



## Vindhya Telelinks Limited

Regd. Office : Udyog Vihar, P.O. Chorhata,

Rewa - 486 006 (M.P.) India.

Tel. : (07662) 400400 · Fax : (07662) 400591

E-Mail : headoffice@vtlrewa.com · Website : www.vtlrewa.com

PAN No. AAACV7757J · CIN No. L31300MP1983PLC002134

GSTIN : 23AAACV7757J1Z0

VTL/SEC/19-20/

9 JULY 2019

BSE Ltd.  
Corporate Relationship Department,  
1<sup>st</sup> 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**

Dear Sir,

**Sub: Annual Report for the financial year 2018-19 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, please find enclosed herewith the Annual Report of the Company for the financial year 2018-19 to be adopted by the Members in the 36<sup>th</sup> Annual General Meeting (AGM) of the Company to be held on 5<sup>th</sup> August, 2019 alongwith the notice of 36<sup>th</sup> AGM of the Company.

This is for your records.

Thanking you,

Yours faithfully,  
for Vindhya Telelinks Limited

  
(Satyendu Pattnaik)  
Compliance Officer

Encl: As above



**VINDHYA TELELINKS LIMITED**



**Revealing the new digital era**



**Annual Report  
2018-19**



**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 2018-19

### BOARD OF DIRECTORS

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

*Chairman*

*Managing Director & CEO*

### AUDIT COMMITTEE

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

*Chairman*

### MANAGEMENT TEAM

SHRI SANDEEP CHAWLA  
SHRI RAMESH SINGH  
SHRI R.K.SHARMA  
SHRI V.P.SINGH  
SHRI VINEET SRIVASTAVA  
SHRI SAURABH CHHAJER  
SHRI RAJESH RAMNANI

*President/CEO (EPC Division)*

*President (Works)*

*President (Projects)*

*Vice President (Works)*

*Vice President (Business Development)*

*Chief Financial Officer*

*Company Secretary*

### AUDITORS

V.SANKAR AIYAR & CO.  
CHARTERED ACCOUNTANTS  
NEW DELHI

### BANKERS

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

### REGISTERED OFFICE & WORKS

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

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## NOTICE

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Members of Vindhya Telelinks Limited will be held on Monday, the August 5, 2019 at 12.30 P.M. at the Registered Office of the Company at Udyog Vihar, P.O.Chorhata, Rewa-486 006 (M.P.) to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt:
  - the audited Financial Statements of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon; and
  - the audited consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the Report of Auditors thereon.
- To declare dividend on equity shares for the financial year ended March 31, 2019.
- 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.

### SPECIAL BUSINESS:

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Rules framed thereunder read with Schedule IV to the Act, Regulation 17(1A), Regulation 25 and all other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and notified from time to time, Smt. Kiran Aggarwal (DIN: 06991807), who was appointed as an Independent Director of the Company and who holds office as such upto 9th November, 2019, is eligible for being re-appointed and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing her candidature for the office of a Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years, i.e. with effect from 10th November, 2019 to 9th November, 2024.

FURTHER RESOLVED that any one of the Directors or Company Secretary of the Company be and is hereby authorised to file the relevant forms, documents and returns with the office of the Registrar of Companies as per the applicable provisions of the Companies Act, 2013 and to do all acts, deeds, matters and things as may be required or considered necessary, appropriate or expedient in this regard to give effect to the above resolution.”
- To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment thereof for the time being in force), Messrs D. Sabyasachi & Co., Cost Accountants (Registration No.000369), appointed as the Cost Auditors by the Board of Directors for conducting the audit of the cost accounting records of the Company for the financial year ending March 31, 2020, be paid a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand) only plus applicable tax and reimbursement of out of pocket expenses that may be incurred during the course of audit of cost accounting records of the Company.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”
- To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), Regulation 17 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), or any amendment thereto or modification thereof, approval of the members of the Company be and is hereby accorded for payment of remuneration/compensation by way of profit related commission or otherwise as permissible to the Non-Executive Directors including Independent Directors of the Company (i.e. Directors other than the Managing Director and/or Whole Time Directors) effective from the financial year commencing from 1st April, 2019 of such sum or sums as determined by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee provided that payment of such remuneration/compensation by way of profit related commission or otherwise (excluding Goods and Services Tax, if any, thereon) shall be in such proportion/manner and upto such extent for each financial year commencing on or after 1st April, 2019 as the Board of Directors shall determine from time to time within the overall maximum limit of 1% (one percent) per annum of the Net Profits of the Company for the relevant financial year computed in the manner as laid down in Section 198 and other governing provisions of the Act and rules made thereunder.

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

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

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 Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as inserted vide the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and effective from 1<sup>st</sup> April, 2019, read with Sections 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded for payment of remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) of an amount not exceeding 0.75% (seventy five basis points) of Net Profits of the Company for the financial year 2019-20 (1st April, 2019 to 31st March, 2020) to Shri Harsh V. Lodha (DIN:00394094), Non-Executive Chairman of the Company, which may exceed fifty percent of the total annual remuneration/compensation by way of profit related commission or otherwise payable to all Non-Executive Directors of the Company, within the overall maximum limit of 1% (one percent) per annum of the Net Profits of the Company to all Non-Executive Directors as fixed/approved by the members of the Company.

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

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

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

By Order of the Board of Directors  
For Vindhya Telelinks Limited

May 16, 2019

Rajesh Ramnani  
Company Secretary

#### NOTES FOR MEMBERS' ATTENTION

- The Explanatory Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
- Members of the Company had approved appointment of Messrs V.Sankar Aiyar & Co., Chartered Accountants, as the Statutory Auditors at the 32<sup>nd</sup> (Thirty Second) Annual General Meeting of the Company held on July 23, 2015 for a term of five (5) consecutive years. The amended provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 by the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018 respectively, omitted the provisions relating to annual ratification of the Auditors with effect from May 7, 2018. As such, the appointment of Auditors is not required to be ratified each year at the Annual General Meeting of the Company and accordingly, Messrs V.Sankar Aiyar & Co., Chartered Accountants (Registration No.109208W) hold office for a consecutive period of five (5) years until the conclusion of 37<sup>th</sup> (Thirty Seventh) Annual General Meeting of the Company to be held for the financial year 2019-20 without following the requirement of ratification of their appointment every year.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing Proxies, in order to be effective, must be received in the annexed Proxy Form at the Registered Office of the Company not less than forty eight (48) hours before the time fixed for commencement of the Meeting, i.e. by 12.30 P.M. on August 3, 2019.

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

- Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. In case of joint holders attending the Meeting, only one such joint holder whose name appears first in the joint holders list will be entitled to vote. Corporate members, Societies, etc. intending to attend Meeting through their authorised representatives are requested to send to the Company, a certified copy of the Board Resolution, Power of Attorney or such other valid authorisations, authorising them to attend and vote on their behalf at the Meeting. Members who hold shares in de-materialized form are requested to bring their DP I.D. and Client I.D. No.(s) for easier identification of attendance at the Meeting.

5. During the period beginning twenty four (24) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays, upto and including the date of the Meeting. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Meeting.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, the July 30, 2019 to Monday, the August 5, 2019 (both days inclusive) for the purposes of Meeting and determining the names of members eligible for dividend on equity shares, if declared at the Meeting.
7. If the dividend as recommended by the Board of Directors is declared at the Meeting, payment of such dividend will be made on or before September 3, 2019 as under:
  - (a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on July 29, 2019; and
  - (b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on July 29, 2019.
8. Members holding shares in dematerialised form may please note that their bank account details as furnished by the respective depositories to the Company will be considered for payment/remittance of dividend as per the applicable regulations of the Depositories. The Company or its Registrar and Share Transfer Agents will neither entertain nor act on any direct request from such members for change/deletion in such bank account details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend to be paid on shares held in dematerialised form. Members may therefore, give instructions regarding bank account details in which they wish to receive dividend to the Depository Participants. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company/Registrar and Share Transfer Agents. Members may further note that as per amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed w.e.f 1<sup>st</sup> April, 2019 unless the securities are held in the dematerialized form with a depository. Members are therefore advised to dematerialise their holding for facilitating the transfer of shares.
9. Non-resident Indian Members are requested to inform Registrar and Share Transfer Agents, immediately of:
  - (i) the change in the residential status on return to India for permanent Settlement; and
  - (ii) the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
10. Members who have so far not encashed the dividend warrant(s) for the year ended March 31, 2014 or any subsequent financial years, are requested to write to the Company or its Registrar and Share Transfer Agents, viz. Messrs Link Intime India Pvt. Ltd. for issuance of demand draft in lieu of unencashed/unclaimed dividend warrant, if any. The detail of such unpaid and unclaimed dividends has been uploaded on Company's website [www.vtlrewa.com](http://www.vtlrewa.com). The Company was not required to transfer the unclaimed dividends during the financial year 2018-19 to the Investor Education and Protection Fund (IEPF) established by the Central Government.
11. This Notice of the Meeting along with the Attendance Slip, Proxy Form, Route map of the venue of the Meeting and the Annual Report 2018-19 of the Company are being sent by email to all the members whose e-mail addresses (IDs) are registered with the Company/ Depository Participant(s) unless any member has requested for a hard / physical copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by the permitted mode. Members who wish to update or register their e-mail addresses with the Company or with the Depository Participants, may use the Form for updation/ registration. The Form can be downloaded from the Company's website: [www.vtlrewa.com](http://www.vtlrewa.com) under the section 'Investor Relation'. The Annual Report 2018-19 circulated to the Members of the Company will also be made available on the Company's website, [www.vtlrewa.com](http://www.vtlrewa.com). Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares at the cut off date i.e July 29, 2019 may obtain login id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
12. Members desirous of obtaining any information on Annual Financial Statements of the Company at the Meeting are requested to write to the Company at least 10 (ten) days before the date of the Meeting, so that the information required may be made available at the Meeting.
13. Members are requested to note that the Company's shares are under compulsory demat trading for all the investors. The Company has connectivity from NSDL and CDSL and equity shares of the Company may be held in the dematerialised form with any Depository Participant (DP) with whom the members/investors are having their demat account. The ISIN No. for the Equity Shares of the Company is INE707A01012. In case of any query/difficulty in any matter relating thereto may be addressed to the Registrar and Share Transfer Agents.



14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialised form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN details to the Company at its Registered Office or to the Registrar and Share Transfer Agents.
15. Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking re-appointment in the ensuing Annual General Meeting are furnished in the Explanatory Statement which is annexed to the Notice and forms a part of the Notice. The Directors have furnished the requisite consent/declaration for their re-appointment.
16. Messrs Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 continues to act in the capacity of Registrar and Share Transfer Agent for physical shares of the Company. Messrs Link Intime India Pvt. Ltd. is also the depository interface of the Company with both NSDL and CDSL. Members are requested to address all correspondences, including dividend matters, to the said Registrar and Share Transfer Agents.
17. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide an option to its Members the facility of voting and remote e – voting on resolutions proposed to be considered at the meeting and as such all business may be transacted through remote e voting. Remote e-voting is the facility of casting the votes by the Members using an electronic voting system for a place other than venue of the Meeting and this facility will be provided by Central Depository Services (India) Limited (CDSL).The Members who have cast their votes by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their votes again.
18. The instructions for members voting electronically are as under:
  - (i) The voting period begins on Thursday, the August 1, 2019 at 9.00 A.M. (IST) and ends on Sunday, the August 4, 2019 at 5.00 P.M.(IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 29, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on SHAREHOLDERS/MEMBERS tab.
  - (iv) Now Enter your User ID
    - (a) For CDSL: 16 digits beneficiary ID,
    - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding 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 the Notice.
  - (xi) Click on the EVSN for Vindhya Telelinks Limited on which you choose to vote.
  - (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
  - (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take a print of the vote cast by clicking on “Click here to print” option on the Voting page.
  - (xvii) If a demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on “Forgot Password” and enter the details as prompted by the system.
  - (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xix) Note for Non – Individual Members and Custodians
    - (a) Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
    - (b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - (c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - (d) The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - (e) A scanned copy of the Board Resolution and/or Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
19. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date, i.e. July 29, 2019.
  20. The Company has appointed Shri Rajesh Kumar Mishra, Practising Company Secretary or failing him Shri R.S.Bajaj, Practising Company Secretary as the Scrutinizer to scrutinise the remote e-voting process in a fair and transparent manner.
  21. The Company has appointed Shri Rajesh Kumar Mishra, Practising Company Secretary and Shri Hemant Singh, Practising Chartered Accountant, as Scrutinizers to scrutinize the voting through ballot/poll process at the Meeting in a fair and transparent manner.
  22. The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ‘Ballot Paper’ or ‘Polling Paper’ for all those members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.
  23. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than Forty Eight hours of the conclusion of the Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing in that behalf, who shall countersign the same and declare the result of the voting forthwith.
  24. The results shall be declared on or after the Meeting of the Company and shall be deemed to be passed on the date of Meeting. The said result would be displayed at the Registered Office as well as Corporate Office of the Company, intimated to the Stock Exchanges where the Company’s equity shares are listed and shall also be displayed along with the Scrutinizer’s Report on the Company’s website [www.vtlrewa.com](http://www.vtlrewa.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing in that behalf. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Ltd.

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

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice dated May 16, 2019:

**Item No.4**

Pursuant to the provisions of Section 149 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Rules framed thereunder and the applicable provisions of the erstwhile Listing Agreement with the Stock Exchanges, Smt. Kiran Aggarwal (DIN: 06991807), was appointed as an Independent Director of the Company to hold office for a term of five (5) consecutive years with effect from 10<sup>th</sup> November, 2014 to 9<sup>th</sup> November, 2019 (“first term” in line with the explanation to Sections 149(10) and 149 (11) of the Act). The Company, later on, obtained approval of the members by way of a special resolution passed through Postal Ballot on 25<sup>th</sup> March, 2019 in compliance with the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”), for continuation of the Directorship of Smt. Kiran Aggarwal upto the expiry of her present term as an Independent Director of the Company, i.e. 9<sup>th</sup> November, 2019, notwithstanding that Smt. Kiran Aggarwal reached the age more than seventy five (75) years.

As per the provisions of Section 149 of the Act read with the Rules framed thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, an Independent Director shall hold office as such for a term upto five (5) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a Special Resolution by the Company and disclosure of such appointment in the Directors’ Report. Section 149(11) of the Act provides that an Independent Director may hold office for up to two consecutive terms. As per provisions of Section 149 (13) read with explanation to Sections 152 (6) of the Act, the period of office of Independent Directors will not be liable to determination by retirement of directors by rotation at the Annual General Meeting. Further, as per the provisions of Regulation 17 (1A) of Listing Regulations, which is effective from 1<sup>st</sup> April, 2019, a person who has attained the age of seventy five years can continue as non-executive director in a listed Company, provided approval of its members is obtained by way of a Special Resolution and justification for appointing such a person is indicated in the Explanatory Statement.

Considering the recommendation of the Nomination and Remuneration Committee, inter alia, based on the performance evaluation of the Independent Directors, the Board of Directors of the Company at its meeting held on 16<sup>th</sup> May, 2019, has recommended for re-appointment of Smt. Kiran Aggarwal as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years with effect from 10<sup>th</sup> November, 2019 to 9<sup>th</sup> November, 2024.

The Board of Directors and the Nomination and Remuneration Committee in their respective meeting(s) held on 16<sup>th</sup> May, 2019, placed on record that the said Smt. Kiran Aggarwal is a qualified professional and renowned retired civil servant and brings with her a wide range of skills and experience to the Board, which enhances the quality of Board’s decision making process. The Company and its Board of Directors have immensely benefitted from her vast experience, knowledge and strategic insights on various matters relating to the Company’s business. In this backdrop and also taking into account the performance evaluation besides recognizing enormous contribution of Smt Kiran Aggarwal in the functioning and performance of the Company over the years, the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, recommends that it will be in the interest of the Company to re-appoint her as a woman Independent Director of the Company for a second term of five (5) consecutive years with effect from 10<sup>th</sup> November, 2019 to 9<sup>th</sup> November, 2024.

Smt. Kiran Aggarwal has given her consent to act as an Independent Director of the Company and has also furnished necessary declaration under Section 149(7) of the Act to the Board of Directors that she meets the criteria of independence as provided under Section 149 (6) of the Act. She has also furnished the declaration and confirmation pursuant to Regulation 25(8) of the Listing Regulations that she meets the criteria of independence as provided under clause (b) of sub-regulation (1) of Regulation 16 of the Listing Regulations and that she is not aware of any circumstance or situation, which exist or may reasonably be anticipated, that could impair or impact her ability to discharge her duties with an objective independent judgment and without any external influence which has been taken on record by the Board of Directors in its meeting held on 16<sup>th</sup> May, 2019 after due assessment of the veracity of the same. Further, as per the declarations received by the Company, Smt. Kiran Aggarwal is not disqualified to be re-appointed as a Director in terms of Section 164 of the Act and has given her consent to act as Director of the Company.

The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Smt. Kiran Aggarwal for the office of Director of the Company.

In the opinion of the Board, Smt. Kiran Aggarwal fulfils the conditions for re-appointment as Independent Director of the Company as specified under the Act read with the Rules framed thereunder and the Listing Regulations. Accordingly, approval of the members is sought for passing a Special Resolution for her re-appointment as an Independent Director in compliance to the provisions of Section 149, read with Schedule IV and other applicable provisions, if any, of the Act and the Rules framed thereunder and Regulation 17(1A) and all other applicable regulations of the Listing Regulations for the time being in force.

Pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India, brief profile of aforesaid Independent Director proposed to be re-appointed including nature of her expertise and shareholdings in the Company, etc. are given in Annexure-A attached hereto.

Copy of the draft letter of re-appointment relating to Smt. Kiran Aggarwal setting out the terms and conditions of re-appointment is available on the Company's website [www.vtlrewa.com](http://www.vtlrewa.com) and also available for inspection by any member at the Registered Office and Corporate Office of the Company between 10.00 A.M. to 1.00 P.M. on any working day excluding Saturday(s) and Sunday(s) upto and including the date of the meeting.

Having regard to the qualifications, knowledge and vast experience of Smt. Kiran Aggarwal, her re-appointment on the Board of Directors of the Company as Independent Director will be in the interest of the Company. Accordingly, the Board of Directors recommends the Resolution as set out at Item No.4 of this Notice to be passed as Special Resolution by the Members of the Company. The aforesaid explanation be also regarded as adequate justification for re-appointing Smt. Kiran Aggarwal under Regulation 17(1A) and other applicable Regulations of the Listing Regulations.

None of the Directors or Key Managerial Personnel of the Company, either directly or through their relatives except Smt. Kiran Aggarwal and her relatives are, in any way, concerned or interested, whether financially or otherwise, in the resolution as set out at Item No.4 of the accompanying Notice.

#### **Item No. 5**

The Board of Directors at its Meeting held on 16<sup>th</sup> May, 2019, on the recommendation of the Audit Committee has appointed Messrs D. Sabyasachi & Co., Cost Accountants (Registration No.00369) as the Cost Auditors at a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand) Only plus applicable tax thereon and reimbursement of out of pocket expenses for conducting audit of the cost accounting records of the Company for the financial year ending 31st March, 2020 in accordance with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time and to the extent applicable to the Company. As per the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration to be paid to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors is subject to ratification by the Members of the Company. Accordingly, consent of the members is sought by way of an Ordinary Resolution as set out in Item No.5 of the Notice for ratification of remuneration to be paid to the Cost Auditors for the financial year ending 31st March, 2020.

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

The Board recommends the Ordinary Resolution set out in Item No.5 of the accompanying Notice for approval of the Members of the Company.

#### **Item No.6**

In terms of provisions contained in Section 197 of the Companies Act, 2013 ("the Act"), a company by way of an Ordinary Resolution in general meeting may authorise payment of remuneration/compensation to Non-Executive Directors (including Independent Directors), a sum not exceeding 1% (one percent) of the Net Profits of such company, if there is a Managing or Whole-Time Director or Manager. Further, as per Regulation 17(6)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment thereto or modification thereof ("Listing Regulations"), the Board of Directors shall recommend all fees (save and except payment of sitting fees for attending meeting(s) of the Board of Directors and/or Committee(s) thereof or for any other purposes whatsoever as may be decided by the Board of Directors within the limits as prescribed under Section 197(5) of the Act) or compensation, if any, paid to Non-Executive Directors including Independent Directors and the same shall require approval of shareholders in general meeting.

At present, save and except for the sitting fees for participating in the meetings of the Board of Directors and Committees thereof, the Company does not pay any remuneration/ compensation to Non-Executive Directors including Independent Directors. The Non-Executive Directors including Independent Directors of your Company bring with them significant professional expertise and rich experience across wide spectrum of functional areas and role played by the Non-Executive Directors including Independent Directors in the Company's governance and performance is very important for growth of the Company. Accordingly, the Board of Directors of the Company at its meeting held on 16<sup>th</sup> May, 2019 recommended for the approval of the members, payment of remuneration/compensation by way of profit related commission or otherwise as permissible under the Act to Non-Executive Directors including Independent Directors of the Company for all financial years commencing from 1<sup>st</sup> April, 2019 in line with the current trends, considering their roles and responsibilities and contribution made by them during their tenure as Non-Executive Directors of the Company. The amount of remuneration/ compensation payable to the Non-Executive Directors shall be determined by the Board of Directors for each financial year commencing from 1<sup>st</sup> April, 2019 based on the recommendation of the Nomination and Remuneration Committee. The remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) as above, shall be paid in such proportion/manner and upto such extent amongst all or some Non-Executive Directors as the Board of Directors determine from time to time within the overall maximum limit of 1% (one percent) of the Net Profits of the Company for the relevant financial year computed in the manner as laid down under Section 198 and other governing provisions of the Act and rules made thereunder.

The said remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) to the Non-Executive Director(s) shall be in addition to the remuneration by way of sitting fees for attending meeting(s) of the Board of Directors and/or Committee(s) thereof or for any other purpose whatsoever as may be decided by the Board of Directors within the limit as prescribed under Section 197(5) of the Act and reimbursement of expenses for participation in the Board and other meetings. Additional information in respect of Non-Executive Directors of the Company are disclosed in the Annual Report under 'Report on Corporate Governance'.



Save and except all the Non-Executive Directors/Independent Directors of the Company and their relatives, none of the other Directors/Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, whether financially or otherwise, in the Resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out in Item No. 6 of the accompanying Notice for approval of the Members of the Company.

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

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

Shri Harsh V. Lodha has contributed immensely towards the sustained growth of the Company since his appointment as Non-Executive Chairman of the Company with effect from 22<sup>nd</sup> December, 2010. Considering the active and vital role played by Shri Harsh V. Lodha as Non-Executive Chairman of the Company, it is proposed to pay him remuneration/ compensation by way of profit related commission or otherwise (excluding Goods and Services Tax, if any, thereon) of an amount not exceeding 0.75% (seventy five basis points) of Net Profits of the Company for the financial year 2019-20, which may exceed fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company. Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 16<sup>th</sup> May, 2019, recommended for passing of a Special Resolution by the Members of the Company for payment of remuneration/compensation by way of profit related commission or otherwise to Shri Harsh V. Lodha as the said remuneration/compensation payable to him for the financial year 2019-20 may exceed fifty percent of total annual remuneration payable to all Non-Executive Directors of the Company.

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

Save and except Shri Harsh V. Lodha and his relatives, none of the other Directors/Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, whether financially or otherwise, in the Resolution as set out at Item No.7 of the Notice.

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

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

	(1)	(2)
<b>Name of Director</b>	Shri Harsh V Lodha	Smt. Kiran Aggarwal
<b>DIN</b>	00394094	06991807
<b>Date of Birth &amp; Age</b>	13.02.1967 52 years	14.01.1942 77 years
<b>Nationality</b>	Indian	Indian
<b>Date of First Appointment on the Board of Directors of the Company</b>	05.05.2004	10.11.2014
<b>Qualifications</b>	Chartered Accountant	B.A. Honours (English), LLB
<b>Experience (including nature of expertise in specific functional areas)/ brief resume</b>	<p>He holds a Bachelor's Degree in Commerce from Calcutta University and is a qualified Chartered Accountant. He possesses vast and varied experience of about 33 years in profession and industry. He served as a Partner of Lodha &amp; Co., Chartered Accountants for two decades where he was involved in and handled several advisory assignments in the fields of Audit, International Takeovers and Financing. He has served on various key positions of Committees constituted by FICCI, ICAI, Indian Chamber of Commerce, ASSOCHAM, Ministry of Corporate Affairs and Reserve Bank of India. He has served as Honorary Consul of the Government of Romania for West Bengal, Orissa and Bihar and as Vice Consul of the Republic of Philippines for Eastern India.</p> <p>In addition to the above, he also adds wings to his credentials by rendering services as Trustee and/or Managing Committee Member of several Philanthropic Institutions including Bombay Hospital and Medical Research Centre, Belle Vue Clinic, South Point Education Society, Priyamvada Birla Aravind Eye Hospital, M.P. Birla Institute of Fundamental Research, etc.</p>	<p>Joined the Indian Administrative Service in 1964 and retired in 2002. The significant Posts held were Principal Adviser, Planning Commission, Secretary to Govt. of India in the Ministries of Supply, Housing, Urban Development and Women and Child Development. As Additional Secretary in the Govt. of India, worked in the Department of Administrative Reforms, Public Grievances and Training. In the state of Haryana, held key posts in the departments of Education, Technical Education, P.W.D, Labour and Employment, Tourism, Cultural Affairs etc. Post retirement, apart from being associated with some voluntary organisations have served on some committee set up by the Govt of India. These inter-alia were Training Programme for IAS probationers, working of AICTE, Committee to look why government doctors were opting for private sector jobs, Trustee on the Victoria Memorial Hall Trust, etc. Presently, is a member of the Police Complaint Authority, Chandigarh and heading a Monitoring Committee for Shelter for Urban Homeless.</p>
<b>Number of Shares held in the Company</b>	Nil	Nil
<b>List of Directorships held in other companies</b>	<p><b>Listed Companies</b></p> <ol style="list-style-type: none"> <li>1. Alfred Herbert (India) Ltd.</li> <li>2. Birla Corporation Ltd.</li> <li>3. Birla Cable Ltd.</li> <li>4. Universal Cables Ltd.</li> </ol> <p><b>Unlisted Companies</b></p> <ol style="list-style-type: none"> <li>5. Baroda Agents &amp; Trading Co. Pvt. Ltd.</li> <li>6. Birla Furukawa Fibre Optics Pvt. Ltd.</li> <li>7. East India Investment Co. Pvt. Ltd.</li> <li>8. Gwalior Webbing Co. Pvt. Ltd</li> <li>9. Hindustan Gum &amp; Chemicals Ltd.</li> <li>10. J.K. Fenner (India) Ltd.</li> <li>11. Oneworld Resources Pvt. Ltd.</li> <li>12. Punjab Produce Holdings Ltd.</li> <li>13. RCCPL Pvt. Ltd.</li> <li>14. Swiss India Financial Services Co. Pvt.Ltd.</li> <li>15. The Punjab Produce &amp; Trading Co. Pvt. Ltd.</li> </ol>	Nil

	(1)	(2)
<b>Chairman/Member of the Committees of the Boards of the Companies in which he is Director</b>	<p><b>A. Chairman:</b></p> <p><b>A.1 <u>Corporate Social Responsibility Committee</u></b></p> <p><b><u>Listed Companies</u></b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd.</li> <li>Universal Cables Ltd.</li> </ol> <p><b><u>Unlisted Companies</u></b></p> <ol style="list-style-type: none"> <li>Hindustan Gum &amp; Chemicals Ltd.</li> <li>RCCPL Pvt. Ltd.</li> <li>The Punjab Produce &amp; Trading Co. Pvt. Ltd.</li> </ol> <p><b>A.2 <u>Stakeholders Relationship Committee</u></b></p> <p><b><u>Listed Company</u></b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd.</li> </ol> <p><b>B. Member:</b></p> <p><b>B.1 <u>Nomination and Remuneration Committee</u></b></p> <p><b><u>Listed Company</u></b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd</li> </ol> <p><b><u>Unlisted Company</u></b></p> <ol style="list-style-type: none"> <li>RCCPL Pvt. Ltd.</li> </ol> <p><b>B.2 <u>Corporate Social Responsibility Committee</u></b></p> <p><b><u>Unlisted Company</u></b></p> <ol style="list-style-type: none"> <li>Gwalior Webbing Co. Pvt. Ltd.</li> </ol> <p><b>C. <u>Committee of Directorship</u></b></p> <p><b><u>Listed Company</u></b></p> <ol style="list-style-type: none"> <li>Birla Corporation Ltd.</li> </ol> <p><b><u>Unlisted Company</u></b></p> <ol style="list-style-type: none"> <li>RCCPL Pvt.Ltd.</li> </ol>	Nil
<b>Relationship with other Directors, Manager and Key Managerial Personnel of the Company</b>	None	None
<b>Number of Meetings of the Board attended during the year 2018-19</b>	4 out of 4	4 out of 4
<b>Terms and conditions of appointment/ Re-appointment</b>	Liable to retire by rotation.	Re-appointment as an Independent Director, not liable to retire by rotation, for 5 (five) consecutive years (i.e. from 10th November, 2019 to 9th November, 2024).
<b>Remuneration last drawn by such person, if applicable and Remuneration sought to be paid</b>	No remuneration is paid save and except Sitting Fees for attending each Meeting of the Board of Directors. The remuneration paid by way of Sitting Fees was disclosed in the Report of Corporate Governance in all the previous Annual Reports. It is proposed to pay Remuneration/Compensation by way of profit related commission or otherwise as permissible to Non-Executive Directors including Independent Directors of the Company.	

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

By Order of the Board of Directors  
for Vindhya Telelinks Limited

May 16, 2019

Rajesh Ramnani  
Company Secretary

# Directors' Report

## TO THE SHAREHOLDERS

The Board of Directors has the pleasure of presenting its Thirty Sixth Annual Report of the business and operations of your Company, together with the Audited Financial Statements of the Company for the financial year ended March 31, 2019.

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

Description	Amount (₹ in lakhs)	
	2018-19	2017-18
Revenue from Operations	<b>209536.95</b>	135138.46
Other Income	<b>1332.34</b>	914.77
Earnings before Finance Costs, Depreciation and Tax	<b>35303.84</b>	18652.70
Finance Costs	<b>7624.25</b>	4719.93
Profit before Depreciation and Tax	<b>27679.59</b>	13932.77
Depreciation and Amortization	<b>1990.46</b>	1332.07
Profit before Tax	<b>25689.13</b>	12600.70
Tax Expenses / (Credit)	<b>8823.61</b>	4267.63
Net Profit for the year	<b>16865.52</b>	8333.07

The financial statements for the financial year ended March 31, 2019 have been prepared in accordance with Ind AS in terms of the provisions of Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

### GENERAL & CORPORATE MATTERS

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

During the year under review, your Company achieved Revenue from Operations of ₹ 209536.95 lakhs as compared to ₹135138.46 lakhs in the previous year, registering a growth of about 55.05%. The revenue from exports including project exports decreased to ₹ 2760.44 lakhs as compared to ₹ 3617.37 lakhs during the previous year as a consequence of meeting the increased demand of Company's products and services from customers in domestic market. During the year under review, the EPC business segment clocked a revenue growth of 64.07 % mainly due to robust order inflows, accelerated pace of execution and stringent project monitoring system. The Cables business segment has also registered a significant growth of 34.16% in Revenue in comparison with the previous financial year due to robust orders inflow, capacity augmentation, product diversification and improved operational efficiencies. The Profit before Depreciation and Tax for the year stood at ₹ 27679.59 lakhs as compared to ₹ 13932.77 lakhs in the previous year. The leadership at shop floor has enabled the Company to achieve manufacturing excellence at all levels of the organization and deliver the improved financial performance. During the year under review, the capacity utilization has been optimal in most of our product verticals, attributed to upsurge in the demand. The detailed operational working of your Company for the year is provided in the Management Discussion and Analysis forming a part of this Report.

Your Company has successfully commissioned the first phase of substantial expansion project for augmenting production capacity of Optical Fibre Cable (OFC) during the financial year under review. The second phase of the substantial expansion project is underway and is likely to be operational by end of second quarter of the current fiscal year 2019-20. The expanded production capacity of OFC will facilitate expeditious delivery to diverse range of customers in both domestic and overseas markets and will also result in economies of scale of operations. The installation and commissioning of Solar PV Cable manufacturing project has also been successfully completed during the year under review with the commissioning of Electron Beam Accelerator. The final product approvals with the globally renowned certifying agency are underway which shall further enlarge your Company's products range for serving the key infrastructure sectors of the economy viz. Solar Energy, Railways and Shipbuilding, etc. The Company is also in the process of augmenting its Railway Signalling and Quad Cable production capacity in order to seize the opportunities arising from potential growth in these product verticals. Further, looking to the ambitious target set by the Indian Railways for electrification of its track routes, the Company has successfully developed Copper Magnesium Alloy based Catenary Wires fully conforming to the specification of RDSO and the product has been duly tested and certified by RDSO. The vendor approval process will be undertaken by RDSO soon after validation of actual performance of prototype and finalisation of draft specification. It is expected that usage of Copper Magnesium Alloy Catenary Wire will enhance significantly in lieu of Cadmium Copper based Catenary Wire thereby opening additional business opportunities to the Company.

The critical pivots of the business strategy, going forward, include intense development of value added next generation products, broad basing product mix with clear skew towards high margin and new application products and market expansion across domestic and export geographies.

Globally, starting from third quarter of previous year, the demand for optical fibre and optical fibre cables especially from China started tapering off and as a result of this development, the global optical fibre market is showing sluggishness since the beginning of calendar year 2019. Due to lower demand in China coupled with huge investments in the expansion of preform, optical fibre and optical fibre cables production capacities across the regions, the price levels have also come down substantially in the domestic market in line with trend across the global. However, as the decibels around fifth generation (5G) spectrum auction rise with on-going proliferation of digital applications across most sectors of economy, India's transition towards 5G is inexorable, which necessitates development of complete ecosystem for success of next generation technology. As an important 5G ecosystem prerequisite, building of optical fibre cable network is essential which



will provide huge business opportunities for Cables and EPC business segments of your Company in a foreseeable future. The recently approved National Digital Communication Policy, 2018 has already mandated optical fibre cable network as a “Utility” status which aims operator friendly Right of Way (RoW) regime, wherein the operators are able to roll-out their optical fibre cable networks in the fastest possible way. Accordingly, the continued thrust on investment by telecom operators to optimize and universalise 4G/FTTH communications infrastructure due to massive data growth and envisaged migration to 5G to remain relevant in the industry will be key variables for increased off-take of optical fibre cables and related turnkey projects over the coming years which augurs well for the Company. In addition to this, the Company is fully equipped to manufacture and supply optical fibre cables meant for FTTH access networks, the demand for which is gradually increasing for expansion of wireline broadband services based on Fibre-To-The-Home (FTTH) technology by the telecom operators and other service providers.

There is a reasonable growth prospect in the Copper Cables business also, as Government driven Railways projects are being implemented in large scale across the country, thereby opening up opportunities in the products and solutions related Railways segment. Your Company is placed in good position to cater to the requirements of Quad, Signalling and telecom Copper Cables for the Railways sector as well.

The EPC Division of your Company has gained tremendous goodwill and mark of trust in executing diverse project portfolio in terms of executing project of scale and big ticket size with best in class quality standards and project deliverables in the business verticals of Information and Communications Technology covering, total solutions in fibre backbone networks creation, Broadband and FTTH networks, specialty projects including system integration. Your Company has also created a niche name in Rural Electrification, Power Sub-transmission lines, Underground Power cable network, Sub-station projects, Sewerage pipeline network, Lift Irrigation Systems, Smart City Power cable network and Telecom IP-1 projects in a big way using the expertise gained over a period of its operations.

### **DIVIDEND AND RESERVES**

After considering the Company's profitability, free cash flow and overall financial performance, the Board of Directors of your Company is pleased to recommend a Dividend of ₹ 12/- (previous year ₹ 10/-) per equity share of face value ₹ 10/- each (i.e. 120%) for the financial year ended on March 31, 2019. The distribution of Dividend on equity shares, if approved by the Members at the ensuing Annual General Meeting, will result in payout of ₹ 1422.10 lakhs excluding Tax on Dividend and Surcharge/Education Cess thereon, as applicable.

During the year under review, your Company transferred a sum of ₹ 832.00 lakhs (previous year ₹ 835.00 lakhs) to the Debenture Redemption Reserve.

### **SHARE CAPITAL**

The paid-up Equity Share Capital of the Company as at March 31, 2019 stood at ₹ 1184.58 lakhs. During the year under review, the Company has neither issued shares with differential rights as to dividend, voting or otherwise nor has granted stock options or sweat equity under any scheme. Further, none of the Directors of the Company holds investments convertible into equity shares of the Company as on March 31, 2019.

### **DEPOSITS/FINANCE**

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

Your Company continued to optimise Bank borrowings by focusing on cash flows and working capital management. Moreover, by availing alternate funding options like issuance of Commercial Papers at a very competitive coupon rate(s), reduction in charges for non-fund based credit facilities and resorting to Supplier's Credit at a competitive pricing, etc. your Company ensured efficiency in borrowings cost.

### **CORPORATE GOVERNANCE**

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

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

As a part of its initiative under Corporate Social Responsibility (CSR), your Company has undertaken CSR projects and programmes in the areas of (i) Animal welfare; (ii) Education promoting employment enhancing vocation skills especially among children and girls and livelihood enhancement projects; (iii) Ensuring Environmental Sustainability and Ecological Balance, Conservation of Natural Resources and maintaining quality of Soil, Air and Water; and (iv) Rural Development in and around the local area where the Company operates and also in other parts of India. These activities are largely in accordance with Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Company's CSR Policy.

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

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) that in the preparation of the annual financial statements for the year ended March 31, 2019, 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, 2019 and of the profit of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- (f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

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

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

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

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

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

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

### **INDUSTRIAL RELATIONS AND SAFETY**

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

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

## RECOGNITION

Yours Company's manufacturing facilities continue to remain certified by independent and reputed external agency as being compliant as well as aligned with the external standards for Quality Management System as per ISO 9001:2015 & TL 9000 R6.0/R5.0 H, Environmental Management System as per ISO 14001:2015, Occupational Health and Safety Management System as per OHSAS 18001:2007 and Information Security Management System as per ISO 27001:2013. During the year, the audits for these Certifications established continuous improvement in performance against these standards.

## DIRECTORS

During the year, members by way of Special Resolution(s) passed through Postal Ballot / Remote e-voting, have reappointed Shri J. Veeraraghavan, (DIN:00078998), Shri S.K Misra, (DIN:00009411), Shri R.C Tapuriah, (DIN: 00395997) and Shri Shiv Dayal Kapoor (DIN:00043634), as Independent Directors of the Company, not liable to retire by rotation, for a second term of five consecutive years with effect from April 1, 2019 to March 31, 2024; approved the continuation of Directorship of Smt. Kiran Aggarwal (DIN: 06991807) as Independent Director upto her present term i.e November 9, 2019 and Shri D.R Bansal(DIN:00050612) as Non-Executive Non-Independent Director of the Company, liable to retire by rotation, notwithstanding that these two directors are above seventy five (75 ) years of age and also approved the continuation of directorship of Shri Pracheta Majumdar (DIN:00179118) ) as Non-Executive Non-Independent Director of the Company, liable to retire by rotation, on attaining the age of seventy five (75) years on August 15, 2019.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri H.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.

Pursuant to Section(s) 149,152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV to the Act and Regulation 17(1A) and all other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Smt. Kiran Aggarwal (DIN: 06991807) was appointed as an Independent Director of the Company and who holds office as such up to November 9, 2019. The Nomination and Remuneration Committee and Board of Directors at their respective Meetings held on May 16, 2019 have unanimously recommended the re- appointment of Smt. Kiran Aggarwal as an Independent Director, not liable to retire by rotation, for a second term of five (5) consecutive years with effect from November 10, 2019 to November 9, 2024 for consideration of the Members at the ensuing Annual General Meeting of the Company.

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

## KEY MANAGERIAL PERSONNEL

Shri Y.S. Lodha, Managing Director & CEO, Shri Saurabh Chhajjer, Chief Financial Officer and Shri Rajesh Ramnani, Company Secretary are the Key Managerial Personnel of the Company. Shri Rajesh Ramnani was appointed as the Company Secretary of the Company with effect from May 16, 2019 in place of Shri Satyendu Pattnaik, who resigned from the post of Company Secretary of the Company with effect from the close of Business hours of April 6, 2019.

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

## MEETINGS OF BOARD AND COMPOSITION OF COMMITTEES

During the year under review, the Board met 4 times viz. on May 23, 2018, August 9, 2018, November 12, 2018 and February 11, 2019.

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

## PERFORMANCE EVALUATION OF BOARD, COMMITTEES & DIRECTORS

Pursuant to the Provisions of the Companies Act, 2013 and Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI, the Board of Directors of the Company carried out the formal annual evaluation of its own performance and that of its Committees and individual Directors, inter alia, to assess the skill set and contribution that are desired, recognising that competencies and experiences

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

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

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

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee has also adopted the Remuneration Policy for the Directors, Key Managerial personnel and Senior Managerial personnel. The guiding principles of the Remuneration Policy are stated in the Report on Corporate Governance, which forms part of the Annual Report. The Remuneration Policy is uploaded on the website of the Company and the weblink of the same is <http://vtlrewa.com/pdf/remuneration-policy-vtl.pdf>.

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

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

#### **MAINTENANCE OF COST RECORDS**

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

#### **AUDITORS**

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

The Board of Directors has, on the recommendation of the Audit Committee, re-appointed Messrs D. Sabyasachi & Co., Cost Accountants (Registration No. 000369), as Cost Auditors for conducting the audit of the cost records maintained by the Company in respect of certain specified products of the Company covered under the Companies (Cost Records and Audit) Rules, 2014 and fixed their remuneration based on the recommendation of the Audit Committee. The remuneration together with applicable tax thereon and reimbursement of out of pocket expenses to be paid to the Cost Auditors is subject to ratification by the members in the ensuing Annual General Meeting of the Company. The Cost Audit Report in respect of applicable specified products for the financial year ended March 31, 2018 was filed by the Company on August 21, 2018.

#### **AUDITORS' REPORT**

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

#### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Messrs R.K.Mishra & Associates, Practicing Company Secretaries (PCS Registration no.14474) were appointed



to undertake the Secretarial Audit of the Company for the year ended March 31, 2019. The Report of the Secretarial Auditor is given in the prescribed form in Annexure-II, which is attached hereto and forms a part of the Directors' Report.

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

#### **COMPLIANCE WITH SECRETARIAL STANDARDS**

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

#### **RELATED PARTY TRANSACTIONS**

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

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

#### **SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE**

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

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

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

A Statement containing the salient features of the financial statements of subsidiaries, associate companies and a joint venture as prescribed under the first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of The Companies (Accounts) Rules, 2014 is attached as per the prescribed format and forms a part of the Annual Report. In accordance with the provisions of Section 136 of the Companies Act, 2013 and the amendments thereto, read with Listing Regulations, the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies will be available on the Company's website [www.vtlrewa.com](http://www.vtlrewa.com).

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

#### **CONSOLIDATED FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company as of and for the year ended March 31, 2019 have also been prepared in the same form and manner as that of the Company and are in accordance with the applicable provisions of the Act and the rules and regulations made thereunder, read with Indian Accounting Standard (Ind AS)-110 "Consolidated Financial Statements" and Indian Accounting Standard (Ind AS)-28 "Accounting for Investments in Associates and Joint Ventures", forms a part of the Annual Report.

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

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

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

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

**EXTRACT OF ANNUAL RETURN**

An extract of the Annual Return as provided under Section 92(3) of the Companies Act, 2013 is given in Annexure V, which is attached hereto and forms part of the Directors' Report which is also placed on the Company's website at <http://vtlrewa.com/pdf/MGT-9-VTL.pdf>.

**PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are given in Annexure-VI, which is attached hereto and forms a part of the Directors' Report.

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

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

**GENERAL**

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

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

**ACKNOWLEDGEMENT**

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

Yours faithfully,

Harsh V.Lodha  
(DIN: 00394094)

Chairman

J.Veeraraghavan  
(DIN: 00078998)

S.K.Misra  
(DIN: 00009411)

D.R. Bansal  
(DIN: 00050612)

Shiv Dayal Kapoor  
(DIN: 00043634)

Kiran Aggarwal  
(DIN: 06991807)

Dilip Ganesh Karnik  
(DIN: 06419513)

Y.S. Lodha  
(DIN: 00052861)

Directors

Managing Director

New Delhi, May 16, 2019

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

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

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

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

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

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

Average Net Profit : ₹ 10992.07 lakhs.

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

The Company was required to spend ₹ 219.84 lakhs towards CSR Expenditure for the financial year 2018-19. Accordingly, the CSR Committee and the Board of Directors of the Company approved an outlay of ₹ 220.40 lakhs towards CSR expenditure for the financial year 2018-19.

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

- (a) Total amount spent for the financial year :** Direct: ₹11.70 lakhs and Contribution paid to the Implementing Agency- ₹ 208.70 lakhs.
- (b) Amount unspent, if any :** Nil except that a part of cash outflow from Implementing Agency in respect of certain ongoing CSR project(s) and activity(ies) will happen in the current financial year 2019-20.
- (c) Manner in which the amount spent during the financial year is detailed below:**

(₹ in Lakhs)

CSR Project or Activities	Sector	Location	Amount outlay (budget) project or programme wise	Amount spent on the projects or Programmes [Refer Note (a)]	Cumulative Expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1. Contribution to Gaushala (Cow Ranch) administered by Gaushala Committee under the Chairmanship of District Collector.	Animal Welfare.	Laxmanbag, Rewa City, Rewa (M.P.)	1.20	1.20	3.60	Direct
2. Contribution to "Basaman Mama Gaubansh Vanya Vihar" for construction of new cowshed.	Animal Welfare.	Semaria, Rewa (M.P.)	5.00	5.00	5.00	Direct
3. Contribution to Kabaddi Association and to Handball Association.	Promotion of Rural and Nationally recognised Sports.	Rewa (M.P.)	0.50	0.50	0.50	Direct
4. Contribution to Shri Balram Deshik Sanskrit Vidyapith for development of Meditation Centre.		Chitrakoot, Satna (M.P.)	5.00	5.00	5.00	Direct

(₹ in Lakhs)

CSR Project or Activities	Sector	Location	Amount outlay (budget) project or programme wise	Amount spent on the projects or Programmes [Refer Note (a)]	Cumulative Expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
5. Installation of Gymnasium Equipments.	Promoting healthcare including preventive health care.	Rani Talab Premises, Rewa, (M.P.)	9.20	9.20	9.20	Through the implementing agency, "Madhav Prasad Priyamvada Birla Apex Charitable Trust" which is duly registered under Section 12A of the Income Tax Act, 1961.
6. Contribution to Udbhav School, Hyderabad for promotion of Girl child education and overall growth and development thereof.	Promoting education, including special education especially among children.	Udbhav School, Hyderabad	0.50	0.50	0.50	
7. Contribution towards addition of two more new trades, strengthening and enhancement of faculties including infrastructure and meeting operational expenditure of M.P. Birla Foundation Industrial Training Centre, Rewa (M.P.). [Refer Note (b)]	Education- promoting Employment Enhancing Vocation Skills among children and Livelihood Enhancement Project(s).	At local area / nearby place where manufacturing facility of the Company is situated (District-Rewa in the State of Madhya Pradesh).	216.00	216.00	295.00 (from Financial Years 2017-18 to 2018-19)	
8. Contribution to 'District Magistrate, Uttarkashi, for construction/development of a children park.	Rural Development Projects and Ensuring environmental sustainability, ecological balance, animal welfare, conservation of natural resources.	Joshiyada, near river Bhagirathi at Uttarkashi	10.00	10.00	10.00	
9. Widening of storm water canal including Stone masonry and Hume pipe work to mitigate the risks of flood and inundation of water and proper flow of water during rainy season in Udyog Vihar Industrial Area, Rewa (M.P.) and surrounding villages/localities. [Refer Note (c)]	Ensuring Environmental Sustainability, Ecological balance, Conservation of natural resources and maintaining quality of Soil, Air and Water.	At local area / nearby place where manufacturing facility of the Company is situated (District-Rewa in the State of Madhya Pradesh).	75.62	7.00 (Ongoing project)	25.80 (from Financial Years 2016-17 to 2018-19)	
10. Infrastructure Development at M.P. Birla Foundation Industrial Training Centre, Rewa (M.P.) including Fencing of Razor barbed wire on the boundary wall to restrict trespassing by the surrounding locals and strengthening of security. [Refer Note (c)]	Education- promoting Employment Enhancing Vocation Skills among children and Livelihood Enhancement Project(s).	-do-	9.80	9.00	105.01 (from Financial Years 2014-15 to 2018-19)	
11. Fire/natural calamity relief and prevention-Fire Tender and Equipments required therefor. [Refer Note (c)]	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water.	-do-	40.00	40.00	40.00	

**Notes:**

- The entire allocated amount has been spent on the specified projects/activities directly without any element of overhead having been included therein.
- Amount of ₹ 216.00 lakhs as stated in serial No. 7 above includes ₹ 27.00 lakhs which was earlier earmarked for an approval CSR activity of "New Dispensary equipped with modern Test Laboratory equipment" under the head "Promoting health care including preventive health care" against the amount required to be spent on CSR projects/programmes pertaining to financial year 2016-17, has now been allocated and utilised for revised CSR project/programme as listed in Serial No. 7 above under the head "Education- promoting Employment Enhancing Vocation Skills among children and Livelihood Enhancement Project(s)" during the financial year 2018-19.
- The amount outlay pertains to the approved CSR activities/projects/programmes relating to the financial year 2017-18 which were completed/ongoing during the financial year 2018-19.

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

The cash outflow by the implementing agency pertaining to certain ongoing CSR project(s)/activity(ies) will happen in the current financial year 2019-20 upon completion of such CSR activity(ies)/project(s) which are under implementation. As a socially responsible citizen, the Company is committed to increase its CSR impact and spend over the coming years with the aim of playing a larger role in development of local area by embedding wider economic, social and environmental objectives.

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

The Company's CSR Committee confirms that the selection, implementation and monitoring of the CSR projects/activities is in compliance with the CSR objectives and Policy of the Company and certifies that all CSR activities/projects implemented/funded by the Company during the financial year 2018-19 adhere to the objectives set in its CSR Policy.

**Y. S. Lodha**  
Managing Director

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



**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder including statutory amendment(s), modification(s) or re-enactment(s) thereof in force and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 as amended by the Securities Laws (Amendment) Act, 2014 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines as amended from time to time prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 relating to the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable to the Company during the audit period); and
  - (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not applicable to the Company during the audit period).
- (vi) The Factories Act, 1948;
- (vii) The Industrial Dispute Act, 1947;
- (viii) The Payment of Wages Act, 1936;
- (ix) The Minimum Wages Act, 1948;
- (x) The Employees State Insurance Act, 1948;

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

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI); and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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 an optimum combination of Executive Directors, Non-Executive Directors, Independent Directors. During the year under review, there was no change in the composition of the Board of Directors of the Company.

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

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

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, members of the Company accorded their approval by way of passing Special Resolution(s) through Postal Ballot for the following matters :

- (a) Postal Ballot Notice dated April 9, 2018:
  - (i) Special Resolution pursuant to provisions of Section(s) 180(1)(c), 180(2) and other applicable provisions, if any, of the Companies Act, 2013 for increase in borrowing power/limit of the Company upto an amount not exceeding in aggregate ₹ 4500 Crores outstanding at any time; and
  - (ii) Special Resolution pursuant to provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 for creation of mortgages/hypothecations/pledges/charges or other securities in any form on the Company's assets, both present and future, for securing the borrowings for an amount not exceeding the limit of ₹4500 Crores.
- (b) Postal Ballot Notice dated February 11, 2019:
  - (i) Special Resolutions pursuant to the Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV of the Act and Regulation 17(A) and any other applicable provisions of the SEBI (LODR) Regulations, 2015 for re-appointment of Shri J.Veeraraghavan, Shri S.K.Misra, Shri R.C.Tapuriah and Shri Shiv Dayal Kapoor as Independent Directors of the Company for a second term of five (5) consecutive years with effect from April 1, 2019 to March 31, 2024;

- (ii) Special Resolution pursuant to provisions of Regulation 17(A) of the SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder for continuation of Directorship of Smt. Kiran Aggarwal, upto the expiry of her present term as an Independent Director of the Company, i.e. November 9, 2019, notwithstanding that she is above seventy five (75) years of age;
- (iii) Special Resolution pursuant to provisions of Regulation 17(A) of the SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder for continuation of Directorship of Shri D.R.Bansal as non-executive non-independent director of the Company, liable to retire by rotation, notwithstanding that he is above seventy five (75) years of age; and
- (iv) Special Resolution pursuant to provisions of Regulation 17(A) of the SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder for continuation of Directorship of Shri Pracheta Majumdar as non-executive non-independent director of the Company, liable to retire by rotation, on attaining the age of seventy five (75) years with effect from August 15, 2019.

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

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

For R.K. Mishra & Associates  
Company Secretaries

Kishor Kumar Gupta  
Partner

CP No. 14474  
ACS No. 38776

Place : Satna  
Date : May 16, 2019

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

**'Annexure A'**

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

Our report of even date provided to Vindhya Telelinks Limited ("the Company") for the year ended March 31, 2019 is to be read along with this letter.

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

For R.K. Mishra & Associates  
Company Secretaries

Kishor Kumar Gupta  
Partner

CP No. 14474  
ACS No. 38776

Place : Satna  
Date : May 16, 2019

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

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

- (1) **Details of contracts or arrangements or transactions not at arm's length basis:** The Company has not entered into any contract or arrangement or transaction with its related parties, which is not at arm's length during the year ended on March 31, 2019.
- (2) **Details of material contracts or arrangement or transactions at arm's length basis:**

(a)	<b>Name of the related party and nature of relationship</b>	Birla Furukawa Fibre Optics Private Limited (BFFOPL), a private limited company having common Directors.	Universal Cables Limited (UCL), a public limited company having common Chairman and also the Managing Director & CEO of Vindhya Telelinks Ltd. ("the Company") is the Managing Director & CEO of UCL. UCL is also associate company of Vindhya Telelinks Limited.
(b)	<b>Nature of contracts/ arrangements/ transactions</b>	Purchase of various types and grades of optical fibre, a principal raw material for manufacturing optical fibre cable, sale of raw materials besides other transactions including reimbursement/ recovery of cost or other obligations, etc. and other business transactions as mutually agreed between the Company and BFFOPL.	Sale, purchase, supply, outsourcing of goods including raw materials, stores and consumables, semi-finished goods, finished goods, etc., carry out/avail job work, avail/ render marketing/ business and other services (including services under a turnkey contract by way of co-bidding/ consortium bidding), reimbursement/ recovery of cost or other obligations and other business transactions as mutually agreed between the Company and UCL.
(c)	<b>Duration of the contracts/ arrangements/ transactions</b>	Ongoing and new contracts/agreements from time to time. The unrelated shareholders of the Company, through postal ballot, accorded their approval on January 14, 2016, by way of an ordinary resolution for entering into contracts/ arrangements/transactions with Birla Furukawa Fibre Optics Private Limited upto a maximum amount of ₹ 250 Crores (Rupees Two Hundred and Fifty Crores) per financial year.	Ongoing and new contracts/agreements from time to time. The unrelated shareholders of the Company, at the Annual General Meeting of the Company held on July 24, 2017, accorded their approval by way of an ordinary resolution for entering into contracts/ arrangements/ transactions with Universal Cables Limited upto a maximum amount of ₹ 250 Crores (Rupees Two Hundred and Fifty Crores) per financial year upto and including the financial year 2019-20.
(d)	<b>Salient terms of the contracts or arrangement or transactions including the value, if any, (Financial Year 2018-19)</b>	<p>(i) Purchase of various types and grades of optical fibre(s), a principal raw material for manufacturing optical fibre cable – ₹ 17302.75 lakhs.</p> <p>(ii) Sale of a raw material – ₹ 10.26 lakhs.</p> <p>(iii) Processing Charge paid – ₹ 3.55 lakhs.</p> <p>(Transactions mentioned above are inclusive of Goods and Service Tax (GST), as applicable).</p> <p>The contracts or arrangements or transactions for Purchase and sale of raw materials were entered into as per mutually agreed commercial terms and conditions and processing charges paid pertains to job work as per the terms and conditions mutually agreed by the parties in line with the prevalent business practices and generally comparable with unrelated parties in all material aspects. Processing charges paid pertains to job work as per the terms and conditions mutually agreed by the Parties.</p>	<p>(i) Purchase of finished goods/traded goods/raw materials/consumables – ₹ 11157.42 lakhs.</p> <p>(ii) Sale of finished goods/traded goods/raw materials/ consumables – ₹ 1395.07 lakhs.</p> <p>(iii) Other Service Charges received – ₹ 6.32 lakhs.</p> <p>(iv) Other Service Charges paid – ₹ 7.68 lakhs.</p> <p>(v) Sale of old/used fixed assets – ₹ 22.17 lakhs.</p> <p>(vi) Dividend paid – ₹ 345.45 lakhs.</p> <p>(vii) Dividend received – ₹ 124.12 lakhs.</p> <p>(Transactions mentioned above are inclusive of Goods and Service Tax (GST), as applicable).</p> <p>The salient terms of contracts or arrangements or transaction were:</p> <p>(i) Purchase and sale of finished goods/traded goods/ raw materials/ consumables-As per mutually agreed commercial terms and conditions in line with the prevalent business practices and generally comparable with unrelated parties in all material aspects.</p> <p>(ii) Other service charges paid/received pertains to job work as per terms and conditions mutually agreed by the Parties.</p> <p>(iii) Sale of old and used fixed assets at realisable value as per terms and conditions mutually agreed by the Parties and comparable with the prices offered by unrelated buyers.</p> <p>(iv) Dividend paid and received by the Company pertains to the Financial Year 2017-18.</p>



(e)	<b>Date of approval by the Board, if any</b>	Shareholders' approval was obtained on January 14, 2016 and in pursuance thereto an omnibus approval pertaining to the financial year 2018-19 was accorded by the Audit Committee in its Meeting held on February 6, 2018.	Shareholders' approval was obtained on July 24, 2017 and in pursuance thereto an omnibus approval pertaining to the financial year 2018-19 was accorded by the Audit Committee in its Meeting held on February 06, 2018.
(f)	<b>Amount paid as advances</b>	Nil	Nil

Harsh V.Lodha  
(DIN: 00394094)

Chairman

J.Veeraraghavan  
(DIN: 00078998)

S.K. Misra  
(DIN: 00009411)

D.R. Bansal  
(DIN: 00050612)

Shiv Dayal Kapoor  
(DIN: 00043634)

Kiran Aggarwal  
(DIN: 06991807)

Dilip Ganesh Karnik  
(DIN:06419513)

Y.S. Lodha  
(DIN: 00052861)

Directors

Managing Director

New Delhi, May 16, 2019

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

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19 are as under:

SL. No.	Name of Director/ KMP and Designation	Ratio of remuneration of each Director to the median remuneration of employees	% increase in Remuneration during the financial year 2018-19
1	Shri Y.S.Lodha (Managing Director)	62.89:1	34.86
2	Shri Saurabh Chhajjer (Chief Financial Officer)	N.A.	19.46
3	Shri Satyendu Pattnaik (Company Secretary)	N.A.	N.A.

**Note(s):**

- (a) Shri Satyendu Pattnaik, Company Secretary was employed for a part of the year during the financial year 2017-18 and as such the percentage increase in Remuneration as compared to previous year remuneration is not given.
- (b) None of the Directors of the Company except the Managing Director has received any remuneration, other than Sitting Fees for attending Meeting(s) of the Board of Directors or any Committee thereof during the financial year 2018-19.
- (c) “Median” means the numerical value separating the higher half of employees of the Company from the lower half and the median of a finite list of number may be found by arranging all the observations from lowest value to highest value and picking the middle one.
- (ii) The percentage increase in the median remuneration of employees during the financial year 2018-19 was 7.57% as compared to the previous year.
- (iii) There were 608 permanent employees on the rolls of the Company as on March 31, 2019.
- (iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year 2018-19 was around 17.12% whereas the average percentile increase in the remuneration of managerial personnel for the same financial year was around 34.86%. The average increase in remuneration of the employees was guided by various factors such as inflation, salary revision based on detailed performance evaluation, the overall financial performance of the Company, talent retention and reward for individual performance, etc. and performance linked incentive being variable component in respect of select employees of the Company. Remuneration of managerial personnel is adjusted periodically against the industry benchmark besides overall key indicators of financial performance of the Company.
- (v) It is hereby affirmed that the remuneration paid during the year ended March 31, 2019 is as per the Remuneration Policy of the Company.

Harsh V.Lodha (DIN: 00394094)	}	Chairman
J. Veeraraghavan (DIN: 00078998)		Directors
S.K. Misra (DIN: 00009411)		
D.R. Bansal (DIN: 00050612)		
Shiv Dayal Kapoor (DIN: 00043634)		
Kiran Aggarwal (DIN: 06991807)		
Dilip Ganesh Karnik (DIN:06419513)		
Y.S. Lodha (DIN: 00052861)	Managing Director	
New Delhi, May 16, 2019		

**Form No.MGT-9**
**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019**

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

**I. REGISTRATION AND OTHER DETAILS**

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

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

Sl. No.	Name and Description of main Products/ Services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	Cables	2731 & 2732	26.08
2.	Engineering, Procurement and Construction (EPC)	4220	73.92

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

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

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

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2018)				No. of Shares held at the end of the year (as on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	-	-	-	-	-	-	-	-	NIL
(b) Central Government	-	-	-	-	-	-	-	-	NIL
(c) State Government(s) – through a Corporation	28000	-	28000	0.24	28000	-	28000	0.24	NIL
(d) Bodies Corporate	5129305	-	5129305	43.28	5132205	-	5132205	43.30	(+)0.02
(e) Bank/FI	-	-	-	-	-	-	-	-	NIL
(f) Any other	-	-	-	-	-	-	-	-	NIL
<b>Sub-Total (A) (1)</b>	<b>5157305</b>	<b>-</b>	<b>5157305</b>	<b>43.52</b>	<b>5160205</b>	<b>-</b>	<b>5160205</b>	<b>43.54</b>	<b>(+)0.02</b>
<b>(2) Foreign</b>									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	NIL
(b) Other-Individuals	-	-	-	-	-	-	-	-	NIL
(c) Bodies Corporate	-	-	-	-	-	-	-	-	NIL
(d) Bank/FI	-	-	-	-	-	-	-	-	NIL
(e) Any other	-	-	-	-	-	-	-	-	NIL
<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NIL</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>5157305</b>	<b>-</b>	<b>5157305</b>	<b>43.52</b>	<b>5160205</b>	<b>-</b>	<b>5160205</b>	<b>43.54</b>	<b>(+)0.02</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds	1062316	400	1062716	8.97	1016507	400	1016907	8.58	(-) 0.39
(b) Banks/FI	6343	4754	11097	0.09	7118	4754	11872	0.10	(+) 0.01
(c) Central Government	-	-	-	-	-	-	-	-	NIL
(d) State Government(s)	-	-	-	-	-	-	-	-	NIL
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(f) Insurance Companies	-	-	-	-	-	-	-	-	NIL
(g) FIs	256008	700	256708	2.17	218382	700	219082	1.85	(-) 0.32
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(i) Other (Specify) - Alternate Investment Funds	92129	-	92129	0.78	29922	-	29922	0.25	(-) 0.53
<b>Sub-Total (B) (1)</b>	<b>1416796</b>	<b>5854</b>	<b>1422650</b>	<b>12.01</b>	<b>1271929</b>	<b>5854</b>	<b>1277783</b>	<b>10.78</b>	<b>(-) 1.23</b>
<b>(2) Non-Institutions</b>									
(a) Bodies Corporate									
(i) Indian	1037918	10080	1047998	8.84	1031790	9928	1041718	8.79	(-) 0.05
(ii) Overseas	-	-	-	-	-	-	-	-	NIL
(b) Individuals									
(i) Individual Shareholders holding nominal Share Capital upto ₹ 1 lac	1226924	245514	1472438	12.42	1279753	223194	1502947	12.68	(+) 0.26
(ii) Individual Shareholders holding nominal Share Capital in excess of ₹ 1 lac	1137861	-	1137861	9.60	1131548	-	1131548	9.55	(-) 0.05
(c) Others (Specify) -									
(i) NBFc Registered with RBI	-	-	-	-	3270	-	3270	0.03	(+) 0.03
(ii) Hindu Undivided Family	168541	-	168541	1.42	118437	-	118437	1.00	(-) 0.42
(iii) Non Resident Indians	90617	30920	121537	1.03	96197	29520	125717	1.06	(+) 0.03
(iv) Directors and their Relatives	500	-	500	0.01	500	-	500	0.01	NIL
(v) Persons Acting in Concert	1257086	500	1257586	10.61	1254186	500	1254686	10.59	(-)0.02
(vi) Unclaimed Shares	1701	-	1701	0.01	1701	-	1701	0.01	NIL
(vii) Clearing Members	62746	-	62746	0.53	232131	-	232131	1.96	(+) 1.43
(viii) Trusts	-	-	-	-	220	-	220	0.00	NIL
(ix) IEPF Authority	-	-	-	-	-	-	-	-	NIL
<b>Sub-Total (B) (2)</b>	<b>4983894</b>	<b>287014</b>	<b>5270908</b>	<b>44.47</b>	<b>5149733</b>	<b>263142</b>	<b>5412875</b>	<b>45.68</b>	<b>(+) 1.21</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>6400690</b>	<b>292868</b>	<b>6693558</b>	<b>56.48</b>	<b>6412662</b>	<b>268996</b>	<b>6690658</b>	<b>56.46</b>	<b>(-)0.02</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NIL</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>11557995</b>	<b>292868</b>	<b>11850863</b>	<b>100.00</b>	<b>11581867</b>	<b>268996</b>	<b>11850863</b>	<b>100.00</b>	<b>NIL</b>



**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2018)			Shareholding at the end of the year (as on 31.03.2019)			% change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total Shares	
1.	Universal Cables Ltd.	3454530	29.15	-	3454530	29.15	-	NIL
2.	The Punjab Produce & Trading Co. Pvt. Ltd.	1291374	10.90	-	1291374	10.90	-	NIL
3.	Trilochan Vyapaar Private Ltd.	237211	2.00	-	237211	2.00	-	NIL
4.	Punjab Produce Holdings Ltd.	121842	1.03	-	121842	1.03	-	NIL
5.	M.P.State Industrial Development Corporation Ltd.	28000	0.24	-	28000	0.24	-	NIL
6.	Baroda Agents & Trading Co.Pvt.Ltd.	15100	0.13	-	15100	0.13	-	NIL
7.	Gwalior Webbing Co.Pvt.Ltd.	8848	0.07	-	8848	0.07	-	NIL
8.	East India Investment Co.Pvt.Ltd.	100	-	-	3000	0.02	-	0.02
9.	Birla Financial Corporation Ltd.	100	-	-	100	-	-	NIL
10.	Hindustan Gum & Chemicals Ltd.	100	-	-	100	-	-	NIL
11.	Birla Cable Ltd.	100	-	-	100	-	-	NIL
		<b>5157305</b>	<b>43.52</b>	<b>-</b>	<b>5160205</b>	<b>43.54</b>	<b>-</b>	<b>0.02</b>

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

There is no change in Promoters' shareholding during the financial year 2018-19 except change in holding of East India Investment Co. Pvt. Ltd., the details of which are furnished below:

Name of Promoter	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (as on 31.03.2019)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
East India Investment Co. Pvt. Ltd.	100	0.00		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
Date: 29.09.2018 (Transfer)			2900	0.02
At the end of the year			3000	0.02

**(iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (as on 31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	<b>Belle Vue Clinic</b>	1164286	9.82		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	_____ No change _____			
	At the end of the year			1164286	9.82
2.	<b>Reliance Capital Trustee Co. Ltd.-A/c Reliancesmall Cap Fund</b>	1062224	8.96		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 10.08.2018 (Transfer)			(54809)	(0.46)
	Date: 26.10.2018 (Transfer)			2000	0.02
	Date: 25.01.2019 (Transfer)			1500	0.01
	Date: 01.02.2019 (Transfer)			2000	0.02
	Date: 08.02.2019 (Transfer)			1000	0.01
	Date: 22.02.2019 (Transfer)			2500	0.02
	At the end of the year			1016415	8.58

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (as on 31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3.	<b>Shyamadevi Agrawal</b>	364675	3.08		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	_____ No change _____			
	At the end of the year			364675	3.08
4.	<b>BMA Wealth Creators Ltd.</b>	26130	0.22		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 13.04.2018 (Transfer)			(15000)	(0.13)
	Date: 20.04.2018 (Transfer)			11800	0.10
	Date: 27.04.2018 (Transfer)			7000	0.06
	Date: 18.05.2018 (Transfer)			9625	0.08
	Date: 25.05.2018 (Transfer)			28375	0.24
	Date: 08.06.2018 (Transfer)			(1176)	(0.01)
	Date: 15.06.2018 (Transfer)			18500	0.16
	Date: 22.06.2018 (Transfer)			(4000)	(0.03)
	Date: 30.06.2018 (Transfer)			12	0.00
	Date: 06.07.2018 (Transfer)			100	0.00
	Date: 13.07.2018 (Transfer)			100	0.00
	Date: 03.08.2018 (Transfer)			(1824)	(0.02)
	Date: 10.08.2018 (Transfer)			1988	0.02
	Date: 17.08.2018 (Transfer)			2764	0.02
	Date: 24.08.2018 (Transfer)			13922	0.12
	Date: 31.08.2018 (Transfer)			14887	0.13
	Date: 07.09.2018 (Transfer)			(112930)	(0.95)
	Date: 14.09.2018 (Transfer)			66540	0.56
	Date: 21.09.2018 (Transfer)			510	0.01
	Date: 29.09.2018 (Transfer)			399	0.00
	Date: 12.10.2018 (Transfer)			85448	0.72
	Date: 26.10.2018 (Transfer)			40	0.00
	Date: 09.11.2018 (Transfer)			(19)	(0.00)
	Date: 16.11.2018 (Transfer)			2497	0.02
	Date: 30.11.2018 (Transfer)			3850	0.03
	Date: 07.12.2018 (Transfer)			100	0.00
	Date: 14.12.2018 (Transfer)			50	0.00
	Date: 21.12.2018 (Transfer)			(40)	(0.00)
	Date: 28.12.2018 (Transfer)			10	0.00
	Date: 31.12.2018 (Transfer)			(100)	(0.00)
	Date: 18.01.2019 (Transfer)			10	0.00
	Date: 25.01.2019 (Transfer)			(6)	(0.00)
	Date: 01.02.2019 (Transfer)			(5)	(0.00)
	Date: 01.03.2019 (Transfer)			(100)	(0.00)
	Date: 29.03.2019 (Transfer)			(3000)	(0.03)
	At the end of the year			156457	1.32

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (as on 31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5.	<b>Cohesion India Best Ideas (Master) Fund Ltd.</b>	211064	1.78		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 11.05.2018 (Transfer)			(4064)	(0.03)
	Date: 18.05.2018 (Transfer)			(1000)	(0.01)
	Date: 25.05.2018 (Transfer)			(2160)	(0.02)
	Date: 01.06.2018 (Transfer)			(5200)	(0.04)
	Date: 10.08.2018 (Transfer)			(15640)	(0.13)
	Date: 24.08.2018 (Transfer)			(4000)	(0.03)
	Date: 31.08.2018 (Transfer)			(9000)	(0.08)
	Date: 16.11.2018 (Transfer)			(5000)	(0.04)
	Date: 23.11.2018 (Transfer)			(5000)	(0.04)
	Date: 30.11.2018 (Transfer)			(5000)	(0.04)
	Date: 14.12.2018 (Transfer)			(5000)	(0.04)
	Date: 21.12.2018 (Transfer)			(9500)	(0.08)
	At the end of the year			140500	1.19
6.	<b>IIFL Securities Ltd.</b>	293	0.00		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 06.04.2018 (Transfer)			(267)	(0.00)
	Date: 13.04.2018 (Transfer)			169	0.00
	Date: 20.04.2018 (Transfer)			9072	0.08
	Date: 27.04.2018 (Transfer)			(9247)	(0.08)
	Date: 04.05.2018 (Transfer)			(16)	(0.00)
	Date: 11.05.2018 (Transfer)			1	0.00
	Date: 18.05.2018 (Transfer)			40	0.00
	Date: 25.05.2018 (Transfer)			(45)	(0.00)
	Date: 01.06.2018 (Transfer)			219	0.00
	Date: 08.06.2018 (Transfer)			(114)	(0.00)
	Date: 15.06.2018 (Transfer)			(105)	(0.00)
	Date: 30.06.2018 (Transfer)			30	0.00
	Date: 06.07.2018 (Transfer)			23	0.00
	Date: 13.07.2018 (Transfer)			(53)	(0.00)
	Date: 20.07.2018 (Transfer)			53	0.00
	Date: 27.07.2018 (Transfer)			5	0.00
	Date: 03.08.2018 (Transfer)			(8)	(0.00)
	Date: 10.08.2018 (Transfer)			973	0.01
	Date: 17.08.2018 (Transfer)			(717)	(0.01)
	Date: 24.08.2018 (Transfer)			(106)	(0.00)
	Date: 31.08.2018 (Transfer)			(165)	(0.00)
	Date: 07.09.2018 (Transfer)			14	0.00
	Date: 14.09.2018 (Transfer)			(49)	(0.00)
	Date: 29.09.2018 (Transfer)			10	0.00
	Date: 05.10.2018 (Transfer)			20	0.00
	Date: 12.10.2018 (Transfer)			1306	0.01
	Date: 19.10.2018 (Transfer)			(1336)	(0.01)
	Date: 26.10.2018 (Transfer)			17	0.00
	Date: 02.11.2018 (Transfer)			3	0.00
	Date: 09.11.2018 (Transfer)			3071	0.03

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (as on 31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Date: 16.11.2018 (Transfer)			(3091)	(0.03)
	Date: 23.11.2018 (Transfer)			860	0.01
	Date: 30.11.2018 (Transfer)			(807)	(0.01)
	Date: 07.12.2018 (Transfer)			(53)	(0.00)
	Date: 14.12.2018 (Transfer)			27	0.00
	Date: 21.12.2018 (Transfer)			(27)	(0.00)
	Date: 11.01.2019 (Transfer)			112961	0.95
	Date: 18.01.2019 (Transfer)			13908	0.12
	Date: 25.01.2019 (Transfer)			2031	0.02
	Date: 01.02.2019 (Transfer)			(70)	(0.00)
	Date: 08.02.2019 (Transfer)			(89)	(0.00)
	Date: 15.02.2019 (Transfer)			(21)	(0.00)
	Date: 22.02.2019 (Transfer)			40	0.00
	Date: 01.03.2019 (Transfer)			(579)	(0.01)
	Date: 08.03.2019 (Transfer)			(8)	(0.00)
	Date: 15.03.2019 (Transfer)			(2)	(0.00)
	Date: 22.03.2019 (Transfer)			15	0.00
	Date: 29.03.2019 (Transfer)			505	0.01
	At the end of the year			128691	1.09
7.	<b>Anand Omprakash Agarwal</b>	120581	1.02		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	_____ No change _____			
	At the end of the year			120581	1.02
8.	<b>City Consultants Ltd.</b>	87121	0.74		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	_____ No change _____			
	At the end of the year			87121	0.74
9.	<b>Aequitas Investment Consultancy Private Ltd.</b>	15265	0.13		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 15.02.2019 (Transfer)			59930	0.50
	Date: 22.02.2019 (Transfer)			24	0.00
	At the end of the year			75219	0.63
10.	<b>Rachnadevi Raju Agarwal</b>	78240	0.66		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 21.12.2018 (Transfer)			(2832)	(0.03)
	Date: 28.12.2018 (Transfer)			(5000)	(0.04)
	At the end of the year			70408	0.59
11.	<b>Meenakshi Industries Ltd.</b>	66079	0.56		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	_____ No change _____			
	At the end of the year			66079	0.56

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (as on 31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
12.	<b>Rajasthan Global Securities Pvt. Ltd.</b>	168742	1.42		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 27.04.2018 (Transfer)			(2935)	(0.02)
	Date: 04.05.2018 (Transfer)			(8758)	(0.07)
	Date: 11.05.2018 (Transfer)			(787)	(0.01)
	Date: 16.11.2018 (Transfer)			(4183)	(0.04)
	Date: 04.01.2019 (Transfer)			(3646)	(0.03)
	Date: 11.01.2019 (Transfer)			(2259)	(0.02)
	Date: 18.01.2019 (Transfer)			(12969)	(0.11)
	Date: 25.01.2019 (Transfer)			(1115)	(0.01)
	Date: 01.02.2019 (Transfer)			(2965)	(0.03)
	Date: 08.02.2019 (Transfer)			(7619)	(0.06)
	Date: 15.02.2019 (Transfer)			(26248)	(0.22)
	Date: 22.02.2019 (Transfer)			(2112)	(0.02)
	Date: 01.03.2019 (Transfer)			(3235)	(0.03)
	Date: 15.03.2019 (Transfer)			(2610)	(0.02)
	Date: 22.03.2019 (Transfer)			(15074)	(0.13)
	Date: 29.03.2019 (Transfer)			(9093)	(0.08)
	At the end of the year			63134	0.53
13.	<b>IIFL Best of Class Fund 1- Class 2</b>	92129	0.78		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	Date: 06.04.2018 (Transfer)			(10124)	(0.09)
	Date: 13.04.2018 (Transfer)			(7965)	(0.07)
	Date: 20.04.2018 (Transfer)			(74040)	(0.62)
	At the end of the year			0	0.00

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

None of the Directors and Key Managerial Personnel (KMP) held any shares in the paid-up equity share capital of the Company except Shri Dilip Ganesh Karnik, a Non-Executive Director of the Company, whose shareholding details are furnished below:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (as on 31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Shri Dilip Ganesh Karnik	500	0.01		
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	_____ No change _____			
	At the end of the year			500	0.01



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

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	21392.33	25425.68	-	46818.01
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	13.04	231.87	-	244.91
<b>Total (i+ii+iii)</b>	<b>21405.37</b>	<b>25657.55</b>	-	<b>47062.92</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition				
- Principal Amount	43099.71	15005.86	-	58105.57
- Interest due but not paid	-	-	-	-
- Interest accrued but not due	16.46	234.22	-	250.68
• Reduction(-)				
- Principal Amount	(-6561.26)	(-15461.87)	-	(-22023.13)
- Interest due but not paid	-	-	-	-
- Interest accrued but not due	(-13.04)	(-231.87)	-	(-244.91)
<b>Net Change [(+)/(-)]</b>	<b>(+)36541.87</b>	<b>(-)453.66</b>	-	<b>(+)36088.21</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	57930.78	24969.67	-	82900.45
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	16.46	234.22	-	250.68
<b>Total (i+ii+iii)</b>	<b>57947.24</b>	<b>25203.89</b>	-	<b>83151.13</b>

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

A. Remuneration to the Managing Director

Sl. No.	Particulars of Remuneration	Name of Managing Director—Shri Y.S. Lodha Amount (₹ in lakhs)
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	145.76
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	28.64
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	
	- as % of profit	-
	- others, specify	-
5.	Others [Company's contribution to Provident and Superannuation Fund(s)]	10.17
<b>Total (A)</b>		<b>184.57</b>
	Ceiling as per the Act – Being 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 and rules made thereunder.	1292.29

**B. Remuneration to other Directors**

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹ in lakhs)
		Shri J. Veeraraghavan	Shri S.K.Misra	Shri R.C.Tapuriah	Shri Shiv Dayal Kapoor	Smt. Kiran Aggarwal	
1.	Independent Directors						
	Fees for attending Board/ Committee Meetings	3.45	3.30	3.45	1.70	1.60	13.50
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
<b>Total (1)</b>		<b>3.45</b>	<b>3.30</b>	<b>3.45</b>	<b>1.70</b>	<b>1.60</b>	<b>13.50</b>
2.	Other Non-Executive Directors	Shri Harsh V.Lodha		Shri D.R. Bansal	Shri Pracheta Majumdar	Shri Dilip Ganesh Karnik	
	Fee for attending Board/ Committee meetings	1.60		1.95	3.20	1.60	8.35
	Commission	-		-	-	-	-
	Others, please specify	-		-	-	-	-
<b>Total (2)</b>		<b>1.60</b>		<b>1.95</b>	<b>3.20</b>	<b>1.60</b>	<b>8.35</b>
<b>Total (B)=(1+2)</b>							<b>21.85</b>
<b>Total Managerial Remuneration</b>							<b>206.42</b>
Overall Ceiling as per the Act		Being 6% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 and rules made thereunder. The ceiling, however, does not apply on Sitting Fee paid to other Directors for attending Meetings of the Board or Committee thereof in pursuance to Section 197(2) and (5) of the Act.					1550.75

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Shri Saurabh Chhajer CFO	Shri Satyendu Pattnaik Company Secretary	Total (₹ in lakhs)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	40.80	17.29	58.09
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	1.91	1.13	3.04
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify – Company's contribution to Provident and other Fund(s) to the extent not taxable	1.30	0.72	2.02
<b>Total (C)</b>		<b>44.01</b>	<b>19.14</b>	<b>63.15</b>

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

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

Harsh V.Lodha  
(DIN: 00394094)

Chairman

J.Veeraraghavan  
(DIN: 00078998)

S.K. Misra  
(DIN: 00009411)

D.R. Bansal  
(DIN: 00050612)

Shiv Dayal Kapoor  
(DIN: 00043634)

Kiran Aggarwal  
(DIN: 06991807)

Dilip Ganesh Karnik  
(DIN: 06419513)

Y.S. Lodha  
(DIN: 00052861)

Directors

Managing Director

New Delhi, May 16, 2019

**ANNEXURE-VI**
**STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2019.**

Name	Designation	Nature of Employment whether contractual or otherwise	Qualification(s)	Age (in years)	Date of commencement of Employment	Total Experience (in years)	Gross Remuneration Per Annum (₹ in lakhs)	Previous employment/ designation before joining the Company
Shri Y.S. Lodha	Managing Director	Contractual	B.Com, F.C.A., A.C.S.	55	04.11.2006	32	184.57	Birla Cable Ltd., Rewa, President & Secretary
Shri Sandeep Chawla	President & CEO (EPC)	Non-contractual	B.E. (Mechanical), MBA	54	01.02.1994	31	128.93	Universal Cables Ltd., New Delhi, General Manager

**Notes:**

- (1) Gross remuneration comprises of Salary and Allowances, Performance Linked Incentives/Yearly Special Allowance, Company's contribution to provident fund, superannuation fund, perquisites/benefits but specifically does not include provision/payment towards incremental liability on account of gratuity and compensated absences since actuarial variation for such provision/payment is done for the Company as a whole.
- (2) None of the above employees 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.
- (3) No employee of the Company received gross remuneration higher than that of the Managing Director.

Harsh V.Lodha (DIN: 00394094)		Chairman
J. Veeraraghavan (DIN: 00078998)	}	Directors
S.K. Misra (DIN: 00009411)		
D.R. Bansal (DIN: 00050612)		
Shiv Dayal Kapoor (DIN: 00043634)		
Kiran Aggarwal (DIN: 06991807)		
Dilip Ganesh Karnik (DIN: 06419513)		
Y.S. Lodha (DIN: 00052861)		Managing Director
New Delhi, May 16, 2019		

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

**(A) Conservation of Energy:**

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

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

- Sustained maintenance of power factor at the level higher than 0.99;
- Installation of LED Lights in factory buildings, offices, streets and Company's township;
- Modification of existing Impregnated Glass Roving Lines (2 Lines) for increased throughput;
- Installation of energy efficient fan-less cooling towers, UPS systems offering >96% efficiency level, replacement of old Air Conditioners with energy efficient ones and addition of a new Air Compressor with IE4 motors, etc. to reduce energy consumption to the extent possible;
- Modification of Wire Drawing section in Insulation Line for reduced energy consumption; and
- Continued thrust on designing high efficiency factory buildings from the perspective of natural lighting, lesser air conditioning requirement and improved indoor working environment.

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

- In addition to contribution from ongoing energy conservation measures, the Company has also initiated installation of rooftop Solar photo-voltaic (Solar PV) plant with auto cleaning of panels for meeting a part of its overall energy requirements through green energy.

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

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

**(B) Technology absorption:**

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

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

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

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

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

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



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

- Research and Development expenditure has not been accounted for separately.

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

During the year, the foreign exchange outgo in terms of actual outflows was ₹ 16104.61 lakhs while foreign exchange earned in terms of actual inflows was ₹ 3868.00 lakhs. The Company continues to make concerted efforts to improve its export turnover by exporting to neighbouring countries, Europe, MENA and other continents of the world.

Harsh V.Lodha (DIN: 00394094)	}	Chairman
J. Veeraraghavan (DIN: 00078998)		
S.K. Misra (DIN: 00009411)		
D.R. Bansal (DIN: 00050612)		
Shiv Dayal Kapoor (DIN: 00043634)		Directors
Kiran Aggarwal (DIN: 06991807)		
Dilip Ganesh Karnik (DIN: 06419513)		
Y.S. Lodha (DIN: 00052861)		Managing Director
New Delhi, May 16, 2019		

# Management Discussion and Analysis

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## INDUSTRY STRUCTURE AND DEVELOPMENTS

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

The entire telecom sector is deeply entrenched into offering data at a highly competitive price levels and as a result of this development, the subscribers' usage pattern shifted to data in a very big way. India has emerged as a top data consuming subscriber base which is catapulting the requirements of optical fibre cables significantly. India can become a digitally empowered society and a knowledge economy only by digital leapfrogging using digital technology and broadband connectivity to enable higher and sustained growth. Therefore, the need for large investments in high speed optical fibre based networks infrastructure is imperative in the backdrop of ongoing expansion and universalisation of 4G services and planned rollout of revolutionary new technologies such as 5G and IoT. As the digital infrastructure becomes ubiquitous and pervasive and communications the norm not only between humans but also between machines, the magnitude of growth in optical fibre based networks is likely to multiply leading to sustained demand for optical fibre cables and related projects in a foreseeable future.

Government driven projects like "BharatNet", which requires huge volume of optical fibre cables to connect more than 250,000 Gram Panchayats on a pan India basis is the main backbone of "Digital India" mission. This project is being implemented by both Central and State Governments under the aegis of USO (Universal Service Obligation) Fund. The roll-out of 4G Long Term Evolution (LTE) technology based networks by all the Telecom Operators in India has already consumed huge volumes of optical fibre cables in the telecom network build-up. Further, the Government has already announced its intention for auction of 5G spectrum, the latest mobile communication technology which Government wishes to implement in India at par with other markets in the world. The 5G technology requires five to six times in terms of volumes of optical fibre cables in the telecom networks from the current volume of fibre cables laid in 4G networks.

About five new mobile connections per second are estimated to join the power of internet in India by 2022, Internet of Things (IoT) has the potential to reach 2 billion connections and unlock revenues of \$11.1 billion by 2022. While potential is huge, India, however, currently lags behind the US, China, and Korea in connectivity via optical fibre and a meagre 25 percent of telecom towers in India carry optical fibre, whereas the share in the US, China, and Korea is about 65-80 percent. Fiberisation of towers is therefore, critical in India. Nearly 60 percent of the towers will need to be fiberised by 2022, as outlined in the National Digital Communication Policy, 2018. As demand for 4G and then 5G grows, networks will become denser and deeper, making fiberisation an imperative. The emergence of new technologies is set to multiply the consumption of data, necessitating the need for installing more towers. Additionally, 100,000 telecom towers will be required in the immediate future to meet the growing demand for data across the country which will lead to sustained demand for optical fibre cables and related networks.

The Renewable Energy sources are finding a big place in catering to the power to all citizens of the Country and in rightly addressing this need, Solar Energy projects are getting commissioned in a fastest possible pace in India, which is happening in line with Government's ambitious Solar Energy Mission. The Company has successfully commissioned a Solar PV Cable Manufacturing facility with latest state-of-the-art Electron Beam Irradiation Technology to cater to these needs.

Copper Telecom Cable's requirement is going down year after year in the Telecommunication market segment. However, the Copper Cable products and solutions are being used in a robust manner in Railway sector in a big way and is growing based on Government's drive for Railway network expansion.

The Company's EPC (Engineering, Procurement & Construction) business segment possesses is having a very well established set-up catering to the requirements of complete turnkey solutions from diverse business verticals like Telecom including system integration, Underground Power Cable projects, Broadband and FTTH network projects, Rural Electrification, Sewerage Pipeline Projects, Electric Sub-station projects, Lift Irrigation projects and all other allied project segments. The Company having its IP-1 license issued by the Department of Telecommunication, Government of India has earned itself a name in the market by rolling out huge optical fibre cable network on a Pan-India basis and emerging as a strong player in this vertical. Over a period of time, EPC business segment has gained credentials in executing bigger infrastructure projects in the different verticals it is operating through its immense expertise and its ability to deliver quality in all those projects.

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

## BUSINESS REVIEW AND OUTLOOK

As "Data" has become an essential part of human life, the telecom operators are focusing on rolling out Optical Fibre Cables in their network in a very big way. The ongoing roll-out of 4G LTE (Long Term Evolution) network by all telecom operators is expected to consume tremendous volume of optical fibre cables coupled with the upcoming 5G technology in the mobile telecom applications.

India is one of the fastest growing Telecommunication Sector with over 1.20 billion connections. This sector is the second largest in the world while continuing to grow at compounded Annual Growth Rate (CAGR) of 19.6% from 2007 to 2017. Driven by an exponential surge in data consumption in the recent few years, India ranks among top five countries across the world in highest internet users and is speculated to rank as the fourth largest market by the year 2020 and with huge proliferation of smart phones as it has reached to the level of two out

of every three phones are smart phones. Government driven Initiatives under the flagship “Digital India” program have played a pivotal role in making telecommunication a necessity for the Indian population. The recently approved National Digital Communication Policy, 2018 by the Government of India, has already started giving major fillip to Optical Fibre based networks. Also, ‘Smart Cities’, upcoming 5G deployment, Machine to Machine Communication (M2M), Artificial Intelligence (AI), Internet of Things (IoT), Cloud Computing require advanced information technology and connectivity landscape, which is possible only through Optical Fibres.

As the world stands on the cusp of a 5G revolution, fibre is emerging as most suitable medium to make networks efficient. Recognizing this need, the Government has announced its aim to increase India’s fibre backbone from 1.50 million Km at present to 2.50 million Km by 2022 to support the roll-out of 5G services. It is anticipated that the industry will require an additional investment (over and above the spectrum spend) of over \$60 billion to set up the 5G infrastructure. A part of this envisaged estimated investment will be undertaken to strengthen the country’s optical fibre network.

According to ICRA, despite significant investments, India’s per capita fibre coverage stands at meagre 0.09 fibre Km as against the 0.87 fibre Km for China and 1.3 fibre Km for Japan and the US. The US has deployed over 400 million Km of fibre for one-third the size of India’s population and China has deployed more than 1 billion Km, while in India fibre deployed is only around 100 million Km. This offers tremendous opportunity in converting the telecom landscape with optical fibre based networks, which helps to derive huge advantages with futuristic network topologies.

With the Government of India’s ambitious ‘Power for All’ program through which utilities are planning to offer 24x7 power across the entire country, new distribution and transmission lines are planned. This move offers tremendous growth opportunities for the Company’s EPC business segment.

Given the renewed thrust of Government on creating world class infrastructure in the country including ‘Digital India’ and broadband, power sub-transmission and distribution, Smart Cities, creation of water supply and sewerage pipelines, lift irrigation etc. the EPC business segment of the Company is poised to grab these up-coming business opportunities.

## **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 an increase from ₹ 47030.95 lakhs in the previous year to ₹ 70245.08 lakhs, during the year under review, due to good orders inflows and swift execution by the Company.

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

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

The Company’s Revenue from EPC Contracting/Turnkey Services in the EPC business segment witnessed an increase from ₹ 94402.07 lakhs in the previous year to ₹ 154883.76 lakhs during the year under review. The EPC segment has put up an impressive performance in effectively executing the projects and thereby achieving stupendous results and in line with the expectations also. The ability to offer quality project execution capabilities coupled with timely execution, has paved the way for the EPC segment to achieve these results.

Further, the Company has executed a large optical fibre cable network project under IP-1 model and started giving the services to leading telecom operators which was successfully implemented and it is touted as a major success story in the industry.

## **OVERALL REVIEW**

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

## **FINANCIAL REVIEW**

- The revenue from operations increased by 55.05 % to ₹ 209536.95 lakhs during the year 2018-19 as compared to ₹ 135138.46 lakhs in the previous year.
- The aggregate other income during the year 2018-19 increased to ₹ 1332.34 lakhs as against ₹ 914.77 lakhs in the previous year, mainly due to increase in dividend income on investments and gain in foreign currency transaction.
- The Company achieved profit before interest, depreciation/amortisation and tax of ₹ 33753.78 lakhs during the year 2018-19 as compared to ₹ 17676.19 lakhs in previous year. Profit before depreciation and tax during the year 2018-19 stood at ₹ 27679.59 lakhs as against ₹ 13932.77 lakhs in the previous year, due to contribution from both EPC and Cable business segment(s).
- The finance costs has increased to ₹ 7624.25 lakhs (previous year ₹ 4719.93 lakhs) due to increase in Term Loans from Banks, Inter Corporate Loans and Working Capital limits.
- There was no change in the capital structure during the year. The Other Equity of the Company stood at ₹ 71865.33 Lakhs during the year under review as compared to ₹ 51726.66 lakhs in the previous year.
- The additions to the fixed assets of ₹ 6461.00 lakhs during the year mainly consist of capacity expansion of OFC Unit and remaining Capital expenditure of Solar Energy Cable facility at the Company’s existing manufacturing location at Rewa (M.P.).

- The inventories increased to ₹ 80314.74 lakhs as on March 31, 2019 from ₹ 37285.45 lakhs as at the end of the previous year, mainly due to increase in inventories of various projects of EPC business segment.
- The increase in trade receivables level at ₹ 122833.12 lakhs as on March 31, 2019 as compared to ₹ 72054.11 lakhs as on March 31, 2018 was mainly due to progressive payment schedule and retention money withheld by customers in certain projects of EPC business segment as per the governing terms of the contracts awarded to the Company.
- Key Financial Information (Standalone & Consolidated):

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	F.Y 2018-19	F.Y 2017-18	F.Y 2018-19	F.Y 2017-18
Revenue from Operations	<b>209536.95</b>	135138.46	<b>209536.95</b>	135138.46
Profit before Finance Costs, Depreciation/Amortisation and Tax	<b>35303.84</b>	18652.70	<b>46325.08</b>	25851.25
Net Profit after Tax	<b>16865.52</b>	8333.07	<b>27560.74</b>	15341.07
Fixed Assets	<b>12829.51</b>	8875.53	<b>12829.51</b>	8875.53
Investments	<b>22132.02</b>	16715.13	<b>180577.87</b>	168727.63

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

Ratio	2018-19	2017-18	Variation	Reasons for Change
Inventory Turnover Ratio (in days)	140	101	38.61%	This is mainly due to increase in inventory of EPC business segment comprising of Passive Optical Fibre Network under IP-1 and other Turnkey Projects.
Debt Equity Ratio (in %)	1.14	0.89	28.00%	This is mainly due to increase in Borrowings in the current financial year comprising of Term Loans from Banks, Working Capital limits and Inter-corporate Loans to meet the enhanced working capital requirements.
Operating Margin Ratio (in %)	14.52%	11.42%	27.20%	The Increase in Operating Profit Margin Ratio and Net Profit Margin are on account of improved margin and higher sales volumes in both Cables and EPC Segments which also resulted in increase in Return on Net Worth of the Company.
Return on Net Worth (in %)	25.52%	16.44%	55.20%	
Net Profit Margin (in %)	8.00	6.12	30.70%	

## OPPORTUNITIES, THREATS & BUSINESS OUTLOOK

- Being listed far below several countries in the ICT Development and global connectivity index, India needs to accelerate across digital transformation through technology enablers such as broadband networks in tandem with data centres, cloud, big data and Internet of Things. However, enabling broadband networks through optical fibre implementation could make a paradigm shift which may require estimated investment of USD 8 billion to increase fibre footprint and reach 77-80% of tower assets in key urban areas. This will have sustained demand for specialty optical fibre cables and allied turnkey projects being one of the core business activities of the Company.
- To meet high throughput and low latency expectations from 5G technology, a robust fibre network is a prerequisite, both for front haul and the back haul as the more fibre the better it is for 5G services.
- The Government driven projects coupled with huge roll-out plan from private sector telecom operators which are on-going will definitely help the optical fibre cable manufacturers to operate at optimal capacity. As the demand is expected to be robust, capacity expansion which is currently underway is also expected to be optimally utilised.
- New products development in Cables coupled with offering of innovative solutions to wide range of customers should auger well for the Company in the long term.
- Competitive scenario amongst the Telecom Operators has already witnessed a huge consolidation phase in the Industry. This will definitely impact the network roll-out, as the industry is dependent on huge investment of capital to sustain the network which is a short-term effect only. However, in the long run, the industry is slated to bounce back and grow in a big way due to huge opportunities existing in a data driven network.
- Telecom Industry is always dependent on Government's policy initiatives and conducive policies coupled with helpful ecosystem will facilitate long term sustainable operations for equipment suppliers including optical fibre cables and related services.
- As part of the new National Digital Communication Policy, 2018, formulated by the Government of India, the telecom cable industry expects favourable RoW (Rights of the Way) policies thereby giving a fillip to the industry.
- Going ahead, optimisation and universalisation of 4G and densification of networks for planned 5G telecom services roll out, it is expected that extensive optical fibre based infrastructure shall be deployed. However, any inconsistencies and delays while securing

RoW may result in complex deployment and longer build time which may adversely impact demand for Company's products and services.

- Rising Human Resource challenges like workforce planning, retention, succession planning and skill gaps and increasing wage/social security benefits trend will play crucial role for the sustained viability and continuing success of the Company's businesses and can be categorized as Human Capital Risk to be dealt with as an important matter for future growth of both Cables and EPC business segments.

## **RISKS AND CONCERNS**

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

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

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

## **INTERNAL CONTROL FRAMEWORK**

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

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

## **ENVIRONMENT & SAFETY**

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

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

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

Your Company believes that the competence and commitment of the people are the principle drivers of competitive advantage which enhances competitive strength by differentiating it from competitors. The focus is therefore increasingly going to be retaining talent and try



to develop human resources capable of opening up the next generation by identification of key people, knowing their aspirations, designing their growth paths and realigning responsibilities, etc. The industrial relation climate of your Company continues to remain harmonious with focus on improving productivity, quality and safety. Efforts are being made to strengthen organisational culture in order to attract and retain the best talent in the industry by redefining HR policies and processes in line with contemporary market practices. Training needs are identified in systematic manner and regular training programs are organised both inhouse and external. The Board records its appreciation of the commitment and support of the employees. The Company employed 608 numbers of permanent employees on its Roll as on March 31, 2019.

#### **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, 2019 is set out below:

## 1. CORPORATE GOVERNANCE PHILOSOPHY

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

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

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

## 2. BOARD OF DIRECTORS

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The present strength of the Board of Directors is Ten (10) including one Independent Woman Director. The Company has a regular Non-Executive Chairman who is not related to the Managing Director & CEO of the Company as per definition of the term "relative" defined under the Companies Act, 2013. The number of Independent Directors on the Board is Five (5), which is half of the total number of Directors and the number of Non-Executive Directors is Nine (9), which is more than fifty percent of the total number of Directors, as laid down under Regulation 17 of the Listing Regulations. The composition of the Board of Directors is also in conformity with the provisions of Section 149 of the Companies Act, 2013.

None of the Directors on the Board is a member in more than Ten (10) Board level committees or acts as chairman of more than Five (5) Board level committees across all the public limited companies (listed or unlisted) in which he/she is a Director. The necessary disclosures regarding Committee memberships/ chairmanships have been made by the Directors. None of the Independent Directors serves as such on the Board of more than Seven (7) listed companies. Further, the Independent Directors do not serve as Whole-Time Director on the Board of any listed company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company other than the sitting fees payable and reimbursement of incidental expenses incurred by them for attending the Meeting(s) of Board of Directors and Committee thereof. The Independent Non-Executive Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and individually have submitted a declaration that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of Board of Directors, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management. No Independent Director of the Company has resigned before the expiry of his/her tenure.

The terms and conditions of appointment of Independent Directors can be accessed on the Company's website viz: [www.vtlrewa.com](http://www.vtlrewa.com) ([http://www.vtlrewa.com/pdf/T&C\\_Appt\\_Independent\\_Directors\\_VTL.pdf](http://www.vtlrewa.com/pdf/T&C_Appt_Independent_Directors_VTL.pdf)). The Company also has a familiarization programmes/ arrangements for its Independent Directors about the nature of operation/business of the Company and also the roles and responsibilities of Independent Directors, which can be accessed at: [http://www.vtlrewa.com/pdf/familiarisation\\_programme\\_VTL.pdf](http://www.vtlrewa.com/pdf/familiarisation_programme_VTL.pdf).

During the financial year ended on March 31, 2019, four Board Meetings were held on May 23, 2018, August 9, 2018, November 12, 2018 and February 11, 2019. The maximum time gap between any two consecutive meetings was not more than one hundred and twenty days, as stipulated under Section 173(1) of the Companies Act, 2013, Regulation 17(2) of the Listing Regulations and the Secretarial Standard (SS-1) issued by the Institute of Company Secretaries of India.

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

Name of the Director	Category	Attendance Particulars		No. of other Directorship(s) and Committee Membership(s)/Chairmanship(s)		
		Board Meetings	Last AGM	Other Directorship(s)	Committee Membership(s)	Committee Chairmanship(s)
Shri Harsh V.Lodha (Chairman)	Non-Executive, Non-Independent	4	No	15	None	1
Shri J.Veeraraghavan	Independent Non-Executive	4	No	None	None	None
Shri S.K.Misra	Independent Non-Executive	4	No	2	None	None
Shri R.C.Tapuriah	Independent Non-Executive	4	Yes	11	4	2
Shri D.R.Bansal	Non-Executive, Non-Independent	4	No	3	1	None
Shri Pracheta Majumdar	Non-Executive, Non-Independent	4	No	3	2	None
Shri Shiv Dayal Kapoor	Independent Non-Executive	4	No	2	2	None
Smt. Kiran Aggarwal	Independent Non-Executive	4	No	None	None	None
Shri Dilip Ganesh Karnik	Non-Executive, Non-Independent	4	No	5	2	None
Shri Y.S. Lodha (Managing Director)	Executive	4	Yes	3	None	None

**Notes:**

- (i) Number of other Directorships held by the Directors, as mentioned above, includes Directorships in Public Limited and Private Limited Companies and are based on the latest declarations received from the Directors. The details of Committee Membership/Chairmanship is in accordance with Regulation 26(1)(b) of the Listing Regulations and reflect the Membership/Chairmanship of the Audit Committee and the Stakeholders Relationship Committee of all other Indian public limited companies.
- (ii) None of the Non-Executive Directors/Managing Director holds any Equity Shares of the Company as per the declarations received from them except Shri Dilip Ganesh Karnik who holds 500 Equity Shares of the Company.
- (iii) None of the Directors on the Board has inter-se relationship with other Directors of the Company.
- (iv) Names of other Listed entities where Directors of the Company are Directors and Category of Directorship are given herein:

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

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

The Companies Act, 2013 read with the relevant rules made thereunder and revised Secretarial Standard (SS-1), facilitates the participation of a Director in Board/Committee meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting(s) through video conferencing was made available for the Directors except in respect of items which are not permitted to be transacted through video conferencing. During the financial year 2018-19, none of the Directors of the Company participated in the Board/Committee Meetings through video conferencing or other audio visual mode.

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

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

In accordance with Regulation 36(3) of the Listing Regulations, the information including brief resume and profile of Directors retiring by rotation and eligible for re-appointment and re-appointment of an independent director at the ensuing 36th Annual General Meeting (AGM) are given in the Annexure to the Notice of AGM of the Company.

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

- (i) Knowledge and insight of Company's businesses of Cable and Engineering, Procurement and Construction (EPC), strategic plans, policies and culture including those policies which are approved by the Board or any committee of the Board, major risks/threats and potential opportunities and knowledge of the industry segments in which the Company operates.
- (ii) Behavioral Skills comprising of, interalia, attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company, adequate commitment to the Board and the Company, demonstration of highest level of integrity and maintenance of confidentiality, devotion of sufficient time for effective participation in Board and other meetings, regularity in attending Board and other meetings from time to time.
- (iii) Business strategy and planning, sales and marketing, Corporate Governance, foreign exchange management, administration, strategic thinking and decision making, selecting the leadership team while ensuring that the Company has right strategy in place together with competitiveness and sustainability of its operations.
- (iv) Financial and Management skills.
- (v) Technical and professional skills and specialised knowledge with respect to Company's business and operations.
- (vi) Knowledge of legal regulations to the extent apply and extend to the Company and its business segments viz Cable and Engineering, Procurement and Construction, social and Corporate Social Responsibility activities, compliance to environmental laws/regulations and other applicable laws, safety and security of Company's human resources, property, plant & equipment, etc.

### 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, 2019 consists of three Independent Non-Executive Directors and one Non-Executive Director as specified below:

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

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

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

The composition, quorum, powers, role and scope of Audit Committee and information being reviewed by the Audit Committee are in accordance with Regulation 18(3) read with Part-C of Schedule-II of the Listing Regulations as well as Section 177 of the Companies Act, 2013. The Terms of Reference of Audit Committee, inter alia, include the following:

- (i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Modified opinion(s), if any, in the draft audit report.
- (v) Reviewing with the management, the quarterly financial results before submission to the Board for approval;
- (vi) Reviewing with the management, the statement of uses / application of funds raised through an issue (Public Issue, Rights Issue, Preferential Issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a Public or Rights Issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the Company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the Whistle Blower mechanism;
- (xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) \*Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments; and



(xxi) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

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

Name of Members	Meetings held and attendance particulars			
	May 23, 2018	August 9, 2018	November 12, 2018	February 11, 2019
Shri R.C. Tapuriah	Yes	Yes	Yes	Yes
Shri J. Veeraraghavan	Yes	Yes	Yes	Yes
Shri S.K. Misra	Yes	Yes	Yes	Yes
Shri Pracheta Majumdar	Yes	Yes	Yes	Yes

The Meetings of Audit Committee were also attended by the Secretary of the Committee and the necessary quorum was present at all the Meetings. The Statutory Auditors are permanent invitees to the Audit Committee Meetings. The Internal Auditors and Cost Auditors, as needed, are also invitees to the Meetings. The Managing Director, President, Chief Financial Officer and other invited executives also attended the Meetings to answer and clarify the issues raised at the Meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on July 31, 2018.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

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

- (i) to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal;
- (ii) to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- (iii) to formulate criteria for evaluation of Independent Directors and the Board and to carry out evaluation of every director's performance;
- (iv) to devise a policy on Board diversity; and
- (v) \*to recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

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

During the year three Meetings of the Nomination and Remuneration Committee were held on May 23, 2018, November 12, 2018 and February 11, 2019. The requisite quorum was present at each of the Meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company. The Composition of the Nomination and Remuneration Committee and the details of meetings attended by the members thereof are given below:

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

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

#### 4.1 Remuneration Policy

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

#### 4.2 Remuneration of Directors/Managing Director

The details of remuneration of Non-Executive Directors/Managing Director for the financial year ended March 31, 2019, are set out below:

- (i) Apart from payment of Sitting Fees for attending the Meetings of the Board of Directors and /or Committee thereof, no other remuneration during the financial year ended 31st March, 2019 was paid to Independent/Non-executive Directors of the Company.

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

Name of the Director	Sitting Fees (₹ in lakhs)
Shri Harsh V.Lodha	1.60
Shri J.Veeraraghavan	3.45
Shri S.K.Misra	3.30
Shri R.C.Tapuriah	3.45
Shri D.R.Bansal	1.95
Shri Pracheta Majumdar	3.20
Shri Shiv Dayal Kapoor	1.70
Smt. Kiran Aggarwal	1.60
Shri Dilip Ganesh Karnik	1.60

- (ii) Remuneration to Shri Y.S.Lodha, Managing Director of the Company is paid in accordance with the applicable provisions of the Companies Act, 2013. Annual increment together with yearly Special Allowance, if any, to the existing remuneration/compensation structure is recommended by the Nomination and Remuneration Committee to the Board in accordance with the terms of appointment as approved by the shareholders for the Managing Director of the Company.

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

Name	Salary	Perquisites, etc.	Total
Shri Y.S. Lodha	145.76	38.81	184.57

(₹ in lakhs)

#### Notes:

- Sitting fees include fees paid for attending Committee Meetings.
- 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.
- 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.
- As per the terms of agreement, for the purpose of gratuity, contribution to superannuation fund and leave encashment benefits, the services of the Managing Director are considered continuous service with the Company from the date he joined the services of sister concern(s) or this Company in any capacity from time to time.
- The Company does not have any scheme for grant of Stock Options to its Directors, Managing Director or other employees.
- None of the employees is related to any of the Directors/Managing Director of the Company.

#### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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

- (i) To approve issuance of duplicate share certificate(s), issue of fresh certificate(s) on consolidation/sub-division of share Certificate(s) and also for issuance of share Certificate(s) on rematerialisation of equity shares of the Company;

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

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

During the year two meetings of the Stakeholders Relationship Committee were held on May 23, 2018 and November 12, 2018. The composition of the Stakeholders Relationship Committee and the details of meetings attended by the members thereof are given below:

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

The Company Secretary of the Company also functions as the Compliance Officer.

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

During the year under review, 14 (fourteen) complaints (excluding those correspondences which are not in the nature of complaints) were received from shareholders and investors directly or through regulatory authorities, which were promptly attended to and resolved to the satisfaction of the complainants. No investor grievances remained unattended/pending for more than thirty days as on March 31, 2019 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, 2019.

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

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

During the year two meetings of the Corporate Social Responsibility Committee were held on August 9, 2018 and February 11, 2019 (in addition to specific resolutions passed by circulation on certain occasions). The requisite quorum was present at both the Meetings. The Composition of the Corporate Social Responsibility Committee and the details of meetings attended by the members thereof are given below:

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

## 7. INDEPENDENT DIRECTORS' MEETING

During the year under review, a separate meeting of Independent Directors was held on February 12, 2019, interalia, to discuss:

- (i) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- (ii) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and

- (iii) Evaluation of the quality, content and timeliness of flow of information between the Company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform its duties.

All the Independent Directors of the Company except Smt. Kiran Aggarwal were present at the meeting.

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

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

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

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

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

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

## 9. GENERAL BODY MEETINGS

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

Financial Year	Venue of the Meeting	Type of Meeting	Date of Meeting	Time of Meeting
2017-18	Registered Office of the Company - Udyog Vihar, P.O.Chorhata, Rewa - 486 006 (M.P.)	35 <sup>th</sup> AGM	July 31, 2018	4.30 p.m.
2016-17	Same as above	34 <sup>th</sup> AGM	July 24, 2017	11.30 a.m.
2015-16	Same as above	33 <sup>rd</sup> AGM	August 19, 2016	11.30 a.m.

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

- (i) Special Resolutions concerning: (a) 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, which were passed by requisite majority at the 33rd AGM of the Company held on August 19, 2016.
- (ii) None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a Special Resolution through Postal Ballot mandatorily.
- (iii) Special Resolutions passed through postal ballot or voting through electronic means:

During the financial year 2018-19, the Company passed the following resolutions through Postal Ballot pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, Regulation 44(1) of the SEBI (LODR) Regulations 2015 for transacting the businesses as stated herein:

(a) Postal Ballot Notice dated April 9, 2018:

Item No. 1: Special Resolution pursuant to provisions of Section(s) 180(1)(c), 180(2) and other applicable provisions, if any, of the Companies Act, 2013 for increase in borrowing power/limit of the Company upto an amount not exceeding in aggregate Rs. 4500 Crores outstanding at any time; and

Item No. 2: Special Resolution pursuant to provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 for creation of mortgages/hypothecations/pledges/charges or other securities 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.4500 Crores.

The results were announced at the registered office of the Company on May 25, 2018. Summary of the voting pattern was as under:

Description	Item No.1		Item No.2	
	No. of valid vote cast	Percentage of vote cast	No. of valid vote cast	Percentage of vote cast
Total number of votes cast in favour of the resolution	8241935	99.79	8241935	99.79
Total number of votes cast against the resolution	17529	0.21	17529	0.21

(b) Postal Ballot Notice dated February 11, 2019:

Item No. 1: Special Resolution pursuant to the Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV of the Act and Regulation 17(A) and any other applicable provisions of the SEBI (LODR) Regulations, 2015 for re-appointment of Shri J.Veeraraghavan (DIN: 00078998) as an Independent Director of the Company for a second term of five (5) consecutive years with effect from April 1, 2019 to March 31, 2024;

Item No. 2: Special Resolution pursuant to the Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV of the Act and Regulation 17(A) and any other applicable provisions of the SEBI (LODR) Regulations, 2015 for re-appointment of Shri S.K.Misra (DIN: 00009411) as an Independent Director of the Company for a second term of five (5) consecutive years with effect from April 1, 2019 to March 31, 2024;

Item No. 3: Special Resolution pursuant to the Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV of the Act and Regulation 17(A) and any other applicable provisions of the SEBI (LODR) Regulations, 2015 for re-appointment of Shri R.C.Tapuriah (DIN: 00395997) as an Independent Director of the Company for a second term of five (5) consecutive years with effect from April 1, 2019 to March 31, 2024;

Item No. 4: Special Resolution pursuant to the Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV of the Act and Regulation 17(A) and any other applicable provisions of the SEBI (LODR) Regulations, 2015 for re-appointment of Shri Shiv Dayal Kapoor (DIN: 00043634) as an Independent Director of the Company for a second term of five (5) consecutive years with effect from April 1, 2019 to March 31, 2024;

Item No. 5: Special Resolution pursuant to provisions of Regulation 17(A) of the SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder for continuation of Directorship of Smt. Kiran Aggarwal (DIN: 06991807), upto the expiry of her present term as an Independent Director of the Company, i.e. November 9, 2019, notwithstanding that she is above seventy five (75) years of age;

Item No. 6: Special Resolution pursuant to provisions of Regulation 17(A) of the SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder for continuation of Directorship of Shri D.R.Bansal (DIN: 00050612) as non-executive non-independent director of the Company, liable to retire by rotation, notwithstanding that he is above seventy five (75) years of age; and

Item No. 7: Special Resolution pursuant to provisions of Regulation 17(A) of the SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder for continuation of Directorship of Shri Pracheta Majumdar (DIN: 00179118) as non-executive non-independent director of the Company, liable to retire by rotation, on attaining the age of seventy five (75) years with effect from August 15, 2019.

The results were announced at the registered office of the Company on March 27, 2019. Summary of the voting pattern was as under:

Description	Item No.1		Item No.2	
	No. of valid vote cast	Percentage of vote cast	No. of valid vote cast	Percentage of vote cast
Total number of votes cast in favour of the resolution	8275940	99.989	8275886	99.989
Total number of votes cast against the resolution	920	0.011	925	0.011



Description	Item No.3		Item No.4	
	No. of valid vote cast	Percentage of vote cast	No. of valid vote cast	Percentage of vote cast
Total number of votes cast in favour of the resolution	8275886	99.989	8276686	99.998
Total number of votes cast against the resolution	925	0.011	125	0.002

Description	Item No.5		Item No.6	
	No. of valid vote cast	Percentage of vote cast	No. of valid vote cast	Percentage of vote cast
Total number of votes cast in favour of the resolution	8276686	99.998	8275891	99.989
Total number of votes cast against the resolution	125	0.002	920	0.011

Description	Item No.7	
	No. of valid vote cast	Percentage of vote cast
Total number of votes cast in favour of the resolution	8275891	99.989
Total number of votes cast against the resolution	920	0.011

All the above stated Special Resolutions were passed with the requisite majority. The procedure prescribed under Section 110 of the Companies Act, 2013 read with Rules 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(1) of the Listing Regulations were duly followed for the Postal Ballot while seeking approval/consent of Members on the above items of special business. Shri Rajesh Kumar Mishra, Practising Company Secretary was appointed as Scrutinizer for business transacted under the Postal Ballot Notice dated April 9, 2018 and February 11, 2019 respectively for conducting the Postal Ballot exercise for the aforesaid matters.

## 10. MEANS OF COMMUNICATION

### (a) Quarterly Financial Results:

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

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

English Newspaper – Financial Express (All editions)  
Vernacular Newspaper – Dainik Jagran (Rewa edition)

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

www.vtlrewa.com

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

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

## 11. GENERAL SHAREHOLDER INFORMATION

11.1 Company Registration Details : L31300MP1983PLC002134

### 11.2 Annual General Meeting:

- Date and Time : August 5, 2019 at 12.30 P.M.
- Venue : Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa – 486 006 (M.P.)

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

### 11.4 Financial Calendar (2019-20):

(tentative)

Quarterly Financial Results :

- ending June 30, 2019 : In or before second week of August, 2019
- ending September 30, 2019 : In or before second week of November, 2019
- ending December 31, 2019 : In or before second week of February, 2020
- ending March 31, 2020 : In or before third week of May, 2020

- 11.5 **Book Closure date(s)** : Tuesday, the July 30, 2019 to Monday, the August 5, 2019 (both days inclusive)
- 11.6 **Dividend Payment date** : On or after August 9, 2019
- 11.7 **Listing on Stock Exchanges** : (a) BSE Limited(BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Fort, Mumbai - 400 001
- (b) National Stock Exchange of India Ltd. (NSE)  
Exchange Plaza, C-1, G.Block,  
Bandra-Kurla Complex,  
Bandra (East),  
Mumbai - 400 051

The Company has timely paid the annual listing fees for the financial year 2018-19 as well as 2019-20 to BSE & NSE.

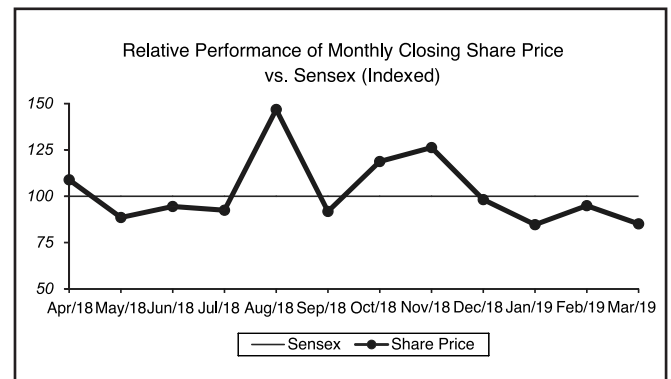
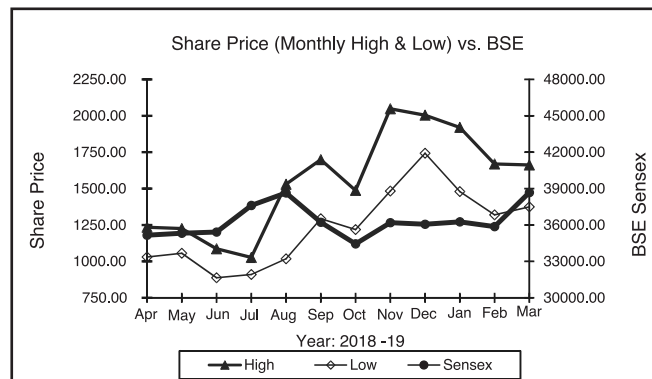
- 11.8 **Stock Code - Physical** : BSE, Mumbai - 517015  
NSE, Mumbai - VINDHYATEL
- Demat ISIN Number for NSDL & CDSL** : INE707A01012

**11.9 Stock Market Data:**

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

Month	BSE			NSE		
	High (in ₹)	Low (in ₹)	Monthly Volume (in Nos.)	High (in ₹)	Low (in ₹)	Monthly Volume (in Nos.)
April, 2018	1234.80	1030.00	54477	1231.00	1030.45	424013
May, 2018	1225.55	1056.00	29947	1224.85	1052.60	164232
June, 2018	1086.85	888.05	24644	1089.10	890.10	128178
July, 2018	1027.00	910.00	20047	1032.00	910.00	100226
August, 2018	1530.00	1018.20	162205	1531.00	1015.00	943551
September, 2018	1698.80	1293.10	67847	1700.80	1293.60	434763
October, 2018	1487.80	1218.90	36359	1490.00	1200.00	199902
November, 2018	2047.95	1483.40	71399	2030.00	1478.05	503934
December, 2018	2004.30	1743.00	26764	2004.85	1720.00	219709
January, 2019	1920.15	1479.75	103352	1914.90	1470.15	222399
February, 2019	1668.95	1320.00	52026	1668.30	1300.00	293418
March, 2019	1662.35	1375.00	29869	1635.00	1375.00	205625

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



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

**11.12 Share Transfer System:**

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

All transactions in connection with transfer, transmission, etc. during the year under review were processed by the Registrar and Share Transfer Agents of the Company on weekly basis and the same were placed before the Committee of Directors/ Committee of Officers, as the case may be, for approval at regular interval. With a view to expedite the process of share transfer in physical segment, the Board of Directors has delegated the authority to a Committee of Officers for approving transfer upto 1000 equity shares in each request. Further, to expedite the process of share transfer, the powers for processing of share transfer have been delegated to the Registrar and Share Transfer 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 was placed at every Board Meeting on quarterly basis. The Registrar and share Transfer Agents / delegated authority / Stakeholders Relationship Committee attended the formalities pertaining to transfer of shares at least once in a fortnight, while generally ensuring that transmission requests were processed for shares held in dematerialized mode and physical mode within seven days and twenty one days respectively, after receipt of specified documents, complete in all respect, and dispatch of share certificates were generally completed within 15 days. , while the request for dematerialisation of equity shares is generally confirmed/rejected within an average period of 15 days. Members may further note that as per amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed with effect from 1st April, 2019 unless the securities are held in the dematerialized form with a depository. Members are therefore advised to dematerialise their holding of equity shares in the Company for facilitating transfer of shares. The Company obtains from a Company Secretary in practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

The Company's representatives visit the office of the Registrar and Share Transfer Agents as and when required/deemed appropriate to monitor, supervise and ensure that there are no delays or lapses in the system.

**11.13 (a) Distribution of Shareholding as on March 31, 2019:**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	9294	92.36	851854	7.19
501 - 1000	340	3.38	251556	2.12
1001 - 2000	149	1.48	217810	1.84
2001 - 3000	76	0.75	186888	1.58
3001 - 4000	48	0.48	168590	1.42
4001 - 5000	29	0.29	132758	1.12
5001 - 10000	57	0.57	402487	3.40
10001 and above	70	0.69	9638920	81.33
<b>GRAND TOTAL</b>	<b>10063</b>	<b>100.00</b>	<b>11850863</b>	<b>100.00</b>
<b>Physical Mode</b>	<b>1827</b>	<b>18.16</b>	<b>268996</b>	<b>2.27</b>
<b>Electronic Mode</b>	<b>8236</b>	<b>81.84</b>	<b>11581867</b>	<b>97.73</b>

**(b) Category of Shareholders as on March 31, 2019:**

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Promoter and Promoter Group	11	0.11	5160205	43.54
Mutual Funds/Unit Trust of India	7	0.07	1019007	8.60
Alternate Investment Funds	3	0.03	29922	0.25
Foreign Portfolio Investor	24	0.24	219082	1.85
Financial Institutions/Banks/Foreign Bank	13	0.13	9772	0.08
Individuals	8821	87.66	2634495	22.23
NBFCs registered with RBI	4	0.04	3270	0.03
Trusts/Hindu Undivided Family	306	3.04	118657	1.00
Non Resident Indians	407	4.04	125717	1.06
Directors and their Relatives	1	0.01	500	0.01
Persons Acting in Concert	10	0.10	1254686	10.59
Unclaimed Shares	1	0.01	1701	0.01
Clearing Member	75	0.74	232131	1.96
Bodies Corporate	380	3.78	1041718	8.79
<b>GRAND TOTAL</b>	<b>10263</b>	<b>100.00</b>	<b>11850863</b>	<b>100.00</b>

**11.14 Dematerialisation of Shares and liquidity:** 11581867 Equity Shares representing 97.73% 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, 2019.

Company's shares are reasonably liquid and are traded on the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE) during the financial year 2018-19. Relevant data for the approximate average daily turnover in terms of volume for the financial year 2018-19 is given below:

BSE	NSE	BSE + NSE
2738	15484	18222

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

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

**11.16 Commodity price risk or foreign exchange risk and hedging activities :** During the year 2018-19, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against imports on selective basis based on professional opinion/judgement. The Company does not enter into hedging of Commodities. The details of foreign currency exposure and the exposure to Commodity and Commodity risk faced by the Company are disclosed in Note No(s). 48(a)(i) and 48(a)(iv) respectively to the financial statements.

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

**11.18 Plant Location :** Udyog Vihar Industrial Area, P.O. Chorhata, Rewa -486 006 (M.P.), India

**11.19 Address for Correspondence:**

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

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

**11.20 Credit Ratings:**

The List of All Credit Ratings obtained by the Company for all debt instruments or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad, during financial year 2018-19 (including revisions) are stated herein:

Sl. No.	Credit Rating Obtained	Type of Borrowing	Amount of Borrowing (₹ in Crores)	Whether reviewed rating or fresh rating	In case of reviewed rating, earlier rating
(i)	CRISIL A1+	Commercial Paper	200 (Proposed borrowing)	Reviewed	CRISIL A1+
(ii)	CARE AA-; Stable (Double A Minus; Outlook:Stable)	Non-Convertible Debenture Issue	100.00	Reviewed	CARE AA-; Stable (Double A Minus; Outlook: Stable)
(iii)	CARE AA-; Stable (Double A Minus; Outlook: Stable)	Long-term bank limits	1107.50 (Term Loan of 97.50 and Cash Credit of 1010)	Reviewed	CARE AA-; Stable (Double A Minus; Outlook: Stable)
(iv)	CARE A1+ (A One Plus)	Short-term bank limits	2090.50	Reviewed	CARE A1+ (A One Plus)

## 12. OTHER DISCLOSURES

- (a) There were no materially significant related party transactions during the financial year 2018-19 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, 2019, in the ordinary course of business of the Company and at arm's length basis are disclosed in compliance with the Indian Accounting Standard on "Related Party Disclosures" in Note No. 41(A) of Notes to financial statements in the Annual Report.
- (b) The Company has complied with the requirements of Stock Exchanges, Securities and Exchange Board of India and other statutory authorities/ regulatory on matters relating to capital markets during the last three years and consequently no penalties or strictures have been imposed on the Company by any of these authorities.

- (c) The Company has adopted a Vigil Mechanism/Whistle Blower Policy for developing a culture where it is safe for all directors/employees to raise concerns about any unacceptable practice and any event of misconduct. The Policy allows unrestricted access to all employees and others to approach the Audit Committee and there has been no instance during the year where any personnel has been denied access to the Audit Committee. The quarterly report with number of complaints received, if any, under the policy and their outcome is placed before the Audit Committee.
- (d) The Company has generally complied with all the mandatory requirements as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations, to the extent applicable to the Company.
- (e) None of the wholly owned subsidiary companies of the Company is a material non-listed Indian subsidiary as defined in Regulation 24 of the Listing Regulations. Accordingly, requirement to nominate an independent director of the Company on the Board of any subsidiary is not applicable for the time being. The Audit Committee of the Company periodically reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies. The Minutes of the Board Meetings and financial statements of all wholly owned unlisted subsidiary companies are circulated alongwith agenda and are also placed before the Meeting(s) of the Board of Directors of the Company. The Policy for determining the 'material' subsidiaries is in accordance with the definition of 'material subsidiary' as contained in Regulation 16(1)(c) of the Listing Regulations and the same is available on the website of the Company through weblink: [http://www.vtlrewa.com/pdf/policy\\_for\\_determining\\_material\\_subsidiaries\\_VTL.pdf](http://www.vtlrewa.com/pdf/policy_for_determining_material_subsidiaries_VTL.pdf).
- (f) The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The said Policy is available on the website of the Company and can be accessed through weblink: [http://www.vtlrewa.com/pdf/RPTPolicy%20\\_VTL.pdf](http://www.vtlrewa.com/pdf/RPTPolicy%20_VTL.pdf).
- (g) Commodities form a major part of business of the Company and hence commodity price risk is one of the important risks for the Company. The Company has a robust framework in place to protect the Company's interest from risks arising out of market volatility and time to time to apprise the Board members about the risk assessment and minimisation procedures covering the entire gamut of business operations of the Company including but not limited to commodity price risk. These procedures are periodically reviewed to ensure that executive management controls risks by means of a properly defined framework. The Company has not entered into any type of hedging of Commodities during the year under review.
- (h) The Company has not raised any funds through preferential allotment or qualified institutional placement during the year under review.
- (i) A Certificate has been obtained from Shri Rajesh Kumar Mishra, Practicing Company Secretary that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed/re-appointed or continuing as Director of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority .
- (j) There is no recommendation of any committee of Board which has not been accepted by the Board during the year under review.
- (k) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors of the Company was Rs.30,51,288/-. The firm of Statutory Auditors of the Company does not have any network firm/network entity of which the Statutory Auditors are a part as per confirmation obtained from it.
- (l) Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as follows:
- (i) number of complaints filed during the financial year- NIL
  - (ii) number of complaints disposed of during the financial year-N.A. as there was no complaint.
  - (iii) number of complaints pending as on end of the financial year-NIL
- (m) There is no non compliance of any Requirement of Corporate Governance as mentioned of Sub paras (2) to (10) of Part C of Schedule V of the LODR.
- (n) In the preparation of the financial statements for the year under review, no accounting treatment which was different from that prescribed in the applicable Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 was followed. The significant accounting policies applied in preparation and presentation of financial statements have been set out in Note No.1.5 of Notes to financial statements in the Annual Report.
- (o) During the year 2018-19, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts/swaps for hedging foreign exchange exposures against imports as and when considered appropriate based on professional advice. The details of foreign currency exposure are enclosed in Note No.48(a)(i) to the annual financial statements.
- (p) The designated senior management personnel of the Company have disclosed to the Board that no material, financial and/or commercial transactions have been entered into during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large. Further, none of the Non-Executive Directors had any material pecuniary relationship or transactions with the Company during the year under review other than sitting fees paid to them.
- (q) In accordance with Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director & CEO and the Chief Financial Officer have furnished a duly signed Compliance Certificate to the Board of Directors for the year ended March 31, 2019. The Managing Director and the Chief Financial Officer have also furnished a certificate pertaining to the financial year



ended on March 31, 2019 to the Board of Directors in accordance with Regulation 33(2)(a) of the Listing Regulations.

- (r) In accordance with the Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by Insiders as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, Company Secretary has been designated as the Compliance Officer of the Company under the Company's Code of Conduct for Prevention of Insider Trading. He is responsible for adherence to and ensuring compliance with the Code by the Company and its designated employees.
- (s) The Company also has a familiarization programmes/arrangements for its Independent Directors about the nature of operation/business of the Company and also the roles and responsibilities of Independent Directors, which can be accessed at: [http://www.vtlrewa.com/pdf/familiarisation\\_programme\\_VTL.pdf](http://www.vtlrewa.com/pdf/familiarisation_programme_VTL.pdf). Further, during the course of Board/ Committee Meeting(s), presentations are made on various matters, interalia, covering the Company's and its subsidiaries / associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, roles, rights, responsibilities of Independent Directors under various statutes and other relevant matters as a part of familiarization programmes.
- (t) The Company has presently not adopted certain discretionary requirements in regard to maintenance of Non-Executive Chairman's office, sending half-yearly declaration of financial performance including summary of the significant events in last six months to each household of shareholders and reporting of Internal Auditors directly to the Audit Committee. However, the requirement viz. moving towards regime of financial statements with unmodified audit opinion, has generally been complied with.
- (u) The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations are given below:

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

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

### 13 DISCLOSURE WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT

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

Sl. No.	Particulars	No. of Shareholders	No. of Equity Shares
(a)	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2018	10	1701
(b)	Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the financial year 2018-19	Nil	Nil
(c)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the financial year 2018-19	Nil	Nil
(d)	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2019	10	1701

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

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

As provided under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is stated that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management, for the financial year ended March 31, 2019.

For Vindhya Telelinks Limited

Place : Rewa  
Date : May 3, 2019

Y.S. LODHA  
Managing Director & CEO

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**CERTIFICATE FROM PRACTISING COMPANY SECRETARY**

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

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

For R.K. MISHRA & ASSOCIATES

Place : Satna  
Date : May 16, 2019

Rajesh Kumar Mishra  
Partner  
CP No. 4433  
FCS No. 5383

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

1. We have examined the compliance of regulations of Corporate Governance by Vindhya Telelinks Limited ('the Company') for the year ended March 31, 2019 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

**Management's Responsibility**

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

**Auditor's Responsibility**

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

**Opinion**

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended March 31, 2019. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

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

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

Karthik Srinivasan  
Partner  
Membership No. 514998

Place : New Delhi  
Date : May 16, 2019

# Independent Auditor's Report

TO THE MEMBERS OF VINDHYA TELELINKS LIMITED

## Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Vindhya Telelinks Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Revenue recognition for construction contracts:</b></p> <p>In respect of construction contracts, the management is required to make various accounting estimates and judgements for the purpose of revenue recognition over time like identification of performance obligation, determination of transaction price, the stage of completion, the timing of revenue recognition, estimated project costs and revenue. The process among others, take into consideration contract risks, price variation claims, liquidated damages &amp; penalties, periodic certification from customers, recoverability of trade receivables. The Company periodically reviews the estimates involved and any cumulative effect of such changes are recognised in the period in which such changes are determined.</p> <p>Refer Note No. 1.4 (b) and Note No. 1.5 (k) of the standalone financial statements.</p>	<p>Our audit procedure included, among others,</p> <ul style="list-style-type: none"> <li>• Reviewing the terms and conditions of contracts on sample basis (including amendments/modifications/clarifications thereon, if any) for the purpose of identification of performance obligation, reviewing the estimated contract revenue and costs including consistent application, and adjustments thereon on account of potential liquidated damages and penalties, if any, change in scope, actual cost incurred till year end, certification by customers, etc.</li> <li>• Testing the internal controls adopted by the Company relevant to ensuring the completeness and accuracy of revenue recognition.</li> <li>• Reviewed the adequacy of the disclosures in the Notes to the standalone financial statements.</li> </ul>
2	<p><b>Cost estimation for Lease arrangements (IRU):</b></p> <p>The Company as a lessor enters into certain non-cancellable long-term finance lease arrangements for passive optical fibre cable networks under IP-1 on Indefeasible Right to Use (IRU) basis. As per the accounting policy, these transactions are treated as an Outright sales. Profit or loss resulting from outright sales is recognised in the statement of profit and loss immediately. The cost of sales and carrying amount of unsold passive optical fibre network under IP-1 are determined. This involves making estimates and judgement with respect to allocation of materials, subcontracting cost and other costs on the basis of total estimated fibre pairs/duct to be sold under a specific route. The estimates and underlying assumptions are reviewed on a periodic basis.</p> <p>Refer Note No. 1.4 (a) and Note No. 1.5 (q) of the standalone financial statements.</p>	<p>Our audit procedures included the review of:</p> <ul style="list-style-type: none"> <li>• the accounting treatment followed for revenue recognition vis-à-vis IRU contracts entered into by the Company.</li> <li>• the terms and conditions of the contracts and evaluating the point of transfer of control.</li> <li>• the estimates involved in allocation of cost of sales of IRU network backed by a specific lease arrangement.</li> <li>• the adequacy of the disclosures in the Notes to the standalone financial statements.</li> </ul>

### **Information other than the standalone financial statements and auditor's report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report 2018-19, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in



our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact, if any, of pending litigations on its financial position in its standalone financial statements – Refer Note No. 36 (a) (i) & (ii) to the standalone financial statements;
    - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
    - iii) There were no amounts, which were required to be transferred during the year to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure B" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

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

Place : New Delhi  
Dated : May 16, 2019

Karthik Srinivasan  
Partner  
Membership No. 514998

### 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, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

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

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

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Karthik Srinivasan  
Partner  
Membership No. 514998

Place : New Delhi  
Dated : May 16, 2019

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

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

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

- i (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) 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 save and except underground optical fibre cable network built by the Company under IP-1 License which is verified from the inspection/acceptance testing (AT) reports, have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on physical verification.

- iii The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties required to be covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable.
- iv In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records for the year with a view to determine whether they are accurate and complete.
- vii (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and services tax (GST), cess and other material statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March, 2019, 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, 2019 in respect of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax except as follows.

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which Amount Relates	Amount Involved (₹ in lakhs)
WB VAT Act, 2003	Value Added Tax	West Bengal Taxation Tribunal, Kolkata	FY 2009-10 (01.07.2009 to 31.03.2010)	6.11
WB VAT Act, 2003	Value Added Tax	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	FY 2009-10 (01.04.2009 to 30.06.2009)	4.42
WB VAT Act, 2003	Value Added Tax	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	FY 2008-09 (01.01.2009 to 31.03.2009)	31.61

- viii On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to banks or dues to debenture holders. The Company does not have any loans or borrowings from financial institution or government in the books of accounts at any time during the year.
- ix The Company did not raise any money by way of initial / further public offer (including debt instruments) and term loans taken during the year have been applied for the purpose for which they were obtained.
- x Based on the audit procedure performed and the representation obtained from the management, no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.
- xi According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- xv According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with them under section 192 of the Act. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- xvi In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Karthik Srinivasan  
Partner

Place : New Delhi  
Dated : May 16, 2019

Membership No. 514998

**BALANCE SHEET AS AT 31ST MARCH, 2019**

	Note No.	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	12764.10	8334.62
(b) Capital Work-in-Progress		-	454.85
(c) Investment Property	3	96.50	98.82
(d) Intangible Assets	4	65.41	86.06
(e) Financial Assets			
(i) Investments	5	22035.52	16616.31
(ii) Trade Receivables	6	1865.07	-
(iii) Other Financial Assets	7	1548.64	2785.36
(f) Non-Current Tax Assets (Net)		839.89	347.38
(g) Other Non-Current Assets	8	75.11	433.63
<b>Total Non-Current Assets</b>		<b>39290.24</b>	<b>29157.03</b>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	9	80314.74	37285.45
(b) Financial Assets			
(i) Trade Receivables	10	120968.05	72054.11
(ii) Cash and Cash Equivalents	11	156.51	284.87
(iii) Bank Balances Other than (ii) above	12	3389.08	3150.50
(iv) Other Financial Assets	13	1641.80	3910.35
(c) Current Tax Assets (Net)		333.61	-
(d) Other Current Assets	14	14819.64	15905.27
(e) Assets Classified as Held for Sale/Disposal		8.50	2.00
<b>Total Current Assets</b>		<b>221631.93</b>	<b>132592.55</b>
<b>Total Assets</b>		<b>260922.17</b>	<b>161749.58</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	1184.58	1184.21
(b) Other Equity	16	71865.33	51726.66
<b>Total Equity</b>		<b>73049.91</b>	<b>52910.87</b>
<b>LIABILITIES</b>			
<b>(1) NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	17	35482.99	11218.40
(ii) Other Financial Liabilities	18	10.81	9.85
(b) Provisions	19	2380.41	2942.04
(c) Deferred Tax Liabilities (Net)	20	1121.01	302.71
<b>Total Non-Current Liabilities</b>		<b>38995.22</b>	<b>14473.00</b>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	21	44585.14	34500.90
(ii) Trade Payables	22		
Due to Micro and Small Enterprises		5313.99	3322.68
Due to Other than Micro and Small Enterprises		61445.56	43187.60
(iii) Other Financial Liabilities	23	4257.79	2054.41
(b) Other Current Liabilities	24	29851.98	10545.38
(c) Provisions	25	1994.60	298.27
(d) Current Tax Liabilities (Net)		1427.98	456.47
<b>Total Current Liabilities</b>		<b>148877.04</b>	<b>94365.71</b>
<b>Total Equity and Liabilities</b>		<b>260922.17</b>	<b>161749.58</b>

The accompanying Notes No. 1 to 50 form an integral part of the Financial Statements.

As per our attached report of even date.

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

J. Veeraraghavan  
(DIN : 00078998)  
D.R. Bansal  
(DIN : 00050612)  
Kiran Aggarwal  
(DIN : 06991807)

Karthik Srinivasan  
Partner  
Membership No. 514998

Harsh V. Lodha  
(DIN : 00394094)

Chairman

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

Directors

Y.S. Lodha  
(DIN : 00052861)

Managing Director

Saurabh Chhajer  
Rajesh Ramnani

Chief Financial Officer  
Company Secretary

New Delhi, May 16, 2019

New Delhi, May 16, 2019

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

	Note No.	For the year ended 31st March, 2019 (₹ in lakhs)	For the year ended 31st March, 2018 (₹ in lakhs)
<b>A INCOME</b>			
Revenue from Operations	26	<b>209536.95</b>	135138.46
Other Income	27	<b>1332.34</b>	914.77
<b>Total Revenue</b>		<b>210869.29</b>	<b>136053.23</b>
<b>B EXPENSES</b>			
(i) Cost of Raw Materials Consumed		<b>48808.26</b>	33465.14
(ii) Cost of Materials and Other Contract Expenses	28	<b>147420.23</b>	85519.21
(iii) Excise Duty		-	876.16
(iv) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade, etc.	29	<b>(41561.97)</b>	(17445.97)
(v) Employee Benefits Expense	30	<b>8703.16</b>	6283.15
(vi) Finance Costs	31	<b>7624.25</b>	4719.93
(vii) Depreciation and Amortisation Expenses	32	<b>1990.46</b>	1332.07
(viii) Other Expenses	33	<b>12195.77</b>	8702.84
<b>Total Expenses</b>		<b>185180.16</b>	<b>123452.53</b>
<b>C PROFIT BEFORE TAX</b>		<b>25689.13</b>	12600.70
<b>D TAX EXPENSES</b>	34		
(i) Current Tax		<b>8689.96</b>	4241.32
(ii) Deferred Tax Charge/(Credit)		<b>133.65</b>	26.31
<b>Total Tax Expense</b>		<b>8823.61</b>	4267.63
<b>E PROFIT FOR THE YEAR</b>		<b>16865.52</b>	8333.07
<b>F OTHER COMPREHENSIVE INCOME</b>			
(i) Items that will not be re-classified to Profit or Loss			
(a) Equity Instruments through OCI		<b>5419.21</b>	1283.89
(b) Re-measurement of Defined Benefit Plan		<b>(52.58)</b>	6.67
(ii) Taxes relating to the above items			
(a) Equity Instruments through OCI		<b>(684.65)</b>	-
(b) Re-measurement of Defined Benefit Plan		<b>18.37</b>	(2.31)
<b>Total Other Comprehensive Income</b>		<b>4700.35</b>	1288.25
<b>G TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>21565.87</b>	9621.32
(Comprising Profit and Other Comprehensive Income for the year)			
<b>Earning per Equity Share (EPS) in Rupees</b>	35		
Basic and Diluted EPS (Face Value of ₹ 10/- each)		<b>142.31</b>	70.32

The accompanying Notes No. 1 to 50 form an integral part of the Financial Statements.

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
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Saurabh Chhajjer  
Rajesh Ramnani

New Delhi, May 16, 2019

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 16, 2019



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

	For the year ended 31st March, 2019 (₹ in lakhs)	For the year ended 31st March, 2018 (₹ in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	<b>25689.13</b>	12600.70
<b>Adjustments for :</b>		
Depreciation and Amortisation Expenses	1990.46	1332.07
(Profit)/Loss on Disposal of Fixed Assets (Net)	(1.68)	(10.61)
Provision for Warranty Expenses (Net)	1259.90	662.08
Provision for MTM of Derivative Instruments	(16.73)	(62.47)
(Gain)/Loss on Unrealised Foreign Exchange Rate Fluctuations		
On Borrowings	(63.27)	130.55
On Others	(25.49)	(12.10)
Allowance for Doubtful Trade Receivables (Net)	87.69	68.35
Interest Income	(317.21)	(371.59)
Dividend Income	(596.84)	(414.72)
Rent from Investment Property	(56.44)	(53.40)
Interest Expense	6074.19	3743.42
	<b>8334.58</b>	5011.58
<b>Operating Profit before Working Capital Changes</b>	<b>34023.71</b>	17612.28
<b>Movement in Working Capital:</b>		
Increase/(Decrease) in Trade Payables and Provisions	22424.64	17068.10
Decrease/(Increase) in Trade Receivables/Contract Assets/ Contract Liabilities	(31420.24)	(30332.83)
Decrease/(Increase) in Inventories	(43029.29)	(18234.00)
Decrease/(Increase) in Loans and Advances	727.08	5839.99
	<b>(51297.81)</b>	(25658.74)
<b>Cash Flow generated from/(used in) Operations</b>	<b>(17274.10)</b>	(8046.46)
Direct Taxes Paid (Net of Refunds)	<b>(8526.20)</b>	(3958.16)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>(25800.30)</b>	(12004.62)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(5501.20)	(3724.82)
Proceeds from sale of Fixed Assets	59.21	26.10
(Investment )/Maturity of Bank Deposits	1159.79	61.93
Proceeds from Government Grants	313.22	112.95
Rent from Investment Property	56.44	53.40
Interest Received	322.39	371.59
Dividend Received	596.84	414.72
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>	<b>(2993.31)</b>	(2684.13)

	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**
**C. CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Share Capital	0.37	0.03
Proceeds from Securities Premium	1.49	0.17
Proceeds/(Repayment) from Long Term Borrowings (Net)	26065.31	1595.23
Proceeds/(Repayment) from Short Term Borrowings	10080.40	17768.65
Interest Paid	(6068.42)	(3743.42)
Dividend Paid (including Dividend Distribution Tax)	(1413.90)	(887.90)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>28665.25</b>	<b>14732.76</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(128.36)</b>	<b>44.01</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>284.87</b>	<b>240.86</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>156.51</b>	<b>284.87</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	<b>3.08</b>	2.14
Cheques/Drafts on Hand	<b>97.19</b>	68.81
Balance in Current Accounts	<b>56.24</b>	213.92
	<b>156.51</b>	<b>284.87</b>

(a) The Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

(b) Negative figures have been shown in brackets.

(c) Movement in Borrowings :

Particulars	(₹ in lakhs)				
	As at 31st March, 2018	Proceeds	Repayment	Unrealised foreign exchange gain/ (loss)	As at 31st March, 2019
Long Term Borrowings (Including current portion)	12317.11	27445.12	(1379.81)	(67.11)	<b>38315.31</b>
Short Term Borrowings	34500.90	30968.63	(20888.23)	3.84	<b>44585.14</b>
Interest Accrued on Borrowings	244.91	-	-	5.77	<b>250.68</b>
<b>Total Liabilities from Financing Activities</b>	<b>47062.92</b>	<b>58413.75</b>	<b>(22268.04)</b>	<b>(57.50)</b>	<b>83151.13</b>

As per our attached report of even date.

For V. Sankar Aiyar & Co.  
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Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

Karthik Srinivasan  
Partner  
Membership No. 514998

New Delhi, May 16, 2019

New Delhi, May 16, 2019

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

Particulars	(₹ in lakhs)
Balance as at 31st March, 2017	1184.18
Movement during the year	0.03
Balance as at 31st March, 2018	1184.21
Movement during the year	0.37
<b>Balance as at 31st March, 2019</b>	<b>1184.58</b>

**(b) Other Equity**

Particulars	Surplus				Items of Other Comprehensive Income	Total
	Securities Premium	Debenture Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments Fair Value Through Other Comprehensive Income	
Balance as at 31st March, 2017	3885.67	418.00	30000.00	7743.06	946.34	42993.07
Profit for the year	-	-	-	8333.07	-	8333.07
Other Comprehensive Income for the year	-	-	-	4.36	1283.89	1288.25
Transfer from Retained Earnings	-	835.00	-	(835.00)	-	-
Securities Premium received during the Year	0.17	-	-	-	-	0.17
Final Dividend and Tax thereon	-	-	-	(887.90)	-	(887.90)
Balance as at 31st March, 2018	3885.84	1253.00	30000.00	14357.59	2230.23	51726.66
Profit for the year	-	-	-	16865.52	-	16865.52
Other Comprehensive Income for the year	-	-	-	(34.21)	4734.56	4700.35
Transfer from Retained Earnings	-	832.00	-	(832.00)	-	-
Securities Premium received during the Year	1.49	-	-	-	-	1.49
Final Dividend and Tax thereon	-	-	-	(1428.69)	-	(1428.69)
<b>Balance as at 31st March, 2019</b>	<b>3887.33</b>	<b>2085.00</b>	<b>30000.00</b>	<b>28928.21</b>	<b>6964.79</b>	<b>71865.33</b>

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

Securities premium represents the amount of premium received by the Company upon issue of equity shares. The reserve is utilised in accordance with the provisions of Section 52 and other applicable provisions of the Companies Act, 2013.

**(b) Debenture Redemption Reserve**

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

**(c) General Reserve**

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

As per our attached report of even date.

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Rajesh Ramnani  
New Delhi, May 16, 2019

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 16, 2019

## 1. NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 1.1 Company Overview

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

The Standalone Financial Statements were approved by the Board of Directors of the Company in their meeting held on 16th May, 2019.

### 1.2 Basis of Preparation and Presentation

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

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

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

### 1.3 Basis of Classification of Current and Non-Current

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

### 1.4 Use of Estimates & Critical Judgments

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

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

#### (a) Lease Arrangements:

The Company as a lessor enters into certain non-cancellable long term arrangements for passive optical fibre cable networks under IP-1 on Indefeasible Right to Use (IRU) basis. Considering the nature of arrangements/ agreements and upon assessment of other relevant attributes to such transactions, such IRU’s have been disclosed as a finance lease under the applicable Indian Accounting Standard Ind AS-17. Cost of passive optical fibre cable networks under IP-1 is arrived based upon management’s best estimation/ allocation of material, subcontracting cost and other cost including cost of mitigating risk associated with such networks.

#### (b) Estimation of Costs for Revenue Recognition:

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

### 1.5 Summary of Significant Accounting policies

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

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

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

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

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

**(b) Investment Property**

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

**(c) Intangible Assets**

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

**(d) Depreciation/Amortisation**

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

Buildings	30/ 60 years
Plant and Equipments	3 to 7 years
Furniture and Fixtures	10 years
Vehicles	8 to 10 years
Office Equipment & Computer	3 years

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

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

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

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

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

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

**(f) Government Grants and Subsidies**

Grants and subsidies (including industrial investment promotion incentives linked to fixed capital investment in Property, Plant and Equipment, etc.) from the Government(s) are recognised when there is reasonable assurance that the conditions attached to them will be complied and grants/subsidies will be received. Government subsidies/incentives inextricably based upon and linked to fixed capital investments in Property, Plant and Equipment for setting up a new industrial undertaking or for substantial expansion/technological upgradation/diversification of an existing industrial undertaking where no repayment is stipulated are deducted from the carrying amount of Property, Plant and Equipment.

Export benefits availed as per prevalent schemes are accounted for in the year in which the goods are exported subject to the condition that there exists no significant uncertainty with regard to their ultimate collection.

**(g) Inventories**

Inventories are valued as follows:

Raw Materials, Stores and Spare Parts	Lower of cost and net realisable value. Cost is determined on a transaction moving weighted average basis. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Traded Goods	Lower of cost and net realisable value. Cost is determined on transaction moving weighted average basis.
Work-in-Progress	Lower of cost and net realisable value. Work in Progress in Cable Segment includes direct materials (determined on a transaction moving weighted average basis), labour and a proportion of overheads. The Valuation of Work in Progress in EPC Segment comprises of materials, Sub-contracting cost and other allocated cost of the respective project / passive optical fibre cable network in accordance with practices consistently followed by the Company.
Finished Goods	Lower of cost and net realisable value. Cost includes direct materials (determined on a transaction moving weighted average basis), labour and a proportion of manufacturing overheads based on normal operating capacity of relevant production facilities.
Scrap Materials	Estimated Net Realisable Value.

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

**(h) Fair Value Measurement**

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

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

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

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

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

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

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

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

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

**(i) Financial Instruments**

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

**(1) Financial Assets**
**(a) Initial recognition and measurement**

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

**(b) Subsequent measurement**

Financial Assets other than Equity Instruments



(i) **Financial Assets Carried at Amortised Cost:**

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

(ii) **Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):**

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

(iii) **Financial Asset at Fair Value through Profit or Loss (FVTPL):**

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

**Equity Instruments**

(i) **Investment in Subsidiaries, Joint Ventures and Associates**

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

(ii) **Other Equity Investments**

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

**(c) Derecognition of Financial Instruments**

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

**(d) Impairment of Financial Assets**

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

**(2) Financial Liabilities**

**(a) Recognition and Initial Measurement:**

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

**(b) Subsequent Measurement:**

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

**(c) Derecognition:**

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

**(3) Offsetting Financial Instruments:**

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

**(4) Derivative Financial Instruments:**

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

**(j) Income Taxes**

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

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

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

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

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

**(k) Revenue from Contract with Customer**

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

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

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

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

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

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

Revenue from Sale of Goods

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

Revenue from Turnkey Projects/ Contracts

Performance Obligation in case of revenue from Turnkey Projects/Contracts is satisfied over the period of time, since the customer controls the assets as they are created and the Company has enforceable right to payment for performance

completed to date. Revenue from Turnkey Projects/Contracts, where the outcome can be estimated reliably is recognised under the percentage of completion method by reference to the stage of completion of contract activity. The stage of completion is determined on the basis of work certified which is based upon Company's effort or input to the satisfaction of performance obligation. The estimates of contract costs and the revenue thereon are reviewed periodically by the management and the cumulative effect of any changes in the estimates is recognised in the period in which such changes are determined. Where it is probable that contract expenses will exceed total revenue from a contract, the expected loss is recognised immediately as an expense in the Statement of Profit and Loss.

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

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

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

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

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

**(l) Borrowing Costs**

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

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

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

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

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

**(n) Operating Segment**

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

**(o) Employee Benefits**

Defined Contribution Plan

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

Defined Benefit Plan

Gratuity, Pension and Compensated Absences benefits, payable as per Company's schemes are considered as defined benefit schemes and are charged to 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

actuary. Actuarial gains and losses are recognised in the Other Comprehensive Income except actuarial gains and losses on compensated absences benefits which are charged to the Statement of Profit and Loss.

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

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

**(p) Operating Leases**

Where the Company is the Lessee:

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

Where the Company is the Lessor:

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

**(q) Finance Lease**

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

**(r) Foreign Currency Translations**

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

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

**(s) Earnings Per Share**

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

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

**(t) Cash and Cash Equivalents**

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

**1.6 Recent Accounting Pronouncements**

**Ind AS 116-Leases**

Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116, effective accounting period beginning 1st April,2019. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. The core principle of the new standard is that an entity should recognise in its Balance Sheet the right-of-use assets and financial liabilities for future payment obligations related to long term operating leases. The Company is currently evaluating the requirements of Ind AS 116, and has not yet determined the impact on financial statements.

**2. PROPERTY, PLANT AND EQUIPMENT**

(₹ in lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
<b>Gross Block</b>									
Balance as at 31st March, 2017	113.18	33.38	956.48	5814.85	225.05	156.36	240.85	1.98	7542.13
Additions during the year	-	-	411.38	2697.56	107.45	0.55	-	-	3216.94
Deletions/Adjustments during the year	-	-	-	18.11	1.46	0.20	-	1.98	21.75
Balance as at 31st March, 2018	113.18	33.38	1367.86	8494.30	331.04	156.71	240.85	-	10737.32
Additions during the year	-	-	1206.10	5020.67	156.56	-	77.67	-	6461.00
Deletions/Adjustments during the year	-	-	-	178.45	0.51	0.76	10.71	-	190.43
<b>Balance as at 31st March, 2019</b>	<b>113.18</b>	<b>33.38</b>	<b>2573.96</b>	<b>13336.52</b>	<b>487.09</b>	<b>155.95</b>	<b>307.81</b>	<b>-</b>	<b>17007.89</b>
<b>Accumulated Depreciation</b>									
Balance as at 31st March, 2017	-	0.68	35.57	949.14	59.47	18.90	32.74	-	1096.50
Depreciation for the year	-	0.68	42.53	1126.00	92.06	18.86	32.40	-	1312.53
Deletions/Adjustments during the year	-	-	-	5.66	0.63	0.04	-	-	6.33
Balance as at 31st March, 2018	-	1.36	78.10	2069.48	150.90	37.72	65.14	-	2402.70
Depreciation for the year	-	0.68	63.97	1739.18	110.11	17.52	36.03	-	1967.49
Deletions/Adjustments during the year	-	-	-	119.46	0.33	0.16	6.45	-	126.40
<b>Balance as at 31st March, 2019</b>	<b>-</b>	<b>2.04</b>	<b>142.07</b>	<b>3689.20</b>	<b>260.68</b>	<b>55.08</b>	<b>94.72</b>	<b>-</b>	<b>4243.79</b>
<b>Net Block</b>									
Balance as at 31st March, 2018	113.18	32.02	1289.76	6424.82	180.14	118.99	175.71	-	8334.62
<b>Balance as at 31st March, 2019</b>	<b>113.18</b>	<b>31.34</b>	<b>2431.89</b>	<b>9647.32</b>	<b>226.41</b>	<b>100.87</b>	<b>213.09</b>	<b>-</b>	<b>12764.10</b>

**Note:**

- (i) Refer Note No. 17 and 21 for details of mortgage/hypothecations of Property, Plant and Equipment towards security.
- (ii) The Company has exercised the option of deducting government grants from the carrying amount of respective items of Property, Plant and Equipment as against the erstwhile practice of recognising the same as deferred income in the Balance Sheet and credit to the Statement of Profit and Loss over the life of the related assets in accordance with the notification issued by the Ministry of Corporate Affairs on 20th September, 2018. However, this has no impact on the Profit for the current and previous year.

**3. INVESTMENT PROPERTY**

(₹ in lakhs)

Particulars	Building
<b>Gross Block</b>	
Balance as at 31st March, 2017	103.46
Balance as at 31st March, 2018	103.46
<b>Balance as at 31st March, 2019</b>	<b>103.46</b>
<b>Accumulated Depreciation</b>	
Balance as at 31st March, 2017	2.32
Depreciation for the year	2.32
Balance as at 31st March, 2018	4.64
Depreciation for the year	2.32
<b>Balance as at 31st March, 2019</b>	<b>6.96</b>

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

(₹ in lakhs)

Particulars	Building
<b>Net Block</b>	
Balance as at 31st March, 2018	98.82
<b>Balance as at 31st March, 2019</b>	<b>96.50</b>
<b>Fair Value</b>	
As at 31st March, 2018	1708.80
<b>As at 31st March, 2019</b>	<b>1738.21</b>

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

(₹ in lakhs)

Information regarding Income and Expenditure relating to Investment Property	Year ended 31st March, 2019	Year ended 31st March, 2018
Rental Income derived from Investment Property	<b>56.44</b>	53.40
Less : Direct Operating Expenses (including Repairs and Maintenance) for earning rental income	<b>0.97</b>	0.96
Less : Depreciation & Amortisation Expenses	<b>2.32</b>	2.32
Profit arising from Investment Property	<b>53.15</b>	50.12

**4. INTANGIBLE ASSETS (Computer Software)**

(₹ in lakhs)

Particulars	Computer Software
<b>Gross Block</b>	
Balance as at 31st March, 2017	-
Additions during the year	103.27
Balance as at 31st March, 2018	103.27
Additions during the year	-
<b>Balance as at 31st March, 2019</b>	<b>103.27</b>
<b>Accumulated Depreciation</b>	
Balance as at 31st March, 2017	-
Depreciation for the year	17.21
Balance as at 31st March, 2018	17.21
Depreciation for the year	20.65
<b>Balance as at 31st March, 2019</b>	<b>37.86</b>
<b>Net Block</b>	
Balance as at 31st March, 2018	86.06
<b>Balance as at 31st March, 2019</b>	<b>65.41</b>



	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>5. NON-CURRENT INVESTMENTS</b>		
<b>Investments in Equity Instruments</b>		
<b>A Investments carried at Cost</b>		
<b>Investments in wholly owned Subsidiary Companies</b>		
<b>Unquoted - Fully Paid up Equity Shares of ₹ 10/- each</b>		
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
	<b>4525.06</b>	<b>4525.06</b>
<b>Investment in a Joint Venture</b>		
36,00,000 (36,00,000) Birla Visabeira Pvt. Limited	360.00	360.00
	<b>360.00</b>	<b>360.00</b>
<b>Investments in Associates</b>		
<b>Quoted - Fully Paid up Equity Shares of ₹ 10/- each</b>		
82,74,963 (82,74,963) Universal Cables Limited	4945.62	4945.62
63,80,243 (63,80,243) Birla Corporation Limited	1917.58	1917.58
<b>Unquoted - Fully paid up Equity Shares of ₹ 10/- each</b>		
1,20,00,000 (1,20,00,000) Punjab Produce Holdings Limited	1200.00	1200.00
	<b>8063.20</b>	<b>8063.20</b>
Aggregate Amount of Investments in Subsidiaries, Associates & Joint Ventures at Cost	<b>12948.26</b>	<b>12948.26</b>
<b>B Investments carried at Fair Value through Other Comprehensive Income</b>		
<b>Quoted - Fully Paid up Equity Shares of ₹ 10/- each</b>		
58,00,100 (58,00,100) Birla Cable Limited*	8911.85	3535.17
	<b>8911.85</b>	<b>3535.17</b>
<b>Unquoted - Fully Paid up Equity Shares of ₹ 10/- each</b>		
2,99,940 (2,99,940) Birla Financial Corporation Limited	168.30	126.03
9,800 (9,800) Universal Telelinks Private Limited	3.70	3.60
9,800 (9,800) Universal Electricals Private Limited	3.41	3.25
	<b>175.41</b>	<b>132.88</b>
Aggregate Amount of Investments recognised at Fair Value through Other Comprehensive Income	<b>9087.26</b>	<b>3668.05</b>
<b>Total (A+B)</b>	<b>22035.52</b>	<b>16616.31</b>
<b>Aggregate Amount of Quoted Investments</b>	<b>15775.05</b>	<b>10398.37</b>
<b>Aggregate Market Value of Quoted Investments</b>	<b>60661.75</b>	<b>59816.26</b>
<b>Aggregate Amount of Unquoted Investments</b>	<b>6260.47</b>	<b>6217.94</b>
* 12,50,000 (12,50,000) Fully paid up Equity Shares Pledged with Banks		
<b>6. TRADE RECEIVABLES (NON-CURRENT)</b>		
<i>(Unsecured)</i>		
Considered Good	1865.07	-
	<b>1865.07</b>	<b>-</b>

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>7. OTHER FINANCIAL ASSETS (NON-CURRENT)</b>		
<i>(Unsecured and Considered Good)</i>		
Loans to Employees	7.82	1.97
Security Deposits	721.73	575.54
Term Deposit Accounts with Banks	819.09	2207.85
	<u>1548.64</u>	<u>2785.36</u>
<b>8. OTHER NON-CURRENT ASSETS</b>		
<i>(Unsecured and Considered Good)</i>		
Capital Advance	45.56	421.17
Prepaid Expenses	29.55	12.46
	<u>75.11</u>	<u>433.63</u>
<b>9. INVENTORIES</b>		
Raw Materials	6696.87	5127.85
[including in Transit ₹ 974.96 lakhs (₹ 1103.65 lakhs)]		
Packing Materials	147.63	173.14
Stores and Spares [including in Transit ₹ 4.55 lakhs (₹ 3.92 lakhs)]	129.33	205.52
Work-in-Progress [including Passive Optical Fibre Cable Networks under IP-1 of ₹ 55307.46 lakhs (₹ 27736.40 lakhs)]	73305.87	31760.19
Finished Goods	-	-
Scrap Materials	35.04	18.75
	<u>80314.74</u>	<u>37285.45</u>
<b>10. TRADE RECEIVABLES</b>		
<i>(Unsecured)</i>		
Trade Receivables		
- Considered Good	120968.05	72054.11
- Considered Doubtful	-	22.68
Trade Receivables which have significant increase in credit risk	-	64.26
Trade Receivables -Credit Impaired	174.63	-
	<u>121142.68</u>	<u>72141.05</u>
Less: Allowance for Doubtful Trade Receivables	174.63	86.94
	<u>120968.05</u>	<u>72054.11</u>
<b>11. CASH AND CASH EQUIVALENTS</b>		
Balances with Banks - Current Accounts	56.24	213.92
Cheques, Drafts on Hand	97.19	68.81
Cash on Hand	3.08	2.14
	<u>156.51</u>	<u>284.87</u>
<b>12. OTHER BANK BALANCES</b>		
Unclaimed Dividend Accounts	48.10	33.31
Term Deposit Accounts	3340.98	3117.19
(Term Deposit Receipts are under lien with Banks towards Margin against Letter(s) of Credit, Bank Guarantees and other Commitments)		
	<u>3389.08</u>	<u>3150.50</u>

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>13. OTHER FINANCIAL ASSETS</b>		
<i>(Unsecured and Considered Good)</i>		
Loans to Employees	11.05	11.39
Security Deposits	331.37	217.66
Industrial Investment Promotion Incentives Receivable	-	171.59
Duty Scrip in Hand	62.10	23.90
Claims, Export Benefits Receivable, etc.	180.68	270.37
ROW/ Other Charges Recoverable from Customers	1056.60	3215.44
	<u>1641.80</u>	<u>3910.35</u>

<b>14. OTHER CURRENT ASSETS</b>		
<i>(Unsecured and Considered Good)</i>		
Prepaid Expenses	237.93	174.14
Balances with Government Authorities	3765.55	2955.03
Contract Assets	10223.78	12510.16
Other Advances	592.38	265.94
	<u>14819.64</u>	<u>15905.27</u>

<b>15. EQUITY SHARE CAPITAL</b>				
<b>Authorised</b>				
1,50,00,000 (1,50,00,000)	Equity Shares of ₹ 10/- each	1500.00		1500.00
<b>Issued</b>				
1,18,52,014 (1,18,52,014)	Equity Shares of ₹ 10/- each	1185.20		1185.20
<b>Subscribed and Fully paid up</b>				
1,18,50,863 (1,18,50,863)	Equity Shares of ₹ 10/- each	1185.09		1185.09
	Less: Calls Unpaid	0.51		0.88
		<u>1184.58</u>		<u>1184.21</u>

(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, 2019		As at 31st March, 2018	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Outstanding at the beginning of the year	11850863	1185.09	11850863	1185.09
Outstanding at the end of the year	11850863	1185.09	11850863	1185.09

(b) Term/Right attached to Equity Shares:

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

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

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Universal Cables Limited	3454530	29.15	3454530	29.15
The Punjab Produce & Trading Company Private Limited	1291374	10.90	1291374	10.90
Belle Vue Clinic	1164286	9.82	1164286	9.82
Reliance Capital Trustee Co. Limited A/c Reliance small Cap Fund	1016415	8.58	1062224	8.96

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>16. OTHER EQUITY</b>		
<b>Securities Premium</b>		
Opening Balance	3885.84	3885.67
Add : Received during the year	1.49	0.17
Closing Balance	<u>3887.33</u>	<u>3885.84</u>
<b>Debenture Redemption Reserve</b>		
Opening Balance	1253.00	418.00
Add : Transferred from Retained Earnings	832.00	835.00
Closing Balance	<u>2085.00</u>	<u>1253.00</u>
<b>General Reserve</b>		
Opening Balance	30000.00	30000.00
Closing Balance	<u>30000.00</u>	<u>30000.00</u>
<b>Retained Earnings</b>		
Opening Balance	14357.59	7743.06
Add : Profit for the year	16865.52	8333.07
Add : Item of other comprehensive income recognised directly in retained earnings [Re-measurement of Defined Employment Benefits Plan (Net of tax)]	(34.21)	4.36
	<u>31188.90</u>	<u>16080.49</u>
Less : Appropriations		
Transferred to Debenture Redemption Reserve	832.00	835.00
Dividend on Equity Shares	1185.09	829.56
Tax on Dividend on Equity Shares	243.60	58.34
	<u>2260.69</u>	<u>1722.90</u>
	<u>28928.21</u>	<u>14357.59</u>
<b>Other Comprehensive Income</b>		
Equity Instruments through OCI		
Opening Balance	2230.23	946.34
Add : Fair valuation gains/(losses) on Equity Instruments	4734.56	1283.89
Closing Balance	<u>6964.79</u>	<u>2230.23</u>
	<u>71865.33</u>	<u>51726.66</u>
<b>17. BORROWING NON-CURRENT</b>		
<b>Secured</b>		
Loans from Banks		
Rupee Term Loan	10453.31	914.36
Foreign Currency Term Loan	772.51	1451.98
Supplier's Credit in Foreign Currency	2136.28	-
<b>Unsecured</b>		
Redeemable Non-Convertible Debentures	10203.89	10195.68
Other Loans		
From a Body Corporate	15000.00	-
	<u>38565.99</u>	<u>12562.02</u>

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
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**17. BORROWING NON-CURRENT (Contd.)**

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

**Secured**

Rupee Term Loans	416.12	416.67
Foreign Currency Term Loan	772.51	731.27
Supplier's Credit in Foreign Currency	10.15	-

**Unsecured**

Redeemable Non-Convertible Debentures	1884.22	195.68
	<b>3083.00</b>	<b>1343.62</b>
	<b>35482.99</b>	<b>11218.40</b>

- (a) Rupee Term Loans (other than Term Loan of ₹ 10000.00 lakhs taken from a bank) and Foreign Currency Term Loan are secured by way of hypothecation of moveable fixed assets, both present and future and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company, ranking pari-passu inter-se amongst consortium lenders. The said Term Loans are further secured by second charge by way of hypothecation of entire Current Assets, both present and future, of the Company viz inventories, bills receivables, book debts, claims, etc. Rupee Term Loan of ₹ 250.00 lakhs carries rate of interest of 10.00% p.a. and is repayable in remaining 6 quarterly instalments upto September, 2020. Another Rupee Term Loan of ₹ 249.45 lakhs and Foreign Currency Term Loan are repayable in remaining 4 quarterly instalments upto January, 2020. Rupee Term Loan carries rate of Interest of 9.95% p.a. Foreign Currency Term Loan carries rate of interest of 4.65% p.a. and 10.25% p. a. (fully hedged) on the reporting date.
- (b) Rupee Term Loan of ₹ 10000.00 lakhs taken from a bank is secured by way of hypothecation over the entire Passive Optical Fibre Cable Networks under IP-1 Assets, both present and future and repayable in 8 quarterly instalments starting from April, 2020. The said loan carries interest @10% p.a.
- (c) Supplier's Credit/Term Loan from a Bank in Foreign Currency from a bank is secured by way of exclusive hypothecation charge on certain Plant & Machinery procured under the facility both present & future. Supplier's Credit in Foreign Currency carries rate of interest of 0.63% p.a. to 4.91% p.a. and due for repayment in financial year 2021-22. The Company has an option on due date, to convert the said Supplier's Credit into Rupee Term Loan by a bank, repayable in quarterly instalments commencing from July, 2022.
- (d) Unsecured Non-Convertible Debentures Series I and Series II carry a coupon rate of 8.50% and 8.40% p.a., respectively and are redeemable fully "at par" as per details below :

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

- (d) Loans from a Body Corporate amounting to ₹ 15000.00 lakhs carries rate of interest of 9.50 % to 10.00% p.a. and are due for repayment in September and October, 2021.

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

Security Deposits	10.81	9.85
	<b>10.81</b>	<b>9.85</b>

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
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**19. PROVISIONS (NON-CURRENT)**

Provision for Employee Benefits		
Gratuity	52.68	-
Compensated Absences	14.36	16.64
Pension	27.06	28.24
Provision for Warranty*	<u>2286.31</u>	<u>2897.16</u>
	<u>2380.41</u>	<u>2942.04</u>

\* Provision for Warranty represents the expected cost of meeting obligations of rectification/replacement/major maintenance of certain products manufactured /outsourced and supplied by the Company and forming a part of the composite turnkey contracts and services being executed by the Company having stipulation of warranty and also in respect of certain contracts of supply of manufactured and outsourced products executed by the Company. It is expected that the expenditure will be incurred over the contractual warranty period.

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

WDV of Property, Plant and Equipments and Intangible Asset	724.04	663.71
Fair Value of Investment through Other Comprehensive Income	684.65	-
	<u>1408.69</u>	<u>663.71</u>

**(b) Deferred Tax Assets**

Allowance for Doubtful Receivables	61.02	58.42
Items Deductible on Payment Basis	226.66	302.58
	<u>287.68</u>	<u>361.00</u>

**Net Deferred Tax Liabilities**

	<u>1121.01</u>	<u>302.71</u>
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**Reconciliation of Deferred Tax Liabilities (Net):**

<b>Opening Balance</b>	<b>302.71</b>	276.40
Deferred Tax Expense recognised in the Statement of Profit and Loss	133.65	26.31
Deferred Tax on Other Comprehensive Income	684.65	-
<b>Closing Balance</b>	<b>1121.01</b>	302.71

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

Working Capital Demand Loans	14999.95	1509.61
Short Term Loan	-	2000.00
Cash Credit Facilities	28510.54	11400.53
Buyer's Credit	-	2119.62
Supplier's Credit in Foreign Currency	372.12	-
Export Packing Credit	702.53	2009.27
	<u>44585.14</u>	<u>19039.03</u>

**Other Loans (Unsecured)**

Commercial Paper (Face Value of ₹ 5.00 lakhs each)	-	15461.87
	-	15461.87
	<u>44585.14</u>	<u>34500.90</u>

(a) Working Capital Loans/Borrowings from Banks are generally renewable within twelve months from the date of sanction or immediately previous renewal, unless otherwise stated. The lender banks have a right to cancel the credit limits (either fully or



	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
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partially) and, inter alia, demand repayment in case of non-compliance of terms and conditions of sanctions or deterioration in the sanctioned loan accounts in any manner.

- (b) Working Capital Loans/Borrowings (both fund and non-fund based) from Banks including Supplier's Credit in Foreign Currency are secured by way of hypothecation on entire Current Assets (excluding assets specifically charged to specific Project Lenders), both present and future, of the Company viz Inventories, bills receivables, book debts (trade receivables), claims, etc. and are further secured by way of first charge over entire fixed assets (excluding assets specifically charged to specific term and Project Lenders) of the Company alongwith other consortium members by way of hypothecation of entire movable fixed assets and equitable mortgage on certain immovable properties of the Company ranking pari-passu interse amongst consortium lenders. As a collateral security, the Working Capital Loans/Borrowings from Banks are additionally secured by way of pledge of 12,50,000 equity shares held by the Company in Birla Cable Limited and cross corporate guarantee of Birla Cable Limited.
- (c) Working Capital Loans/Borrowings of ₹ 23000.00 lakhs (both fund and non-fund based) from a bank are secured by way of exclusive charge on all the assets (including entire project cash flows) of a specific project.
- (d) Supplier's Credit in Foreign Currency availed from Banks are due for repayment in April and May, 2019 and carries interest rate of 0.70 % p.a. to 4.91% p.a.

## 22. TRADE PAYABLES

Due to Micro and Small Enterprises*	<b>5313.99</b>	3322.68
Due to Other than Micro and Small Enterprises	<b>61445.56</b>	43187.60
	<b>66759.55</b>	46510.28

\* Principal amount outstanding as at the year end. There is no overdue amount of principal and interest due to Micro and Small Enterprises. During the period, no interest has been paid to such Enterprises. This information has been determined to the extent such Enterprises have been identified on the basis of information available with the Company (Refer Note No. 42).

## 23. OTHER FINANCIAL LIABILITIES

Current Maturities of Long Term Borrowings	<b>3083.00</b>	1343.62
Accrued Employee Benefits Expense	<b>611.20</b>	416.23
Unclaimed Dividend*	<b>48.10</b>	33.31
Creditors/Liability Pertaining to Capital Expenditure	<b>494.37</b>	223.40
MTM on Swap/Forward Contracts	<b>21.12</b>	37.85
	<b>4257.79</b>	2054.41

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

## 24. OTHER CURRENT LIABILITIES

Statutory Dues	<b>2171.86</b>	1241.21
Contract Liability	<b>18414.30</b>	1259.21
Advances from Customers	<b>9265.82</b>	8044.96
	<b>29851.98</b>	10545.38

## 25. PROVISION

Provision for Employee Benefits		
Gratuity	<b>48.59</b>	46.94
Compensated Absences	<b>21.61</b>	19.65
Pension	<b>4.44</b>	4.44
Others	<b>248.12</b>	227.24
Provision for Warranty	<b>1671.84</b>	-
	<b>1994.60</b>	298.27

	For the year ended 31st March, 2019 (₹ in lakhs)	For the year ended 31st March, 2018 (₹ in lakhs)
<b>26. REVENUE FROM OPERATIONS</b>		
Sale of Products	53937.24	40286.16
Engineering, Procurement & Construction (EPC) Revenue and Services [Refer Note No. 38(a)]	154605.16	94228.67
Other Operating Income	994.55	623.63
[Including Export incentives of ₹ 131.65 lakhs (₹ 157.02 lakhs) and Sale of Scrap Materials ₹ 529.34 lakhs (₹ 463.53 lakhs)]		
	<b>209536.95</b>	<b>135138.46</b>
<b>27. OTHER INCOME</b>		
Interest Income	317.21	371.59
Dividend Income on Non Current Investments		
From Associate(s) measured at cost	538.84	414.72
From Equity Instruments measured at FVTOCI	58.00	-
Gain on Foreign Currency transactions (Net)	243.04	-
Rent Received	67.84	64.91
Allowances for Doubtful Debts Written Back (Net)	86.94	-
Profit on Disposal of Fixed Assets (Net)	1.68	10.61
Other Non Operating Income	18.79	52.94
	<b>1332.34</b>	<b>914.77</b>
<b>28. COST OF MATERIALS AND OTHER CONTRACT EXPENSES</b>		
Materials Purchased	104030.72	58096.66
Other Engineering & Construction Expenses	43389.51	27422.55
	<b>147420.23</b>	<b>85519.21</b>
<b>29. CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN TRADE, ETC.</b>		
<b>Closing Inventories</b>		
Work-in-Progress	73305.87	31760.19
Finished Goods	-	-
Scrap Materials	35.04	18.75
	<b>73340.91</b>	<b>31778.94</b>
<b>Opening Inventories</b>		
Work-in-Progress	31760.19	14251.97
Finished Goods	-	-
Scrap Materials	18.75	81.00
	<b>31778.94</b>	<b>14332.97</b>
	<b>(41561.97)</b>	<b>(17445.97)</b>
<b>30. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Benefits, etc.	7953.55	5621.32
Contribution to Provident and Other Funds, etc.	405.74	371.63
Employees Welfare Expenses	343.87	290.20
	<b>8703.16</b>	<b>6283.15</b>

	For the year ended 31st March, 2019 (₹ in lakhs)	For the year ended 31st March, 2018 (₹ in lakhs)
<b>31. FINANCE COSTS</b>		
Interest Expense	6074.19	3743.42
Other Borrowing Costs	1550.06	976.51
	<u>7624.25</u>	<u>4719.93</u>
<b>32. DEPRECIATION AND AMORTISATION EXPENSE</b>		
On Property, Plant and Equipment	1967.49	1312.54
On Investment Property	2.32	2.32
On Intangible Assets	20.65	17.21
	<u>1990.46</u>	<u>1332.07</u>
<b>33. OTHER EXPENSES</b>		
Consumption of Stores and Spares	910.24	540.97
Packing Materials	1787.99	1157.05
Processing/Job work and Testing Charges	110.60	72.60
Power and Fuel	984.87	853.07
Sales Commission (other than sole selling agent)	37.73	76.95
Rent	739.00	539.98
Repair & Maintenance		
Plant & Equipment	182.85	69.89
Buildings	410.52	99.73
Others	79.18	33.86
Insurance	475.01	303.45
Rates & Taxes	1622.75	1048.15
Travelling and Conveyance	1542.05	1149.65
Payment to Auditors		
Statutory Auditors		
Audit Fees	15.00	15.00
Tax Audit Fee	1.00	1.00
Quarterly Reviews	4.50	4.50
Taxation Matters	0.60	0.30
Certification, etc.	6.10	8.50
Reimbursement of Expenses	1.06	1.27
Cost Auditors		
Audit Fees	0.55	0.55
Certification, etc.	-	0.22
Reimbursement of Expenses	0.09	0.15
Legal and Professional	189.01	215.21
Allowance for Doubtful Trade Receivables	174.63	68.35
Bad Debts/Sundry Balances Written Off (Net)	246.55	225.86
Foreign Exchange Rate Fluctuation (Net)	-	41.71
Warranty Expenses (Net)	1259.90	662.07
Miscellaneous Expenses [Including ₹ 220.40 lakhs (₹179.12 lakhs) incurred towards Corporate Social Responsibility]	1413.99	1512.80
	<u>12195.77</u>	<u>8702.84</u>

	For the year ended 31st March, 2019 (₹ in lakhs)	For the year ended 31st March, 2018 (₹ in lakhs)
<b>34. TAX EXPENSE</b>		
<b>Amount Recognised in the Statement of Profit and Loss</b>		
<b>Current Tax</b>		
Current Tax	8688.37	4252.69
Tax adjustment of earlier years	1.59	(11.37)
	<u>8689.96</u>	<u>4241.32</u>
Deferred Tax Charge/(Credit)	133.65	26.31
<b>Total Tax Expense</b>	<u>8823.61</u>	<u>4267.63</u>
<b>Amount Recognised in the OCI</b>		
Deferred Tax on Equity Instrument through OCI	684.65	-
Current Income Tax on Re-measurement of Defined Benefit Plan	(18.37)	2.31
<b>Total Tax Expense</b>	<u>666.28</u>	<u>2.31</u>
<b>Reconciliation of effective tax rate:</b>		
Accounting Profit Before Income Tax	25689.13	12600.70
Enacted Income Tax Rate	34.94%	34.61%
Tax at applicable Statutory Income Tax Rate	8976.81	4360.85
Tax Effect of Exempt Income	(208.56)	(144.92)
Tax Effect of Permanent Disallowances	40.36	58.38
Tax effect of change in Tax rates	-	3.90
Others	13.41	0.79
Tax adjustment of earlier years	1.59	(11.37)
Tax Expenses Recognised in the Statement of Profit and Loss	8823.61	4267.63
Effective Income Tax Rate	34.35%	33.87%

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

Particulars	As at 31st March, 2019	As at 31st March, 2018
Weighted Average Number of Equity Shares outstanding during the year	11850863	11850863
Profit for the year (₹ in lakhs)	16865.52	8333.07
Nominal value of each equity share (₹)	10.00	10.00
EPS (Basic and Diluted)	142.31	70.32

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

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

- (iv) Cross corporate guarantee given to consortium of banks as collateral against term loan(s) and working capital credit facilities granted to a Body Corporate - Refer Note No. 46(a).
- (b) Commitments:
- (i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 1357.85 lakhs (₹ 3966.01 lakhs).
- (ii) For Commitments relating to lease agreements (Refer Note No. 43)
- (c) The Board of Directors in its meeting held on 16th May, 2019 has recommended a dividend of ₹ 12 per share (₹ 10 per share) per fully paid up equity shares of ₹ 10/- each for the financial year ended on 31st March, 2019. The same is subject to approval by the shareholders in the ensuing Annual General Meeting of the Company.
37. The Company has obtained an approval under Modified Special Incentives Package Scheme (M-SIPS) from the Ministry of Electronics & Information Technology, Government of India (MeitY) vide letter dated 17th August, 2018 for financial incentives pertaining to Phase I of the Optical Fibre Cable capacity expansion project implemented at Rewa (Madhya Pradesh). Based on the aforesaid approval accorded by the MeitY, the Company is eligible for subsidy to the maximum extent of ₹ 952.00 lakhs calculated on the basis of eligible capital expenditure under M-SIPS, subject to compliance with the governing terms and conditions of the said approval letter. The said subsidy shall be appropriately dealt with in the Books of Account as and when the Company's application for disbursement is finally approved by the designated authority/MeitY in accordance with the procedure prescribed under the M-SIPS.

### 38. Revenue from Contracts with Customers

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" replacing Ind AS 18 "Revenue" and Ind AS 11 "Construction Contracts" for reporting periods beginning 1st April, 2018 using cumulative catch up transition method. The application of said Ind AS 115 did not have material impact on measurement of revenue and other related items in the financial statements for the year ended 31st March, 2019. Other relevant disclosures in terms of said Ind AS 115 are stated herein:

- (a) The Disaggregation of the Company's Revenue from Customers are given below :

(₹ in lakhs)

Types of Goods/ Services	31st March, 2019	31st March, 2018
Sale of Manufacturing Products (Predominantly Telecommunication Cables)	<b>53937.24</b>	40286.16
(Net of Inter segment Revenue: ₹ 15591.89 lakhs (₹ 6294.56 lakhs))		
Engineering, Procurement and Construction (Turnkey Contracts & Services Business)		
- Construction Contracts	<b>87304.48</b>	67,002.71
- Indefeasible Right of Usage (IRU)	<b>65420.89</b>	26,796.68
- Operation & Maintenance Services	<b>1879.79</b>	429.28
<b>Total Revenue from Contracts with Customers</b>	<b>208542.40</b>	134,514.83
<b>Timing of Revenue Recognition</b>		
- Good/Services Transferred at a Point in Time	<b>119358.13</b>	67,082.84
- Good/Services Transferred Over Time	<b>89184.27</b>	67,431.99
<b>Total Revenue from Contracts with Customers</b>	<b>208542.40</b>	134514.83

- (b) Contract Balances :

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Trade Receivables	<b>122833.12</b>	72054.11
Contract Assets	<b>10223.78</b>	12,510.16
Contract Liabilities	<b>27680.12</b>	9304.17

Trade Receivables are non-interest bearing and are generally due within 90 days except retention money held by the customers as per the governing terms and conditions of the contracts. During the Current year, the Company has recognised a provision for expected credit losses of ₹ 174.63 lakhs (₹ 86.94 lakhs) on Trade Receivables.

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

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

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Revenue as per Contract Price	<b>228393.24</b>	130191.53
Adjustments		
Less: Sales Return, Discount, Rebate, Customer Claim and Others	<b>(409.37)</b>	(871.78)
Less: Opening Balance of Contract Assets	<b>(12510.16)</b>	(7690.42)
Add: Closing Balance of Contract Assets	<b>10223.78</b>	12510.16
Add: Opening Balance of Contract Liability	<b>1259.21</b>	1634.55
Less: Closing Balance of Contract Liability	<b>(18414.30)</b>	(1259.21)
Revenue as per Statement of Profit and Loss	<b>208542.40</b>	134514.83

- (d) The Transaction Price allocated to the Remaining Performance Obligations (unsatisfied or partially unsatisfied) as at 31st March, 2019:

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Upto one year	<b>117401.15</b>	81391.33
One to three year	<b>12158.00</b>	81365.04

- (e) The Revenue from Operations for periods upto 30th June, 2017 were reported inclusive of excise duty. Consequent to the implementation of Goods and Services Tax (GST) law effective from 1st July, 2017, the Revenue from Operations for the year ended March 31, 2019 are reported net of GST, in accordance with the requirements of Ind AS. Accordingly, the Revenue from Operations for the year ended 31st March, 2019 are not comparable with the amounts reported in the corresponding previous year.

### 39. Employee Benefits:

- (a) Gratuity and Pension:

- (i) Amount of Net Employee Benefits Exposure recognised in the Statement of Profit and Loss:

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Current Service Cost	<b>73.92</b>	44.10	-	-
Interest Cost on Benefit Obligation	<b>51.76</b>	45.10	<b>2.28</b>	2.00
Expected Return on Plan Assets	<b>(50.91)</b>	(41.69)	-	-
Net Actuarial (Gain)/Loss Recognised	-	-	<b>0.98</b>	5.46
Net Employee Benefit Expense	<b>74.77</b>	47.51	<b>3.26</b>	7.46

- (ii) Amount recognised in Other Comprehensive Income:

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Actuarial Gain/ (Loss) on Plan Assets	<b>3.79</b>	5.31	-	-
Actuarial Gain/ (Loss) on DBO arising from- Experience Adjustment	<b>(32.61)</b>	(11.18)	-	-
Difference in Present Value of Obligation	<b>(23.76)</b>	12.54	-	-
Amount Recognised in OCI	<b>(52.58)</b>	6.67	-	-



(iii) Amount recognised in the Balance Sheet:

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Defined Benefit Obligation	<b>849.74</b>	686.80	<b>31.50</b>	32.68
Less: Fair Value of the Plan Assets	<b>747.11</b>	638.50	-	-
Less: Paid by Group Company	<b>1.36</b>	1.36	-	-
Net Asset/(Liability)	<b>(101.27)</b>	(46.94)	<b>(31.50)</b>	(32.68)

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

(₹ in lakhs)

Description	Gratuity		Pension	
	2018-19	2017-18	2018-19	2017-18
Opening Defined Benefit Obligation	<b>686.80</b>	628.30	<b>32.68</b>	34.10
Interest cost	<b>51.76</b>	45.10	<b>2.28</b>	2.00
Current Service Cost	<b>73.92</b>	44.10	-	-
Benefits Paid	<b>(19.11)</b>	(29.35)	<b>(4.44)</b>	(4.44)
Actuarial (Gain)/Loss	<b>56.37</b>	(1.35)	<b>0.98</b>	1.02
Closing Defined Benefit Obligation	<b>849.74</b>	686.80	<b>31.50</b>	32.68

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

(₹ in lakhs)

Description	Gratuity	
	2018-19	2017-18
Opening Fair Value of Plan Assets	<b>638.50</b>	543.00
Expected Return on Plan Assets	<b>50.91</b>	41.69
Contributions by Employer	<b>80.00</b>	83.88
Benefits Paid	<b>(26.09)</b>	(35.38)
Actuarial Gain/(Loss)	<b>3.79</b>	5.31
Closing Fair Value of Plan Assets	<b>747.11</b>	638.50

(vi) The major categories of Plan Assets in case of Gratuity as a percentage of the Fair Value of Total Plan Assets:

Description	Gratuity (%)	
	2018-19	2017-18
Investments with Insurer (Life Insurance Corporation of India)	<b>100</b>	100

The overall expected rate of return on assets is determined based on the actual rate of return during the current year. The Company expects to contribute ₹ 140.00 lakhs to its defined benefit approved gratuity plan during the financial year 2019-20.

(vii) The principal assumptions used in determining Defined Benefit Obligations are shown below:

Description	Gratuity		Pension	
	2018-19	2017-18	2018-19	2017-18
Mortality Table	<b>IAL (2012-14) Ultimate</b>	IAL (2006-08) Ultimate	<b>LIC(1996-98) Ultimate</b>	LIC(1996-98) Ultimate
Attrition Rate	<b>5.00% p.a.</b>	5.00% p.a.	<b>N.A.</b>	N.A.
Imputed Rate of Interest (IC)	<b>7.65% p.a.</b>	7.35% p.a.	<b>7.50% p.a.</b>	7.30% p.a.
Imputed Rate of Interest (D)	<b>7.65% p.a.</b>	7.65% p.a.	<b>7.60% p.a.</b>	7.50% p.a.
Salary Rise	<b>8.00% p.a.</b>	7.50% p.a.	<b>N.A.</b>	N.A.
Expected Return on Plan Assets	<b>7.65% p.a.</b>	7.35% p.a.	<b>N.A.</b>	N.A.
Remaining Working Life (Years)	<b>21.43 years</b>	14.55 years	<b>N.A.</b>	N.A.

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

(viii) Quantitative Sensitivity Analysis for Significant Assumptions:

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

(₹ in lakhs)

Description	Delta Effect of	31st March, 2019		31st March, 2018	
		Decrease	Increase	Decrease	Increase
Gratuity					
Discount Rate	1%	<b>51.51</b>	<b>(46.28)</b>	43.30	(39.18)
Salary Growth Rate	1%	<b>(46.55)</b>	<b>50.84</b>	(39.59)	42.94
Attrition Rate	1%	<b>2.69</b>	<b>(2.50)</b>	0.37	(0.45)

(ix) Maturity Profile of Defined Benefit Obligation:

(₹ in lakhs)

Description	Gratuity	
	2018-19	2017-18
Within next 12 months (next annual reporting period)	<b>50.15</b>	34.95
Between 1 to 5 years	<b>529.05</b>	401.28
Between 5 to 10 years	<b>384.23</b>	384.06
10 years and above	<b>507.98</b>	364.36

(b) Provident Fund :

The Company contributes its share to an approved provident fund trust. The Company is liable for shortfall, if any, in the fund asset based on the government specified minimum rate of return. Based on the valuation made by an independent actuary, there is no shortfall as at 31st March, 2019. The Company's aggregate contribution of ₹ 221.15 lakhs (₹ 199.84 lakhs) to the said fund is charged to the Statement of Profit and Loss.

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

(₹ in lakhs)

Defined Contribution Plan	2018-19	2017-18
Plan Asset Fair Value	<b>3688.87</b>	3142.77
Present Value of Defined Benefit Obligation	<b>3623.58</b>	3056.80
Shortfall if any	-	-
Assumption used in determining the Present Value of DBO		
- Discounted rate	<b>8.65% p.a.</b>	8.55% p.a.
- Yield	<b>8.85% p.a.</b>	8.83% p.a.

(c) Defined Contribution Plan:

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

(₹ in lakhs)

Defined Contribution Plan	2018-19	2017-18
Contribution to Superannuation Fund	53.70	48.27
Contribution to Employee's Regional Provident Fund (J&K)	7.02	4.24

**40. Segment Information:**

Details of the each operating segment :

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

**EPC(Engineering, Procurement & Construction)** – The Company undertakes and executes contracts and/or provide infrastructure related services with or without materials, as the case may be

**(a) Information about Operating Segments**

(₹ in lakhs)

Business Segments	Year ended 31st March, 2019			Year ended 31st March, 2018		
	Cable	EPC	Total	Cable	EPC	Total
<b>Revenue</b>						
External Sales and Other Operating Income (Net)	54653.19	154883.76	209536.95	40736.39	94402.07	135138.46
Inter Segment Sales (at arm's length basis)	15591.89	-	15591.89	6294.56	-	6294.56
Other Income*	378.26	(27.81)	350.45	51.25	12.30	63.55
<b>Total Revenue from Operations</b>	<b>70623.34</b>	<b>154855.95</b>	<b>225479.29</b>	<b>47082.20</b>	<b>94414.37</b>	<b>141496.57</b>
<b>Results</b>						
Segment Results (PBIT)	10804.78	20464.95	31269.73	6231.85	9663.72	15895.57
Interest Expense (Net)			(5756.98)			(3371.83)
Unallocable Income/(Expense) (Net)			176.38			76.96
Tax Expenses (Net)			(8823.61)			(4267.63)
<b>Profit After Tax</b>			<b>16865.52</b>			<b>8333.07</b>
<b>Other Information</b>						
Segment Assets	46043.43	191955.23	237998.66	36203.79	108858.32	145062.11
Unallocable Assets			22923.51			16687.47
<b>Total Assets</b>			<b>260922.17</b>			<b>161749.58</b>
Segment Liabilities	15848.95	86264.28	102113.23	10597.76	50337.84	60935.60
Unallocable Liabilities			85759.03			47903.11
<b>Total Liabilities</b>			<b>187872.26</b>			<b>108838.71</b>
Capital Expenditure Incurred	5812.10	194.05	6006.15	2030.13	185.56	2215.69
Depreciation and Amortisation	1606.21	384.25	1990.46	935.55	396.52	1332.07

\*Excludes ₹ 981.89 lakhs (₹ 851.22 lakhs) netted off from unallocated expenses and interest expense.

**(b) Geographical Segments:**

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

(₹ in lakhs)

Sl. No.	Geographical Segments	2018-19	2017-18
(i)	Domestic Market (within India)	<b>206776.51</b>	131521.09
(ii)	Overseas Markets (outside India)	<b>2760.44</b>	3617.37
	<b>Total</b>	<b>209536.95</b>	135138.46

The Company has common fixed assets for manufacturing goods/ providing services in the domestic market as well as for the overseas markets. Hence, separate figures for fixed assets/ additions to fixed assets have not been furnished.

- (c) Revenue from two customer of EPC business segment was ₹ 73165.73 lakhs (₹ 28820.41 lakhs), which is more than 10% of the total revenue of the Company.

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

(i)	Wholly Owned Subsidiaries	August Agents Limited (AAL) Insilco Agents Limited (IAL) Laneseda Agents Limited (LAL)																
(ii)	Joint Ventures (Joint Arrangements)	Birla Visabeira Private Limited (BVPL)																
(iii)	Entity where a Key Management Personnel (KMP) / Relatives of KMP have significant influence	Shakun Polymers Limited (SPL)																
(iv)	Associate Companies	Universal Cables Limited (UCL) Birla Corporation Limited (B.CORP) Punjab Produce Holdings Limited (PPHL)																
(v)	Joint Venture of an Associate Company	Birla Furukawa Fibre Optics Private Limited (BFFOPL)																
(vi)	Wholly Owned Subsidiary of an Associate Company	RCCPL Private Limited (RCCPL)																
(vii)	Key Management Personnel (KMP)	<table border="0"> <tr> <td>Shri Harsh V. Lodha</td> <td>Chairman</td> </tr> <tr> <td>Shri J. Veeraraghavan</td> <td rowspan="7">Non-Executive Directors</td> </tr> <tr> <td>Shri S.K. Misra</td> </tr> <tr> <td>Shri R.C. Tapuriah</td> </tr> <tr> <td>Shri D.R. Bansal</td> </tr> <tr> <td>Shri Pracheta Majumdar</td> </tr> <tr> <td>Shri Shiv Dayal Kapoor</td> </tr> <tr> <td>Smt. Kiran Aggarwal</td> </tr> <tr> <td>Shri Dilip Ganesh Karnik</td> <td rowspan="3">Managing Director Chief Financial Officer Company Secretary</td> </tr> <tr> <td>Shri Y.S. Lodha</td> </tr> <tr> <td>Shri Saurabh Chhajer</td> </tr> <tr> <td>Shri Satyendu Pattnaik</td> <td></td> </tr> </table>	Shri Harsh V. Lodha	Chairman	Shri J. Veeraraghavan	Non-Executive Directors	Shri S.K. Misra	Shri R.C. Tapuriah	Shri D.R. Bansal	Shri Pracheta Majumdar	Shri Shiv Dayal Kapoor	Smt. Kiran Aggarwal	Shri Dilip Ganesh Karnik	Managing Director Chief Financial Officer Company Secretary	Shri Y.S. Lodha	Shri Saurabh Chhajer	Shri Satyendu Pattnaik	
Shri Harsh V. Lodha	Chairman																	
Shri J. Veeraraghavan	Non-Executive Directors																	
Shri S.K. Misra																		
Shri R.C. Tapuriah																		
Shri D.R. Bansal																		
Shri Pracheta Majumdar																		
Shri Shiv Dayal Kapoor																		
Smt. Kiran Aggarwal																		
Shri Dilip Ganesh Karnik	Managing Director Chief Financial Officer Company Secretary																	
Shri Y.S. Lodha																		
Shri Saurabh Chhajer																		
Shri Satyendu Pattnaik																		
(viii)	Post Employment Benefit Plan Entities	VTL Employees Group Gratuity Cum Life Assurance Scheme (VGF) Employees Provident Fund (EPF) UCL Superannuation Fund (USAF)																

**(I) Details of transactions with Related Parties:**

(₹ in lakhs)

Sl. No.	Nature of Transaction	Year	AAL	IAL	LAL	BVPL	UCL	B.CORP	PPHL	RCCPL	BFFOPL	SPL	VGf	EPF	USAF
(i)	Purchase of Finished Goods/ Traded Goods, Raw Materials	2018-19	-	-	-	-	11157.42	4.50	-	91.06	17302.75	836.85	-	-	-
		2017-18	-	-	-	-	6374.68	-	-	96.84	9427.13	721.44	-	-	-
(ii)	Sale of Finished Goods, Traded Goods, Raw Materials and Consumables	2018-19	-	-	-	-	1395.07	119.92	-	86.17	10.26	0.32	-	-	-
		2017-18	-	-	-	-	55.53	59.48	-	80.45	3.97	-	-	-	-
(iii)	Sale of Old/ Used Fixed Assets	2018-19	-	-	-	-	22.17	-	-	-	-	-	-	-	-
		2017-18	-	-	-	-	-	-	-	-	-	-	-	-	-
(iv)	Other Service Charges/Lease Rent Received	2018-19	-	-	-	-	6.32	-	-	-	-	-	-	-	-
		2017-18	-	-	-	-	1.15	-	-	-	-	-	-	-	-
(v)	Other Service Charges/Lease Rent Paid	2018-19	-	-	-	-	7.68	7.08	-	-	3.55	-	-	-	-
		2017-18	-	-	-	-	4.61	7.08	-	-	-	-	-	-	-
(vi)	Dividend Received	2018-19	-	-	-	-	124.12	414.72	-	-	-	-	-	-	-
		2017-18	-	-	-	-	-	414.72	-	-	-	-	-	-	-
(vii)	Dividend Paid	2018-19	-	-	-	-	345.45	0.01	12.18	-	-	-	-	-	-
		2017-18	-	-	-	-	241.82	0.01	8.53	-	-	-	-	-	-
(viii)	Contributions	2018-19	-	-	-	-	-	-	-	-	-	-	80.00	449.28	53.70
		2017-18	-	-	-	-	-	-	-	-	-	-	83.88	384.31	48.27
(ix)	Withdrawal	2018-19	-	-	-	-	-	-	-	-	-	-	19.11	87.72	-
		2017-18	-	-	-	-	-	-	-	-	-	-	29.35	230.97	-
(x)	Balance Outstanding at the year end														
	Non Current Investments in Equity Shares	2018-19	1525.02	1500.02	1500.02	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
		2017-18	1525.02	1500.02	1500.02	360.00	4945.62	1917.58	1200.00	-	-	-	-	-	-
	Trade Payables	2018-19	-	-	-	-	3843.58	-	-	-	6058.16	177.56	-	-	-
		2017-18	-	-	-	-	879.55	-	-	-	3547.28	130.17	-	-	-
	Receivable	2018-19	-	-	-	-	-	2.68	-	12.31	-	-	-	-	-
		2017-18	-	-	-	-	-	5.79	-	59.67	1.17	-	-	-	-

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

(₹ in lakhs)

Particulars	Shri Y.S. Lodha		Shri Saurabh Chhajer		Shri Satyendu Pattnaik		Shri R.K. Agarwal		Non Executive Directors	
	Managing Director		Chief Financial Officer		Company Secretary		Vice President Commercial & Secretary			
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Short Term Employee Benefit	184.57	136.86	44.01	36.84	19.14	10.65	-	9.78	-	-
Post Employment Benefit (Refer footnote no. (i))	-	-	-	-	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-	-	-	21.85	25.40
Balance Outstanding at the year end (Payable/ (Receivable))	-	-	-	-	-	-	-	-	-	-

**Notes:**

- (i) The remuneration to Key Managerial Personnel(s) other than Non-Executive Directors does not include provision/ payment towards incremental liability on account of gratuity and compensated absences since actuarial valuation is done for the Company as a whole.
- (ii) Transaction mentioned above are inclusive of Goods and Services Tax (GST), wherever applicable.
- (iii) 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.
- (iv) Transactions and balances relating to reimbursement of expenses to/from the above Related Parties have not been considered in the above disclosure.

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

(₹ in lakhs)

Sl. No.	Nature of Transactions	2018-19	2017-18
(i)	Interest paid on Inter Corporate Loan	147.95	-
(ii)	Inter Corporate Loan Taken	3000.00	-
(iii)	Dividend Paid (excluding Dividend Distribution Tax)	129.14	90.40
(iv)	Outstanding Balance of Inter Corporate Loan	3000.00	-

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

(₹ in lakhs)

Sl. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
(i)	The principal amount and interest due thereon remaining unpaid to any supplier at the end of each financial year.	5313.99	3322.68
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro Small and Medium Enterprise Development Act 2006.	-	-
(iv)	The amount of interest accrued and remaining unpaid.	-	-
(v)	The amount of further interest remaining due and payable in the succeeding year until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act 2006.	-	-

**43. Leases:**

(a) Operating Lease :

The Company has taken certain offices and residential premises/facilities under operating lease/ sub-lease agreements. The lease agreements generally have an escalation clause and are not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease/sub-lease agreements. The aggregate lease rental of ₹ 261.18 lakhs (₹173.46 lakhs) have been charged to the Statement of Profit and Loss.

(b) Finance Lease:

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



(₹ in lakhs)

Sl. No.	Particulars	2018-19	2017-18
(i)	Revenue from IRU recognised as an Outright Sale	<b>65420.89</b>	26796.68
(ii)	Cost of Sale and Warranty	<b>58073.69</b>	23931.95
(iii)	Profit Recognised [(i)-(ii)]	<b>7347.20</b>	2864.73

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

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
At the beginning of the Year	<b>2897.16</b>	2235.08
Arising during the year	<b>1311.48</b>	713.66
Utilized/Written Back during the year	<b>250.49</b>	51.58
At the end of the year	<b>3958.15</b>	2897.16

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

- (a) Gross amount required to be spent by the Company during the year in pursuance to the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder – ₹ 219.84 lakhs (₹ 179.12 lakhs).
- (b) Details of amount actually spent by the Company :

(₹ in lakhs)

Sl. No.	Particulars	31st March, 2019			31st March, 2018		
		Amount Spent	Amount Yet to be Spent	Total	Amount Spent	Amount Yet to be Spent	Total
(i)	Construction/acquisition of any asset	-	-	-	-	-	-
(ii)	Other Purposes –						
	(a) Contribution to an approved/registered trust Madhav Prasad Priyamvada Birla Apex Charitable Trust', in which a director and his relatives are trustees, for undertaking approved CSR projects/programmes/activities.	<b>208.70</b>	-	<b>208.70</b>	177.42	-	177.42
	(b) Direct Contribution for approved CSR projects/programmes/activities.	<b>11.70</b>	-	<b>11.70</b>	1.70	-	1.70

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

- (a) Corporate Guarantee given:

(₹ in lakhs)

Name of the Company	As at 31st March, 2019	As at 31st March, 2018	Purpose
Birla Cable Limited (BCL)	<b>16415.00</b>	17965.00	* Cross corporate guarantee given to consortium of banks as collateral against term loan(s) and working capital credit facilities granted to BCL.

**Note :**

- \* BCL has also given a cross corporate guarantee of ₹ 218361.00 lakhs (₹ 218361.00 lakhs) against total credit facilities availed by the Company from consortium of banks.
- (b) Investments made: Details of Investments made are given in Note No. 5.

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

(₹ in lakhs)

Sl. No.	Particulars	Fair Value Hierarchy	Note No.	As at 31st March, 2019		As at 31st March, 2018	
				Carrying Value	Fair Value	Carrying Value	Fair Value
<b>I</b>	<b>Financial Assets</b>						
(a)	At Fair Value through Other Comprehensive Income (FVTOCI)						
	-Investment in Quoted Equity Instruments	Level 1	A	<b>8911.85</b>	<b>8911.85</b>	3535.17	3535.17
	-Investment in Un-Quoted Equity Instruments	Level 3	B	<b>175.41</b>	<b>175.41</b>	132.88	132.88
(b)	At Amortised Cost						
	-Trade Receivables	}	C	<b>122833.12</b>	<b>122833.12</b>	72054.11	72054.11
	-Other Financial Asset			<b>3190.44</b>	<b>3190.44</b>	6695.71	6695.71
	-Cash and Cash Equivalents			<b>156.51</b>	<b>156.51</b>	284.87	284.87
	-Other Bank Balances			<b>3389.08</b>	<b>3389.08</b>	3150.50	3150.50
	<b>Total Financial Assets</b>			<b>138656.41</b>	<b>138656.41</b>	85853.24	85853.24
<b>II</b>	<b>Financial Liabilities</b>						
(a)	At Amortised Cost						
	-Borrowings	}	C	<b>83151.13</b>	<b>83151.13</b>	47062.92	47062.92
	-Trade Payable			<b>66759.55</b>	<b>66759.55</b>	46510.28	46510.28
	-Other Financial Liabilities			<b>1164.48</b>	<b>1164.48</b>	682.79	682.79
(b)	At Fair Value through Profit or Loss (FVTPL) [Provision for MTM on Derivative Instruments (Net)]						
	-Foreign Exchange Forward Contract	Level-2	D	<b>27.52</b>	<b>27.52</b>	0.29	0.29
	-Foreign Exchange Swap Contracts	Level-2	D	<b>(6.40)</b>	<b>(6.40)</b>	37.56	37.56
	<b>Total Financial Liabilities</b>			<b>151096.28</b>	<b>151096.28</b>	94293.84	94293.84

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

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

**Fair Value Hierarchy**

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

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

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

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

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

**(a) Market Risk:**

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

(i) Foreign Currency Risk:

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

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

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	In Foreign Currency	₹ In lakhs		In Foreign Currency	₹ In lakhs	
<b>Hedged :</b>						
Financial Liabilities						
Foreign currency exposures covered by Forward Contracts						
Long-term Borrowings	USD	695136.27	484.02	USD	1247834.76	820.97
Short-term Borrowings	USD	350000.00	243.71	USD	470552.96	308.68
	EUR	157500.00	123.92	EUR	-	-
Other Payables	USD	1903827.00	1325.63	USD	1216490.00	798.02
<b>Total Hedged:</b>	USD	2948963.27	2053.36	USD	2934877.72	1927.67
	EUR	157500.00	123.92	EUR	-	-
<b>Unhedged :</b>						
Financial Liabilities						
Long-term Borrowings	USD	964400.05	671.51	USD	961904.59	631.01
	EUR	2230590.88	1755.03	EUR	-	-
Short-term Borrowings	USD	5392.57	3.75	USD	1535289.35	1007.15
	EUR	940.19	0.74	EUR	990129.90	803.79
Other Payables	USD	61809.00	43.04	USD	1151870.00	755.63
	EUR	283105.76	222.75	EUR	130229.00	105.72
Financial Assets						
Receivables	USD	307236.59	211.32	USD	2392636.00	1549.23
	NPR	11348757.00	70.93	NPR	21204522.00	132.53
Bank Balances	USD	1.00	-	USD	1.00	-
	NPR	5605272.00	35.03	NPR	5437647.00	33.99
<b>Net Unhedged Exposure</b>	USD	724364.03	506.98	USD	1256426.94	844.56
	NPR	(16954029.00)	(105.96)	NPR	(26642169.00)	(166.52)
	EUR	2514636.83	1978.52	EUR	1120358.90	909.51

Foreign Currency Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in USD/EURO with all other variables held constant. The impact on Company's profit before tax is due to changes in the fair value of monetary assets and liabilities consequent to changes in the foreign exchange rate as under:

(₹ in lakhs)

Particulars	2018-19	2017-18
Change in USD	(+)5%	(+)5%
Effect on Profit before Tax	(25.35)	(42.23)
Change in USD	(-)5%	(-)5%
Effect on Profit before Tax	25.35	42.23

(₹ in lakhs)

Particulars	2018-19	2017-18
Change in EURO	(+) <b>5%</b>	(+) <b>5%</b>
Effect on Profit before Tax	<b>(98.93)</b>	(45.48)
Change in EURO	(-) <b>5%</b>	(-) <b>5%</b>
Effect on Profit before Tax	<b>98.93</b>	45.48

## (ii) Interest Rate Risk:

Interest rate risk has underlying risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates could have unforeseen impact on Company's cost of borrowings, thus impacting the profit and loss. The Company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments like Interest Rate Swap, interest rate negotiations and low cost instruments like Commercial Papers and fixed interest bearing Redeemable Non-Convertible Debentures.

(₹ in lakhs)

Type of Exposure	As at 31st March, 2019	As at 31st March, 2018
A. Fixed Rate Borrowings	<b>25203.89</b>	25657.55
B. Variable Rate Borrowings (including Short term Borrowings)	<b>57947.24</b>	21405.37
Less : Borrowings Hedged by Swap Contracts	<b>(772.51)</b>	(1451.98)
	<b>57174.73</b>	19953.39

## Interest Rate Sensitivity:

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

(₹ in lakhs)

Particulars	2018-19	2017-18
Interest Rate increase by 0.25%	<b>(142.94)</b>	(49.88)
Interest Rate decrease by 0.25%	<b>142.94</b>	49.88

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

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

## (iv) Commodity Price Risk:

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

## (v) Equity Price Risk:

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

**(b) Credit Risk:**

Credit risk is the risk that counterparty might not honour its obligations under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and corporate guarantee given to banks as collateral against term loan(s) and working capital credit facilities to a body corporate, Birla Cable Limited.

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

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

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

### (c) Liquidity Risk:

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

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

(₹ in lakhs)

Particulars	Carrying Value	Payable on Demand*	Upto 12 Months	1 to 5 Years
<b>As at 31st March, 2019</b>				
Borrowings*	<b>83151.13</b>	<b>44213.02</b>	<b>3455.12</b>	<b>35482.99</b>
Trade and Other Payables	<b>67945.15</b>	<b>48.10</b>	<b>67886.24</b>	<b>10.81</b>
<b>Total</b>	<b>151096.28</b>	<b>44261.12</b>	<b>71341.36</b>	<b>35493.80</b>
<b>As at 31st March, 2018</b>				
Borrowings*	47062.92	14919.41	20729.43	11414.08
Trade and Other Payables	47230.92	33.31	47187.76	9.85
<b>Total</b>	<b>94293.84</b>	<b>14952.72</b>	<b>67917.19</b>	<b>11423.93</b>

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

### 49. Capital Management:

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

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

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Borrowings	<b>83151.13</b>	47062.92
Less: Cash and Cash Equivalents	<b>156.51</b>	284.87
<b>Net Debt</b>	<b>82994.62</b>	46778.05
Equity Share Capital	<b>1184.58</b>	1184.21
Other Equity	<b>71865.33</b>	51726.66
<b>Total Capital</b>	<b>73049.91</b>	52910.87
<b>Capital and Net Debt</b>	<b>156044.53</b>	99688.92
<b>Gearing Ratio</b>	<b>53.19%</b>	46.92%

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

As per our attached report of even date.

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

J. Veeraraghavan  
(DIN : 00078998)  
D.R. Bansal  
(DIN : 00050612)  
Kiran Aggarwal  
(DIN : 06991807)

Karthik Srinivasan  
Partner  
Membership No. 514998

New Delhi, May 16, 2019

Signatures to Notes 1 to 50

Harsh V. Lodha  
(DIN : 00394094)

Chairman

S.K. Misra  
(DIN : 00009411)

Shiv Dayal Kapoor  
(DIN : 00043634)

Dilip Ganesh Karnik  
(DIN : 06419513)

Directors

Y.S. Lodha  
(DIN : 00052861)

Managing Director

Saurabh Chhajer  
Rajesh Ramnani

Chief Financial Officer  
Company Secretary

New Delhi, May 16, 2019



# Independent Auditor's Report on Consolidated Financial Statement

TO THE MEMBERS OF VINDHYA TELELINKS LIMITED

## Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Vindhya Telelinks Limited (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), its joint venture and associates, which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint venture and associates, as at 31st March, 2019 and their consolidated profit, consolidated total comprehensive income, consolidated cash flows and their consolidated changes in equity for the year ended on that date

### Basis for Opinion

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

### Key Audit Matters

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

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

<p><b>2 Cost estimation for Lease arrangements (IRU):</b></p> <p>The Company as a lessor enters into certain non-cancellable long-term finance lease arrangements for passive optical fibre cable networks under IP-1 on Indefeasible Right to Use (IRU) basis. As per the accounting policy, these transactions are treated as an Outright sales. Profit or loss resulting from outright sales is recognised in the statement of profit and loss immediately. The cost of sales and carrying amount of unsold passive optical fibre network under IP-1 are determined. This involves making estimates and judgement with respect to allocation of materials, subcontracting cost and other costs on the basis of total estimated fibre pairs/duct to be sold under a specific route. The estimates and underlying assumptions are reviewed on a periodic basis.</p>	<p>Our audit procedures included the review of:</p> <ul style="list-style-type: none"> <li>the accounting treatment followed for revenue recognition vis-à-vis IRU contracts entered into by the Company.</li> <li>the terms and conditions of the contracts and evaluating the point of transfer of control.</li> <li>the estimates involved in allocation of cost of sales of IRU network backed by a specific lease arrangement.</li> <li>the adequacy of the disclosures in the Notes to the financial statements.</li> </ul>
<p><b>3 Recoverability of MAT credit entitlement in future – Relating to an associate Company.</b></p> <p>An associate has recognised deferred tax assets mainly on account of tax credit available for set off (Minimum Alternate Tax) under the Income Tax Act, 1961. Under Ind AS 12 – Income Taxes, deferred tax assets shall be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised. The assessment of valuation of deferred tax assets requires significant management judgement and estimation. This include, amongst others, making estimation of long-term future profitability, future revenue from proposed projects and tax regulations and developments.</p> <p>As a result, the recognition of the deferred tax asset by an Associate and its consequent impact (Parent's share in Associate) on the Net Assets and Profit of the Consolidated Financial Statements has been considered significant.</p>	<p>Audit procedures included, among others, review of:</p> <ul style="list-style-type: none"> <li>the appropriateness of the methodology applied by the associate Company with applicable Indian accounting standards and applicable taxation laws along with the future business forecast of taxable profits.</li> <li>the likelihood of the associate Company to utilize the available MAT credit entitlements in the future with underlying projections and assumptions relating to future estimated profits, future capitalisations and depreciation allowance thereon and future estimates of taxable income.</li> <li>the adequacy of the associate company's disclosures on deferred tax assets and assumptions used.</li> </ul>

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

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by other auditors to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by other auditors.

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

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

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

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

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

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

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

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

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

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

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

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

#### **Other Matters**

- (a) We did not audit the financial statements of 3 subsidiaries included in the consolidated financial statement, whose financial statements reflect total assets of ₹ 23060.86 lacs as at March 31, 2019, total revenues of ₹ 2419.47 lacs, total net profit after tax of 2066.15 lacs and total comprehensive income of ₹ 2210.06 lacs for the year ended on that date, as considered in the consolidated financial statement. The financial statement of the subsidiaries prepared under Accounting Standards (IGAAP) have been converted to Indian

Accounting Standards ('Ind AS') and audited by another auditor for the purpose of consolidation with the Parent Company. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.

- (b) The consolidated results also include the share of net (loss) (including OCI) of ₹ (2,365.07) lacs for the year ended March 31, 2019, in respect of an associate, whose financial statements have not been audited by us. The financial statements of such associate are unaudited and have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial results, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on such unaudited financial statements.

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

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

1. As required by Section 143 (3) of the Act, we report that:
  - (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 statement.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statement.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Parent as on March 31, 2019 and taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies, joint venture and associates none of the directors of the Group companies, its associate companies and a joint venture company incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditors' reports of the parent, subsidiary companies, associate companies and a joint venture company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and based on the reports of the statutory auditors of its subsidiary companies, joint venture and associates and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the parent company, subsidiaries, joint venture and associates to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and a joint venture.
    - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii) There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and a joint venture company incorporated in India.

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

Karthik Srinivasan  
Partner  
Membership No. 514998

Place : New Delhi  
Dated : May 16, 2019

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

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

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

In conjunction with our audit of the consolidated financial statements of the Group, its joint venture and its associate as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statement of Vindhya Telelinks Limited (hereinafter referred to as “Parent”) and its subsidiary companies (hereinafter referred to as “Group”), a joint venture and associate companies, which are Companies covered under the Act, as of that date.

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

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Parent, its subsidiary companies, its joint venture and its associate companies, which are based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies which are, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, its joint venture and associate companies.

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

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

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

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, its joint venture and associate companies, which are, have, in all material respects, an adequate internal financial controls system with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

### Other Matters

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

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

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

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

Karthik Srinivasan  
Partner  
Membership No. 514998

Place : New Delhi  
Dated : May 16, 2019



**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**

	Note No.	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	12764.10	8334.62
(b) Capital Work-in-Progress		-	454.85
(c) Investment Property	3	96.50	98.82
(d) Intangible Assets	4	65.41	86.06
(e) Investments accounted for using the Equity Method	5	163167.86	155805.23
(f) Financial Assets			
(i) Investments	6	17313.51	12823.58
(ii) Trade Receivables	7	1865.07	-
(iii) Loans	8	7800.00	2800.00
(iv) Other Financial Assets	9	1548.64	2785.36
(g) Non-Current Tax Assets (Net)		842.83	357.65
(h) Other Non-Current Assets	10	75.11	433.63
<b>Total Non-Current Assets</b>		<b>205539.03</b>	<b>183979.80</b>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	11	80314.74	37285.45
(b) Financial Assets			
(i) Trade Receivables	12	120968.05	72054.11
(ii) Loans	13	-	2000.00
(iii) Cash and Cash Equivalents	14	343.13	399.83
(iv) Other Bank Balances	15	3389.08	3150.50
(v) Other Financial Assets	16	1643.15	3911.70
(c) Non-Current Tax Assets (Net)		333.61	-
(d) Other Current Assets	17	14830.87	15905.27
(e) Assets Classified as Held for Sale/Disposal		8.50	2.00
<b>Total Current Assets</b>		<b>221831.13</b>	<b>134708.86</b>
<b>Total Assets</b>		<b>427370.16</b>	<b>318688.66</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	18	1184.58	1184.21
(b) Other Equity	19	238106.39	208395.03
<b>Total Equity</b>		<b>239290.97</b>	<b>209579.24</b>
<b>LIABILITIES</b>			
<b>(1) NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	20	35482.99	11218.40
(ii) Other Financial Liabilities	21	10.81	9.85
(b) Provisions	22	2380.41	2942.04
(c) Deferred Tax Liabilities (Net)	23	1301.64	550.72
<b>Total Non-current Liabilities</b>		<b>39175.85</b>	<b>14721.01</b>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	24	44585.14	34500.90
(ii) Trade Payables	25		
Due to Micro and Small Enterprises		5313.99	3322.68
Due to Other than Micro and Small Enterprises		61446.22	43159.66
(iii) Other Financial Liabilities	26	4257.79	2054.41
(b) Other Current Liabilities	27	29859.05	10573.97
(c) Provisions	28	2013.17	315.07
(d) Current Tax Liabilities (Net)		1427.98	461.72
<b>Total Current Liabilities</b>		<b>148903.34</b>	<b>94388.41</b>
<b>Total Equity and Liabilities</b>		<b>427370.16</b>	<b>318688.66</b>

The accompanying Notes No. 1 to 52 form an integral part of the Financial Statements.

As per our attached report of even date.

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

J. Veeraraghavan  
(DIN : 00078998)  
D.R. Bansal  
(DIN : 00050612)  
Kiran Aggarwal  
(DIN : 06991807)

Karthik Srinivasan  
Partner  
Membership No. 514998

Harsh V. Lodha  
(DIN : 00394094)

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

Y.S. Lodha  
(DIN : 00052861)

Saurabh Chhajer  
Rajesh Ramnani

New Delhi, May 16, 2019

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

	Note No.	For the year ended 31st March, 2019 (₹ in lakhs)	For the year ended 31st March, 2018 (₹ in lakhs)
<b>A INCOME</b>			
Revenue from Operations	29	<b>209536.95</b>	135138.46
Other Income	30	<b>3751.81</b>	3012.65
<b>Total Income</b>		<b>213288.76</b>	138151.11
<b>B EXPENSES</b>			
(i) Cost of Raw Materials Consumed		<b>48808.26</b>	33465.14
(ii) Cost of Materials and Other Contract Expenses	31	<b>147420.23</b>	85519.21
(iii) Excise Duty		-	876.16
(iv) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade, etc.	32	<b>(41561.97)</b>	(17445.97)
(v) Employee Benefits Expense	33	<b>8718.27</b>	6297.04
(vi) Finance Costs	34	<b>7624.25</b>	4719.93
(vii) Depreciation and Amortisation Expenses	35	<b>1990.46</b>	1332.07
(viii) Other Expenses	36	<b>12207.96</b>	8710.36
<b>Total Expenses</b>		<b>185207.46</b>	123473.94
<b>C Profit for the year before share in Profit of Associates/Joint Venture</b>		<b>28081.30</b>	14677.17
<b>D Share of Profit/(Loss) of Associates &amp; Joint Venture (Net of Tax) [Refer Note No. 51 (b)]</b>		<b>8629.07</b>	5122.08
<b>E PROFIT BEFORE TAX</b>		<b>36710.37</b>	19799.25
<b>F TAX EXPENSE</b>	38		
(i) Current Tax		<b>9103.35</b>	4417.38
(ii) Deferred Tax Charge/(Credit)		<b>46.28</b>	40.80
<b>Total Tax Expense</b>		<b>9149.63</b>	4458.18
<b>PROFIT FOR THE YEAR</b>		<b>27560.74</b>	15341.07
<b>G OTHER COMPREHENSIVE INCOME</b>			
(i) Items that will not be re-classified to Profit or Loss :			
(a) Equity Instruments through OCI		<b>5583.11</b>	1590.40
(b) Re-measurement of Defined Benefit Plan		<b>(52.58)</b>	6.67
(ii) Taxes relating to the above items			
(a) Deferred Tax on Fair Valuation of Investments		<b>(704.64)</b>	(34.30)
(b) Income Tax relating to Re-measurement		<b>18.37</b>	(2.31)
(iii) Share of Equity Accounted Investees (Net of Tax) [Refer Note No. 51 (b)]		<b>(1266.44)</b>	25114.16
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>3577.82</b>	26674.62
<b>H TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>31138.56</b>	42015.69
(Comprising Profit and Other Comprehensive Income for the year)			
<b>Earnings per Equity Share (EPS) in Rupees</b>	38		
Basic and Diluted EPS (Face Value of ₹ 10/- each)		<b>232.56</b>	129.45

The accompanying Notes No. 1 to 52 form an integral part of the Financial Statements.

As per our attached report of even date.

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

J. Veeraraghavan  
(DIN : 00078998)  
D.R. Bansal  
(DIN : 00050612)  
Kiran Aggarwal  
(DIN : 06991807)

Karthik Srinivasan  
Partner  
Membership No. 514998

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

Y.S. Lodha  
(DIN : 00052861)

Saurabh Chhajjar  
Rajesh Ramnani

New Delhi, May 16, 2019

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 16, 2019

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before Taxation and Share of Profit in Associates/Joint Venture</b>		<b>28081.30</b>		14677.17
<b>Adjustments for :</b>				
Depreciation and Amortisation	1990.46		1332.07	
(Profit)/Loss on Disposal of Fixed Assets (Net)	(1.68)		(10.61)	
(Profit)/Loss on Sale of Investments	(537.38)		(417.35)	
Provision for Warranty (Net)	1259.90		662.08	
Provision for MTM of Derivative Instruments	(16.73)		(62.47)	
(Gain)/Loss on Unrealised Foreign Exchange Rate Fluctuations	(88.76)		118.45	
Provision for Doubtful Debts (Net)	87.69		68.35	
Interest Income	(949.50)		(852.57)	
Dividend Income	(1846.64)		(1614.19)	
Rent from Investment Property	(56.44)		(53.40)	
Interest Expense	6074.19		3743.42	
		<b>5915.11</b>		2913.78
<b>Operating Profit before Working Capital Changes</b>		<b>33996.41</b>		17590.95
<b>Movement in Working Capital :</b>				
Increase/(Decrease) in Trade Payables and Provisions	22433.49		17067.56	
Decrease/(Increase) in Trade Receivables/ Contract Assets/Contract Liabilities	(31420.24)		(30332.83)	
Decrease/(Increase) in Inventories	(43029.29)		(18234.00)	
Decrease/(Increase) in Loans and Advances	(2284.15)		5841.39	
		<b>(54300.19)</b>		(25657.88)
<b>Cash Flow generated from/(used in) Operations</b>		<b>(20303.78)</b>		(8066.93)
Direct Taxes Paid (Net of Refunds)		<b>(8937.51)</b>		(4120.19)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>		<b>(29241.29)</b>		(12187.12)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(5501.20)		(3724.82)	
Proceeds from sale of Fixed Assets	59.21		26.10	
(Investment )/Maturity of Bank Deposits	1159.79		61.93	
(Purchase)/Sale of Investments	1630.56		(1500.87)	
Proceeds from Government Grant	313.22		112.95	
Rent from Investment Property	56.44		53.40	
Interest Received	954.68		852.57	
Dividend Received	1846.64		1614.19	
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>		<b>519.34</b>		(2504.55)

	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**
**C. CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Share Capital	0.37		0.03
Proceeds from Securities Premium	1.49		0.17
Proceeds/(Repayment) from Long-term Borrowings (Net)	26065.31		1595.23
Proceeds/(Repayment) from Short-term Borrowings	10080.40		17768.65
Interest Paid	(6068.42)		(3743.42)
Dividend Paid (including Dividend Distribution Tax)	(1413.90)		(887.90)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>		<b>28665.25</b>	<b>14732.76</b>
<b>Net increase/(Decrease) in Cash and Cash equivalents (A+B+C)</b>		<b>(56.70)</b>	<b>41.09</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>399.83</b>	<b>358.74</b>
<b>Cash and Cash Equivalents at the end of the year</b>		<b>343.13</b>	<b>399.83</b>
<b>Components of Cash and Cash Equivalents</b>			
Cash on Hand		<b>3.23</b>	2.24
Cheques/Drafts on Hand		<b>97.19</b>	68.81
In Current Accounts		<b>242.71</b>	328.78
		<b>343.13</b>	<b>399.83</b>

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

(₹ in lakhs)

Particulars	As at 31st March, 2018	Proceeds	Repayment	Unrealised foreign exchange gain/(loss)	As at 31st March, 2019
Long Term Borrowings (Including current portion)	12317.11	27445.12	(1379.81)	(67.11)	<b>38315.31</b>
Short Term Borrowings	34500.90	30968.63	(20888.23)	3.84	<b>44585.14</b>
Interest Accrued on Borrowings	244.91	-	-	5.77	<b>250.68</b>
Total Liabilities from Financing Activities	47062.92	58413.75	(22268.04)	(57.50)	<b>83151.13</b>

As per our attached report of even date.

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

 J. Veeraraghavan  
(DIN : 00078998)  
D.R. Bansal  
(DIN : 00050612)  
Kiran Aggarwal  
(DIN : 06991807)

 Karthik Srinivasan  
Partner  
Membership No. 514998

 Harsh V. Lodha  
(DIN : 00394094)

Chairman

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

Directors

 Y.S. Lodha  
(DIN : 00052861)

Managing Director

 Saurabh Chhajer  
Rajesh Ramnani

 Chief Financial Officer  
Company Secretary

New Delhi, May 16, 2019

New Delhi, May 16, 2019

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

Particulars	(₹ in lakhs)
Balance as at 31st March, 2017	1184.18
Movement during the year	0.03
Balance as at 31st March, 2018	1184.21
Movement during the year	0.37
<b>Balance as at 31st March, 2019</b>	<b>1184.58</b>

**(b) Other Equity**

(₹ in lakhs)

Particulars	Surplus						Items of Other Comprehensive Income		Total
	Securities Premium	Debenture Redemption Reserve	General Reserve	Reserve Fund	Capital Reserve	Retained Earnings	Equity/Debt Instruments Fair Value Through Other Comprehensive Income	Revaluation Reserve	
Balance as at 31st March, 2017	3885.67	418.00	39100.00	2766.29	0.03	93215.58	27881.50	-	167267.07
Profit for the year	-	-	-	-	-	15341.07	-	-	15341.07
Other Comprehensive Income for the year	-	-	-	-	-	162.26	5806.85	20705.51	26674.62
Transfer from Retained Earnings	-	835.00	1500.00	389.65	-	(2724.65)	-	-	-
Securities Premium Received during the Year"	0.17	-	-	-	-	-	-	-	0.17
Final Dividend and Tax thereon	-	-	-	-	-	(887.90)	-	-	(887.90)
Balance as at 31st March, 2018	3885.84	1253.00	40600.00	3155.94	0.03	105106.36	33688.35	20705.51	208395.03
Profit for the year	-	-	-	-	-	27560.74	-	-	27560.74
Other Comprehensive Income for the year	-	-	-	-	-	(31.86)	3591.05	18.63	3577.82
Transfer from Retained Earnings	-	832.00	1500.00	556.85	-	(2888.85)	-	-	-
Securities Premium Received during the Year	1.49	-	-	-	-	-	-	-	1.49
Final Dividend and Tax thereon	-	-	-	-	-	(1428.69)	-	-	(1428.69)
<b>Balance as at 31st March, 2019</b>	<b>3887.33</b>	<b>2085.00</b>	<b>42100.00</b>	<b>3712.79</b>	<b>0.03</b>	<b>128317.70</b>	<b>37279.40</b>	<b>20724.14</b>	<b>238106.39</b>

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

Securities premium represents the amount of premium received by the Company upon issue of equity shares. The reserve is utilised in accordance with the provisions of Section 52 and other applicable provisions of the Companies Act, 2013.

**(b) Debenture Redemption Reserve**

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

**(c) General Reserve**

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Contd.)**

**(d) Reserve Fund**

Reserve Fund represents statutory reserve created by Non Banking Finance Company (NBFC) subsidiaries under Reserve Bank of India Act, 1947.

As per our attached report of even date.

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

J. Veeraraghavan  
(DIN : 00078998)  
D.R. Bansal  
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Kiran Aggarwal  
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Y.S. Lodha  
(DIN : 00052861)

Saurabh Chhajera

Rajesh Ramnani

New Delhi, May 16, 2019

Chairman

Directors

Managing Director

Chief Financial Officer  
Company Secretary

New Delhi, May 16, 2019



## 1. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 1.1 Company Overview and General Information

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

The Consolidated Financial Statements were approved by the Board of Directors of the Company in their meeting held on 16th May, 2019. The consolidated financial statements as at 31st March, 2019 represent the financial position of the Company ("Parent Company") and its Subsidiaries (collectively referred as 'Group') and its interest in Associates and Joint Venture. Details of Subsidiaries, Associates and Joint venture which are consolidated as follows:

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

### 1.2 Basis of Preparation and Presentation

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

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

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

### 1.3 Basis of Consolidation

- The Financial Statements of the parent company and its subsidiaries have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits or losses, if any, in accordance with Ind AS 110 – "Consolidated Financial Statements".
- In case of associates (where parent holds directly or indirectly through subsidiaries 20% or more equity or/ and exercises significant influence) and Joint Venture, investments are accounted for by using equity method in accordance with Ind AS 28 – "Investments in Associates and Joint Ventures".
- Post acquisition, the company accounts for its share in the change in net assets of the associates and Joint Venture (after eliminating unrealised profits and losses resulting from transactions between the group and its associates to the extent of its share) through Statement of Profit and Loss and Other Comprehensive Income. The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be. However, for associates, Goodwill is not separately recognised but included in the value of investments.

### 1.4 Summary of Significant Accounting Policies

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

**2. PROPERTY, PLANT AND EQUIPMENT**

(₹ in lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
<b>Gross Block</b>									
Balance as at 31st March, 2017	113.18	33.38	956.48	5814.85	225.05	156.36	240.85	1.98	7542.13
Additions during the year	-	-	411.38	2697.56	107.45	0.55	-	-	3216.94
Deletions/Adjustments during the year	-	-	-	18.11	1.46	0.20	-	1.98	21.75
Balance as at 31st March, 2018	113.18	33.38	1367.86	8494.30	331.04	156.71	240.85	-	10737.32
Additions during the year	-	-	1206.10	5020.67	156.56	-	77.67	-	6461.00
Deletions/Adjustments during the year	-	-	-	178.45	0.51	0.76	10.71	-	190.43
<b>Balance as at 31st March, 2019</b>	<b>113.18</b>	<b>33.38</b>	<b>2573.96</b>	<b>13336.52</b>	<b>487.09</b>	<b>155.95</b>	<b>307.81</b>	<b>-</b>	<b>17007.89</b>
<b>Accumulated Depreciation</b>									
Balance as at 31st March, 2017	-	0.68	35.57	949.14	59.47	18.90	32.74	-	1096.50
Depreciation for the year	-	0.68	42.53	1126.00	92.06	18.86	32.40	-	1312.53
Deletions/Adjustments during the year	-	-	-	5.66	0.63	0.04	-	-	6.33
Balance as at 31st March, 2018	-	1.36	78.10	2069.48	150.90	37.72	65.14	-	2402.70
Depreciation for the year	-	0.68	63.97	1739.18	110.11	17.52	36.03	-	1967.49
Deletions/Adjustments during the year	-	-	-	119.46	0.33	0.16	6.45	-	126.40
<b>Balance as at 31st March, 2019</b>	<b>-</b>	<b>2.04</b>	<b>142.07</b>	<b>3689.20</b>	<b>260.68</b>	<b>55.08</b>	<b>94.72</b>	<b>-</b>	<b>4243.79</b>
<b>Net Block</b>									
Balance as at 31st March, 2018	113.18	32.02	1289.76	6424.82	180.14	118.99	175.71	-	8334.62
<b>Balance as at 31st March, 2019</b>	<b>113.18</b>	<b>31.34</b>	<b>2431.89</b>	<b>9647.32</b>	<b>226.41</b>	<b>100.87</b>	<b>213.09</b>	<b>-</b>	<b>12764.10</b>

- (i) Refer Note No. 20 and 24 for details of mortgage/hypothecations of Property, Plant and Equipment towards security.
- (ii) The Company has exercised the option of deducting government grants from the carrying amount of respective items of Property, Plant and Equipment as against the erstwhile practice of recognising the same as deferred income in the Balance Sheet and credit to the Statement of Profit and Loss over the life of the related assets in accordance with the notification issued by the Ministry of Corporate Affairs on 20th September, 2018. However, this has no impact on the Profit for the current and previous year.

**3. INVESTMENT PROPERTY**

(₹ in lakhs)

Particulars	Building
<b>Gross Block</b>	
Balance as at 31st March, 2017	103.46
Balance as at 31st March, 2018	103.46
<b>Balance as at 31st March, 2019</b>	<b>103.46</b>
<b>Accumulated Depreciation</b>	
Balance as at 31st March, 2017	2.32
Depreciation for the year	2.32
Balance as at 31st March, 2018	4.64

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

(₹ in lakhs)

Particulars	Building
Depreciation for the year	2.32
<b>Balance as at 31st March, 2019</b>	<b>6.96</b>
<b>Net Block</b>	
As at 31st March, 2018	98.82
<b>As at 31st March, 2019</b>	<b>96.50</b>
<b>Fair Value:</b>	
As at 31st March, 2018	1708.80
<b>As at 31st March, 2019</b>	<b>1738.21</b>

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

(₹ in lakhs)

Information regarding Income and Expenditure relating to Investment Property	Year ended 31st March, 2019	Year ended 31st March, 2018
Rental Income derived from Investment Property	<b>56.44</b>	53.40
Less : Direct Operating Expenses (including Repairs and Maintenance) for earning rental income	<b>0.97</b>	0.96
Less : Depreciation & Amortisation Expenses	<b>2.32</b>	2.32
Profit arising from Investment Property	<b>53.15</b>	50.12

**4. INTANGIBLE ASSETS (Computer Software)**

(₹ in lakhs)

Particulars	Computer Software
<b>Gross Block</b>	
Balance as at 31st March, 2017	-
Additions during the year	103.27
Balance as at 31st March, 2018	103.27
Additions during the year	-
<b>Balance as at 31st March, 2019</b>	<b>103.27</b>
<b>Accumulated Depreciation</b>	
Balance as at 31st March, 2017	-
Depreciation for the year	17.21
Balance as at 31st March, 2018	17.21
Depreciation for the year	20.65
<b>Balance as at 31st March, 2019</b>	<b>37.86</b>
<b>Net Block</b>	
Balance as at 31st March, 2018	86.06
<b>Balance as at 31st March, 2019</b>	<b>65.41</b>

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>5. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD [REFER NOTE No. 54 (B)]</b>		
<b>Investment in a Joint Venture</b>		
3,600,000 (36,00,000) Birla Visabeira Private Limited	595.42	379.33
	<u>595.42</u>	<u>379.33</u>
<b>Investments in Associates</b>		
<b>Quoted - Fully Paid up Equity Shares of ₹ 10/- each</b>		
10,528,988 (10,528,988) Universal Cables Limited	29228.67	24829.22
24,394,915 (24,394,915) Birla Corporaton Limited	113700.44	108535.90
<b>Unquoted - Fully Paid up Equity Shares of ₹ 10/- each</b>		
12,000,000 (12,000,000) Punjab Produce Holdings Limited	19643.33	22060.78
	<u>162572.44</u>	<u>155425.90</u>
	<u>163167.86</u>	<u>155805.23</u>
<b>Aggregate Amount of Quoted Investments</b>	<b>142929.11</b>	<b>133365.12</b>
<b>Aggregate Market Value of Quoted Investments</b>	<b>151307.18</b>	<b>187705.47</b>
<b>Aggregate Amount of Unquoted Investments</b>	<b>20238.75</b>	<b>22440.11</b>
<b>6. NON-CURRENT INVESTMENTS</b>		
<b>A Investments carried at Fair Value through Other Comprehensive Income</b>		
<b>Quoted - Fully Paid up Equity Shares of ₹ 10/- each</b>		
5,800,100 (5,800,100) Birla Cable Limited	8911.85	3535.17
	<u>8911.85</u>	<u>3535.17</u>
<b>Unquoted - Fully Paid up Equity Shares of ₹ 10/- each</b>		
1,710,487 (1,115,402) Birla Furukawa Fibre Optics Limited	2651.25	1624.47
299,940 (299,940) Birla Financial Corporation Limited	168.30	126.03
9,800 (9,800) Universal Telelinks Private Limited	3.70	3.60
9,800 (9,800) Universal Electricals Private Limited	3.41	3.25
	<u>2826.66</u>	<u>1757.35</u>
<b>Total (A)</b>	<b>11738.51</b>	<b>5292.52</b>
<b>B Investment in Bond at Amortised Cost of ₹ 1000/- each</b>		
3,585 (3,585) Power Finance Corporation Limited	60.60	60.60
<b>Total (B)</b>	<b>60.60</b>	<b>60.60</b>
<b>C Investments measured at Fair Value through Profit and Loss</b>		
<b>Unquoted - Fully Paid up Units of ₹ 10/- each unless otherwise stated</b>		
552,894 - HDFC Low Duration Fund Direct	225.92	-
719,572 - DHFL Pramerica Ultra Soft Term Fund Direct Fund	166.19	-
447,885 - HSBC Low Duration Fund Direct	76.56	-
1,592,891 - IDFC Banking & PSU Debt Fund -Growth	258.47	-
- (597,170) HSBC Income Fund Short Term Plan - Growth	-	169.62
- (1,218,597) IDFC Dynamic Bond Fund Plan A - Growth	-	251.53
- (89,932) JM Short Term Fund - Growth	-	21.96
384,339 (1,231,878) HDFC Medium Term Opportunities Fund - Direct Plan Growth	80.47	234.30

			As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>6. NON-CURRENT INVESTMENTS (Contd.)</b>				
579,741	-	HDFC Short Term Debt Fund - Direct	<b>120.76</b>	-
-	(5,304,725)	HDFC Short Term Opportunities Fund - Direct Plan Growth	-	1025.05
947,027	(2,737,183)	IDFC Banking Debt Fund Direct Plan Growth	<b>153.67</b>	406.56
-	(583,688)	Kotak Bond Short Term -Direct Plan Growth	-	102.81
53,783	(53,783)	DSP BlackRock Banking and PSU Debt Fund Direct Growth	<b>8.64</b>	7.53
-	(57,762)	IDFC Dynamic Bond Fund Direct Plan Growth	-	12.48
1,164,237	(1,010,625)	Reliance Short Term Fund Direct Plan Growth	<b>419.99</b>	340.43
-	(53,989)	ICICI Prudential Flexible Income Plan Direct Plan Growth	-	180.90
-	(1,224,154)	Edelweiss Arbitrage Fund Direct Plan Growth	-	161.56
-	(482,987)	Franklin India Low Duration Fund - Direct Plan - Growth	-	98.03
263,297	(263,297)	HDFC Floating Rate Income Fund - Direct Plan - Growth	<b>86.11</b>	80.00
-	(263,343)	HDFC Floating Rate Income Fund - STP Growth Direct Plan	-	80.01
450,000	(450,000)	IDFC Dynamic Corporate Bond Fund Direct Plan Growth of IDFC Mutual Fund	<b>57.87</b>	53.87
-	(168,045)	Canara Robeco Savings Mutual Fund - Direct Growth Plan	-	46.09
-	(1,070,410)	DSP BlackRock Ultra Short Term Fund Fund Direct Growth	-	136.47
856,695	(1,373,987)	L&T Ultra Short Term Fund - Direct Plan Growth	<b>266.77</b>	396.16
592,036	(592,036)	Reliance Medium Term Fund Direct Plan Growth	<b>237.49</b>	220.26
566,488	(566,488)	ICICI Prudential Short Term Plan - Direct - Growth	<b>228.54</b>	212.46
-	(3,843,449)	IDFC Credit Opportunity Fund - Direct - Growth	-	422.63
2,380,000	(2,380,000)	UTI Fixed Term Income Fund - Series - XXVIII - VII (1169 days)	<b>256.50</b>	241.16
-	(495,632)	Canara Robeco Savings Plus Fund Regular - Growth	-	135.91
-	(175,424)	FT India Monthly Income Plan A - Growth	-	92.34
-	(464,058)	HDFC High Interest Fund - STP - Growth	-	160.56
-	(965,548)	IDFC Super Saver Income Fund - Short Term Plan - Growth	-	341.54
8,999	(8,999)	ICICI Prudential Savings Fund Direct Plan Growth	<b>26.18</b>	24.33
410,096	(410,096)	DWS Treassury Fund Investment Plan Direct Growth	<b>85.46</b>	79.69
450,000	(450,000)	IDFC Dynamic Corporate Bond Fund Direct Plan Growth	<b>57.87</b>	49.37
3,342	(3,342)	Reliance Money Manager Fund - Direct Plan - Growth	<b>88.24</b>	81.50
606,638	(606,638)	DHFL Pramerica Low Duration Fund - Direct Growth	<b>160.44</b>	148.20
165,259	(311,308)	DSP Black Rock Banking and PSU Debt Fund - Direct Growth	<b>22.77</b>	39.69
4,607	(4,607)	Invesco India Ultra Short Term Fund - Direct Growth	<b>121.68</b>	112.70
-	(208,356)	HSBC MIP - Savings Plan - Growth	-	72.59
-	(166,595)	DHFL Pramerica Short Term Floating Rate Fund - Direct Plan	-	32.37

			As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>6. NON-CURRENT INVESTMENTS (Contd.)</b>				
-	(876,440)	DHFL Short Maturity Fund - Premium Plus - Growth	-	156.12
558,887	(558,887)	UTI Short Term Income Fund - Direct Plan	<b>129.52</b>	120.92
483,202	(483,202)	Axis Short Term Fund - Direct Plan - Growth	<b>102.56</b>	94.91
434,094	(434,094)	DHFL Pramerica Short Maturity Fund - Direct Growth	<b>153.63</b>	144.32
<b>Unquoted - Fully Paid up Units of ₹1000/- each unless otherwise stated</b>				
912	-	FR India Short Term Income Plan Direct	<b>38.25</b>	-
30,979	(5,787)	Kotak Low Duration Fund -Direct Plan Growth	<b>736.38</b>	126.78
-	(989)	Franklin India Short Term Income Retail Plan - Direct - Growth	-	37.82
14,347	-	TATA Treasury Advantage Fund Direct	<b>411.96</b>	-
-	(8,129)	Templeton India Short Term Income Retail Plan Direct Growth of Franklin Templeton Mutual Fund	-	310.79
9,010	-	Reliance Low Duration Fund - Growth	<b>237.90</b>	-
19,124	(8,541)	UTI Treasury Advantage Fund Direct Plan Growth	<b>497.61</b>	206.14
<b>Total (C)</b>			<b>5514.40</b>	<b>7470.46</b>
<b>TOTAL (A+B+C)</b>			<b>17313.51</b>	<b>12823.58</b>
<b>7. TRADE RECEIVABLES (NON CURRENT)</b>				
(Unsecured)				
Considered Good			<b>1865.07</b>	-
			<b>1865.07</b>	-
<b>8. LOANS (At amortised cost)</b>				
(Unsecured and Considered Good) (To Related Parties)			<b>7800.00</b>	2800.00
			<b>7800.00</b>	2800.00
<b>9. OTHER FINANCIAL ASSETS (NON CURRENT)</b>				
(Unsecured and Considered Good)				
Loans to Employees			<b>7.82</b>	1.97
Security Deposits			<b>721.73</b>	575.54
Term Deposit Accounts with Banks			<b>819.09</b>	2207.85
			<b>1548.64</b>	2785.36
<b>10. OTHER NON-CURRENT ASSETS</b>				
(Unsecured and Considered Good)				
Capital Advances			<b>45.56</b>	421.17
Prepaid Expenses			<b>29.55</b>	12.46
			<b>75.11</b>	433.63



	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>11. INVENTORIES</b>		
Raw Materials	6696.87	5127.85
[Including in Transit ₹ 974.96 lakhs (₹ 1103.65 lakhs)]		
Packing Materials	147.63	173.14
Stores and Spares [including in Transit ₹ 4.55 lakhs (₹ 3.92 lakhs)]	129.33	205.52
Work-in-Progress [including Passive Optical Fibre Cable Networks under IP-1 of ₹ 55307.46 lakhs (₹ 27736.40 lakhs)]	73305.87	31760.19
Finished Goods	-	-
Scrap Materials	35.04	18.75
	<u>80314.74</u>	<u>37285.45</u>
<b>12. TRADE RECEIVABLES</b>		
(Unsecured)		
Trade Receivable -Considered Good	120968.05	72054.11
-Considered Doubtful	-	22.68
Trade Receivable which have significant increase in credit risk	-	64.26
Trade Receivable-Credit Impaired	174.63	-
	<u>121142.68</u>	<u>72141.05</u>
Less: Allowance for Doubtful Trade Receivables	174.63	86.94
	<u>120968.05</u>	<u>72054.11</u>
<b>13. LOANS (At amortised cost) (Current)</b>		
(Unsecured and Considered Good) (To Related Parties)	-	2000.00
	-	2000.00
<b>14. CASH AND CASH EQUIVALENTS</b>		
Balances with Banks - Current Accounts	242.71	328.78
Cheques, Drafts on Hand	97.19	68.81
Cash on Hand	3.23	2.24
	<u>343.13</u>	<u>399.83</u>
<b>15. OTHER BANK BALANCES</b>		
Unclaimed Dividend Accounts	48.10	33.31
Term Deposit Accounts (Term Deposit Receipts are under lien with Banks towards Margin against Letter(s) of Credit, Bank Guarantees and other Commitments)	3340.98	3117.19
	<u>3389.08</u>	<u>3150.50</u>

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>16. OTHER FINANCIAL ASSETS</b>		
(Unsecured and Considered Good)		
Interest Accrued on Investments	1.35	1.35
Loans to Employees	11.05	11.39
Security Deposits	331.37	217.66
Industrial Investment Promotion Incentives Receivable	-	171.59
Duty Scrip in Hand	62.10	23.90
Claim, Export Benefits Receivable etc.	180.68	270.37
ROW/ Other Charges Recoverable from Customers	1056.60	3215.44
	<u>1643.15</u>	<u>3911.70</u>

**17. OTHER CURRENT ASSETS**

(Unsecured and Considered Good)		
Prepaid Expenses	237.93	174.14
Balance With Government Authorities	3765.55	2955.03
Contract Assets	10223.78	12510.16
Other Advances	603.61	265.94
	<u>14830.87</u>	<u>15905.27</u>

**18. EQUITY SHARE CAPITAL**
**Authorised**

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

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

1,18,50,863 (1,18,50,863) Equity Shares of ₹ 10/- each	1185.09	1185.09
Less: Calls Unpaid	0.51	0.88
	<u>1184.58</u>	<u>1184.21</u>

**(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, 2019		As at 31st March, 2018	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Outstanding at the beginning of the year	11850863	1185.09	11850863	1185.09
Outstanding at the end of the year	11850863	1185.09	11850863	1185.09

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

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

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

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Universal Cables Limited	3454530	29.15	3454530	29.15
The Punjab Produce & Trading Company Private Limited	1291374	10.90	1291374	10.90
Belle Vue Clinic	1164286	9.82	1164286	9.82
Reliance Capital Trustee Co. Limited A/c Reliancesmall Cap Fund	1016415	8.58	1062224	8.96

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>19. OTHER EQUITY</b>		
<b>Capital Reserve</b>		
Difference between the cost of the investment in the Subsidiaries and Company's portion in Equity of the Subsidiaries at the time of acquisition	0.03	0.03
	<u>0.03</u>	<u>0.03</u>
<b>Securities Premium Account</b>		
Opening Balance	3885.84	3885.67
Add : Received during the year	1.49	0.17
Closing Balance	<u>3887.33</u>	<u>3885.84</u>
<b>Debenture Redemption Reserve</b>		
Opening Balance	1253.00	418.00
Add : Transferred from Retained Earnings	832.00	835.00
Closing Balance	<u>2085.00</u>	<u>1253.00</u>
<b>Reserve Fund (under Reserve Bank of India Act, 1934)</b>		
Opening Balance	3155.94	2766.29
Add : Transferred from Retained Earnings	556.85	389.65
Closing Balance	<u>3712.79</u>	<u>3155.94</u>
<b>General Reserve</b>		
Opening Balance	40600.00	39100.00
Add : Transferred from Retained Earnings	1500.00	1500.00
Closing Balance	<u>42100.00</u>	<u>40600.00</u>
<b>Retained Earnings</b>		
Opening Balance	105106.36	93215.58
Add : Profit for the year	27560.74	15341.07
Add : Item of Other Comprehensive Income recognised directly in Retained Earnings [Re-measurement of Defined Employment Benefits Plan (Net of tax)]	(31.86)	162.26
	<u>132635.24</u>	<u>108718.91</u>
Less : Appropriations		
Transferred to Debenture Redemption Reserve	832.00	835.00
Transferred to Reserve Fund	556.85	389.65
Transferred to General Reserve	1500.00	1500.00
Dividend on Equity Shares	1185.09	829.56
Tax on Dividend on Equity Shares	243.60	58.34
	<u>4317.54</u>	<u>3612.55</u>
	<u>128317.70</u>	<u>105106.36</u>
<b>Other Comprehensive Income</b>		
<b>Equity/Debt Instrument Through OCI</b>		
Opening Balance	33688.35	27881.50
Add : Other Comprehensive Income for the year	3591.05	5806.85
Closing Balance	<u>37279.40</u>	<u>33688.35</u>
<b>Revaluation Reserve</b>		
Opening Balance	20705.51	-
Add : Other Comprehensive Income for the year	18.63	20705.51
Closing Balance	<u>20724.14</u>	<u>20705.51</u>
	<u>238106.39</u>	<u>208395.03</u>

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>20. BORROWING NON-CURRENT</b>		
<b>Secured</b>		
Loans from Banks		
Rupee Term Loan	10453.31	914.36
Foreign Currency Term Loan	772.51	1451.98
Supplier's Credit in Foreign Currency	2136.28	-
<b>Unsecured</b>		
Redeemable Non-Convertible Debentures	10203.89	10195.68
Other Loans		
From a Body Corporate	15000.00	-
	<b>38565.99</b>	<b>12562.02</b>
Less: Current Maturities of Long-term Borrowings at the year end (disclosed under Note No. 26)		
<b>Secured</b>		
Rupee Term Loans	416.12	416.67
Foreign Currency Term Loan	772.51	731.27
Supplier's Credit in Foreign Currency	10.15	-
<b>Unsecured</b>		
Redeemable Non-Convertible Debentures	1884.22	195.68
	<b>3083.00</b>	<b>1343.62</b>
	<b>35482.99</b>	<b>11218.40</b>

- (a) Rupee Term Loans (other than Term Loan of ₹ 10000.00 lakhs taken from a bank) and Foreign Currency Term Loan are secured by way of hypothecation of moveable fixed assets, both present and future and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company, ranking pari-passu inter-se amongst consortium lenders. The said Term Loans are further secured by second charge by way of hypothecation of entire Current Assets, both present and future, of the Company viz inventories, bills receivables, book debts, claims, etc. Rupee Term Loan of ₹ 250.00 lakhs carries rate of interest of 10.00% p.a. and is repayable in remaining 6 quarterly instalments upto September, 2020. Another Rupee Term Loan of ₹ 249.45 lakhs and Foreign Currency Term Loan are repayable in remaining 4 quarterly instalments upto January, 2020. Rupee Term Loan carries rate of interest of 9.95% p.a. Foreign Currency Term Loan carries rate of interest of 4.65% p.a. and 10.25% p.a. (fully hedged) on the reporting date.
- (b) Rupee Term Loan of ₹ 10000.00 lakhs taken from a bank is secured by way of hypothecation over the entire Passive Optical Fibre Cable Networks under IP-1 Assets, both present and future and repayable in 8 quarterly instalments starting from April 2020. The said loan carries interest @10% p.a.
- (c) Supplier's Credit/Term Loan from a Bank in Foreign Currency is secured by way of exclusive hypothecation charge on certain Plant & Machinery procured under the facility both present & future. Supplier's Credit in Foreign Currency carries rate of interest of 0.63% p.a. to 4.91% p.a. and due for repayment in financial year 2021-22. The Company has an option on due date, to convert the said Supplier's Credit into Rupee Term Loan by a bank, repayable in quarterly instalments commencing from July, 2022.
- (d) Unsecured Non-Convertible Debentures Series I and Series II carry a coupon rate of 8.50% and 8.40% p.a., respectively and are redeemable fully "at par" as per details below :

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

- (e) Loans from a Body Corporate amounting to ₹ 15000.00 lakhs carries rate of interest of 9.50 % to 10.00% p.a. and are due for repayment in September and October, 2021.

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
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**21. OTHER FINANCIAL LIABILITIES (NON-CURRENT)**

Security Deposits	10.81	9.85
	<u>10.81</u>	<u>9.85</u>

**22. PROVISIONS (NON CURRENT)**

Provision for Employee Benefits		
Gratuity	52.68	-
Compensated Absences	14.36	16.64
Pension	27.06	28.24
Provision for Warranty*	2286.31	2897.16
	<u>2380.41</u>	<u>2942.04</u>

\* Provision for Warranty represents the expected cost of meeting obligations of rectification/replacement/major maintenance of certain products manufactured /outsourced and supplied by the Company and forming a part of the composite turnkey contracts and services being executed by the Company having stipulation of warranty and also in respect of certain contracts of supply of manufactured and outsourced products executed by the Company. It is expected that the expenditure will be incurred over the contractual warranty period.

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

WDV of Property, Plant and Equipments and Intangible Asset	724.04	816.00
Fair Value of Investments	871.66	257.61
	<u>1595.70</u>	<u>1073.61</u>

**(b) Deferred Tax Assets**

Allowance for Doubtful Receivables	61.02	30.38
Items Deductible on Payment Basis	226.66	482.91
Others	6.38	9.60
	<u>294.06</u>	<u>522.89</u>

**Net Deferred Tax Liabilities**

	<u>1301.64</u>	<u>550.72</u>
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**Reconciliation of Deferred Tax Liabilities (Net):**

<b>Opening Balance</b>	<b>550.72</b>	475.62
Deferred Tax Expense recognised in the Statement of Profit and Loss	46.28	40.80
Deferred Tax Expense recognised on Other Comprehensive Income	704.64	34.30
<b>Closing Balance</b>	<b>1301.64</b>	550.72

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

Working Capital Demand Loans	14999.95	1509.61
Short Term Loan	-	2000.00
Cash Credit Facilities	28510.54	11400.53
Buyer's Credit	-	2119.62
Supplier's Credit in Foreign Currency	372.12	-
Export Packing Credit	702.53	2009.27
	<u>44585.14</u>	<u>19039.03</u>

	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>24. BORROWINGS (Contd.)</b>		
<b>Other Loans (Unsecured)</b>		
Commercial Paper (Face Value of ₹ 5.00 lakhs each)	-	15461.87
	-	15461.87
	<b>44585.14</b>	<b>34500.90</b>
<p>(a) Working Capital Loans/Borrowings from Banks are generally renewable within twelve months from the date of sanction or immediately previous renewal, unless otherwise stated. The lender banks have a right to cancel the credit limits (either fully or partially) and, inter alia, demand repayment in case of non-compliance of terms and conditions of sanctions or deterioration in the sanctioned loan accounts in any manner.</p> <p>(b) Working Capital Loans/Borrowings (both fund and non-fund based) from Banks including Supplier's Credit in Foreign Currency are secured by way of hypothecation on entire Current Assets (excluding assets specifically charged to specific Project Lenders), both present and future, of the Company viz Inventories, bills receivables, book debts (trade receivables), claims, etc. and are further secured by way of first charge over entire fixed assets (excluding assets specifically charged to specific term and Project Lenders) of the Company alongwith other consortium members by way of hypothecation of entire movable fixed assets and equitable mortgage on certain immovable properties of the Company ranking pari-passu interse amongst consortium lenders. As a collateral security, the Working Capital Loans/Borrowings from Banks are additionally secured by way of pledge of 12,50,000 equity shares held by the Company in Birla Cable Limited and cross corporate guarantee of Birla Cable Limited.</p> <p>(c) Working Capital Loans/Borrowings of ₹ 23000.00 lakhs (both fund and non-fund based) from a bank are secured by way of exclusive charge on all the assets (including entire project cash flows) of a specific project.</p> <p>(d) Supplier's Credit in Foreign Currency availed from Banks are due for repayment in April and May, 2019 and carries interest rate of 0.70 % p.a. to 4.91% p.a.</p>		
<b>25. TRADE PAYABLES</b>		
Due to Micro and Small Enterprises*	<b>5313.99</b>	3322.68
Due to Other than Micro and Small Enterprises	<b>61446.22</b>	43159.66
	<b>66760.21</b>	46482.34
<p>* Principal amount outstanding as at the year end. There is no overdue amount of principal and interest due to Micro and Small Enterprises. During the period, no interest has been paid to such Enterprises. This information has been determined to the extent such Enterprises have been identified on the basis of information available with the Company.</p>		
<b>26. OTHER FINANCIAL LIABILITIES</b>		
Current Maturities of Long Term Borrowings	<b>3083.00</b>	1343.62
Accrued Employee Benefits Expense	<b>611.20</b>	416.23
Unclaimed Dividend*	<b>48.10</b>	33.31
Creditors/Liability Pertaining to Capital Expenditure	<b>494.37</b>	223.40
MTM on Swap/ Forward Contracts	<b>21.12</b>	37.85
	<b>4257.79</b>	2054.41
<p>*This does not include any amount due and outstanding to be credited to Investors Education and Protection Fund during the year.</p>		
<b>27. OTHER CURRENT LIABILITIES</b>		
Statutory Dues	<b>2178.93</b>	1241.21
Contract Liability	<b>18414.30</b>	1259.21
Advances from Customers	<b>9265.82</b>	8073.55
	<b>29859.05</b>	10573.97



	As at 31st March, 2019 (₹ in lakhs)	As at 31st March, 2018 (₹ in lakhs)
<b>28. PROVISION</b>		
Provision for Employee Benefits		
Gratuity	48.59	46.94
Compensated Absences	21.61	19.65
Pension	4.44	4.44
Others	248.12	227.24
Provision for Warranty	1671.84	-
Contingent Provision against Standard Assets	18.57	16.80
	<u>2013.17</u>	<u>315.07</u>
<b>29. REVENUE FROM OPERATIONS</b>		
Sale of Products	53937.24	40286.16
Engineering, Procurement & Construction (EPC) Revenue and Services [Refer Note No.41(a)]	154605.16	94228.67
Other Operating Income [Including Export incentives of ₹ 131.65 lakhs (₹ 157.02 lakhs) and Sale of Scrap Materials ₹ 529.34 lakhs (₹ 463.53 lakhs)]	994.55	623.63
	<u>209536.95</u>	<u>135138.46</u>
<b>30. OTHER INCOME</b>		
Interest Income		
On Loan measured at amortised cost	627.34	476.03
On Bond measured at amortised cost	4.95	4.95
On Others	317.21	371.59
Dividend Income on Investments		
From Associates and Joint Ventures	1743.60	1585.67
Equity instruments measured at FVTOCI	102.62	27.88
On Others	0.42	0.64
Gain on Sale of Investments designated at FVTPL (Net)	223.94	465.18
Fair Value gain arising on investments measured at FVTPL	313.44	(47.83)
Gain on Foreign Currency transactions and translations (Net)	243.04	-
Rent Received	67.84	64.91
Provision for doubtful written back	86.94	-
Profit on Sale/ Disposal of Fixed Assets (Net)	1.68	10.61
Other Non Operating Income	18.79	53.02
	<u>3751.81</u>	<u>3012.65</u>
<b>31. MATERIALS PURCHASED/ SUBCONTRACTS EXPENSES</b>		
Materials Purchased	104030.72	58096.66
Other Engineering & Construction Expenses	43389.51	27422.55
	<u>147420.23</u>	<u>85519.21</u>

	For the year ended 31st March, 2019 (₹ in lakhs)	For the year ended 31st March, 2018 (₹ in lakhs)
<b>32. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN TRADE, ETC.</b>		
Closing Inventories		
Work-in-Progress	73305.87	31760.19
Finished Goods	-	-
Scrap Materials	35.04	18.75
	<u>73340.91</u>	<u>31778.94</u>
Opening Inventories		
Work-in-Progress	31760.19	14251.97
Finished Goods	-	-
Scrap Materials	18.75	81.00
	<u>31778.94</u>	<u>14332.97</u>
	<u>(41561.97)</u>	<u>(17445.97)</u>
<b>33. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Benefits, etc.	7968.09	5634.96
Contribution to Provident and Other Funds, etc.	405.74	371.63
Employees Welfare Expenses	344.44	290.45
	<u>8718.27</u>	<u>6297.04</u>
<b>34. FINANCE COSTS</b>		
Interest Expense	6074.19	3743.42
Other Borrowing Costs	1550.06	976.51
	<u>7624.25</u>	<u>4719.93</u>
<b>35. DEPRECIATION AND AMORTISATION EXPENSE</b>		
On Property, Plant and Equipment	1967.49	1312.54
On Investment Property	2.32	2.32
On Intangible Assets	20.65	17.21
	<u>1990.46</u>	<u>1332.07</u>
<b>36. OTHER EXPENSES</b>		
Consumption of Stores and Spares	910.24	540.98
Packing Materials	1787.99	1157.05
Processing/Job work and Testing Charges	110.60	72.60
Power and Fuel	984.87	853.07
Sales Commission (other than sole selling agent)	37.73	76.95
Rent	739.00	539.98
Repair & Maintenance		
Plant & Equipment	182.85	69.89
Buildings	410.52	99.73
Others	79.18	33.86
Insurance	475.01	303.45
Rates & Taxes	1623.37	1048.69
Travelling and Conveyance	1542.05	1149.65

	For the year ended 31st March, 2019 (₹ in lakhs)	For the year ended 31st March, 2018 (₹ in lakhs)
<b>36. OTHER EXPENSES (Contd.)</b>		
Payment to Auditors		
Statutory Auditors		
Audit Fees	15.72	15.72
Tax Audit Fee	1.00	1.24
Quarterly Reviews	4.50	4.50
Taxation Matters	0.60	0.30
Certification, etc.	6.70	8.73
Reimbursement of Expenses	1.06	1.27
Cost Auditors		
Audit Fees	0.55	0.55
Certification, etc.	-	0.22
Reimbursement of Expenses	0.09	0.15
Legal and Professional	195.56	218.27
Allowance for Doubtful Trade Receivables	174.63	68.34
Bad Debts/Sundry Balances Written Off (Net)	246.55	225.86
Foreign Exchange Rate Fluctuation (Net)	-	41.71
Warranty Expenses (Net)	1259.90	662.07
Contingent Provision against Standard Assets	1.78	-
Miscellaneous Expenses [Including ₹ 220.40 lakhs (₹ 179.12 lakhs) incurred towards Corporate Social Responsibility]	1415.91	1515.53
	<b>12207.96</b>	<b>8710.36</b>

**37. TAX EXPENSE**
**Amount Recognised in the Statement of Profit and Loss**
**Current Tax**

Current Tax	9102.37	4445.69
Tax adjustment of earlier years	0.98	(28.31)
	<b>9103.35</b>	<b>4417.38</b>
Deferred Tax Charge/(Credit)	46.28	40.80
<b>Total Tax Expense</b>	<b>9149.63</b>	<b>4458.18</b>

**Amount Recognised in the OCI**

Deferred Tax on FV of Investments	704.64	34.30
Current Income Tax on Re-mesurement of Defined Benefit Plan	(18.37)	2.31
<b>Total Tax Expense</b>	<b>686.27</b>	<b>36.61</b>

**Reconciliation of Effective Tax Rate:**

Accounting Profit Before Income Tax and Share of Profit in Associates/ Joint Ventures	28081.31	14677.17
Enacted Income Tax Rate	34.94%	34.61%
Tax At applicable Statutory Income Tax Rate	9807.97	5079.47
Tax effect of Exempt Income	(352.36)	(561.74)
Tax effect of Permanent Disallowances	40.36	58.74
Tax effect of change in Tax rates	(38.87)	(25.57)
Benefit due to indexation on long term capital gain	-	(87.30)
Tax adjustment of earlier years	0.98	(28.31)
Others	(308.45)	22.89
Tax Expenses Recognised in the Statement of Profit and Loss	<b>9149.63</b>	<b>4458.18</b>
Effective Income Tax Rate	<b>32.58%</b>	<b>30.37%</b>

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

Particulars	As at 31st March, 2019	As at 31st March, 2018
Weighted Average Number of Equity Shares outstanding during the year	<b>11850863</b>	11850863
Profit for the year (₹ in lakhs)	<b>27560.74</b>	15341.07
Nominal Value of each Equity Share (₹)	<b>10.00</b>	10.00
EPS (Basic and Diluted)	<b>232.56</b>	129.45

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

- (i) Pending cases with income tax appellate authorities/ judicial authorities where income tax department has preferred appeals – Liability not ascertainable.
- (ii) The Parent Company has preferred a Writ Petition before the Hon'ble High Court of Uttarakhand against the Order passed by the Appellate Authority for Advance Ruling, Uttarakhand (AAAR) with regard to eligibility of Input Tax Credit amounting to ₹ 1917.71 lakhs on goods and services used for constructing the passive optical fibre cable networks for being used by the telecom operators/service providers under Indefeasible Right of Usage (IRU) terms. The said Order of AAAR has been stayed by the Hon'ble High Court of Uttarakhand for the time being and the matter is subjudice. The external consultants / subject matter experts are of the opinion that the Company has a good case on merit and accordingly in the opinion of the management there is no likelihood of adverse outcome based on the facts and circumstances of the case.
- (iii) The future cash outflows, if any, in respect of (i) & (ii) above are determinable only on receipt of judgements pending at various forums/authorities.
- (iv) Corporate guarantee of ₹ 16415 lakhs (₹ 17965 lakhs) given by Parent Company to consortium of Banks as collateral against term loan(s) and working capital credit facilities granted to a Body Corporate. The Body Corporate has also given a Corporate guarantee of ₹ 218361 lakhs (₹ 218361 lakhs) against total credit facilities availed by the Parent Company from consortium of banks.

**(b) Commitments:**

- (i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 1357.85 lakhs (₹ 3966.01 lakhs).
- (ii) For Commitments relating to lease agreements (Refer Note No. 45)

**40.** The Parent Company has obtained an approval under Modified Special Incentives Package Scheme (M-SIPS) from the Ministry of Electronics & Information Technology, Government of India (MeitY) vide letter dated 17th August, 2018 for financial incentives pertaining to Phase I of the Optical Fibre Cable capacity expansion project implemented at Rewa (Madhya Pradesh). Based on the aforesaid approval accorded by the MeitY, the Company is eligible for subsidy to the maximum extent of ₹ 952.00 lakhs calculated on the basis of eligible capital expenditure under M-SIPS, subject to compliance with the governing terms and conditions of the said approval letter. The said subsidy shall be appropriately dealt with in the Books of Account as and when the Parent Company's application for disbursement is finally approved by the designated authority/ MeitY in accordance with the procedure prescribed under the M-SIPS.

**41. Revenue from Contract With Customer's**

The Parent Company has adopted Ind AS 115 "Revenue from Contracts with Customers" replacing Ind AS 18 "Revenue" and Ind AS 11 "Construction Contracts" for reporting periods beginning 1st April, 2018 using cumulative catch up transition method. The application of said Ind AS 115 did not have material impact on measurement of revenue and other related items in the financial statements for the year ended 31st March, 2019. Other relevant disclosures in terms of said Ind AS 115 are stated herein:

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

Particulars	(₹ in lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
<b>Sale of Manufacturing Products (Predominantly Telecommunication Cables)</b> [Net of Inter Segment Revenue: ₹ 15591.89 lacs (₹6294.56 lakhs)]	<b>53937.24</b>	40286.16
<b>Engineering, Procurement and Construction (Turnkey Contracts &amp; Services Business)</b>		
- Construction Contracts	<b>87304.48</b>	67002.71
- Indefeasible Right of Usage (IRU)	<b>65420.89</b>	26796.68
- Operation & Maintenance Services	<b>1879.79</b>	429.28
<b>Total Revenue from Contracts with Customers</b>	<b>208542.40</b>	134514.83
<b>Timing of Revenue Recognition</b>		
- Good/Services Transferred at a Point in Time	<b>119358.13</b>	67082.84
- Good/Services Transferred Over Time	<b>89184.27</b>	67431.99
<b>Total Revenue from Contracts with Customers</b>	<b>208542.40</b>	134514.83

- (b) Contract Balances :

Particulars	(₹ in lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables	<b>122833.12</b>	72054.11
Contract Assets	<b>10223.78</b>	12,510.16
Contract Liabilities	<b>27680.12</b>	9304.17

Trade Receivables are non-interest bearing and are generally due within 90 days except retention money held by the customers as per the governing terms and conditions of the contracts. During the current year, the Company has recognised a provision for expected credit losses of ₹ 174.63 lakhs (₹ 86.94 lakhs) on Trade Receivables.

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

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

Particulars	(₹ in lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
Revenue as per Contract Price	<b>228393.24</b>	130191.53
Adjustments		
Less: Sales Return, Discount, Rebate, Customer Claim and Others	<b>(409.37)</b>	(871.78)
Less: Opening Balance of Contract Assets	<b>(12510.16)</b>	(7690.42)
Add: Closing Balance of Contract Assets	<b>10223.78</b>	12510.16
Add: Opening Balance of Contract Liability	<b>1259.21</b>	1634.55
Less: Closing Balance of Contract Liability	<b>(18414.30)</b>	(1259.21)
Revenue as per Statement of Profit and Loss	<b>208542.40</b>	134514.83

- (d) The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31st March, 2019 :

Particulars	(₹ in lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
Upto one year	<b>117401.15</b>	81391.33
One to three year	<b>12158.00</b>	81365.04

- (e) The Revenue from Operations for periods upto 30th June, 2017 were reported inclusive of excise duty. Consequent to the implementation of Goods and Services Tax (GST) laws effective from 1st July,2017, the Revenue from Operations for the year ended March 31, 2019 are reported net of GST, in accordance with the requirements of Ind AS. Accordingly, the Revenue from Operations for the year ended 31st March, 2019 are not comparable with the amounts reported in the corresponding previous year.

**42. Employee Benefits:**

## (a) Gratuity and Pension:

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

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Current Service Cost	73.92	44.10	-	-
Interest Cost on Benefit Obligation	51.76	45.10	2.28	2.00
Expected Return on Plan Assets	(50.91)	(41.69)	-	-
Net Actuarial (Gain)/Loss recognised	-	-	0.98	5.46
Net Employee Benefit Expense	74.77	47.51	3.26	7.46

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

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Actuarial Gain/(Loss) on Plan Assets	3.79	5.31	-	-
Actuarial Gain/(Loss) on DBO arising from- Experience Adjustment	(32.61)	(11.18)	-	-
Difference in Present Value of Obligation	(23.76)	12.54	-	-
Amount Recognised in OCI	(52.58)	6.67	-	-

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

(₹ in lakhs)

Description	Gratuity		Pension	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Defined Benefit Obligation	849.74	686.80	31.50	32.68
Less: Fair Value of the Plan Assets	747.11	638.50	-	-
Less: Paid by Group Company	1.36	1.36	-	-
Net Asset/(Liability)	(101.27)	(46.94)	(31.50)	(32.68)

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

(₹ in lakhs)

Description	Gratuity		Pension	
	2018-19	2017-18	2018-19	2017-18
Opening Defined Benefit Obligation	686.80	628.30	32.68	34.10
Interest cost	51.76	45.10	2.28	2.00
Current Service Cost	73.92	44.10	-	-
Benefits Paid	(19.11)	(29.35)	(4.44)	(4.44)
Actuarial (Gain)/Loss	56.37	(1.35)	0.98	1.02
Closing Defined Benefit Obligation	849.74	686.80	31.50	32.68

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

(₹ in lakhs)

Description	Gratuity	
	2018-19	2017-18
Opening Fair Value of Plan Assets	638.50	543.00
Expected Return on Plan Assets	50.91	41.69
Contributions by Employer	80.00	83.88
Benefits Paid	(26.09)	(35.38)
Actuarial Gain/(Loss)	3.79	5.31
Closing Fair Value of Plan Assets	747.11	638.50



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

Description	Gratuity (%)	
	2018-19	2017-18
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 Parent Company expects to contribute ₹ 140.00 lakhs to its defined benefit approved gratuity plan during the financial year 2019-20.

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

Description	Gratuity		Pension	
	2018-19	2017-18	2018-19	2017-18
Mortality Table	<b>IAL (2012-14) Ultimate</b>	IAL (2006-08) Ultimate	<b>LIC(1996-98) Ultimate</b>	LIC(1996-98) Ultimate
Attrition Rate	<b>5.00% p.a.</b>	5.00% p.a.	<b>N.A.</b>	N.A.
Imputed Rate of Interest (IC)	<b>7.65% p.a.</b>	7.35% p.a.	<b>7.50% p.a.</b>	7.30% p.a.
Imputed Rate of Interest (D)	<b>7.65% p.a.</b>	7.65% p.a.	<b>7.60% p.a.</b>	7.50% p.a.
Salary Rise	<b>8.00% p.a.</b>	7.50% p.a.	<b>N.A.</b>	N.A.
Expected Return on Plan Assets	<b>7.65% p.a.</b>	7.35% p.a.	<b>N.A.</b>	N.A.
Remaining Working Life (Years)	<b>21.43 years</b>	14.55 years	<b>N.A.</b>	N.A.

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

- (viii) Quantitative Sensitivity Analysis for Significant Assumptions:

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

(₹ in lakhs)

Description	Delta Effect of	31st March, 2019		31st March, 2018	
		Decrease	Increase	Decrease	Increase
Gratuity					
Discount Rate	1%	51.51	(46.28)	43.30	(39.18)
Salary Growth Rate	1%	(46.55)	50.84	(39.59)	42.94
Attrition Rate	1%	2.69	(2.50)	0.37	(0.45)

- (ix) Maturity Profile of Defined Benefit Obligation:

(₹ in lakhs)

Description	Gratuity	
	2018-19	2017-18
Within next 12 months (next annual reporting period)	50.15	34.95
Between 1 to 5 years	529.05	401.28
Between 5 to 10 years	384.23	384.06
10 years and above	507.98	364.36

- (b) Provident Fund :

The Parent Company contributes its share to an approved provident fund trust. The Parent Company is liable for shortfall, if any, in the fund asset based on the government specified minimum rate of return. Based on the valuation made by an independent actuary, there is no shortfall as at 31st March, 2019. The Parent Company's aggregate Contribution of ₹ 221.15 lakhs (₹ 199.84 lakhs) to the said fund is charged to the Statement of Profit and Loss.

Details of Present Value of Defined Benefit Obligation, Plan Assets and Assumptions are as follows:

(₹ in lakhs)

Defined Contribution Plan	Gratuity	
	2018-19	2017-18
Plan Asset Fair Value	<b>3688.87</b>	3142.77
Present Value of Defined Benefit Obligation	<b>3623.58</b>	3056.80
Shortfall if any	-	-
Assumption used in determining the Present Value of DBO		
- Discounted rate	<b>8.65%p.a.</b>	8.55% p.a.
- Yield	<b>8.85%p.a.</b>	8.83% p.a.

(c) Defined Contribution Plan:

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

(₹ in lakhs)

Defined Contribution Plan	2018-19	2017-18
Contribution to Superannuation Fund	<b>53.70</b>	48.27
Contribution to Employee's Regional Provident Fund (J&K)	<b>7.02</b>	4.24

**43. Segment Information:**

**Cable**

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

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

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

**(a) Information about Operating Segments**

(₹ in lakhs)

Business Segments	Year ended 31st March, 2019			Year ended 31st March, 2018		
	Cable	EPC	Total	Cable	EPC	Total
<b>Revenue</b>						
External Sales and Other Operating Income (Net)	<b>54653.19</b>	<b>154883.76</b>	<b>209536.95</b>	40736.39	94402.07	135138.46
Inter Segment Sales (at arm's length basis)	<b>15591.89</b>	-	<b>15591.89</b>	6294.56	-	6294.56
Other Income*	<b>378.26</b>	<b>(27.81)</b>	<b>350.45</b>	51.25	12.30	63.55
<b>Total Revenue from Operations</b>	<b>70623.34</b>	<b>154855.95</b>	<b>225479.29</b>	47082.20	94414.37	141496.57
<b>Results</b>						
Segment Results (PBIT)	<b>10804.78</b>	<b>20464.95</b>	<b>31269.73</b>	6231.85	9663.72	15895.57
Interest Expense (Net)			<b>(5124.69)</b>			(2890.85)
Unallocable Income/(Expense) (Net)			<b>10565.33</b>			6794.53
Tax Expenses (Net)			<b>(9149.63)</b>			(4458.18)
<b>Profit After Tax</b>			<b>27560.74</b>			15341.07
<b>Other Information</b>						
Segment Assets	<b>46043.43</b>	<b>191955.23</b>	<b>237998.66</b>	36203.79	108858.32	145062.11
Unallocable Assets			<b>189371.50</b>			173626.55
<b>Total Assets</b>			<b>427370.16</b>			318688.66
Segment Liabilities	<b>15848.95</b>	<b>86264.28</b>	<b>102113.23</b>	10597.76	50337.84	60935.60
Unallocable Liabilities			<b>85965.96</b>			48173.82
<b>Total Liabilities</b>			<b>188079.19</b>			109109.42
Capital Expenditure Incurred	<b>5812.10</b>	<b>194.05</b>	<b>6006.15</b>	2030.13	185.56	2215.69
Depreciation and Amortisation	<b>1606.21</b>	<b>384.25</b>	<b>1990.46</b>	935.55	396.52	1332.07

\*Excludes ₹ 3401.36 lakhs (₹ 2949.02 lakhs) netted off from unallocated expenses and interest expense.

**(b) Geographical Segments:**

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

(₹ in lakhs)

Sl. No.	Geographical Segments	2018-19	2017-18
(i)	Domestic Market (within India)	<b>206776.51</b>	131521.09
(ii)	Overseas Markets (outside India)	<b>2760.44</b>	3617.37
	<b>Total</b>	<b>209536.95</b>	135138.46

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

**(c) Revenue from two customer of EPC business segment was ₹ 73165.73 lakhs (₹ 28820.41 lakhs), which is more than 10% of the total revenue of the Group.**
**44. (A) Disclosures in respect of Related Parties as defined in Indian Accounting Standard (Ind AS)-24, with whom transactions were entered into at an arm's length and in the normal/ ordinary course of business during the year are given below:**

(i)	Joint Ventures (Joint Arrangements)	Birla Visabeira Private Limited (BVPL)																													
(ii)	Entity where a Key Management Personnel (KMP)/ relatives of KMP have significant influence	Shakun Polymers Limited (SPL)																													
(iii)	Associate Company	Universal Cables Limited (UCL) Birla Corporation Limited (B.CORP) Punjab Produce Holdings Limited (PPHL)																													
(iv)	Joint Venture of an Associate Company	Birla Furukawa Fibre Optics Private Limited (BFFOPL)																													
(v)	Wholly Owned Subsidiaries of an Associate Company	RCCPL Private Limited (RCCPL)																													
(vi)	Key Management Personnel (KMP)	<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Shri Harsh V. Lodha</td> <td style="width: 5%; text-align: center;">}</td> <td style="width: 35%;">Chairman</td> </tr> <tr> <td>Shri J. Veeraraghavan</td> <td></td> <td rowspan="8" style="vertical-align: middle;">Non-Executive Directors</td> </tr> <tr> <td>Shri S.K. Misra</td> <td></td> </tr> <tr> <td>Shri R.C. Tapuriah</td> <td></td> </tr> <tr> <td>Shri D.R. Bansal</td> <td></td> </tr> <tr> <td>Shri Pracheta Majumdar</td> <td></td> </tr> <tr> <td>Shri Shiv Dayal Kapoor</td> <td></td> </tr> <tr> <td>Smt. Kiran Aggarwal</td> <td></td> </tr> <tr> <td>Shri Dilip Ganesh Karnik</td> <td></td> </tr> <tr> <td>Shri Y.S. Lodha</td> <td></td> <td>Managing Director</td> </tr> <tr> <td>Shri Saurabh Chhajer</td> <td></td> <td>Chief Financial Officer</td> </tr> <tr> <td>Shri Satyendu Pattnaik</td> <td></td> <td>Company Secretary</td> </tr> </table>	Shri Harsh V. Lodha	}	Chairman	Shri J. Veeraraghavan		Non-Executive Directors	Shri S.K. Misra		Shri R.C. Tapuriah		Shri D.R. Bansal		Shri Pracheta Majumdar		Shri Shiv Dayal Kapoor		Smt. Kiran Aggarwal		Shri Dilip Ganesh Karnik		Shri Y.S. Lodha		Managing Director	Shri Saurabh Chhajer		Chief Financial Officer	Shri Satyendu Pattnaik		Company Secretary
Shri Harsh V. Lodha	}	Chairman																													
Shri J. Veeraraghavan		Non-Executive Directors																													
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Shri Y.S. Lodha		Managing Director																													
Shri Saurabh Chhajer		Chief Financial Officer																													
Shri Satyendu Pattnaik		Company Secretary																													
(vii)	Post Employment Benefit Plan Entities	VTL Employees Group Gratuity Cum Life Assurance Scheme (VGF) Employees Provident Fund (EPF) UCL Superannuation Fund (USAF)																													

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

Sl. No.	Nature of Transaction	Year	BVPL	UCL	B.CORP	PPHL	RCCPL	BFFOPL	SPL	VGF	EPF	USAF
(i)	Purchase of Finished Goods/ Traded Goods, Raw Materials	2018-19	-	11157.42	4.50	-	91.06	17302.75	836.85	-	-	-
		2017-18	-	6374.68	-	-	96.84	9427.13	721.44	-	-	-
(ii)	Sale of Finished Goods, Traded Goods, Raw Materials and Consumables	2018-19	-	1395.07	119.92	-	86.17	10.26	0.32	-	-	-
		2017-18	-	55.53	59.48	-	80.45	3.97	-	-	-	-
(iii)	Sale of Old/ Used Fixed Assets	2018-19	-	22.17	-	-	-	-	-	-	-	-
		2017-18	-	-	-	-	-	-	-	-	-	-

Sl. No.	Nature of Transaction	Year	BVPL	UCL	B.CORP	PPHL	RCCPL	BFFOPL	SPL	VGf	EPF	USAF
(iv)	Other Service Charges/Lease Rent Received	2018-19	-	6.32	-	-	-	-	-	-	-	-
		2017-18	-	1.15	-	-	-	-	-	-	-	-
(v)	Other Service Charges/Lease Rent Paid	2018-19	-	7.68	7.08	-	-	3.55	-	-	-	-
		2017-18	-	4.61	7.08	-	-	-	-	-	-	-
(vi)	Interest Received on Inter-Corporate Loans Taken/Others	2018-19	-	627.34	-	-	-	-	-	-	-	-
		2017-18	-	476.03	-	-	-	-	-	-	-	-
(vii)	Dividend Received	2018-19	-	157.93	1585.67	-	-	44.62	-	-	-	-
		2017-18	-	-	1585.67	-	-	27.89	-	-	-	-
(viii)	Dividend Paid	2018-19	-	345.45	0.01	12.18	-	-	-	-	-	-
		2017-18	-	241.82	0.01	8.53	-	-	-	-	-	-
(ix)	Contributions	2018-19	-	-	-	-	-	-	-	80.00	449.28	53.70
		2017-18	-	-	-	-	-	-	-	83.88	384.31	48.27
(x)	Withdrawal	2018-19	-	-	-	-	-	-	-	19.11	87.72	-
		2017-18	-	-	-	-	-	-	-	29.35	230.97	-
(xi)	Balance Outstanding at the year end	2018-19	360.00	7478.10	6424.49	1200.00	-	1596.15	-	-	-	-
		2017-18	360.00	7478.10	6424.49	1200.00	-	733.28	-	-	-	-
(xi)	Cost of Non Current Investments in Equity Shares	2018-19	-	3843.58	-	-	-	6058.16	177.56	-	-	-
		2017-18	-	879.55	-	-	-	3547.28	130.17	-	-	-
(xi)	Trade Payables	2018-19	-	-	2.68	-	12.31	-	-	-	-	-
		2017-18	-	-	5.79	-	59.67	1.17	-	-	-	-
(xi)	Receivable	2018-19	-	7800.00	-	-	-	-	-	-	-	-
		2017-18	-	4800.00	-	-	-	-	-	-	-	-
(xi)	Loan outstanding	2018-19	-	7800.00	-	-	-	-	-	-	-	-
		2017-18	-	4800.00	-	-	-	-	-	-	-	-
(xii)	Maximum amount of loans and advances outstanding at any time during the year	2018-19	-	7800.00	-	-	-	-	-	-	-	-
		2017-18	-	4800.00	-	-	-	-	-	-	-	-

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

Particulars	Shri Y.S. Lodha		Shri Saurabh Chhajer		Shri Satyendu Pattnaik		Shri R.K. Agarwal		Non Executive Directors	
	Managing Director		Chief Financial Officer		Company Secretary		Vice President Commercial & Secretary			
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Short Term Employee Benefit	184.57	136.86	44.01	36.84	19.14	10.65	-	9.78	-	-
Post Employment Benefit (Refer footnote no. (i))	-	-	-	-	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-	-	-	21.85	25.40
Balance Outstanding at the year end (Payable/ (Receivable))	-	-	-	-	-	-	-	-	-	-

**Notes:**

- (i) The remuneration to Key Managerial Personnel(s) other than Non-Executive Directors does not include provision/ payment towards incremental liability on account of gratuity and compensated absences since actuarial valuation is done for the Parent Company as a whole.
- (ii) Transactions mentioned above are inclusive of Goods and Services Tax (GST), wherever applicable.
- (iii) 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.
- (iv) Transactions and balances relating to reimbursement of expenses to/from the above Related Parties have not been considered in the above disclosure.
- (v) Inter Corporate loans/advances have been given for business purposes.

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

(₹ in lakhs)

Sl. No.	Nature of Transactions	2018-19	2017-18
1	Interest Paid on Inter Corporate Loan	147.95	-
2	Inter Corporate Loan Taken	3,000.00	-
3	Dividend Paid (excluding Dividend Distribution Tax)	129.14	90.40
4	Outstanding Balance of Inter Corporate Loan	3,000.00	-

**45. Leases:**

## (a) Operating Lease :

The Parent Company has taken certain offices and residential premises/ facilities under operating lease/ sub-lease agreements. The lease agreements generally have an escalation clause and are not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease/ sub-lease agreements. The aggregate lease rental of ₹ 261.18 lakhs (₹ 173.46 lakhs) have been charged to the Statement of Profit and Loss.

## (b) Finance Lease:

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

(₹ in lakhs)

Sl. No.	Particulars	2018-19	2017-18
(i)	Revenue from IRU recognised as an Outright Sale	65420.89	26796.68
(ii)	Cost of Sale	58073.69	23931.95
(iii)	Profit Recognised [(i)-(ii)]	7347.20	2864.73

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

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
At the beginning of the Year	2897.16	2235.08
Arising during the year	1311.48	713.66
Utilised/Written Back during the year	250.49	51.58
At the end of the year	3958.15	2897.16

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

(₹ in lakhs)

Sl. No.	Particulars	Fair Value Hierarchy	Note No.	As at 31st March, 2019		As at 31st March, 2018	
				Carrying Value	Fair Value	Carrying Value	Fair Value
<b>I</b>	<b>Financial Assets</b>						
(a)	Fair Value through Profit & Loss						
	-Investment in Mutual Fund	Level 1	A	<b>5514.40</b>	<b>5514.40</b>	7470.46	7470.46
(b)	At Fair Value through Other Comprehensive Income (FVTOCI)						
	-Investment in Quoted Equity Instruments	Level 1	B	<b>8911.85</b>	<b>8911.85</b>	3535.17	3535.17
	-Investment in Un-Quoted Equity Instruments	Level 3	C	<b>2826.66</b>	<b>2826.66</b>	1757.35	1757.35
(c)	At Amortised Cost						
	-Tax Free Bonds		D	<b>60.60</b>	<b>60.60</b>	60.60	60.60
	-Trade Receivables		E	<b>122833.12</b>	<b>122833.12</b>	72054.11	72054.11
	-Loan			<b>7800.00</b>	<b>7800.00</b>	4800.00	4800.00
	-Other Financial Asset			<b>3191.79</b>	<b>3191.79</b>	6697.06	6697.06
	-Cash and Cash Equivalents			<b>343.13</b>	<b>343.13</b>	399.83	399.83
	-Other Bank Balances			<b>3389.08</b>	<b>3389.08</b>	3150.50	3150.50
	<b>Total Financial Assets</b>			<b>154870.63</b>	<b>154870.63</b>	99925.08	99925.08
<b>II</b>	<b>Financial Liabilities</b>						
(a)	At Amortised Cost						
	-Borrowings		E	<b>83151.13</b>	<b>83151.13</b>	47062.92	47062.92
	-Trade Payable			<b>66760.21</b>	<b>66760.21</b>	46482.34	46482.34
	-Other Financial Liabilities			<b>1164.48</b>	<b>1164.48</b>	682.79	682.79
(b)	At Fair Value through Profit & Loss (FVTPL)						
	[Provision for MTM on Derivative Instruments (Net)]						
	-Foreign Exchange Forward Contract	Level-2	F	<b>27.52</b>	<b>27.52</b>	0.29	0.29
	-Foreign Exchange Swap Contracts	Level-2		<b>(6.40)</b>	<b>(6.40)</b>	37.56	37.56
	<b>Total Financial Liabilities</b>		<b>151096.94</b>	<b>151096.94</b>	94265.90	94265.90	

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

- The Group has opted to fair value its investments in Mutual Funds at its NAV.
- The Group has opted to fair value its quoted equity instruments at its market quoted price through Other Comprehensive Income(OCI).
- The Group has opted to fair value its unquoted equity instruments at its Net Asset Value/Adjusted Net Asset Value or Discounted Cash Flow value through OCI
- The Group has valued Tax free Bonds at Amortised Cost. The fair value approximate carrying value.
- The fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, short term borrowings, trade payables and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The Group has adopted Effective Interest Rate Method (EIR) for fair valuation of long term borrowings, non current financials assets and non-current financial liabilities.
- The Fair Value of forward exchange and swap contracts is based on valuation certificate given by respective banks.



**Fair Value Hierarchy**

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

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

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

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

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

(a) **Marketing Risk:** Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises mainly four types of Risk: Foreign Currency Risk, Interest Rate Risk, Rights of the Way and other Contractual Obligation Risk, Other Price Risk such as Commodity Price Risk and Equity Price Risk.

(i) Foreign Currency Risk:

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

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

Particulars	As at 31st March, 2019			As at 31st March, 2018		
		In Foreign Currency	₹ In lakhs		In Foreign Currency	₹ In lakhs
<b>Hedged :</b>						
Financial Liabilities						
Foreign currency exposures covered by Forward Contracts						
Long-term Borrowings	USD	695136.27	484.02	USD	1247834.76	820.97
Short-term Borrowings	USD	350000.00	243.71	USD	470552.96	308.68
Short-term Borrowings	EUR	157500.00	123.92	EUR	-	-
Other Payables	USD	1903827.00	1325.63	USD	1216490.00	798.02
<b>Total Hedged :</b>	USD	2948963.27	2053.36	USD	2934877.72	1927.67
	EUR	157500.00	123.92	EUR	-	-
<b>Unhedged :</b>						
Financial Liabilities						
Long-term Borrowings	USD	964400.05	671.51	USD	961904.59	631.01
	EUR	2230590.88	1755.03	EUR	-	-
Short-term Borrowings	USD	5392.57	3.75	USD	1535289.00	1,007.15
	EUR	940.19	0.74	EUR	990129.90	803.79
Other Payables	USD	61809.00	43.04	USD	1151870.00	755.63
	EUR	283105.76	222.75	EUR	130229.00	105.72
Financial Assets						
Receivables	USD	307236.59	211.32	USD	2392636.00	1,549.23
	NPR	11348757.00	70.93	NPR	21204522.00	132.53
Bank Balances	USD	1.00	-	USD	1.00	-
	NPR	5605272.00	35.03	NPR	5437647.00	33.99
<b>Net Unhedged Exposure</b>	USD	724364.03	506.98	USD	1256426.94	844.56
	NPR	(16954029.00)	(105.96)	NPR	(26642169.00)	(166.52)
	EUR	2514636.83	1978.52	EUR	1120358.90	909.51

**Foreign Currency Sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in USD/EURO with all other variables held constant. The impact on Company's profit before tax is due to changes in the fair value of monetary assets and liabilities consequent to changes in the foreign exchange rate as under:

(₹ in lakhs)

Particulars	2018-19	2017-18
Change in USD	(+)5%	(+)5%
Effect on Profit before Tax	(25.35)	(42.23)
Change in USD	(-)5%	(-)5%
Effect on Profit before Tax	25.35	42.23

(₹ in lakhs)

Particulars	2018-19	2017-18
Change in EURO	(+)5%	(+)5%
Effect on Profit before Tax	(98.93)	(45.48)
Change in EURO	(-)5%	(-)5%
Effect on Profit before Tax	98.93	45.48

 (ii) **Interest Rate Risk:**

Interest rate risk has underlying risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates could have unforeseen impact on Parent Company's cost of borrowings, thus impacting the profit and loss. The Parent Company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments like Interest Rate Swap, interest rate negotiations and low cost instruments like Commercial Papers and fixed interest bearing Redeemable Non-Convertible Debentures.

(₹ in lakhs)

Type of Exposure	As at 31st March, 2019	As at 31st March, 2018
A. Fixed Rate Borrowings	25203.89	25657.55
B. Variable Rate Borrowings (Including Short Term Borrowings)	57947.24	21405.37
Less: Borrowings Hedged by Swap Contracts	(772.51)	(1451.98)
	57174.73	19953.39

**Interest Rate Sensitivity:**

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

(₹ in lakhs)

Particulars	2018-19	2017-18
Interest Rate Increase by 0.25%	(142.94)	(49.88)
Interest Rate Decrease by 0.25%	142.94	49.88

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

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

(iv) **Commodity Price Risk:**

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

(v) **Equity/ Mutual Fund Price Risk:**

The Group has exposure to price risk arises from equity instruments and mutual funds held by the Group. Equity instruments other than investment in Associates & Joint Ventures are classified in the balance sheet at fair value through OCI. Having regard to the nature of such securities, intrinsic worth, intent and long term nature of securities, fluctuation in their prices are considered acceptable and do not warrant any management estimation. Investments in Mutual Funds are held for trading and are fair valued through profit or loss.

**(b) Credit Risk:**

Credit risk is the risk that counterparty might not honour its obligations under a financial instrument or customer contract leading to a financial loss. The Parent Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and Corporate guarantee given to banks as collateral against term loan(s) and working capital credit facilities to a body Corporate, Birla Cable Limited.

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

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

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

**(c) Liquidity Risk:**

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

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

Particulars	(₹ in lakhs)			
	Carrying Value	Payable on Demand*	Upto 12 Months	1 to 5 Years
<b>As at 31st March, 2019</b>				
<b>Borrowings*</b>	<b>83151.13</b>	<b>44213.02</b>	<b>3455.12</b>	<b>35482.99</b>
<b>Trade and Other Payables</b>	<b>67945.81</b>	<b>48.10</b>	<b>67886.90</b>	<b>10.81</b>
<b>Total</b>	<b>151096.94</b>	<b>44261.12</b>	<b>71342.02</b>	<b>35493.80</b>
<b>As at 31st March, 2018</b>				
Borrowings*	47062.92	14919.41	20729.43	11414.08
Trade and Other Payables	47202.98	33.31	47159.82	9.85
Total	94265.90	14952.72	67889.25	11423.93

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

**49. Capital Management:**

The Group policy is to maintain an adequate capital base so as to maintain credit worthiness and to sustain future growth. Capital includes issued capital, securities premium and all other equity reserves attributable to equity holders.

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

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Borrowings	<b>83151.15</b>	47062.92
Less: Cash and Cash Equivalents	<b>343.13</b>	399.83
<b>Net Debt</b>	<b>82808.02</b>	46663.09
Equity Share Capital	<b>1184.58</b>	1184.21
Other Equity	<b>238106.39</b>	208395.03
<b>Total Capital</b>	<b>239290.97</b>	209579.24
<b>Capital and Net Debt</b>	<b>322098.99</b>	256242.33
<b>Gearing Ratio</b>	<b>25.71%</b>	18.21%

**50. Information pursuant to Schedule III of Companies Act, 2013**

(₹ in lakhs)

Name of Entity	Net Assets (Total Assets - Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount	As % of Consolidated	Amount	As % of Consolidated	Amount	As % of Consolidated	Amount	As % of Consolidated
<b>Parent Company</b>								
Vindhya Telelinks Limited	60101.65	25.12%	16865.52	61.20%	4700.35	131.38%	21565.87	69.26%
<b>Indian Subsidiary Companies</b>								
August Agents Limited	5278.30	2.21%	659.31	2.39%	48.82	1.36%	708.13	2.27%
Insilco Agents Limited	5223.97	2.18%	653.27	2.37%	47.28	1.32%	700.55	2.25%
Laneseda Agents Limited	5519.19	2.31%	753.57	2.73%	47.81	1.34%	801.38	2.57%
<b>Total of Subsidiaries</b>	<b>16021.46</b>	<b>6.70%</b>	<b>2066.15</b>	<b>7.50%</b>	<b>143.91</b>	<b>4.02%</b>	<b>2210.06</b>	<b>7.10%</b>
<b>Associate Companies (Investment as per Equity Method)</b>								
Birla Corporation Limited	113700.44	47.52%	4659.94	16.91%	504.59	14.10%	5164.53	16.59%
Universal Cables Limited	29228.67	12.21%	3490.01	12.66%	909.46	25.42%	4399.47	14.13%
Punjab Produce and Holdings Limited	19643.33	8.21%	263.12	0.95%	(2680.58)	(74.92%)	(2417.46)	(7.76%)
<b>Total of Associate Companies</b>	<b>162572.44</b>	<b>67.94%</b>	<b>8413.07</b>	<b>30.53%</b>	<b>(1266.53)</b>	<b>(35.40%)</b>	<b>7146.54</b>	<b>22.95%</b>
<b>Joint Venture Company (Investment as per Equity Method)</b>								
Birla Visabeira Private Limited	595.42	0.24%	216.00	0.79%	0.09	0.00%	216.09	0.69%
<b>Total of Joint Venture Company</b>	<b>595.42</b>	<b>0.24%</b>	<b>216.00</b>	<b>0.79%</b>	<b>0.09</b>	<b>0.00%</b>	<b>216.09</b>	<b>0.69%</b>
<b>Grand Total</b>	<b>239290.97</b>	<b>100.00%</b>	<b>27560.74</b>	<b>100.00%</b>	<b>3577.82</b>	<b>100.00%</b>	<b>31138.56</b>	<b>100.00%</b>

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

(₹ in lakhs)

Particulars	Universal Cables Ltd. (Consolidated) (“UCL”)		Birla Corporation Ltd. (Consolidated)		Punjab Produce Holdings Ltd. (Consolidated)		Birla Visabiera Pvt. Ltd.	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Current Assets	94150.35	74261.55	250451.00	245393.00	360.21	300.61	8653.90	1417.52
Non-current Assets	90922.78	78483.65	882710.00	862063.00	50638.40	56860.49	410.55	4.84
Current Liabilities	67481.56	56272.98	178515.00	159144.00	4.21	4.32	4381.48	473.73
Non-current Liabilities	17673.92	13011.62	505124.00	520330.00	88.49	53.58	3194.39	0.29
Net Assets	99917.65	83460.60	449522.00	427982.00	50905.91	57103.20	1488.58	948.34
Group’s share in %	30.34%	30.34%	31.68%	31.68%	48.04%	48.04%	40.00%	40.00%
Group’s Share	30315.02	25321.95	142408.57	135584.56	24455.19	27432.38	595.42	379.33
Goodwill/(Capital Reserve)	210.41	210.41	(943.83)	(943.83)	(38.53)	(38.53)	-	-
Other Adjustments*	(1296.76)	(703.14)	(27764.30)	(26104.83)	(4773.34)	(5333.07)	-	-
Carrying Amount	29228.67	24829.22	113700.44	108535.90	19643.33	22060.78	595.42	379.33
Market Value of Quoted Investment	23221.68	13708.74	128085.50	173996.73	-	-	-	-
Revenue	141654.86	120732.76	654873.00	593893.00	702.60	623.21	9032.98	336.10
Profit for the year	13585.89	8269.60	25570.00	15395.00	826.73	493.87	540.01	21.50
Other Comprehensive Income	3498.57	7060.58	2005.00	89352.00	(7024.02)	269.00	0.22	-
Total Comprehensive Income	17084.46	15330.18	27575.00	104747.00	(6197.29)	762.87	540.23	21.50

\* Includes adjustment on account of tax impact on group share in net assets of associate/joint venture and cross holding between Group & UCL.

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

(₹ in lakhs)

Particulars	31st March, 2019		31st March, 2018	
	Associates	Joint Ventures	Associates	Joint Ventures
Share in Profit/(loss) (including Other Comprehensive Income)	7146.54	216.09	30227.64	8.60
Share in Contingent Liabilities	14296.64	-	13757.48	-

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

As per our attached report of even date.

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

 J. Veeraraghavan  
(DIN : 00078998)  
D.R. Bansal  
(DIN : 00050612)  
Kiran Aggarwal  
(DIN : 06991807)

 Karthik Srinivasan  
Partner  
Membership No. 514998

New Delhi, May 16, 2019

Signatures to Notes 1 to 52

 Harsh V. Lodha  
(DIN : 00394094)

Chairman

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

Directors

 Y.S. Lodha  
(DIN : 00052861)

Managing Director

 Saurabh Chhajer  
Rajesh Ramnani

 Chief Financial Officer  
Company Secretary

New Delhi, May 16, 2019

**STATEMENT CONTATING SAILENT FEATURES OF FINANCIAL STATEMENT OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANY**

Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule (5) of the Companies (Accounts) Rules, 2014

**PART "A" SUBSIDIARIES:**

(₹ in lakhs)

Sl. No.	Name of Subsidiary Company	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnovers	Profit Before Taxation	Profit After Taxation	Dividend	% of Shareholding
1	August Agents Ltd.	1525.02	6166.15	7757.02	65.85	5114.20	772.08	763.69	659.33	-	100%
2	Insilco Agents Ltd.	1500.02	6118.76	7688.18	69.40	5125.75	767.90	701.97	653.28	-	100%
3	Laneseda Agents Ltd.	1500.02	6250.89	7822.59	71.68	5025.69	879.49	873.89	753.58	-	100%

**PART "B" ASSOCIATES AND JOINT VENTURE COMPANIES:**

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

Sl. No.	Name of Associates / Joint Venture	Latest Audited Balance Sheet Date	Share of the Joint Venture and Associate held by the Company on the year end (including Subsidiary Companies)		Amount of Investment at Cost in Associates/Joint Venture (₹ In Lakhs)	Extent of Holding %	Network attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year		Description of how there is significant influence	Reason why the Associate/ Joint Venture is not consolidated
			10528988	24394915				31.03.2019	31.03.2019		
1	Universal Cable Ltd.	31.03.2019	10528988	24394915	7478.10	30.34%	22350.82	3490.01	-	Associate Company	N.A.
2	Birla Corporation Ltd.	31.03.2019	24394915	12000000	6424.49	31.68%	87017.57	4659.94	-	Associate Company	N.A.
3	Punjab Produce Holdings Ltd. *	31.03.2018	12000000	3600000	1200.00	48.04%	3100.65	263.12	-	Associate Company	N.A.
4	Birla Visabeira Pvt. Ltd.	31.03.2019	3600000		360.00	40.00%	595.42	216.00	-	Joint Venture	N.A.

\* Figures reported above are as per unaudited converged Ind AS Financial Statements for the year ended March 31, 2019.

**Notes:** (a) The consolidated financial statements include the financial statements of the company, its subsidiaries, associates and joint venture company.

(b) Figures mentioned above are as per converged Ind AS Financial Statements.

Harsh V. Lodha (DIN : 00394094)	Chairman
S.K. Misra (DIN : 00009411)	Directors
Shiv Dayal Kapoor (DIN : 00043634)	
Dilip Ganesh Karnik (DIN : 06419513)	
Y.S. Lodha (DIN : 00052861)	
Saurabh Chhajer Rajesh Ramnani	Managing Director
	Chief Financial Officer
	Company Secretary

New Delhi, May 16, 2019





# VINDHYA TELELINKS LIMITED

CIN: L31300MP1983PLC002134

Registered Office:

Udyog Vihar, P.O.Chorhata, Rewa-486 006 (M.P.),India  
Telephone No. (07662) 400400 • Fax No. (07662) 400591  
Email: headoffice@vtlrewa.com • Website: www.vtlrewa.com

## PROXY FORM

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

Name of the Member(s)	
Registered address	
E-mail Id	
Folio No/DP Id/Client Id	

I/We, being the member(s) of \_\_\_\_\_ equity shares of the above named Company, hereby appoint:

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Sixth Annual General Meeting of the Company, to be held on Monday, the August 5, 2019 at 12.30 P.M. at the Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa-486 006 (M.P.), India and at any adjournment thereof in respect of the following resolutions:

Ordinary Business		*For	*Against
1.	(a) Adoption of audited financial statements of the Company for the financial year ended March 31, 2019, 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, 2019, and Report of Auditors thereon.		
2.	Declaration of Dividend on Equity Shares for the financial year ended March 31, 2019.		
3.	Re-appointment of Shri Harsh V Lodha as a Director, who retires by rotation.		
Special Business			
4.	Re-appointment of Smt. Kiran Aggarwal as an Independent Director of the Company for the second term of 5 (five) consecutive years, i.e. with effect from 10.11.2019 to 09.11.2024.		
5.	Ratification of Remuneration to be paid to Cost Auditors for the year ending March 31, 2020.		
6.	Payment of remuneration/compensation by way of profit related commission or otherwise as permissible to the Non-Executive Directors including Independent Directors of the Company.		
7.	Payment of annual remuneration/compensation for the financial year 2019-20 to Shri Harsh V Lodha, Non-Executive Non-Independent Chairman, which may exceed 50% of the total remuneration payable to all Non-Executive Directors of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

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 Sixth 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 SIXTH ANNUAL GENERAL MEETING

Date of Meeting – August 5, 2019

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 SIXTH ANNUAL GENERAL MEETING of Vindhya Telelinks Limited being held on Monday, the August 5, 2019 at 12.30 P.M. at Udyog Vihar, P.O. Chorhata, Rewa – 486006 (M.P).

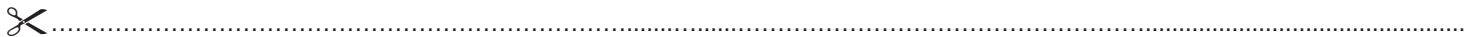
Signature of the Shareholder/Proxy/Authorised  
Representative present

--

### NOTE(S):

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

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



### ELECTRONIC VOTING PARTICULARS

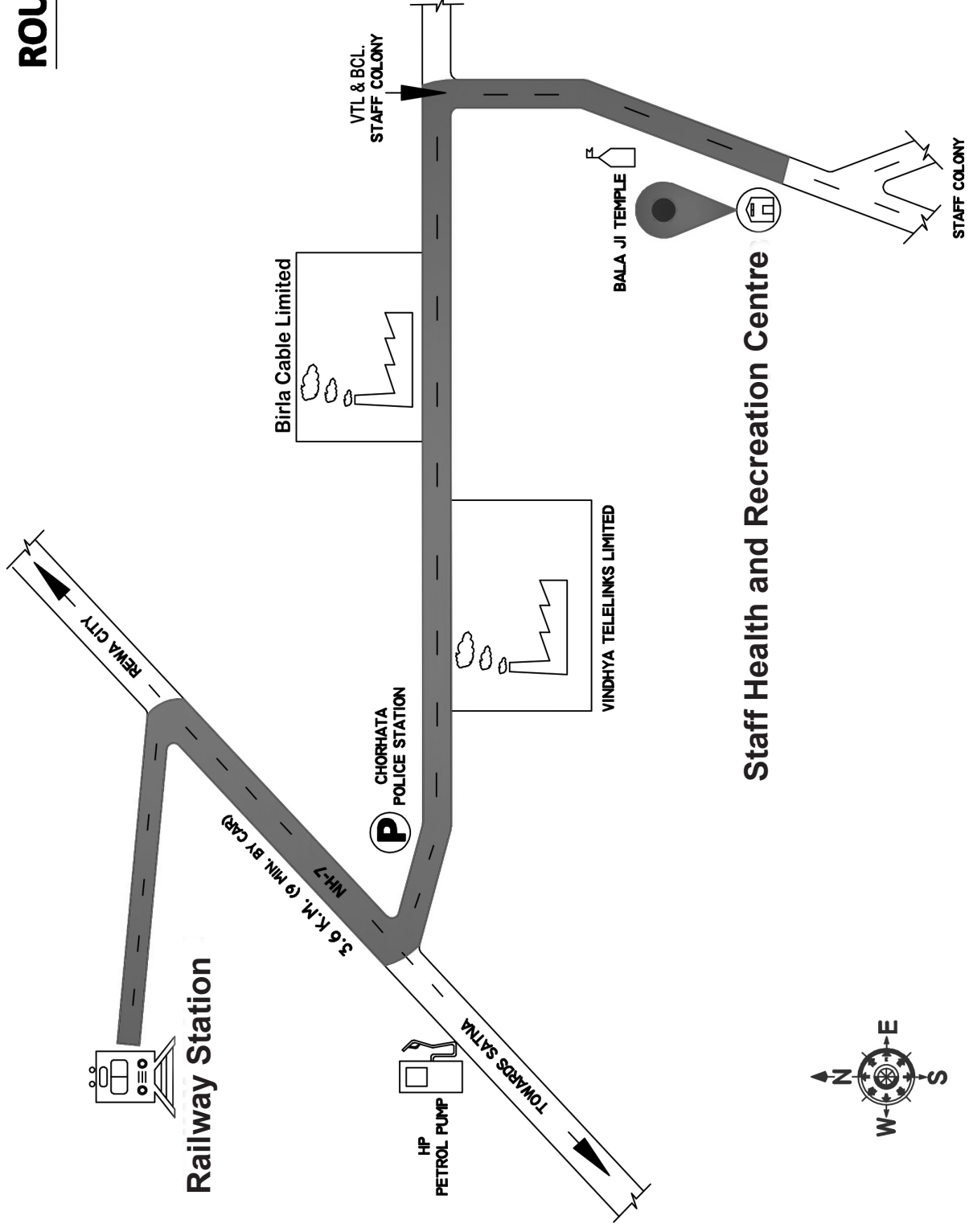
Electronic Voting Sequence Number (EVSN)	Default PAN/Sequence No.
190629010	*

\* 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 16, 2019 of the Thirty Sixth Annual General Meeting. The Voting period for e-voting begins on August 1, 2019 at 9.00 a.m. and ends on August 4, 2019 at 5.00 p.m. The e-voting module shall be disabled by CDSL for voting thereafter.

# ROUTE MAP FOR VENUE OF 36<sup>th</sup> AGM

## ROUTE MAP





TEMPLES IN THE COMPANY'S TOWNSHIP AT REWA, MADHYA PRADESH



Company Participated in INDIA ASEAN ICT EXPO- September 2018 held at Hanoi, Vietnam



Company Participated in GITEX- October 2018 held at Dubai, UAE





#### REGISTERED OFFICE & WORKS

Udyog Vihar,  
P.O.Chorhata,  
Rewa - 486 006,  
Madhya Pradesh, India.  
Tel.: +91 7662 400 400  
Fax: +91 7662 400 591

#### CORPORATE OFFICE

Commercial Plaza, 2nd Floor,  
Wing-B Radisson Hotel NH-8,  
Mahipalpur New Delhi 110 037,  
India.  
Tel.: +91 11 45538800  
Tel.: +91 11 26779038

#### EPC DIVISION

##### NEW DELHI

Commercial Plaza, G Floor, Wing-B  
Radisson Hotel NH-8, Mahipalpur,  
New Delhi 110 037 India.  
Tel.: +91 11 45538800  
Tel.: +91 11 26779038

##### NOIDA

6th floor, Tower-A,  
plot no A-3,4,5 Prius Global,  
Sec 125 Noida-201301 India.  
Tel.: +91 120 4950200  
Fax: +91 120 4950222

#### MARKETING OFFICES

##### AHMEDABAD

A 801, Sivanta One,  
Opp Bank Of Baroda,  
Near V.S.Hospital,  
Ashram Road, Paldi,  
Ahmedabad - 380 007 India.  
Mob.: +91 9374895672

##### BENGALURU

287, 15th Main, RMV Extension,  
Sadashiv Nagar,  
Nr. Nagasena School,  
Bengaluru-560 080,  
Karnataka, India.  
Tel.: +91 80 23612484/ 23619983  
Fax: +91 80 23619981

##### CHENNAI

GR Towers, 2nd Floor, 136,  
Nelson Manickam Road,  
Aminjikarai,  
Chennai-600 029,  
Tamil Nadu, India.  
Tel.: +91 44 23746623/ 23746624  
Fax: +91 44 23746625

##### GOA

Plot Nos. L62 to L 64  
Verna Industrial Estate,  
Verna Salcate - 403 722,  
Goa, India.  
Tel.: +91 832 6696400  
Fax: +91 832 2782614

##### HYDERABAD

No 603/1, Block-1, White House  
Municipal No -6-3-1192/1/603/1  
Begumpet, Hyderabad-500 016  
Telangana, India.  
Tel.: +91 40 23408218/ 29701825  
Fax: +91 40 23403272

##### KOLKATA

27-B, Camac Street,  
5th Floor, Kolkata - 700 016,  
West Bengal, India.  
Tel.: +91 33 22805043/ 22805044  
Fax: +91 33 22816227

##### MUMBAI

Sharda Terraces, 9th Floor,  
Plot No. 65, Sector- 11, CBD Belapur,  
Navi Mumbai- 400 614,  
Maharashtra, India.  
Tel.: +91 22 41268855/ 27560463/ 64  
Fax: +91 22 41268899



*If undelivered please return to:*



## VINDHYA TELELINKS LIMITED

CIN:L31300MP1983PLC002134

Regd. Office & Works: Udyog Vihar, P.O. Chorhata, Rewa - 486 006, Madhya Pradesh, India.  
Tel.: +91 7662 400 400, Fax: +91 7662 400 591

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