term monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are capitalised as part of the depreciable fixed assets to which the long-term monetary items relate and depreciated over the remaining balance life of such assets and in other cases amortised over the balance period of such long-term foreign currency monetary items.

(iv) **Forward Exchange Contracts not Intended for Trading or Speculation Purposes**

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rate(s) change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for that year.

(v) **Translation of Integral Foreign Operations**

In respect of a branch, which is having integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year end rate(s).

(vi) **Derivative Instruments**

The Company enters into derivative transactions such as principal cum interest rate swaps to hedge its on-balance sheet assets and liabilities. The swap contracts entered into are structured such that they bear an opposite and off-setting impact with the underlying on-balance sheet items. The interest receivable/payable on these derivative contracts is accrued in the Statement of Profit and Loss. The Company does not enter into derivative transactions for trading or speculative purposes

(l) **Employee Benefits**

The group makes regular contributions to recognised Provident Fund (managed by an approved trust)/Family Pension Fund and approved Superannuation Fund as per Company's schemes, which are recognised as an expense in the Statement of Profit and Loss for the year when the employee renders the related service. Gratuity, Pension and Compensated Absences benefits payable as per Company's schemes are considered defined benefit schemes and are charged to the 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 comprise experience adjustments and effects of changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the year in which they arise.

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

(m) **Income Taxes**

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



income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss. Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

(n) **Segment Reporting Policies**

(i) **Identification of Segments**

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services and serves different markets. The analysis of geographical segments is based on the geographical location of the customers.

(ii) **Allocation of Common Costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

(iii) **Unallocated Items**

Include general corporate income and expense items which are not allocated to any business segment.

(iv) **Segment Policies**

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(o) **Borrowing Cost**

Borrowing costs include interest and ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, attributable to the acquisition, construction or production of qualifying assets that necessarily take a substantial period of time to get ready for its intended use or sale are added to the cost upto the date when such assets are ready for their intended use. All other borrowing costs are recognised as expense in the period in which these are incurred, in accordance with the governing terms and conditions of the underlying borrowing.

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

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to any provision is presented in the Statement of Profit and Loss, net of any reimbursement.

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.

(q) **Cash and Cash Equivalents**

Cash and cash equivalent in the cash flow statement comprises cash at bank and on hand and short-term investments with an original maturity of three months or less.



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
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3. SHARE CAPITAL

Authorised

15000000 (15000000) Equity Shares of Rs. 10/- each 1500.00 1500.00

Issued

11852014 (11852014) Equity Shares of Rs. 10/- each 1185.20 1185.20

Subscribed and Fully Paid-Up

11850863 (11850863) Equity Shares of Rs. 10/- each fully paid-up **1185.09** 1185.09

Less : Calls unpaid **0.94** 0.98

1184.15 1184.11

- (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, 2016		As at 31st March, 2015	
	No. of Shares	Rs. in lacs	No. of Shares	Rs. in lacs
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 Holding Company has issued only one class of shares referred to as equity share having at par value of Rs.10/- per share ranking pari-passu. The holders of equity shares are entitled to one vote per share.

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

Sl. No.	Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
		No. of Shares	% of holding	No. of Shares	% of holding
(i)	Universal Cables Limited	3454530	29.15	3454530	29.15
(ii)	The Punjab Produce & Trading Co. Pvt. Ltd.	1291374	10.90	1291374	10.90
(iii)	Belle Vue Clinic	1164286	9.82	1164286	9.82
(iv)	Reliance Capital Trustee Co. Ltd. A/c Reliancesmall Cap Fund	843216	7.12	826916	6.98



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
4. RESERVES AND SURPLUS		
Capital Reserves		
Capital Subsidy		
Opening Balance	-	-
Add: Received during the year (Capital Subsidy being Industrial Investment Promotion Assistance)	357.19	-
	357.19	-
Closing Balance		
Other		
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
	357.22	0.03
Securities Premium Account		
Opening Balance	4069.57	4069.40
Add : Received during the year	0.20	0.17
Closing Balance	4069.77	4069.57
Revaluation Reserve (On Revaluation of Plant and Equipments)		
Opening Balance	1.86	2.00
Less : Adjustment in respect of Sale/Disposal of underlying Fixed Assets	0.01	-
Less : Amount transferred to the Statement of Profit and Loss being difference of depreciation on Revalued Cost of Assets and that on the Original Cost	-	0.14
Closing Balance	1.85	1.86
General Reserve		
Opening Balance	25341.93	19610.79
Add : Transferred from Surplus in the Statement of Profit and Loss	7725.00	5731.14
Closing Balance	33066.93	25341.93
Reserve Fund (Under the Reserve Bank of India Act, 1934)		
Opening Balance	2136.20	1835.38
Add : Created during the year	315.54	300.82
Closing Balance	2451.74	2136.20
Surplus in the Statement of Profit and Loss		
Opening Balance	7341.93	6678.65
Add : Profit for the year	9490.41	7456.54
	16832.34	14135.19
Less: Appropriations		
Transferred to General Reserve	7725.00	5731.14
Transferred to Reserve Fund (Under the RBI Act, 1934)	315.54	300.82
Proposed Dividend on Equity Shares	711.05	632.53
Tax on Dividend on Equity Shares	152.90	128.77
	8904.49	6793.26
Closing Balance	7927.85	7341.93
	47875.36	38891.52



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
5. LONG-TERM BORROWINGS		
Secured		
Loans from Banks		
Ruppee Term Loan	1039.94	5.00
Foreign Currency Term Loan	2981.58	-
Buyer's Credit in Foreign Currency	85.31	-
Supplier's Credit(s) in Foreign Currency	718.08	686.22
Unsecured		
Other Loans		
Supplier's Credit(s) in Foreign Currency	123.64	-
From Bodies Corporate	6500.00	11633.30
	11448.55	12324.52
Less : Current Maturities of Long-term Borrowings at the year end (Disclosed Under Note No. 11)		
Ruppee Term Loan/ Foreign Currency Term Loan from a bank	1013.58	5.00
Supplier's Credit(s) in Foreign Currency	729.96	4.17
From Bodies Corporate	700.00	-
	2443.54	9.17
	9005.01	12315.35

- (a) Supplier's Credit(s) availed by Holding Company from a bank are secured by way of hypothecation of entire Current Assets of the Company namely stocks of raw materials, stocks-in-process, stores & spares, semi finished and finished goods, bills receivables, book debts, etc. both present and future, and are further secured by way of hypothecation of moveable fixed assets, both present and future, ranking pari-passu inter se and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company. As a collateral security, Supplier's Credit(s) are additionally secured by way of pledge of 12,50,000 equity shares and cross corporate guarantee of joint venture. Supplier's credit(s) are repayable in full in the financial year 2016-17 and carries interest rate of 1.55% to 2.10%.
- (b) Term Loan and Foreign Currency Term Loan availed by Holding Company from a bank are secured by second charge by way of hypothecation of entire Current Assets of the Company namely stocks of raw materials, stocks-in-process, stores & spares, semi finished and finished goods, bills receivables, book debts, etc. both present and future. These Loans are further secured by way of hypothecation of moveable fixed assets, both present and future, ranking pari-passu inter se and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company. Term Loan and Foreign Currency Term Loan are repayable in sixteen quarterly instalments from April, 2016. Ruppee Term Loan carries interest rate of 10.65% per annum and Foreign Currency Term Loan carries interest rate of 4.65% per annum -10.65% per annum.
- (c) Loans from bodies corporate of Holding Company amounting to Rs. 2450.00 lacs and Rs. 5800.00 lacs are repayable in full in the year 2016-17 and 2017-18 respectively. These loans carry interest @ 10.50% p.a.
- (d) Term Loans, Buyer's Credit and Supplier's Credit of Joint Venture from banks are secured by way of hypothecation & mortgage of entire Fixed Assets of the Company and are further secured by way entire Current Assets of the Company, both present and future, on pari-passu basis with other banks in the consortium. As a collateral security the Term Loans, Buyer's Credit and Supplier's Credit are also backed by a cross corporate guarantee of Holding Company. Term Loan outstanding of Rs. 39.94 lacs includes Term Loan from State Bank of India (SBI) of Rs.38.46 lacs (interest rate 12.60%) repayable in fifteen quarterly installments payable from June, 2016 and thereafter and IDBI Bank Ltd. of Rs. 1.48 lacs (interest rate 12.00%) repayable in two quarterly installments payable from June, 2016.
- (e) Buyer's Credit (in foreign currency) of Joint Venture from a bank by Joint Venture is due for roll over between June and August, 2016 and carries interest rate of 0.66%-1.60% and Supplier's Credit (in foreign currency) is due for payment in April, 2016 and carries interest rate of 1.63%-1.67%. Joint Venture has an option on due date, to convert the said Buyer's and Supplier's Credit into Ruppee Term Loan sanctioned by banks and accordingly the said Buyer's and Supplier's Credit are classified under long-term borrowings.
- (f) Unsecured Supplier's Credit of Joint Venture availed from a bank is repayable in nine equal half yearly installments from June, 2016 and carries interest rate of 1.42%.



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
6. DEFERRED TAX LIABILITIES (NET)		
(a) Deferred Tax Liability		
Depreciation and Amortisation on Fixed Assets	796.89	700.28
Total	796.89	700.28
(b) Deferred Tax Assets		
Provision for Doubtful Trade Receivables	6.60	43.83
Taxes/Expenses Allowable for Tax purpose when paid	233.90	194.18
Preliminary Expenses	0.99	-
Total	241.49	238.01
Net Deferred Tax Liability	555.40	462.27
7. OTHER LONG-TERM LIABILITIES		
Sundry Deposits	9.60	-
	9.60	-
8. LONG-TERM PROVISIONS		
Provision for Warranty*	1513.07	198.59
Provision for Employee Benefits		
Compensated Absences	85.18	274.05
Pension	32.66	33.38
	1630.91	506.02
9. SHORT-TERM BORROWINGS		
Working Capital Loans/Borrowings from Banks (Secured)		
Working Capital Demand Loans	-	2500.00
Cash Credit Facilities	4622.95	7822.94
Buyer's Credit	3954.15	2695.45
Export Packing Credit	716.72	3271.83
Invoice Financing	103.31	-
	9397.13	16290.22
Other Loans (Unsecured)		
Commercial Paper (At a face value of Rs. 5.00 lacs each)	10000.00	-
From Bodies Corporate (Repayable on demand)	1750.00	2393.31
	11750.00	2393.31
	21147.13	18683.53

* Warranty provision represents the amount of expected cost of meeting obligation of rectification/replacement of products manufactured and supplied by the Holding Company and forming part of turnkey projects under execution by the Holding Company and a consortium member.

- (a) Working capital loans/cash credit facilities from banks being working capital credit facilities, sanctioned by 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 loan accounts in any manner.
- (b) Working capital loans (both fund and non-fund based) from State Bank of India (SBI), State Bank of Patiala (SBP), IDBI Bank Limited (IDBI), HDFC Bank Limited (HDFC) and RBL Bank Limited are secured by way of hypothecation of entire Current Assets of the Group namely stocks of raw materials, stocks-in-process, stores & spares, semi finished and finished goods, bills receivables, book debts, etc. both present and future, and are further secured by way of



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
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SHORT-TERM BORROWINGS (Contd.)

hypothecation of moveable fixed assets, both present and future, ranking pari-passu inter se and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Group. As a collateral security, the credit facilities from SBI, SBP, IDBI, HDFC and RBL Bank Ltd. of the Holding Company are additionally secured by way of pledge of 12,50,000 equity shares and cross corporate guarantee of Joint Venture. The credit facilities granted to the joint venture by consortium of banks are additionally secured by corporate guarantee of the Holding Company as a collateral.

10. TRADE PAYABLES**(A) Payable to Micro Enterprises and Small Enterprises**

(i) the principal amount and interest due thereon remaining unpaid to any supplier		
Principal amount	1889.34	1140.31
Interest thereon	-	-
(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.	-	-

(B) Other Payables

16775.90	14512.74
18665.24	15653.05

11. OTHER CURRENT LIABILITIES

Current Maturities of Long-term Borrowings	2443.54	9.17
Interest Accrued but not due on Borrowings	43.99	42.86
Sundry Deposits	0.52	5.35
Excess of Billing Over Revenue	464.98	-
Other Payables		
Assigned Creditors	-	2960.90
Mobilisation and Other Advances from Customers	2802.15	302.14
Statutory Dues	726.78	565.13
Accrued Employee Benefits Expense	202.55	166.41
Creditors/Liability pertaining to Capital Expenditure	233.68	263.39
Unclaimed Dividend*	14.84	4.99
	6933.03	4320.34

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



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
12. SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Compensated Absences	42.37	34.81
Gratuity	48.32	42.46
Pension	4.81	4.81
Others	182.33	36.90
Provision for MTM on Derivative Instruments	101.05	-
Provision for Income Tax (Net of Advance)	280.40	364.66
Proposed Dividend on Equity Shares	751.04	632.53
Tax on Dividend on Equity Shares	60.77	128.77
Contingent Provision against Standard Assets	12.50	12.50
	1483.59	1257.44

13. FIXED ASSETS

Rs. in lacs

Nature of Fixed Assets	Gross Block				Depreciation /Amortisation				Net Block	
	As at 01.04.2015	Addition	Deductions/ Adjustment during the year	As at 31.03.2016	As at 01.04.2015	For the year	Deductions during the year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
(A) TANGIBLE ASSETS:										
Free Hold Land	113.18	-	-	113.18	-	-	-	-	113.18	113.18
Lease Hold Land	47.93	-	-	47.93	11.78	0.73	-	12.51	35.42	36.15
Building*	2486.03	45.99	1.51	2530.51	1367.74	40.34	0.79	1407.29	1123.22	1118.29
Plant & Equipments**	16672.97	2465.17	220.36	18917.78	10841.69	1280.05	176.52	11945.22	6972.56	5831.28
Office Equipments	164.66	86.23	14.86	236.03	103.87	38.30	14.03	128.14	107.89	60.79
Furniture & Fixtures	321.83	35.65	25.52	331.96	205.55	19.58	19.46	205.67	126.29	116.28
Vehicles	202.50	151.92	32.94	321.48	93.15	29.00	20.86	101.29	220.19	109.35
Leasehold Improvements	39.55	-	-	39.55	37.57	-	-	37.57	1.98	1.98
TOTAL (A)	20048.65	2784.96	295.19	22538.42	12661.35	1408.00	231.66	13837.69	8700.73	7387.30
(B) INTANGIBLE ASSETS:										
Computer Software	73.88	-	-	73.88	68.96	4.92	-	73.88	-	4.92
TOTAL (B)	73.88	-	-	73.88	68.96	4.92	-	73.88	-	4.92
(C) CAPITAL WORK IN PROGRESS (at cost):										
Under Installation/ Commissioning	-	-	-	-	-	-	-	-	12.91	50.05
In Transit	-	-	-	-	-	-	-	-	-	5.84
TOTAL (C)	-	-	-	-	-	-	-	-	12.91	55.89
TOTAL (A+B+C)	20122.53	2784.96	295.19	22612.30	12730.31	1412.92	231.66	13911.57	8713.64	7448.11
Previous Year	17764.94	2571.45	213.86	20122.53	11838.27	1085.14	193.10	12730.31	7392.22	

* Gross Block of Buildings include Rs.112.79 lacs given on operating lease. The aggregate Net Block (written down value) of such Buildings given on operating lease as on 31st March, 2016 is Rs.30.49 lacs and Depreciation charged during the year is Rs.0.74 lac.

** Gross Block of Plant & Equipments includes Rs.750.46 lacs (Rs.754.41 lacs) on account of addition on revaluation during the year ended 31st March, 1990, as per valuation carried out by the approved valuer. The method used for revaluation was then prevailing reinstatement cost/RBI price indices.



		As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs	
14. NON-CURRENT INVESTMENT				
(A) Investment in Equity Instruments				
Trade Investments (Valued at Cost)				
Quoted - Fully paid up Equity Shares of Rs. 10/- each				
Investment in Associates				
9,673,968	(52,04,150)	Universal Cables Ltd.	6489.06	3638.64
(Note :- Inclusive of goodwill of Rs.210.41 lacs & Share in Profit of Associate of Rs. 557.55 lacs)				
Investment in Others				
2,43,94,948	(2,43,94,948)	Birla Corporation Ltd.	6424.50	6424.50
Aggregate Amount of Quoted Investments			<u>12913.56</u>	<u>10063.14</u>
Unquoted - Fully paid up Equity Shares of Rs.10/- each				
1,31,967	-	Birla Visabeira Private Limited	13.20	-
			<u>13.20</u>	<u>-</u>
Other Investments				
1,20,00,000	(1,20,00,000)	Punjab Produce Holdings Ltd.	1200.00	1200.00
1,115,402	(9,50,000)	Birla Furukawa Fibre Optics Ltd.	733.28	617.50
2,99,940	(2,99,940)	Birla Financial Corporation Ltd.	29.99	29.99
11,106	(11,106)	Universal Telelinks Private Ltd.	1.11	1.11
11,106	(11,106)	Universal Electricals Private Ltd.	1.11	1.11
			<u>1965.49</u>	<u>1849.71</u>
Non trade Investment in the Equity Instruments				
Unquoted-Fully paid up Equity Shares of Re.1/- each				
6,900	(6,900)	Free Press House Ltd.	0.02	0.02
			<u>0.02</u>	<u>0.02</u>
Aggregate Amount of Unquoted Investments			<u>1978.71</u>	<u>1549.83</u>
			Total (A)	14892.27
(B) Investment in Debentures or Bonds				
Redeemable Non Convertible Secured Debenture (Unquoted)				
3,585	(3,585)	Power Finance Corporation Ltd.	60.60	60.60
			Total (B)	60.60
(C) Investment in Mutual Funds				
Unquoted-Fully paid up Units of Rs.10/- each unless otherwise stated)				
454,417	(454,417)	Canara Robeco Indigo fund - Growth	50.00	50.00
175,424	(175,424)	FT India Monthly Income Plan - Growth	50.00	50.00
208,356	(208,356)	HSBC Monthly Income Plan - Growth	40.00	40.00
566,450	(663,143)	JM Short Term Fund Institutional - Growth	85.42	100.00
827,743	(827,743)	Kotak Bond(Short Term) - Growth	165.59	165.59
732,314	(732,314)	IDFC Dynamic Bond Fund Plan A - Growth	159.50	159.50
450,000	-	IDFC Corporate Bond Fund Direct Plan - Growth	45.00	-
-	(51,216)	BNP Paribas Flexi Debt Fund Direct Plan - Growth	-	10.00
1,025,610	(1,025,610)	IDFC Dynamic Bond Fund - Growth	137.57	137.57
266,523	(266,523)	IDFC Super Saver Income Fund- Medium Term Growth	50.00	50.00
965,548	(965,548)	IDFC Super Saver Income Fund- Short Term Plan A Growth	225.56	225.56



		As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs	
NON-CURRENT INVESTMENT (Contd.)				
192,386	(192,386)	JM G-SEC Fund - Growth	70.00	70.00
1,211,358	(1,211,358)	UTI Dynamic Bond Fund - Growth	150.00	150.00
821,714	(821,714)	DWS Premium Bond Fund- Growth	154.00	154.00
876,440	(876,440)	DWS Short Maturity Fund - Premium Plus - Growth	100.00	100.00
322,503	(322,503)	HDFC Gilt Fund Long Term - Growth	75.00	75.00
464,058	(464,058)	HDFC High Interest Fund-STP-Growth	100.38	100.38
597,170	(597,170)	HSBC Income Fund Short Term Plan - Growth	110.00	110.00
1,231,879	(1,231,879)	HDFC Medium Term Opportunities Fund - Growth	160.00	160.00
3,985,200	(2,747,104)	HDFC Short Term Opportunities Fund - Growth	568.95	368.95
-	(3,000,000)	ICICI Prudential FMP Series - 68-745 Days Plan J-Direct Plan - Cumulative	-	300.00
2,737,182	(1,943,853)	IDFC Banking Debt Fund - Growth	299.00	199.00
251,329	(251,329)	Kotak Bond Short Term - Growth	57.27	57.27
53,783.00	(196,303)	DSP Black Rock Banking and PSU Debt Fund- Growth	5.70	20.64
200,000	(200,000)	DWS Fixed Maturity Plan Series 56 Direct - Growth	20.00	20.00
785,745	(785,745)	IDFC Dynamic Bond Fund Direct Plan - Growth	115.00	115.00
-	(943,938)	Canara Robeco Floating Rate Income Fund Direct Plan Growth	-	200.00
57,762	(57,762)	IDFC Dynamic Bond Fund Direct Plan Growth	10.00	10.00
1,307,882	(256,061)	Edelweiss Arbitrage Fund Direct Plan - Growth	148.00	25.93
-	(166,597)	Edelweiss Arbitrage Fund Direct Plan Dividend Option Reinvestment	-	28.00
-	(21,500)	SBI Ultra Short Term Debt Fund Direct Plan Growth	-	367.00
-	(5,456)	Prameica Ultra Short Term Bond Fund Direct Plan Growth	-	74.71
367,384	(367,384)	Reliance Short Term Fund Direct Plan Growth	96.00	96.00
15,555,370	(15,555,370)	ICICI Prudential FMP Series 74-370D Plan A Direct Plan Growth	155.55	155.55
2,646	(8,176)	UTI Treasury Advantage Fund Direct Plan Growth	54.01	165.36
1,531,898	-	L & T Ultra Short Term Fund Direct Plan - Growth	358.00	-
44,070	(76,008)	ICICI Prudential Flexible Income Plan Direct Plan Growth	145.33	195.47
338,221	-	DWS Treasury Fund - Investment - Regular Plan Growth	47.00	-
482,987	-	Franklin India Low Duration Fund - Direct Plan Growth	80.00	-
16,361,366	-	HDFC Floating Rate Income Fund Direct Plan Growth	154.25	-
166,595	-	DHFL Pramerica Short Term Floating Rate Fund - Direct Plan Growth	27.00	-
941,522	-	DSP Black Rock Ultra Short Term Fund- Direct Growth	100.00	-
224,190	-	Reliance Medium Term Fund - Growth	68.87	-
558,887	-	UTI Short Term Income Fund - Direct Plan	100.00	-
33,515	-	ICICI Prudential Saving Fund - Direct Plan Growth	75.00	-
740,421	-	DHFL Treasury Fund Investment Plan - Direct Growth	120.00	-
4,500,000	-	IDFC Dynamic Corporate Bond Fund Direct Plan Growth	45.00	-



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
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NON-CURRENT INVESTMENT (Contd.)

Unquoted-Fully paid up units of Rs.1000/- each unless otherwise stated

3,819	- Reliance Money Manager Fund Direct Plan - Growth	80.00	-
7,194	(7,194) Templeton India Short Term Income retail Plan - Growth	186.00	186.00
	Total (C)	5043.95	4492.48
	Total (A+B+C)	19996.82	16465.95
Aggregate Book Value of Quoted Investments		12913.56	10063.14
Aggregate Market Value of Quoted Investments		95505.04	101199.64
Aggregate Book Value of Unquoted Investments		1978.71	1849.73
Aggregate Book Value of Bonds		60.60	60.60
Aggregate Book Value of Mutual Funds		5043.95	4492.48
Repurchase Price of Mutual Funds, represented by Net Asset Value		6044.89	5249.03

** The Group received a Letter of Allotment confirming allotment of 44,69,817 Equity Shares on 20th October, 2015, subscribed in the Rights Issue of Universal Cables Ltd. (UCL) out of which 10,91,495 Equity Shares are pending to be credited to Company's designated demat account, in view of the status-quo Order passed by the Hon'ble High Court of Delhi on 18th November, 2015, as intimated by UCL.

15. LONG-TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

Capital Advances	32.71	56.90
Loans and Advance to Employees	7.22	3.15
Security Deposits	183.20	278.02
Inter-corporate Loan	4800.00	6500.00
Loan to Related Party (Due from Manager and Chief Executive Officer)	0.69	0.81
Advance Income Tax/Tax Deducted at Source (Net)	245.89	1.54
MAT Credit Entitlement	46.86	-
Pre-paid Expenses	13.96	3.62
	5330.53	6844.04

16. OTHER NON-CURRENT ASSETS

(Unsecured and Considered Good)

Long-term Trade Receivable	1561.26	231.18
Non-current Bank Balances		
- In Term Deposit Accounts	1663.05	1375.73
(Term Deposit receipts are under lien with Banks towards margin money)	3224.31	1606.91

17. INVENTORIES (Refer Note No. 2 (i) for mode of valuation)

Raw Materials [including Material in transit Rs. 666.66 lacs (Rs. 651.34 lacs)]	2177.43	2925.01
Packing Material	118.31	122.22
Stores and Spares	193.14	217.19
Traded Goods	11.43	51.65
Work-in-Progress (Refer Note No. 25)	5779.44	4891.90
Finished Goods	9.60	305.39
Scrap Materials	31.20	76.67
	8320.55	8590.03



	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs. in lacs
18. TRADE RECEIVABLES (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	3501.33	5752.57
Considered Doubtful	19.16	126.65
	<u>3520.49</u>	<u>5879.22</u>
Others		
Considered Good	35955.80	30274.11
	<u>39476.29</u>	<u>36153.33</u>
Less: Provision for Doubtful Trade Receivables	19.16	126.65
	<u>39457.13</u>	<u>36026.68</u>
19. CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Cash on Hand	2.52	4.09
Cheques, Drafts on Hand	155.80	111.81
Balance with Banks		
-In Current Accounts	376.78	110.00
-In Unpaid Dividend Account	14.84	4.99
	<u>549.94</u>	<u>230.89</u>
Other Bank Balances		
-In Term Deposit Accounts (Term Deposit Receipts are under lien with Banks towards Margin against Letter(s) of Credit, Bank Guarantees and other Commitments)	4235.23	3426.50
	<u>4785.17</u>	<u>3657.39</u>
Less: Term Deposit Account having more than 12 months maturity at the year end (Disclosed Under Note No. 16)	1663.05	1375.73
	<u>3122.12</u>	<u>2281.66</u>
20. SHORT-TERM LOANS AND ADVANCES (Unsecured and Considered Good)		
Loans and Advances to Employees	9.54	32.76
Loan to Related Party (Due from the Manager and Chief Executive Officer)	0.12	0.12
Security Deposits	397.93	129.42
Advance Income Tax/Tax Deducted at Source (Net)	16.39	174.96
MAT Credit Entitlement	-	1020.05
Excise Duty Refund Receivable	30.21	309.29
Advance Recoverable in Cash or Kind	13066.99	2766.91
	<u>13521.18</u>	<u>4433.51</u>
21. OTHER CURRENT ASSETS (Unsecured and Considered Good)		
Interest Accrued but not due on Term Deposits/Account	313.70	206.26
Claims, Export Benefits, etc.	254.92	451.62
Unbilled Revenue	6225.44	8915.73
Unamortised Premium on Forward Exchange Contracts	6.60	0.53
Assets held for Sale/Disposal (At Lower of Net Book Value and Net Realisable Value)	2.48	2.60
	<u>6803.14</u>	<u>9576.74</u>



	For the year ended 31st March, 2016 Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
22. REVENUE FROM OPERATIONS		
Sale of Products		
Telecommunications Cables	46763.73	46857.97
Other Wires & Cables	2969.98	3788.74
FRP Rods/Glass Rovings	512.05	607.21
Traded Goods*	225.74	846.68
	<u>50471.50</u>	<u>52100.60</u>
Sale of Services		
Contract Revenue	54139.54	19274.46
Indefeasible Right of Use (IRU) [Refer Note No. 39(b)]	1036.99	796.55
	<u>55176.53</u>	<u>20071.01</u>
Other Operating Revenues		
Scrap Materials	405.90	576.46
Processing & Job Work Income	66.92	117.65
Export Incentives	212.24	387.01
	<u>685.06</u>	<u>1081.12</u>
	<u>106333.09</u>	<u>73252.73</u>

*None of these individually account for more than 10% of total revenue from sale of products.

23. OTHER INCOME		
Interest Income	1273.38	760.57
Dividend Income on Non-current Investments	1472.94	1509.52
Gain on Foreign Currency Transactions and Translations (Net)	-	210.46
Provision for Doubtful Debts Written Back (Net)	108.03	-
Unspent Liabilities/Sundry Balances Written Back (Net)	1.17	-
Rent Received	57.56	31.04
Profit on Sale of Long-term Investments	5.42	60.12
Profit on Sale of Current Investments	186.48	129.02
Other Non Operating Income	37.00	15.39
	<u>3141.98</u>	<u>2716.12</u>

24. COST OF RAW MATERIALS CONSUMED		
Opening Stock	2925.01	3542.02
Add: Purchase [Less : Sales and Claim Rs. 135.10 lacs (Rs. 2059.89 lacs)]	28745.79	33904.68
	<u>31670.80</u>	<u>37446.70</u>
Less: Closing Stock	2177.43	2925.01
	<u>29493.37</u>	<u>34521.69</u>
Details of Raw Materials Consumed		
Copper	6448.76	10164.59
Polyethylene	5166.30	5700.52
Single Mode Optical Fibre	8416.32	9745.10
Others*	9461.99	8911.48
	<u>29493.37</u>	<u>34521.69</u>

* None of these individually account for more than 10% of total cost of materials consumed.



	For the year ended 31st March, 2016 Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
25. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS, ETC.		
Closing Inventories		
Work-in-Progress*	5779.44	4891.90
Finished Goods	9.60	305.39
Traded Goods	11.43	51.65
Scrap Materials	31.20	76.67
	<u>5831.67</u>	<u>5325.61</u>
Opening Inventories		
Work-in-Progress*	4891.90	4121.62
Finished Goods	305.39	60.48
Traded Goods	51.65	125.87
Scrap Materials	76.67	43.90
	<u>5325.61</u>	<u>4351.87</u>
	<u>(506.06)</u>	<u>(973.74)</u>
*Detail of Work-in-Progress		
Telecommunications Cables	1577.50	2317.28
Other Wires & Cables	586.49	110.09
FRP Rods/Glass Rovings	97.47	52.37
Contracts Under Execution (EPC)	3517.98	2412.16
	<u>5779.44</u>	<u>4891.90</u>
26. MATERIALS PURCHASED/SUBCONTRACT EXPENSES		
Materials Purchased	19177.53	9192.28
Other Engineering & Construction Expenses	22895.75	5342.28
	<u>42073.28</u>	<u>14534.56</u>
27. EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus and Benefits, etc.	3686.26	2731.61
Contribution to Provident and Other Funds, etc.	271.68	186.02
Employees Welfare Expenses	230.41	188.98
	<u>4188.35</u>	<u>3106.61</u>
28. FINANCE COSTS		
Interest Expense	4258.34	2643.50
Loss on Foreign Currency Transactions and Translations (Net)*	227.81	-
Other Borrowing Costs	865.88	809.52
	<u>5352.03</u>	<u>3453.02</u>

*To the extent considered as an adjustment to Borrowing Costs.



	For the year ended 31st March, 2016 Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
29. DEPRECIATION AND AMORTISATION EXPENSES		
On Fixed Assets (Refer Note No. 13)	1412.92	1085.14
Less: Transferred from Revaluation Reserve	-	0.14
	<u>1412.92</u>	<u>1085.00</u>
30. OTHER EXPENSES		
Consumption of Stores and Spares	455.91	499.17
Packing Materials	1007.00	1213.79
Processing/Job Work and Testing Charges	47.40	166.96
Power and Fuel	764.51	751.71
Sales Commission (other than sole selling agent)	55.38	205.20
Rent	333.92	251.96
Repair & Maintenance		
- Plant & Equipments	165.72	149.99
- Buildings	290.80	89.93
- Others	54.45	55.20
Insurance	196.21	117.10
Rates & Taxes	707.25	318.46
Travelling and Conveyance	713.43	462.29
Payment to Auditors		
Statutory Auditors		
-Audit Fees	13.86	10.35
-Tax Audit Fee	1.13	1.13
-Quarterly Reviews	4.05	3.95
-Taxation Matter	1.97	1.43
-Certification etc.	4.43	4.50
-Reimbursement of Expenses	1.17	0.84
Cost Auditors		
-Audit Fees	0.62	0.50
-Certification, etc.	0.22	0.22
-Reimbursement of Expenses	-	0.20
Legal and Professional	191.83	181.37
Loss on Sale/Discard of Fixed Assets (Net)	24.26	6.90
Bad Debts/Sundry Balance Written Off (Net)	669.03	767.66
Provision for Doubtful Debts	0.54	1.30
Foreign Exchange Rate Fluctuation (Net)	70.98	-
Excise duty on Increase/(Decrease) in Stocks	(8.22)	(0.79)
Contingent Provision Against Standard Assets	-	4.50
Warranty Expenses	1314.48	198.59
Miscellaneous Expenses	1952.45	979.06
	<u>9034.78</u>	<u>6443.47</u>

**31. Earning Per Share (EPS):**

Particulars	As at 31st March, 2016	As at 31st March, 2015
Basic/weighted average number of Equity Shares outstanding during the year	11850863	11850863
Profit for the year (Rs. in lacs)	9490.40	7456.54
Nominal Value of each Share (Rs.)	10.00	10.00
EPS (Basic and Diluted)	80.08	62.92

32. Contingent Liabilities and Commitments (to the extent not provided for) -

(a) Contingent Liabilities :

- (i) Claims against the Group/disputed liabilities not acknowledged as debts Rs. Nil (Rs. 96.79 lacs).
- (ii) Pending cases with income tax appellate authorities where income tax department has preferred appeals – liability not ascertainable.
- (iii) Sales tax & service tax matters under litigation Rs.164.01 lacs (Rs.129.67 lacs).
- (iv) Appeals preferred by the Holding Company and Joint Venture against the claim/levy of differential sales tax due to timely non-submission of declaration forms for concessional sales tax. The demand(s)/levy on merits of the cases have been stayed and are pending before the appellate authorities for their decision. The Company is contesting the demand(s)/levy on merits, liabilities against which are unascertainable until final outcome in the pending cases.
- (v) Bills of exchange under letter of credit discounted with banks and outstanding at the end of the year Rs. 110.66 lacs (Rs. 50.69 lacs).
- (vi) Cross corporate guarantee given by the Holding Company as a collateral security in connection with loan/ credit facilities aggregating to Rs.15990.62 lacs (Rs.11917.12 lacs) [(outstanding as on 31st March, 2016 Rs.7681.85 lacs (Rs.6953.67 lacs)] sanctioned by the bank to a Joint Venture.

The future cash outflow in respect of items (i) to (iv) above is determinable only on receipt of the decisions/judgements in the cases pending at various forums and authorities concerned.

(b) Commitments:

- (i) Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for Rs. 209.96 lacs (Rs. 922.06 lacs).
- (ii) Commitments relating to Derivatives are disclosed in Note No. 35.

33. Exceptional Item for the year ended 31st March, 2016, amounting to Rs. 541.41 lacs, represents settlement of claim(s) of an overseas supplier through an out of court settlement of various long standing disputes/claims pending in different courts in India and Arbitration in Japan.

34. Information pursuant to Accounting Standard (AS-7) (Revised) on “Construction Contracts”:

Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(a) Contract Revenue recognised for the year	54139.54	19273.72
(b) The relevant information relating to Contracts in progress at the reporting date are given below:		
(i) Aggregate amount of cost incurred	63541.79	31244.71
(ii) Recognised profit upto the reporting date	5854.68	2773.82
(iii) Amount of advance received	2740.01	116.51
(iv) Amount of outstandings/retentions	19654.62	7425.49
(v) Contracts under execution		
(i) Advance Billing to Customers	Nil	Nil
(ii) Unbilled Revenue	6225.44	8915.73
(iii) Excess of Billing over Revenue	464.98	Nil

**35. Derivative Instruments:**

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

Particulars	As at 31 st March, 2016			As at 31 st March, 2015		
	In Foreign Currency	Rs. in lacs		In Foreign Currency	Rs. in lacs	
Foreign currency exposures covered by Forward Contracts						
Borrowings						
Long-term	USD	147343	98.37	USD	-	-
Short-term	USD	652325	435.55	USD	-	-
Other Payables	USD	1179912	789.35	USD	457008	288.79
Total	USD	1979580	1323.27	USD	457008	289.79
Others						
Borrowing						
Long-term	USD	2098519	1401.18	USD	-	-
	EUR	1199599	909.06	EUR	1002943	686.22
Short-term	USD	4511264	3012.17	USD	4252298	2681.50
	EUR	668281	506.42	EUR	20395.00	13.95
Other Payables	USD	728541	487.32	USD	1481520	936.15
	NPR	217844	1.36	NPR	7749218	48.43
	EUR	309644	235.09	EUR	292831	200.75
	GBP	-	-	GBP	12909	12.09
Receivables	USD	1868030	1230.48	USD	2962731	1842.26
	NPR	26252893	164.08	NPR	36126391	225.79
	EUR	69038	51.23	EUR	124174	83.06
Bank Balances	USD	16	0.01	USD	43	0.02
	NPR	374500	2.34	NPR	13892633	86.83
Total	USD	9206370	6131.16	USD	8696592	5459.93
	NPR	26845237	167.78	NPR	57768242	361.05
	EUR	2246562	1701.80	EUR	1440343	983.98
	GBP	-	-	GBP	12909	12.09

- (b) Hedged by derivative instrument:

Particulars	As at 31 st March, 2016		As at 31 st March, 2015		
	In Foreign Currency	Rs. in lacs	In Foreign Currency	Rs. in lacs	
Cross currency swap/ interest rate swap	USD	2218934	1500.00	-	-

- (c) A sum of Rs. 6.13 lacs (Rs. 0.53 lac) on account of unamortised foreign exchange premium on outstanding Forward Contracts is being carried forward to be debited to the Consolidated Statement of Profit and Loss of the subsequent period.

36. Employee Benefits:

- (a) The Group defined benefit plans include the approved funded Gratuity scheme which is administered through Group Gratuity scheme with Life Insurance Corporation of India and non- funded schemes viz. Pension (applicable only to certain categories of employees). Such defined benefits are provided for in the Statement of Profit and Loss based on valuations, as at the Balance Sheet date, made by independent actuaries. Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2016 are summarised below:



- (i) Amount recognised in the Statement of Profit and Loss:

Particulars	Gratuity		Pension	
	2015-16 (Rs. in lacs)	2014-15 (Rs. in lacs)	2015-16 (Rs. in lacs)	2014-15 (Rs. in lacs)
Current service cost	36.33	30.68	-	-
Interest cost on benefit obligation	36.61	27.98	2.44	2.26
Expected return on plan assets	(40.08)	(33.98)	-	-
Net actuarial (gain)/loss recognised in the year	25.71	61.24	1.65	4.68
Add: Impact of variation in actual and expected return on plan assets	(1.62)	(1.77)	-	-
Net benefits expense	56.95	84.15	4.09	6.93
Actual return on plan assets	(41.70)	(35.75)	-	-

- (ii) Amount recognised in the Balance Sheet:

Particulars	Gratuity		Pension	
	As at 31st March, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)	As at 31st March, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
Defined benefit obligation	556.66	469.09	37.47	38.19
Fair value of the plan assets	506.59	424.65	-	-
Paid by group company	1.75	1.98	-	-
Net asset/(Liability)	(48.32)	(42.46)	(37.47)	(38.19)

- (iii) Changes in present value of the defined benefit obligation:

Particulars	Gratuity		Pension	
	As at 31st March, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)	As at 31st March, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
Opening defined benefit obligation	469.09	363.68	38.19	36.07
Interest cost	36.61	27.98	2.44	2.26
Current service cost	36.33	30.68	-	-
Benefits paid	(11.06)	(14.48)	(4.81)	(4.81)
Actuarial (gain)/loss on obligations	25.68	61.24	1.65	4.68
Closing defined benefit obligation	556.65	469.10	37.47	38.19

- (iv) Changes in the fair value of plan assets:

Particulars	Gratuity	
	As at 31st March, 2016 (Rs. in lacs)	As at 31st March, 2016 (Rs. in lacs)
Opening fair value of plan assets	424.65	387.69
Expected return	40.08	33.98
Contributions by employer	51.32	15.70
Benefits paid	(11.06)	(14.48)
Actuarial Gain	1.59	1.77
Closing fair value of plan assets	506.58	424.66

- (v) The major categories of plan assets in case of gratuity as a percentage of the fair value of total plan assets:

Particulars	Gratuity	
	2015-16 (%)	2014-15 (%)
Investments with insurer	100	100

The overall expected rate of return on assets is determined based on the actual rate of return during the current year. The Group expects to contribute Rs.54.00 lacs to approved Gratuity Fund during the year 2016-17.



(vi) The principal assumptions used in determining gratuity and pension obligations for the Group's plans:

Particulars	Gratuity		Pension	
	2015-16	2014-15	2015-16	2014-15
Mortality Table	IAL 2006-08 Ultimate	IAL 2006-08 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	7.90% p.a	7.85% p.a	7.90%p.a.	7.80%p.a.
Salary rise	7.50% p.a	7.50% p.a	N.A.	N.A.
Expected return on plan assets	9.01% p.a.	8.75% p.a.	N.A.	N.A.
Remaining working life	15.24 Years	15.46 Years	N.A.	N.A.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Information relating to experience adjustments to plan assets and liabilities as required by Para 120(n)(ii) of the Accounting Standard (AS-15) (revised) on "Employee Benefits" is not available with the Company. However, the impact of the same is not likely to be material.

- (b) Group's contribution to defined contribution schemes such as approved and recognised Provident/Family Pension Fund, approved Superannuation Fund and contribution to Employees State Insurance (on selective basis as applicable) are charged to the Statement of Profit and Loss as incurred. The Group has no further obligations beyond its contributions. The group has recognised the following contributions to Provident/Family Pension and Superannuation Funds and towards Employees State Insurance as an expense and included in employee benefits expense in the Statement of Profit and Loss:

Defined Contribution Plan	2015-16 (Rs. in lacs)	2014-15 (Rs. in lacs)
Contribution to Provident and Family Pension Funds	164.75	125.29
Contribution to Superannuation Fund	42.40	36.67

37. Segment Information:

The business segment of the Group is divided into two categories viz. Cables and EPC (Engineering, Procurement and Construction). Segments have been identified and reported taking into account nature of products and services, the deferring risks and returns, the organisation structure and the internal business reporting systems. A brief description of the types of Products and Services provided by each reportable segment is as follows:

"Cables"- The Company manufactures and markets various types of cables including 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 provide services with or without materials, as the case may be.



(a) Primary Segment Information (by business segments):

The following table presents revenue and profit/(loss) information regarding business segments for the year(s) ended 31st March, 2016 and 31st March, 2015 and certain liabilities information regarding business segments as at 31st March, 2016 and 31st March, 2015.

Business Segments	Year ended 31st March, 2016			Year ended 31st March, 2015		
	Cables Rs. in lacs	EPC Rs. in lacs	Total Rs. in lacs	Cables Rs. in lacs	EPC Rs. in lacs	Total Rs. in lacs
Revenue						
External sales and other operating income (Net)	46275.66	55336.36	101612.02	48175.11	20207.78	68382.89
Inter segment sales (at arm's length basis)	16.72	-	16.72	100.50	-	100.50
Other income*	125.43	20.77	146.20	209.59	16.26	225.85
Total revenue	46401.09	55357.13	101758.22	48485.20	20224.04	68709.24
Results						
Segment result (PBIT)	7165.46	7168.37	14333.83	6152.50	2445.86	8598.36
Unallocable income/(expenses) (Net)			2246.34			1696.10
Operating Profit			16580.17			10294.46
Interest (Net)			(2984.96)			(1882.93)
Tax charge (Net)			(4104.81)			(954.99)
Profit for the year			9490.40			7456.54
Other Information						
Segment assets	33049.89	50365.59	83415.48	40828.89	28277.25	69106.14
Unallocable assets			25073.94			24167.49
Total assets			108489.42			93273.63
Segment liabilities	6889.29	18238.50	25127.79	13908.30	6645.57	20553.87
Unallocable liabilities			34302.12			32644.13
Total liabilities			59429.91			53198.00
Capital expenditure	1852.66	889.32	2741.98	1070.95	1068.35	2139.30
Depreciation and amortisation	1042.43	370.49	1412.92	974.86	110.14	1085.00
Other non cash expenditure	0.54	-	0.54	1.30	-	1.30

*Excludes Rs. 2995.77 lacs (Rs. 2490.33 lacs) netted off from unallocated expenses and interest expense.

(b) Geographical Segments:

The following table shows the distribution of the Group's sales revenue from operation by geographical markets, regardless of where the goods were produced:

Sl. No.	Geographical Segments	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Domestic Market (within India)	93647.10	60788.59
(ii)	Overseas Markets (outside India)	7964.92	7694.80
	Total	101612.02	68483.39

- (i) All the assets of the Group, except the carrying amount of assets aggregating to Rs. 827.75 lacs (Rs. 2090.84 lacs) are within India.
- (ii) The Holding Company and its Joint Venture have common fixed assets for producing goods/providing services to Domestic Market as well as for Overseas Markets. Hence, separate figures for fixed assets/additions to fixed assets have not been furnished.



38. Disclosures in respect of related parties as defined in Accounting Standard (AS-18) read together with an explanation given in Note No. 1(e) of Notes to Consolidated Financial Statements for the year ended 31st March, 2016, , with whom transactions were entered into at an arm's length and in the ordinary course of business during the year are given below:

- Joint Venture : Birla Ericsson Optical Limited (BEOL)
Birla Visabeira Private Limited (BVPL) w.e.f 15th September, 2015
- Key Management Personnel : Shri Y.S. Lodha
(Managing Director of the Holding Company)
Shri R. Sridharan
(Manager and CEO of Joint Venture Company)
Shri P. Tondon
(CFO & Managing Director of August Agents Ltd.(AAL), A subsidiary company)
Shri Umesh Verma
(CFO & Managing Director of Insilco Agents Ltd.(IAL), A subsidiary company)
Shri S. K. Daga
(CFO & Managing Director of Laneseda Agents Ltd.(LAL), A subsidiary company)
- Enterprise which significantly influence/are influenced by the Holding Company (either individually or with others) : Ericsson Cables AB, Sweden (ECA), being venturer of BEOL
Universal Cables Limited (UCL), associate of the Holding Company w.e.f. 15.05.2015 & venturer of BEOL

Enterprise over which a Director is able to exercise significant influence : Shakun Polymers Limited (SPL)

(a) Details of transactions with related parties (other than Key Management Personnel) :

Sl. No.	Nature of Transactions (excluding reimbursement)	Holding Company, its Subsidiaries with Joint Venture & Associates		Joint Venture with its Venturer (UCL)		Enterprise over which a Director is able to exercise significant influence (SPL)	
		2015-16 Rs. in lacs	2014-15 Rs. in lacs	2015-16 Rs. in lacs	2014-15 Rs. in lacs	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Purchases of Products /Traded Goods, Raw Materials	2457.89	85.10	18.25	20.03	168.42	93.41
(ii)	Sale of Raw Materials/Finished Products/ Consumables & Traded Goods	903.07	1342.79	1.51	165.85	49.13	-
(iii)	Other Service Charges/Lease Rent Received	63.49	116.56	4.56	1.52	-	-
(iv)	Other Service Charges/Rent Paid	35.39	37.00	-	-	-	-
(v)	Inter-Corporate Deposits Taken	3900.15	4427.97	-	-	-	-
(vi)	Inter-Corporate Loans Repaid	3900.15	4861.32	-	-	-	-
(vii)	Interest paid on Inter-Corporate Loans/Others	67.83	35.24	-	-	-	-
(viii)	Inter-Corporate Loans Given	3700.05	320.68	293.26	119.97	-	-
(ix)	Inter-Corporate Loans Refunded	5200.05	320.68	293.26	119.97	-	-
(x)	Interest Received on Inter-Corporate Loans Given	186.38	0.42	12.90	10.35	-	-
(xi)	Dividend Paid	172.74	-	5.20	5.20	-	-
(xii)	Cross Corporate Guarantee Given to Bankers	4073.49	11917.13	-	-	-	-
(xiii)	Cross Corporate Guarantee Accepted	53513.52	75131.62	-	-	-	-
(xiv)	Investment in Equity Shares	1751.88	-	53.43	-	-	-
(xv)	Balance outstanding at the year end - Payable - Receivable	- - -	- - -	- - -	163.85 -	96.88 -	- -
(xvi)	Maximum amount of Loans and Advances outstanding at any time during the year	3700.05	2034.00	199.95	66.65	-	-



(b) Details of transactions with Key Managerial Personnel:

Particulars	Remuneration*		Balance Outstanding at the year end - Payable	
	2015-16 Rs. in lacs	2014-15 Rs. in lacs	2015-16 Rs. in lacs	2014-15 Rs. in lacs
Shri Y. S. Lodha	101.08	77.17	4.50	-
Shri R. Sridharan	7.12	5.59	0.28	0.93
Shri S. K. Daga	0.60	0.12	-	-
Shri P. Tondon	0.60	0.04	-	-
Shri Umesh Verma	0.60	0.11	-	-

* As the liability of gratuity and leave encashment is provided on an actuarial basis, therefore, amount not included above.

- Provision for contribution to gratuity fund or otherwise, leave encashment (compensated absences) on retirement which is based on actuarial valuation on an overall Company basis are not included in the remuneration to key managerial personnel.
- 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.
- All the transactions with related parties were on arm's length basis and in the ordinary course of business.

39. Leases:

(a) Operating Lease:

The Holding Company and its Joint Venture have taken certain office premises/warehouse under operating lease agreements. The lease agreements generally have an escalation clause and are not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease agreements. The aggregate lease rental of Rs.176.16 lacs (Rs. 112.70 lacs) are charged to the Consolidated Statement of Profit and Loss.

(b) Finance Lease:

The Holding Company has entered into an Indefeasible Right of Usage (IRU) agreement with certain customers for providing telecommunication cable network connectivity for a period of fifteen years. The required disclosure is given herein:

Sl. No.	Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Lease revenue recognised as an outright sale	1036.99	796.55
(ii)	Cost of sales	879.00	365.74
(iii)	Profit recognised [(i)-(ii)]	157.99	430.81

40. There is no impairment of assets during the year.

41. Disclosure on Provision relating to Warranty in accordance with Accounting Standard (AS)- 29 "Provisions, Contingent Liabilities and Contingent Assets":

Particulars	As at 31st March 2016 Rs. in lacs	As at 31st March 2015 Rs. in lacs
At the beginning of the year	198.59	-
Arising during the year	1314.48	198.59
Utilised during the year	-	-
At the end of the year	1513.07	198.59

42. Previous year's figures have been regrouped/reclassified to conform to current year's classification/ disclosure. 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
ICAI Firm Registration No. 109208W

R. Raghuraman
Partner
Membership No. 081350

New Delhi, May 19, 2016

Signatures to Notes 1 to 42

Harsh V.Lodha
(DIN: 00394094)

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Tapuriah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Saurabh Chhajjer

Ashok Mishra

Chairman

Directors

Managing Director

Chief Financial Officer

Company Secretary

New Delhi, May 19, 2016



STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENT OF SUBSIDIARIES, ASSOCIATE COMPANY AND JOINT VENTURE COMPANIES

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

PART "A" SUBSIDIARIES:

(Rs. in lacs)

Sl. No	Name of Subsidiary Company	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Dividend	% of Shareholding
1	August Agents Ltd.	1525.02	3793.81	5336.92	18.08	3715.49	597.22	592.94	77.12	515.82	152.50	100
2	Insilco Agents Ltd.	1500.02	3796.21	5322.29	26.06	3780.91	621.30	612.29	73.45	538.84	150.00	100
3	Laneseda Agents Ltd.	1500.02	3839.05	5364.41	25.34	3593.64	607.49	601.70	78.81	522.89	150.00	100

PART "B" ASSOCIATE COMPANY AND JOINT VENTURE COMPANIES:

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Company and Joint Venture Companies:

Sl. No.	Name of the Associates / Joint Venture	Latest Audited Balance Sheet Date	Shares of the Joint Venture held by the Company on the year end		Profit/Loss for the Year		Description of how there is Significant influence	Reason why the Associate/ Joint Venture is not consolidated
			No.	Amount of Investment in Associates/Joint Venture (Rs. In Lacs)	Considered in Consolidation (Rs. In Lacs)	Not Considered in Consolidation (Rs. In Lacs)		
1	Universal Cables Ltd. (UCL)	31.03.2016	8274963	4945.62	23.85*	557.55	1397.40	Associate Company
2	Bhita Ericsson Optical Ltd. (BEOL)	31.03.2016	4000100	900.01	13.33	113.04	734.96	Joint Venture Company
3	Bhita Visabeira Pvt. Ltd. (BVPL)	31.03.2016	3600000	360.00	40.00	0.02	0.03	Joint Venture Company

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

Notes : (a) The consolidated financial statements include the financial statements of the Company, its subsidiaries, associate company and joint venture companies.
 (b) The Company by itself and/or along-with its subsidiaries hold more than 20% of the voting power of certain bodies corporate. The Company has been legally advised that it does not have any "significant influence" in the said bodies corporate as defined in Accounting Standard (AS-18) - "Related Party Disclosure", and accordingly, has neither considered the above investees as related parties under (AS-18) nor consolidated the financial statements of above as "Associate" under Accounting Standard (AS-23).

Chairman

Harsh V.Lodha
(DIN: 00394094)

J. Veeraraghavan
(DIN: 00078998)

S.K. Misra
(DIN: 00009411)

R.C. Taburiiah
(DIN: 00395997)

D.R. Bansal
(DIN: 00050612)

Shiv Dayal Kapoor
(DIN: 00043634)

Kiran Aggarwal
(DIN: 06991807)

Y.S. Lodha
(DIN: 00052861)

Saurabh Chhajer
Ashok Mishra

New Delhi, May 19, 2016

Managing Director

Chief Financial Officer
Company Secretary

Directors



VINDHYA TELELINKS LIMITED

FORM FOR UPDATION/REGISTRATION OF E-MAIL ADDRESS

[In terms of Circular No.17/2011 dated 21.04.2011 issued by the Ministry of Corporate Affairs]

Link Intime India Pvt. Ltd.
[Unit: Vindhya Telelinks Limited]
C-13, Pannalal Silk Mills Compound
L.B.S. Marg
Bhandup (West)
MUMBAI – 400 078

Dear Sir,

Sub: Registration of E-mail Address

I hereby update/register my e-mail address provided below for receiving the Notices, Annual Report and Accounts and other documents from the Company through electronic mode:

E-mail Address : _____

Name of the Sole/First Holder : _____

DP ID/Client ID/Registered Folio No. : _____

Registered Address : _____

#Contact No.(s):

Mobile : _____

Land Line (with STD Code) : _____

#optional

Signature of the Sole/First Holder

Date : _____

Place : _____

Notes:

- (1) The Notices, Annual Report and Accounts and other documents are sent in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the remaining Shareholders.
- (2) This Form can also be downloaded from the Company's website www.vtlrewa.com under the section 'Investor Relation'.
- (3) Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.

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 _____ shares of the above named company, hereby appoint:

- Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him;
- Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him; and
- Name: _____ Address: _____
E-mail Id: _____ Signature: _____.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Third Annual General Meeting of the Company, to be held on Friday, the August 19, 2016 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, 2016 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, 2016 and Report of Auditors thereon.		
2.	Declaration of Dividend on Equity Shares.		
3.	Re-appointment of Shri Harsh V.Lodha as a Director, who retires by rotation.		
4.	Ratify re-appointment of Messrs V.Sankar Aiyar & Co., Chartered Accountants, as Auditors of the Company and fix their remuneration.		
Special Business			
5.	Increase in the borrowing powers/limit of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 upto an amount not exceeding in aggregate Rs.1800 Crores outstanding at any time.		
6.	Authority to the Board of Directors pursuant to Section 180(1)(a) of the Companies Act, 2013 for creation of charge / mortgages / hypothecations / pledges/other security etc. in any form on the Company's assets, both present and future, for securing the borrowings for an amount not exceeding the limit of Rs.2500 Crores.		
7.	Place of keeping Register of Members, Index of Members, etc. pursuant to Section 94 of the Companies Act, 2013.		
8.	Ratification of Remuneration payable to Cost Auditors for the year ending March 31, 2017.		

Signed this _____ day of _____ 2016

Signature of Shareholder : _____

Signature of Proxy holder(s) : _____

Affix
Revenue
Stamp

NOTES:

- This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa-486 006(M.P.), India, not less than FORTY EIGHT (48) hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Thirty Third 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 THIRD ANNUAL GENERAL MEETING

Date of Meeting - August 19, 2016

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

I certify that I am Member/Proxy for the Member(s) of the Company.

I hereby record my presence at the THIRTY THIRD ANNUAL GENERAL MEETING of Vindhya Telelinks Limited being held on Friday, the August 19, 2016 at 11.30 a.m. at Udyog Vihar, P.O. Chorhata, Rewa – 486 006 (M.P.).

Signature of the Shareholder/Proxy/Authorised
Representative present

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NOTE(S):

- (1) Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover it at the entrance duly signed.
- (2) Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.
- (3) Only Shareholders of the Company and/or their proxy will be allowed to attend the meeting.

Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING

✂

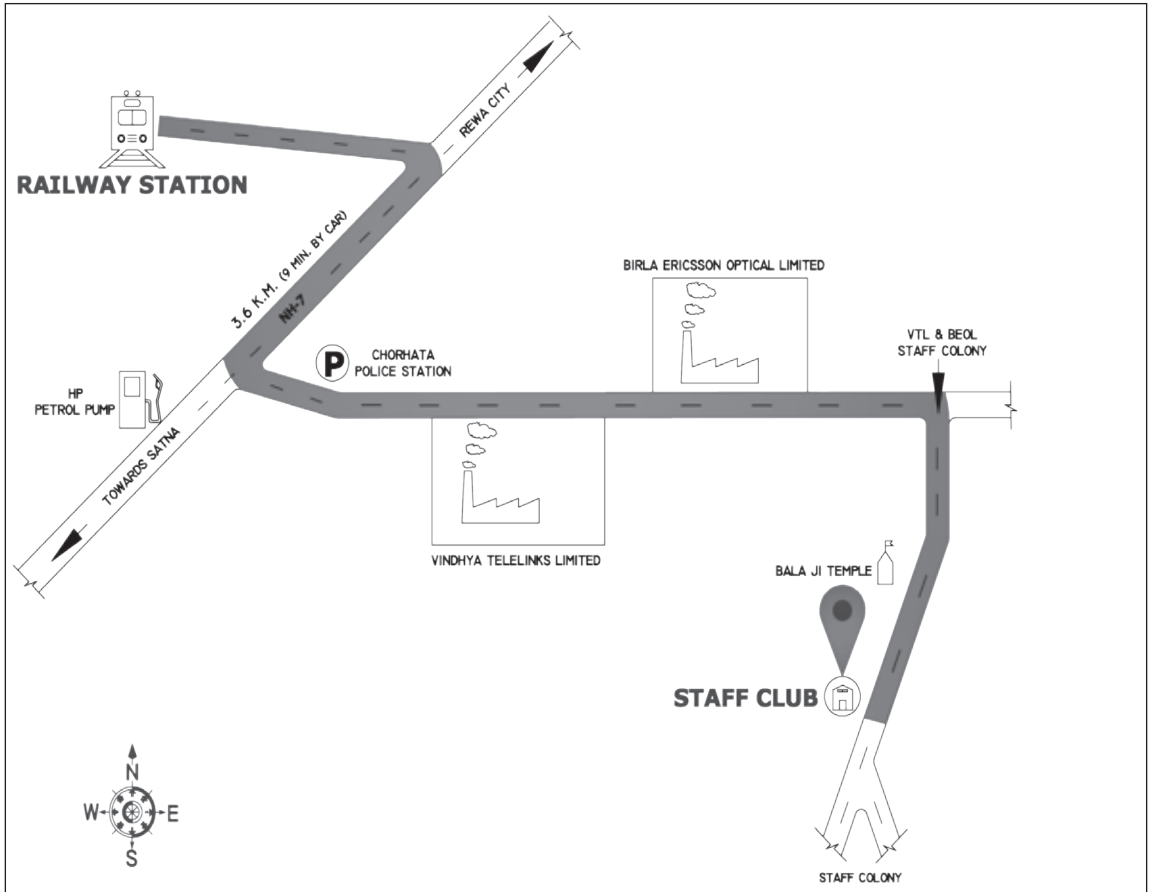
Remote Electronic Voting Particulars

Electronic Voting Sequence Number (EVSN)	Default PAN/ Sequence No.
160709001	*

* Only Members who have not updated their PAN with Company / Depository Participant shall use default PAN (10 digit sequence number) which is printed on the address sticker at TOP RIGHT SIDE IN BOLD.

NOTE: For remote e-voting, please read the instructions printed under the Note No. 18 to the Notice dated May 19, 2016 of the Thirty Third Annual General Meeting. The Voting period for remote e-voting begins on August 15, 2016 at 9.00 a.m. and ends on August 18, 2016 at 5.00 p.m. The remote e-voting module shall be disabled by CDSL for voting thereafter.

ROUTE MAP FOR VENUE OF 33RD AGM





"BHAGWAN TIRUPATI BALAJI" IN THE COMPANY'S TOWNSHIP AT REWA, MADHYA PRADESH



Tree Plantation at Company premises by Mr. Masao Yoshida, Chairman of Furukawa Electric Co. Ltd., Japan.



Tree Plantation at Company premises by Hon'ble Chairman Shri Harsh V. Lodha.

CORPORATE OFFICE

Commercial Plaza,
Second Floor, Wing-B,
Radisson Blu Hotel,
National Highway No. 8,
Mahipalpur, New Delhi - 110 037
India
Tel.: +91 11 45538800
Fax: +91 11 25616571

EPC DIVISION

Commercial Plaza,
Ground Floor, Wing-B,
Radisson Blu Hotel,
National Highway No. 8,
Mahipalpur, New Delhi - 110 037
India
Tel.: +91 11 45538800
Fax: +91 11 25616571

MARKETING OFFICES**BENGALURU**

287, 15th Main, RMV Extension,
Sadashiv Nagar,
Nr. Nagasena School,
Bengaluru-560 080.
Karnataka, India
Ph : +91 80 23619981
Fax: +91 80 23612484

CHENNAI

G.R Towers, 2nd Floor, 136,
Nelson Manickam Road,
Aminjikarai, Chennai - 600 0029.
Tamil Nadu, India
Ph : +91 44 23746623, 23746624
Fax : +91 44 23746625

GOA

Plot No. L64A,
Verna Industrial Estate,
Verma, Salcette - 403 722
Goa, India
Ph : +91 832 6696400
Fax: +91 832 2782614

HYDERABAD

Plot No.414, Road No. 22,
Jubilee Hills, Hyderabad - 500 033
Telangana, India
Ph : +91 40 23608218, 23550183
Fax: +91 40 23553272

KOLKATA

27-B, Camac Street,
5th Floor, Kolkata - 700 016.
West Bengal, India
Ph : +91 33 22805043
Fax : +91 33 22805046

MUMBAI

Sharda Terraces,
9th Floor, Plot No. 65,
Sector 11. CBD Belapur,
Navi Mumbai - 400 614
Maharashtra, India
Tel.: +91 22 41268855
Fax: +91 22 41268899

www.vtlrewa.com

If undelivered please return to:

VINDHYA TELELINKS LIMITED

CIN:L31300MP1983PLC002134

Regd. Office & Works: Udyog Vihar, P. O. Chorhata, Rewa - 486 006. (M.P.), India.

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