

**AISHWARYA TECHNOLOGIES AND
TELECOM LIMITED**
(Formerly Known as Aishwarya Telecom Limited)

**24th
ANNUAL REPORT**

2018-2019

CORPORATE INFORMATION**BOARD OF DIRECTORS**

1. Mr. K. Hari Krishna Reddy	- Chairman &Wholetime Director (DIN: 01302713)
2. Mr. G. Rama Manohar Reddy	- Whole-time Director (DIN: 00135900)
3.*Mrs. G. Amulya Reddy	- Whole time Director cum CFO (DIN: 00136428)
4. Mr. Srinivasa Rao Mandava	- Managing Director (DIN: 03456187)
5. Mr. D. Venkateswara Rao	- Whole time Director cum CFO (DIN: 03616715)
6. Mr. Mahesh Ambalal Kuvadla	- Independent Director (DIN: 07195042)
7. #Mr. B. Lakshminarayana	- Independent Director (DIN: 02766709)
8. Mr. D. VenkataSubbiah	- Independent Director (DIN:00006618)
9.*Mr. K. Rajender Reddy	- Independent Director (DIN: 06885840)
10.*Mr KesavaiahModipalli	- Independent Director (DIN: 05322821)
11. Mr. Satish Kumar Maddineni	- Independent Director (DIN: 03452107)
12. ^Ms. Arpitha Reddy Mettu	- Independent Director (DIN: 03553277)

* Resigned w.e.f. 06.05.2019

Appointed on 06.05.2019 and resigned on 14.08.2019

^ Appointed w.e.f. 14.08.2019

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

1-3-1026 & 1027, Singadikunta,
Kawadiguda, Hyderabad-500080,
Andhra Pradesh.
Ph.Nos:040- 27531324/25/26
Fax: 040-27535423
Email: sales@aishwaryatechtele.com

CORPORATE IDENTITY NUMBER

L72200TG1995PLC020569

AUDITORS

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

INTERNAL AUDITOR

M/s. Ramana Reddy & Associates,
Chartered Accountants

BANKERS

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

AUDIT COMMITTEE:

1. Mr. D. VenkataSubbiah	-	Chairman
2. Ms. Arpitha Reddy Mettu	-	Member
3. Mr. Mahesh A. Kuvadla	-	Member

NOMINATION & REMUNERATION COMMITTEE:

1. Mr. D. VenkataSubbiah	-	Chairman
2. Ms. Arpitha Reddy Mettu	-	Member
3. Mr. Mahesh A. Kuvadla	-	Member

STAKEHOLDER RELATIONSHIP COMMITTEE:

1. Mr. D. VenkataSubbiah	-	Chairman
2. Ms. Arpitha Reddy Mettu	-	Member
3. Mr. Mahesh A. Kuvadla	-	Member

INDEPENDENT DIRECTORS COMMITTEE:

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

RISK MANAGEMENT COMMITTEE:

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

REGISTRAR & SHARE TRANSFER AGENTS

Bigshare Services Private Limited
306, Right Wing, 3rd Floor, Amrutha Ville,
Opp. Yashoda Hospital Somajiguda,
Rajbhavan Road, Hyderabad 500082,
Telangana

<u>LISTED AT</u>	:	BSE Limited
<u>ISIN</u>	:	INE778101024
<u>WEBSITE</u>	:	www.aishwaryatechtele.com
<u>INVESTOR E-MAIL ID</u>	:	accounting@aishwaryatechtele.com

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the Members of Aishwarya Technologies and Telecom Limited will be held on Saturday, the 28th day of September, 2019 at 11:00a.m. at the Registered Office of the Company at 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss for the year ended as on that date along with Cash Flow Statement and notes (including consolidated financial statements) appended thereto together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in the place of Mr. G. Rama Manohar Reddy (DIN:00135900), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:**3. REAPPOINTMENT OF MR. G. RAMA MANOHAR REDDY AS WHOLETIME DIRECTOR OF THE COMPANY:**

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 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, the consent of the members of the company be and is hereby accorded to reappoint Mr. G. Rama Manohar Reddy (DIN:00135900) Whole-time Director of the Company for a period of three years with effect from 01.04.2020 to 31.03.2023 at a present remuneration of Rs. 2,00,000 p.m. and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time."

"RESOLVED FURTHER THAT in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Mr. G. Rama Manohar Reddy, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time".

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

4. APPOINTMENT OF MR. MANDAVA SRINIVASA RAO AS MANAGING DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, the consent of the members of the company be and is hereby accorded to appoint Mr. Mandava Srinivasa Rao (DIN: 03456187) as Managing Director of the Company for a period of three years with effect from 06.05.2019 to 05.05.2022 at remuneration of Rs. 5,50,000 p.m. and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time."

"RESOLVED FURTHER THAT in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Mr. Mandava Srinivasa Rao, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time".

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

5. REAPPOINTMENT OF MR. D. VENKATASUBBIAH AS INDEPENDENT DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Sections 149,150,152,160and Schedule IV and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force, Articles of Association of the Company, and pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors,the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. D. Venkatasubbiah(DIN: 00006618) who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and whose term shall not be subject to retirement by rotation, to hold office for a term of 5 (five) consecutive years on the Board of the Company w.e.f.01st April, 2019 up to 31st March, 2024."

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

6. APPOINTMENT OF MR. M. SATISH KUMAR AS INDEPENDENT DIRECTOR OF THE COMPANY:

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 149, 152 of the Companies Act, 2013 and rules made there under, Mr. M. Satish Kumar (holding DIN 03452107), who was appointed as 'Additional Director' in the category of non-executive independent director in the Board of the Company on 6th May, 2019 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 ("the Act") read with Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. M. Satish Kumar, as a candidate for the office of a Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from the date of his appointment as Additional Director i.e. 06.05.2019 up to 05.05.2024."

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

7. CONTINUATION OF MR. D. VENKATASUBBIAH AS INDEPENDENT DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and other applicable provisions of the Companies Act, 2013 and relevant Rules made there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, consent of the members of the Company be and is hereby accorded to continue the term of Mr. D. Venkatasubbiah, who has exceeded the age of 75 years upto the expiry of his present term of office, on the existing terms and conditions."

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

**For and on behalf of the Board
AishwaryaTechnologies and Telecom Limited**

**Place: Hyderabad
Date: 14.08.2019**

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

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21.09.2019 to 28.09.2019 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.

Recent regulations requiresubmission of Aadhar/PAN number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card/PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their Aadhar card/PAN details to the Company/ Registrar and Share Transfer Agents(Bigshare Services Private Ltd)

As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.

Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to **toBigshare Services Private Ltd.**, Share Transfer Agents of the Company for their doing the needful.

Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.

In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the Company and correspond with them directly regarding share transfer/transmission /transposition, Demat/Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.

In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the Company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

Electronic copy of the Annual Report for 2018-2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-2019 is being sent in the permitted mode.

Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2018-2019 will also be available on the Company's website www.aishwaryatechtele.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering

for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: accounting@aishwaryatechtele.com.

17. **Voting through Electronic Means (E-Voting Facility)**

Pursuant to the provisions of Section 108 of the Act read with the rules thereunder and Regulation 44 of SEBI LODR Regulations, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 24th Annual General Meeting scheduled to be held on Saturday, the 28th day of September, 2019 at 11:00 am at the registered office of the company at 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana.

The Company has engaged the services of Central Depository Services (India) Limited. ("CDSL") as the Authorized Agency to provide e-voting facilities. The e-voting particulars are set out below:

EVENT (e-voting event number)	Commencement of E Voting	End of E Voting
190904085	25-09-2019	27-09-2019

The e-voting facility will be available during the following voting period:

Commencement of e-voting: **From 25.09.2019 at 9.00 A.M.**

End of e-voting: **Up to 27.09.2019 at 5.00 P.M.**

The cut-off date (i.e. the record date) for the purpose of e-voting is 20.09.2019.

Please read the procedure and instructions for e-voting given below before exercising the vote.

This communication forms an integral part of the Notice dated 14.08.2019 for the AGM scheduled to be held on 28.09.2019 at 11:00 a.m. which is enclosed herewith and is also made available on the website of the Company www.aishwaryatechtele.com. Attention is invited to the statement on the accompanying Notice that the Company is pleased to provide e-voting facility through CDSL for all shareholders of the Company to enable them to cast their votes electronically on the resolution mentioned in the Notice of the 24th Annual General Meeting of the Company.

Procedure and instructions for e-voting

- (i) The E-voting period begins on 25.09.2019 (9.00 A.M) and ends on 27.09.2019 (5.00 P.M). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20.09.2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares In Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p><input type="checkbox"/> 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.</p> <p><input type="checkbox"/> 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.</p>
Dividend Bank Details OR 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 login.</p> <p><input type="checkbox"/> 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).</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Aishwarya Technologies and Telecom Limited >
- (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 votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (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, under help Section or write an email to helpdesk.evoting@cdslindia.com.

2. OTHER INSTRUCTIONS:

- (i). Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form and not casting their vote electronically, may cast their vote at the Annual General Meeting.
- (ii) The voting rights of shareholders shall be in proportions to the shares held by them in the paid equity share capital of the Company as on the cut-off date i.e. 20.09.2019.
- (iv) The Company has appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
- (v) The Scrutinizer shall after the conclusion of the Voting at the Annual General Meeting 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 (2) witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him.

- (vi) Voting is provided to the members through e-voting and at the Annual General Meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.
- (vii) If a Member casts votes by both modes, then voting done through e-voting shall prevail.
- (viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.aishwaryatechtele.com and on the website of CDSL and will be communicated to the BSE Limited.

The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.

- . Relevant documents referred to in the accompanying Notice, as well as Annual Report and Annual Accounts of the Subsidiaries Companies whose Annual Accounts have been consolidated with the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. upto the date of Annual General Meeting.
- . SEBI has notified vide Notification No. SEBI/LAD-NRO/GN/2018/24 that securities of the listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.

The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

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

**Place: Hyderabad
Date: 14.08.2019**

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

EXPLANATORY STATEMENT

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

ITEM NO 3:**REAPPOINTMENT OF MR. G. RAMA MANOHAR REDDY AS WHOLETEIME DIRECTOR OF THE COMPANY**

Mr. G. Rama Manohar Reddy (DIN: 00135900) was appointed as Whole-time Director of the Company for a period of 3 years from 1st April 2017 to 31st March 2020 at the 22nd Annual General Meeting held on 29th September 2017. His tenure will expire on 31.03.2020.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 14.08.2019, approved the re-appointment of Mr. G. Rama Manohar Reddy (DIN: 00135900) as Whole-time Director of the Company for a term of three years commencing from 01.04.2020 to 31.03.2023 with a remuneration of Rs. 2,00,000 per month.

Accordingly the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 3 of the notice for reappointment of Mr. G. Rama Manohar Reddy.

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

Information in accordance with Schedule V of Companies Act, 2013**I. GENERAL INFORMATION**

1	Nature of Industry : Technology and Telecom		
2	Date or expected date of commencement of commercial: The Company started its commercial operations in the year 1995		
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable		
4	Financial performance based on given indications		
	Particulars	2018-19 (Rs. in lakhs)	2017-18 (Rs. in lakhs)
	Turnover	999.55	2414.81
	Net profit after Tax	(1448.28)	(918.33)
5	Foreign investments or collaborations, if any: Not Applicable		

II. INFORMATION ABOUT THE APPOINTEE:

1.	Background Details: Mr. G. Rama Manohar Reddy has an experience of about 25 years in the Industry.
2.	Past Remuneration: The remuneration drawn by Mr. G. Rama Manohar Reddy, Whole-time Director is Rs. 2,00,000 per month at present.
3.	Recognition or awards : –Not Applicable
4.	Job Profile and his suitability: Keeping the past record of Mr. G. Rama Manohar Reddy in mind and his contribution towards the Company, it is proposed to re-appoint him as Whole-time Director of the Company.
5.	Remuneration proposed: As set out in the resolutions for the item No.3 the remuneration to Mr. G. Rama Manohar Reddy, Whole-time Director has the approval of the Nomination and Remuneration Committee and Board of Directors, is within the limits specified under Schedule V of Companies Act.
6.	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Taking into consideration of the size of the Company, the profile of Mr. G. Rama Manohar Reddy and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Besides the remuneration, he is holding 59,00,990 Equity Shares of the Company.

III. OTHER INFORMATION:

- Reasons for inadequate profits: The Company is in the mode of expansion of the business which generally requires spending lot of money upfront leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years.
- Steps taken or proposed to be taken for improvement: Necessary efforts are being made to increase the clientele who in turn contribute for the growth of the business as well as the profitability.
- Expected increase in productivity and profit in measurable terms:

The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will improve considerably in the coming years.

ITEM No 4

Mr. MandavaSrinivasa Rao (DIN:03456187) was appointed as Professional Director of the of the Company for a period of 5 years from 12.10.2018 to 11.08.2023 at the 23rd Annual General Meeting held on 30th November 2018.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 06.05.2019, approved the appointment of Mr. MandavaSrinivasa Rao (DIN:03456187) as Managing Director of the Company for a term of three years commencing from 06.05.2019 to 05.05.2022 with a remuneration of Rs. 5,50,000/- per month.

Accordingly the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 4 of the notice for reappointment of Mr. MandavaSrinivasa Rao.

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

Information in accordance with Schedule V of Companies Act, 2013**I. GENERAL INFORMATION**

1	Nature of Industry : Technology and Telecom		
2	Date or expected date of commencement of commercial: The Company started its commercial operations in the year 1995		
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable		
4	Financial performance based on given indications		
	Particulars	2018-19 (Rs. in lakhs)	2017-18 (Rs. in lakhs)
	Turnover	999.55	2424.81
	Net profit after Tax	(1448.28)	(918.33)
5	Foreign investments or collaborations, if any: Not Applicable		

II. INFORMATION ABOUT THE APPOINTEE:

1.	Background Details: Mr. Mandava Srinivasa as Mechanical Engineering Graduate has an experience of about 10 years.
2.	Past Remuneration: NIL
3.	Recognition or awards : -- NIL
4.	Job Profile and his suitability: Keeping in mind the experience and knowledge, Mr. Mandava Srinivasa Rao as a Mechanical Engineering Graduate served as Senior Executive in various multinational companies in USA and as a CEO, it is proposed to appoint him as Managing Director of the Company.
5.	Remuneration proposed: As set out in the resolutions for the item No.4 the remuneration to Mr. Mandava Srinivasa Rao, Managing Director has the approval of the Nomination and Remuneration Committee and Board of Directors, is within the limits specified under Schedule V of Companies Act.
6.	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Taking into consideration of the size of the Company, the profile of Mr. Mandava Srinivasa Rao and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Besides the remuneration, he is not holding any Equity Shares of the Company.

ITEM NO. 5**REAPPOINTMENT OF MR. D. VENKATASUBBIAH AS INDEPENDENT DIRECTOR OF THE COMPANY**

Mr. D. Venkatasubbiah(DIN: 00006618)was appointed as Independent Director of the Company for a period of 5 years from 01st April 2014 to 31st March 2019 at the 19th Annual General Meeting held on 29th September 2014.

Mr. D. Venkatasubbiah's term as an Independent Director of the company ends on 31.03.2019. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. D. Venkatasubbiah being eligible and offering himself for re-appointment as an Independent Director for five consecutive years w.e.f. 01st April 2019 to 31st March 2024. The Company has received a notice from a member under Section 160 of the Companies Act 2013 for appointment of Mr. D. Venkatasubbiah for the office of Director in Independent category.

In the opinion of the Board, Mr. D. Venkatasubbiah fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. D. Venkatasubbiah as an Independent Director.

Accordingly the Board of Directors recommends the passing of the above resolution as Special Resolution set out in the item no.5 of the notice for appointment of Mr. D. Venkatasubbiah.

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

ITEM NO. 6

APPOINTMENT OF MR. M. SATISH KUMAR AS INDEPENDENT DIRECTOR OF THE COMPANY

Mr. M. Satish Kumar was appointed as Additional Director on 6th May, 2019 in terms of Section 161 (1) of the Companies Act, 2013 in the category of 'Non-Executive Independent' in terms of the Companies Act, 2013, an Additional Director shall hold office up to the date of the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and be eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under Section 160 of the Companies Act 2013, for appointment of Mr. M. Satish Kumar for the office of Director in Independent category.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. M. Satish Kumar as 'Non-executive Independent Director' for a term up to 5 consecutive years commencing from the date of his appointment as Additional Director i.e. 6th May, 2019 upto 5th May, 2024.

Accordingly the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 6 of the notice for appointment of Mr. M. Satish Kumar.

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

ITEM NO 7

CONTINUATION OF MR. D. VENKATASUBBIAH (DIN: 00006618) AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR:

As per Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 requires appointment or continuance of any person as Non-Executive Director of a listed Company who has attained the age of 75 years to be approved by the shareholders by way of a Special Resolution.

Mr. D. Venkatasubbiah (DIN: 00006618), Independent Non-Executive Director of the Company has joined the Board of Directors of the Company on 15.09.2006. Pursuant to Section 149 (11) of the Companies Act, 2013, Mr. D. Venkatasubbiah was re-appointed as an Independent Non-Executive Director in the Annual General Meeting held on 29th September 2014 for a period of 5 years from 01st April 2014 to 31st March 2019. Continuation of Mr. D. Venkatasubbiah as Independent – Non-executive Director requires special resolution to be passed in terms of SEBI LODR (Amendment) Regulations, 2018 since he has attained the age of 75 years.

Accordingly the Board of Directors recommends the passing of the above resolution as Special Resolution set out in the item no. 7 of the notice for continuation of Mr. D. Venkatasubbiah.

Save and except Mr. D. Venkatasubbiah Independent Non-Executive Director, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

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

Place: Hyderabad
Date: 14.08.2019

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

BOARDS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Directors' Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March 2019.

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

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

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Total Income	1315.18	2636.07	1315.18	2636.06
Total Expenditure	3335.56	3853.81	3336.00	3853.95
Profit Before Tax	(2020.38)	(1214.30)	(2020.82)	(1214.44)
Provision for Tax	(572.54)	(304.37)	(572.54)	(304.37)
Profit after Tax	(1447.84)	(909.93)	(1448.28)	(910.07)

REVIEW OF OPERATIONS:Standalone

During the year under review your company has achieved sales and other income of Rs.1315.18 Lakhs and net loss of Rs.1447.84 Lakhs as compared to sales and other income of Rs. 2636.07 lakhs and net loss of Rs. 909.93 Lakhs achieved in the previous financial year.

Consolidated

During the year under review your company has achieved sales and other income of Rs.1315.18 Lakhs and net loss of Rs.1448.28 Lakhs as compared to sales and other income of Rs. 2636.07 lakhs and net loss of Rs. 910.07 Lakhs achieved in the previous financial year.

2. CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

3. RESERVES

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

4. DIVIDEND

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

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

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report. 14.08.2019)

6. BOARD MEETINGS:

The Board of Directors duly met eight (8) times during the financial year from 1st April 2018 to 31st March 2019. The dates on which the meetings were held are 30.05.2018, 16.07.2018, 12.10.2018, 05.11.2018, 14.11.2018, 08.02.2019, 01.03.2019 and 31.03.2019.

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

- Mr. G. Rama Manohar Reddy is liable to retire by rotation. Being eligible offers himself for reappointment.
- Mr. Venkateswara Rao Devineni is appointed as CFO with effect from 06.05.2019.
- Mrs. G. Amulya Reddy resigned as Whole-time Director with effect from 06.05.2019.
- Mr. Ashish Kesarani and Mr. Medishetty Srinivas Kumar resigned as Independent Director w.e.f. 08.02.2019. The Board places on record their sincere appreciation for the services rendered by them during their tenure.

- Mr.G. Rama Manohar Reddy designation has been changed from Managing Director to Wholetime Director of the Company w.e.f. 06.05.2019.
- Mr. Kesavaiah Modipalli and Mr. K. Rajender Reddy resigned as Independent Director with effect from 06.05.2019. The Board places on record their sincere appreciation for the services rendered by them during their tenure.
- Mr. Khush Mohammad is appointed as Company Secretary and Compliance officer with effect from 01.03.2019.
- As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:-

Name of the Director	Mr. G. Rama Manohar Reddy	Mr. Mandava Srinivasa Rao
Date of Birth	04/05/1964	10/06/1972
Qualification	B.tech ,Electronics	B.Tech in Mechanical Engineering
Expertise in specific functional areas	Has an experience of 25 years in Telecom Industry	Worked for almost 15 years in US in capacities as Manager and CEO. Handled technology related matters efficiently
Names of Listed entities in which the person also holds the directorship and the membership of Committees of the board	–	–
No. of Shares held in the Company	5900990	NIL
Inter se relationship with any Director	–	NIL

Name of the Director	Mr. D. Venkatasubbiah	Mr. M. Satish Kumar
Date of Birth	01-07-1942	19-05-1974
Qualification	B Tech	MBA
Expertise in specific functional areas	Technical	Worked for 20 years in capacities as manager and Director
Names of Listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL	NIL
No. of Shares held in the Company	NIL	NIL
Inter se relationship with any Director	NIL	NIL

8. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Mr. Mahesh Ambalal Kuvadia, Mr. D. VenkataSubbiah, Mr. K. Rajender Reddy, Mr Kesavaiah Modipalli, Mr. Satish Kumar Maddineni, Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

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

The details of familiarisation programme held in FY 2018-19 are also disclosed on the Company's website at <https://www.aishwaryatechtele.com>.

10. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required

for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

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

11. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

12. DIRECTORS' RESPONSIBILITY STATEMENT

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

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis;
5. That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

13. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

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

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

Bhashwanth Power Projects Private Limited is the subsidiary of the Company . There are no Operations in the Subsidiary.

15. EXTRACT OF ANNUAL RETURN:

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is a part of this Annual Report in enclosed as Annexure-I.

16. STATUTORY AUDITORS:

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

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

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

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

18. INTERNAL AUDITORS:

Pursuant to the provisions of Section 138 of the Companies read with rules made there under, the Board has appointed M/s. Ramana Reddy & associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2018-2019.

19. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to the Company.

20. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, the Board has appointed M/s. Vivek Surana & Associates, Practising Company Secretaries to undertake Secretarial Audit of the Company for financial year ending 31.03.2019. The report of the Secretarial Auditor is enclosed herewith vide Annexure-II of this Report.

21. QUALIFICATIONS IN AUDIT REPORTS:

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

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2019. M/s CSVR Associates & Co., has issued the Audit report with unmodified opinion /unqualified opinion. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in the coming years.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2019 on the Compliances according to the provisions of Section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks except the delay in filing the unaudited financial results for the Quarter ended 31.03.2018, 30.06.2018, 30.09.2018, non Publication of Newspaper advertisements and not regular in filing Forms with Registrar of Companies

Reply: The Company could not file financial statements for the quarters ended June, 2018 and September, 2018 as the company was referred to CIRP proceedings. However, the company was able to make settlement with the operational creditor and is out of the CIRP proceedings

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

23. RELATED PARTY TRANSACTIONS:

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

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

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

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

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

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

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

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

- | | |
|---|-------|
| 1. Research and Development (R&D) | : NIL |
| 2. Technology absorption, adoption and innovation | : NIL |

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings	: Rs. 8,79,546/-
Foreign Exchange Outgo	: Rs. 42,59,488/-

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

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

(II). NOMINATION AND REMUNERATION COMMITTEE:

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

(III). STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

(IV). RISK MANAGEMENT COMMITTEE AND POLICY:

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

27. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

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

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

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

Since the Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

29. PUBLIC DEPOSITS:

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

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

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

NCLT Case: The company operating creditor M/s SEI Trading Indian Private has filed case before NCLT, Hyderabad for claiming their dues and also terminated distribution-ship. Aishwarya Technologies and Telecom Ltd had filed a civil petition before city civil Court Hyderabad for injunction against sudden termination of distribution-ship by the above said party. Though the matter was pending before the City Civil Court which was filed much before the NCLT Case, NCLT Hyderabad admitted the case filed by the above said operational creditor. Due to admission at the operational creditor's petition the BOD was terminated and IRP was appointed to proceed under IBC.

The Company has filed appeal before NCLAT, New Delhi and made settlement with the operational creditor for payment of dues Finally on accepting the Settlement deed the NCLAT, New Delhi has set aside the order passed by NCLT Hyderabad and restored all the rights of Board of Directors by passing the order on 19th Sept 2018.

31. DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

32. INSURANCE:

The properties and assets of your Company are adequately insured.

33. CREDIT & GUARANTEE FACILITIES:

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

34. SHARE CAPITAL

The authorised share capital of the Company stands at Rs. 155000000/-.

The paid up share capital of the Company stands at Rs. 119469710/- divided into 23893942 equity shares of Rs.10/- each.

35. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

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

36. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

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

37. POLICIES:

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

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

ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT:

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

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

STATUTORY COMPLIANCE:

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

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

Committee:

Name	Designation
Neha Bajaj	Presiding Officer
Vamsi Priya V	Member
Saritha A	Member
DasaripallaJoji	External Member

All employees are covered under this policy. During the year 2018-2019, there were no complaints received by the Committee.

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

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

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as Annexure VI

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

42. RATIO OF REMUNERATION TO EACH DIRECTOR

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr.K. Hari Krishna Reddy, Chairman and Whole-time Director, Mr. M. Srinivasa Rao , Managing Director, Mr. G. Rama Manohar Reddy, Whole-Time director and Mr. D. Venkateswara Rao, Whole-time Director and CFO to the median remuneration of the employees are 20:1, NIL, 15:1, 4:1 respectively.

43. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:

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

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

44. SECRETARIAL STANDARDS

The Company is in compliance with the applicable secretarial standards.

45. EVENT BASED DISCLOSURES

During the year under review, the Company has not taken up any of the following activities:

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

46. CEO/ CFO Certification

The Managing Director cum CEO and CFO certification of the financial statements for the year 2018-2019 is annexed in this Annual Report.

47. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company. Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company for their continued support for the growth of the Company.

**For and on behalf of the Board
AishwaryaTechnologies and Telecom Limited**

**Place: Hyderabad
Date: 14.08.2019**

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

**Sd/-
D Venkateswara Rao
Whole time Director
(DIN: 03616715)**

CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2018-19

The shareholders,

Code of Conduct

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Certificate of Code of Conduct for the year 2018-2019 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Aishwarya Technologies and Telecom Limited are committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all Director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2018-2019.

For and on behalf of the Board
Aishwarya Technologies and Telecom Limited
Sd/-

M. Srinivasa Rao
Managing Director
DIN:03456187

Place: Secunderabad
Date: 14.08.2019

**FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN****ANNEXURE -I****as on the financial year ended on 31st March, 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	L72200TG1995PLC020569
ii)	Registration Date	02.06.1995
iii)	Name of the Company	Aishwarya Technologies and Telecom Limited
iv)	Category / Sub-Category of the Company	Non government company
v)	Address of the Registered office and contact details	1-3-1026 & 1027, Singadikunta, Kavadi guda Hyderabad- 500080, Telangana
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	Bigshare Services Pvt. Ltd. 306, 3rd Floor, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Test and Measuring Equipment	5020	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Bhashwanth Power Projects Private Limited	U40109TG2006PTC051674	Subsidiary Company	75%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual / HUIF	5841941	650000	6491941	29.22	6491941	1680000	8171941	34.20	4.98
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI's	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	5841941	650000	6491941	29.22	6491941	1680000	8171941	34.20	4.98
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRI - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter	5841941	650000	6491941	29.22	6491941	1680000	8171941	34.20	4.98

(A)=(A)(1) + (A)(2)									
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt (s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
i) Others	--	--	--	--	--	--	--	--	--
Sub Total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies Corporate									
i) Indian	2305886	--	2305886	10.38	2644453	--	2644453	11.07	0.69
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders holding nominal share capital up to Rs.1 Lakh	4286520	55241	4341761	19.54	4109066	55241	4164307	17.43	(2.11)
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh	8728739	24000	8752739	39.40	8524110	24000	8548110	35.77	(3.63)
c) Others									
i) IEPF	-	-	-	-	-	-	-	-	-
ii) Clearing members	9049	--	9049	0.04	39215	--	39215	0.16	0.12
iii) Non-Resident Indian (NRI)	127294	-	127294	0.58	140644	0	140644	0.59	0.01
iv) Employees	101466	1224	102690	0.46	101466	1224	102690	0.43	(0.03)
V) NBFC registered with RBI	82582	-	82582	0.37	82582	-	82582	0.35	(0.02)
Sub Total (B) (2)	15641536	80465	15722001	70.78	15641536	80465	15722001	65.80	(4.98)
Total Public Shareholding (B) = (B)(1) + (B) (2)	15641536	80465	15722001	70.78	15641536	80465	15722001	65.80	(4.98)
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS									
GRAND TOTAL (A+B+C)	21483477	730465	22213942	100	22133477	1760465	23893942	100	-

(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 shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	G Rama Manohar Reddy	4750990	29.22	–	5900990	24.70	–	(4.52)
2.	G Rama krishna Reddy	372000	1.67	–	372000	1.56	–	(0.11)
3.	C PedaBapulu	224329	1.01	–	224329	0.94	–	(0.07)
4.	G Amulya Reddy	75608	0.34	–	605608	2.53	–	2.19
5.	Veera Baba Reddy Pendru	45117	0.20	–	45117	0.19	–	(0.01)
6.	Venkata Rami Reddy Gorla	30895	0.14	–	30895	0.13	–	(0.01)
7.	G Manda Reddy	30040	0.14	–	30040	0.13	–	(0.01)
8.	VenkataSundaraRamgopal Achanta	6000	0.03	–	6000	0.03	–	-
9.	Pidugu Ganga Reddy	6000	0.03	–	6000	0.03	–	-
10.	BinuBhansali	4800	0.02	–	4800	0.02	–	-
11.	YemulaPavani	1000	0.00	–	1000	0.00	–	-
12.	NayansukhReddyBaddam	619132	2.87	–	619132	2.59	–	(0.28)
13.	G. Shailaja	152167	0.71	–	152167	0.64	–	(0.07)
14.	Rahul Katpally	112457	0.52	–	112457	0.47	–	(0.05)
15.	K. Prashanthi Reddy	54668	0.25	–	54668	0.23	–	(0.02)
16.	K V Ramana Reddy	6738	0.03	–	6738	0.03	–	-

(iii) Change in Promoters' Shareholding:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1.	G Rama Manohar Reddy					
		At the beginning of the year	4750990	29.22	4750990	29.22
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	Increase Conversion of warrants into shares	Date: 31.03.2019	11,50,000	(4.52) Due to increase in capital
	At the End of the year			5900990	24.70	
2.	G Amulya Reddy					
		At the beginning of the year	75608	0.34	75608	0.34
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	Increase Conversion of warrants into shares	Date: 31.03.2019	5,30,000	2.19
	At the End of the year			605608	2.53	

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

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Invest Smart India Private Limited	841169	3.79	10.08.2018	125000	Transfer	966169	4.35
				18.01.2019	(30000)	Transfer	936169	4.21
				28.02.2019	(587777)	Transfer	348392	1.57
				01.03.2019	587777	Transfer	936169	4.21
				31.03.2019	-	-	936169	3.92
2.	Invest Direct India Private Limited	538888	2.43	31.08.2018	237459	Transfer	776347	3.49
				12.10.2018	(2795)		773552	3.48
				28.02.2019	(472792)		300760	1.35
				01.03.2019	472792		773552	3.48
				31.03.2019	-	-	773552	3.23
3.	P. Sateesh Chand	462910	2.08	28.02.2019	(7100)		455810	2.05
				01.03.2019	7100		462910	2.08
				31.03.2019	-	-	462910	1.93
4.	K. SaviKhiran	347038	1.56	11.05.2019	(347038)		0	0.00
5.	Sudha Rani Kallam	576992	2.60	18.05.2018	2875		579867	2.61
				28.02.2019	(243851)		336016	1.51
				01.03.2019	243851		579867	2.61
				31.03.2019	-	-	579867	2.43
6	RajendraNaniWadekar	370671	1.67	06.04.2018	6232		376903	1.70

				13.04.2018	(1778)		375125	1.69
				27.04.2018	4678		379803	1.71
				11.05.2018	(3679)		376124	1.69
				18.05.2018	958		377082	1.70
				25.05.2018	6093		383175	1.72
				01.06.2018	3091		386266	1.74
				22.06.2018	6860		393126	1.77
				29.06.2018	(4976)		388150	1.75
				06.07.2018	10000		398150	1.79
				13.07.2018	1248		399398	1.80
				20.07.2018	1000		400398	1.80
				21.09.2018	17146		417544	1.88
				18.01.2019	(120)		417424	1.88
				25.01.2019	(7700)		409724	1.84
				28.02.2019	(98986)		310738	1.40
				01.03.2019	98986		409724	1.84
				15.03.2019	5888		415612	1.87
				31.03.2019	-	-	415612	1.74
7.	VENI VEERAMACHANENI	63902	0.29	25.05.2018	98000		161902	0.73
				01.06.2018	100000		261902	1.18
				29.06.2018	47000		308902	1.39
				25.01.2019	6001		314903	1.42
				31.03.2019	-	-	314903	1.32
8.	NAYANSIKH REDDY BADDAM	308000		31.03.2019	-	-	308000	1.29
9.	JAIN PAL JAIN	304273		28.02.2019	(304273)		0	0.00
				01.03.2019	304273		304273	1.37
				31.03.2019	-	-	304273	1.27

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/Decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company
A	Directors							
1	K. Harikrishna Reddy	1185308	5.34	-	-	-	1185308	4.96
2	G. Rama Manohar Reddy	4750990	29.22	31.03.2019	increase	Conversion of warrants	5900990	24.70
3	G. Amulya Reddy	75608	0.34	31.03.2019	increase	Conversion of warrants	605608	2.53
4	D. VenkataSubbiah	-	-	-	-	-	-	-
5	K. Rajender Reddy	-	-	-	-	-	-	-
6	ModipalliKesavaiah	-	-	-	-	-	-	-
7.	M. Srinivasa Rao	-	-	-	-	-	-	-
8.	D. Venkateswara Rao	-	-	-	-	-	-	-
B.	Key Managerial Personnel							
1.	Khush Mohammad	-	-	-	-	-	-	-

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	19438	5160000	-	5179438
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	19438	5160000	-	5179438
Change in Indebtedness during the financial year				
Addition	-	2129600		2129600
Reduction	19438	-		19438
Net Change	19438	2129600		2110162
Indebtedness at the end of the financial year				
i) Principal Amount	-	7289600		7289600
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	-	7289600		7289600

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

S.No	Particulars of Directors	G. Rama Manohar Reddy (Whole-time Director)	K. Hari Krishna Reddy (Executive Director)	M. Srinivasa Rao (Managing Director)	G. Amulya Reddy (Whole-time Director)	D.V. Rao	Total Amount (Rs)
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961. (b) Value of perquisites u/s 17(2) Income-tax Act, 1961. (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961.	24,00,000 NIL NIL	30,80,000 NIL NIL	NIL	18,00,000 NIL NIL	6,16,000 NIL NIL	78,96,000 NIL NIL
2.	Stock Option	-	-	-			-
3.	Sweat Equity	-	-	-			-
4.	Commission as % of profit Others	- - -	- - -	- - -			- - -
5.	Others, please specify	-	-	-			-
	Total (A)	24,00,000	30,80,000	-	18,00,000	6,16,000	78,96,000
	Celling as per the Act	As per ceiling limit	As per ceiling limit	As per ceiling limit	As per ceiling limit	As per ceiling limit	As per ceiling limit

B. Remuneration to other Directors:

SL No	Particulars of Remuneration	Name of Directors						Total Amount (Rs)
		D. VenkataSubbairah	Mahesh Ambalal Kuvadiah	K. Modipalli	Ashish Kesaraneni	K. Rajender Reddy	M. Srinivas Kumar	
1	Independent Directors							
	Fee for attending Board /Committee Meetings	15,000	10,000	15,000	-	15,000	10,000	65,000
	Commission	-	-	-				-
	Others	-	-	-				-
	Total (1)							

2	Other Non-Executive Directors							
	Fee for attending Board/Committee Meetings	-	-	-				-
	Commission	-	-	-				-
	Others	-	-	-				-
	Total (2)	-	-	-				-
	Total (B) = (1+2)	15,000	10,000	15,000	-	15,000	10,000	65,000
	Total Managerial Remuneration							7961000
	Overall Ceiling as per the Act							As per ceiling limit

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

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary Khush Mohammad (w.e.f 01.03.2019)	CFO	Total (Rs)
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	20,000	*mentioned in above table A. in respect of remuneration of MD, WTD etc.	20,000
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify.....	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	20,000	-	20,000

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment /Compounding Fees imposed	Authority (RD /NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment	NIL				
Compounding					
B. DIRECTORS					
Penalty					
Punishment	NIL				
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment	NIL				
Compounding					

FORM MR-3
SECRETARIAL AUDIT REPORT
(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019)

To,
The Members
Aishwarya Technologies and Telecom Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aishwarya Technologies and Telecom Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2018 and ended 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2019 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2018-19:-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures, wherever applicable.**
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. www.aishwaryatechtele.com**
 - iii.
 - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities during the year under review.**
 - vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the company has Bigshare Services Private Limited as its Share Transfer Agent.**
 - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**
 - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**

ix. Other applicable laws include the following:

ix. Other applicable laws include the following:

- a) Telecom Regulatory Authority of India (TRAI) Act, 1997
- b) TRAI – Telecommunications Infrastructure Policy.
- c) Labour Laws (wages, bonus, provident fund, gratuity etc)
- d) Environment Protection Act, 1986

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

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

- a) During the year the Company has conducted 8 meetings of the Board of Directors, 4 meetings of the Audit committee, 4 Meetings of Stakeholder Relationship Committee and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
- b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
 - (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
 - External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
 - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
 - (ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- The Company has a CFO, Mrs. G. Amulya Reddy. The Company has appointed Mr. Khush Mohammad as Company Secretary and Compliance officer with effect from 01.03.2019.
- The Company has internal auditors namely M/s. Ramana Reddy & Associates, Chartered Accountants, Hyderabad.
- The Company is not regular in filing Forms with Registrar of Companies.
- The Company has made a delay in filing the unaudited financial results for the Quarter ended 31.03.2018, 30.06.2018 and 30.09.2018.
- The Company has not published the financial results in Newspapers as per SEBI (LODR) Regulations, 2015.
- The website of the Company contains policies as specified by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-

Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.
- We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals..

For Vivek Surana & Associates

**Sd/-
Vivek Surana
Proprietor**

C.P.No: 12901,M.No. 24531

**Place: Hyderabad
Date: 14.08.2019**

Annexure A

To
The Members of
Aishwarya Technologies and Telecom Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Vivek Surana & Associates

Sd/-
Vivek Surana
Proprietor
C.P.No: 12901,M.No. 24531

Place: Hyderabad
Date: 14.08.2019

Annexure A

To
The Members of
Aishwarya Technologies and Telecom Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Vivek Surana & Associates

Place: Hyderabad
Date: 14.08.2019

Sd/-
VivekSurana
Proprietor
C.P.No: 12901,M.No. 24531

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Aishwarya Technologies and Telecom Limited

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of corporate governance by **Aishwarya Technologies and Telecom Limited** ("the company") for the year ended 31st March, 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with BSE Limited.

The Compliance with the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management's, we certify that the company has complied with conditions of the Corporate Governance as stipulated in Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the above mentioned Listing agreement.

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

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Vivek Surana & Associates

Place: Hyderabad
Date: 14.08.2019

Sd/-
Vivek Surana
Proprietor
C.P.No: 12901, M.No. 24531

CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To
The Board of Directors
Aishwarya Technologies and Telecom Limited

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2019 and to the best of our knowledge and belief;

a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and

b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,

4. That we have informed the auditors and the audit committee of:

a) Significant changes in the internal control during the year;

b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

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

Place: Hyderabad
Date: 14.08.2019

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

Sd/-
D.V. Rao
Whole-Time Director
(DIN: 03616715)

Disclosure with Respect to Demat Suspense Account/ Unclaimed Suspense Account:

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the Company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
Nil	Nil	Nil	Nil

Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.

ANNEXURE-III CORPORATE GOVERNANCE REPORT

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

Aishwarya Technologies and Telecom Limited are committed to best practices in the area of Corporate Governance. Good governance facilitates effective management and control of business, maintaining a high level of business ethics and optimizing the value for all stakeholders.

The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

DATE OF REPORT

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2019. The Report is updated as on the date of the report wherever applicable.

BOARD DIVERSITY:

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

1. BOARD OF DIRECTORS

A. COMPOSITION OF THE BOARD

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive and Independent Directors headed by the Chairman & Whole-time Director. As on date of this report, the Board of Directors of the Company has 8 members (including four independent Non-Executive Directors) with vast experience and knowledge. None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he/she is a Director.

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

Sl. No	Name of the Director	Category	Number/Name of Directorships in other Listed Companies		Number of Board Committee memberships held in other Companies		Attendance Particulars		
					Member	Chairman	Last AGM 29.09.2018	Board meetings '18-19'	
								Held	Attended
1.	\$Mr. K. Hari Krishna Reddy	Chairman & Whole-time Director	-	-	-	-	Yes	8	6
2.	Mr. G. Rama Manohar Reddy	Whole-Time Director	-	-	-	-	Yes	8	8
3.	*Mrs. G. Amulya Reddy	Whole-Time Director	-	-	-	-	Yes	8	8
4.	\$Mr. Srinivasa Rao	Managing	-	-	-	-	Yes	8	6

	Mandava	Director							
5.	\$Mr. D. Venkateswara Rao	Whole-Time Director cum CFO	-	-	-	-	Yes	8	6
6.	Mr. D. VenkataSubbiah	Non Executive Independent Director	3	1.Surana Telecom And Power Limited 2.Bhagyanagar India Limited 3. Bhagyanagar Properties Limited	3	2	Yes	8	8
7.	*Mr. K. Rajender Reddy	Non Executive Independent Director	-	-	-	-	Yes	8	8
8.	*Mr. M. Kesavaiah	Non Executive Independent Director	-	-	-	-	NA	8	8
9.	\$Mr. Mahesh Ambalal Kuvadiah	Non Executive Independent Director	1	Kesar Enterprises Limited	2	3	NA	8	6
10.	Mr. Satish Kumar Maddineni	Non Executive Independent Director	-	-	-	-	NA	8	-
11.	#Mr. B. Lakshminarayana	Non Executive Independent Director	-	-	-	-	NA	8	-

* Resigned w.e.f. 06.05.2019

Appointed on 06.05.2019 and resigned on 14.08.2019

^ Appointed w.e.f. 14.08.2019

\$ Appointed w.e.f 12.10.2018

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

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

C. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

No Directors have any inter se relation with each other.

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

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

E. INDEPENDENT DIRECTORS

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

F. INDEPENDENT DIRECTORS' MEETING:

As per Clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 08.02.2019, and discussed the following:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company eligible to attend were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

G. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

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

The details of familiarisation programme held in FY 2018-19 are also disclosed on the Company's website at <https://www.aishwaryatechtele.com>.

H. INFORMATION SUPPLIED TO THE BOARD:

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

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and its status monitoring
- Fatal or serious accidents, injuries or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. DECLARATION BY BOARD

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

During the year under review, Mr. M. Srinivas Kumar, Independent Director has resigned before expiry of his tenure i.e. 08.02.2019 due to the commitments and Preoccupations

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

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

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

1. Over view of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement reflects a true and fair position and that sufficient and credible information is disclosed.
2. Recommending the appointment and removal of statutory auditors, internal auditors and cost auditors, fixation of their audit fees and approval for payment of any other services.
3. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
4. Reviewing the financial statement and draft audit report, including quarterly/half yearly financial information.
5. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - i) Any changes in accounting policies and practices.
 - ii) Major accounting entries based on excises of judgment by the management.
 - iii) Qualifications in draft audit report.
 - iv) Significant adjustment arises out of audit.
 - v) The going concern assumption.
 - vi) Compliance with accounting standards, stock exchange and legal requirement concerning financial statements.
 - vii) Review and approval of related party transactions.
6. Reviewing the company's financial and risk management's policies.
7. Disclosure of contingent liabilities.
8. Reviewing with management, external and internal auditors, the adequacy of internal control systems.
9. Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
10. Discussion with internal auditors of any significant findings and follow-up thereon.
11. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. Reviewing compliances as regards the Company's Whistle Blower Policy.

B. COMPOSITION, MEETINGS & ATTENDANCE

There were four (4) Audit Committee Meetings held during the year on 30.05.2018, 14.08.2018, 14.11.2018 and 08.02.2019.

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr.Venkata Subbiah Dintakurthi	Chairman	Independent, Non-Executive	4	4
*K. Rajender Reddy	Member	Independent, Non-Executive	4	4
*M. Kesavaiah	Member	Independent, Non-Executive	4	4
**G. Rama Krishna Reddy	Member	Non-Executive	4	2
^Mrs.Arptha Reddy Mettu	Member	Independent, Non-Executive	4	-
\$Mr. Mahesh A Kuvadia	Member	Independent, Non-Executive	4	-
\$\$Mr. B. Laxminarayana	Member	Independent, Non-Executive	-	-

* Resigned w.e.f. 06.05.2019

^ appointed w.e.f. 14.08.2019

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

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

** resigned on 12.10.2018

C. Previous Annual General Meeting of the Company was held on 29th September 2018 and Mr. Venkata Subbiah Dintakurthi, Chairman of the Audit Committee for that period, attended previous AGM.

3. NOMINATION AND REMUNERATION COMMITTEE

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

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
 - b. To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

B. COMPOSITION OF THE COMMITTEE, MEETINGS & ATTENDANCE

There was one Nomination and Remuneration Committee Meetings held during the financial year on 02.03.2019

Name	Designation	Category	Number of meetings during the year 2018-19	
			Held	Attended
Mr. Venkata Subbiah Dintakurthi	Chairman	Independent, Non-Executive	1	1
*K. Rajender Reddy	Member	Independent, Non-Executive	1	1
*M. Kesavaiah	Member	Independent, Non-Executive	1	1
^Mrs. Arptha Reddy Mettu	Member	Independent, Non-Executive	-	-
\$Mr. Mahesh A Kuvadia	Member	Independent, Non-Executive	-	-
\$\$Mr. B. Laxminarayana	Member	Independent, Non-Executive	-	-

* Resigned w.e.f. 06.05.2019
 ^ appointed w.e.f. 14.08.2019
 \$ appointed as member w.e.f. 06.05.2019
 \$\$ appointed w.e.f. 06.05.2019 and resigned on 14.08.2019

C. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

- 2.1 "Director" means a Director appointed to the Board of a Company.
- 2.2 "Nomination and Remuneration Committee" means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.3 "Independent Director" means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

Qualifications and criteria

- 3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
- 3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
- General understanding of the Company's business dynamics, global business and social perspective;
 - Educational and professional background
 - Standing in the profession;
 - Personal and professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 3.1.3 The proposed appointee shall also fulfill the following requirements:
- shall possess a Director Identification Number;
 - shall not be disqualified under the companies Act, 2013;
 - shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
 - shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
 - shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
 - Such other requirements as any prescribed, from time to time, under the companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.
- 3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

3.2 Criteria of Independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent Director in relation to a Company, means a Director other than a managing Director or a whole-time Director or a nominee Director-

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - b. (i) who is or was not a promoters of the Company or its holding, subsidiary or associate Company;
(ii) who is not related to promoters or Directors of the Company its holding, subsidiary or associate Company
 - c. who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or Director, during the two immediately preceding financial year or during the current financial year;
 - d. none of whose relative has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current finance year;
 - e. who, neither himself nor any of his relative-
 - (i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate Company in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;
 - (ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the financial year in which he is proposed to be appointed of-
 - (A) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
 - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding subsidiary or associate Company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;
 - (i) holds together with his relatives two per cent or more of the total voting power of the Company; or
 - (ii) is a chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the Company any of its promoters , Directors or its holding subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or
 - (iii) is a material supplier, service provider or customer or a lesser or lessee of the Company.
 - f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the Company's business.
 - g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.
 - h. who is not less than 21 years of age
- 3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a director

service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

- 3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.
- 3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.
- 3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

- 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

- 2.1 "Director" means a Director appointed to the Board of the Company.
- 2.2 "key managerial personnel" means

- (i) The Chief Executive Officer or the managing Director or the manager;
- (ii) The Company Secretary;
- (iii) The Whole-time Director;
- (iv) The Chief Financial Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

- 2.3 "Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel

- 3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the Company within the overall approved by the shareholders.
- 3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.
- 3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
- (i) Basic pay
 - (ii) Perquisites and Allowances
 - (iii) Stock Options
 - (iv) Commission (Applicable in case of Executive Directors)
 - (v) Retrial benefits
 - (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

D. MECHANISM FOR EVALUATION OF THE BOARD

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

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

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

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

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

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

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

E.REMUNERATION TO DIRECTORS

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

- (iii) service contracts, notice period, severance fees;
(iv) stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

Name of the Director	Remuneration (Rs)	Sitting Fee (Rs)	Total (Rs)	No. of Shares held
Mr. K. Hari Krishna Reddy	30,80,000	10,000	30,90,000	1185308
Mr. G. Rama Manohar Reddy	24,00,000	15,000	24,15,000	59,00,990
*Mrs. G. Amulya Reddy	18,00,000	15,000	18,15,000	6,05,608
**Mr. G. Rama Krishna Reddy	-	-	-	-
Mr. D. Venkata Subbiah	-	15,000	15,000	-
Mr. Srinivasa Rao Mandava	-	10,000	10,000	-
Mr. D. Venkateswara Rao	6,16,000	10,000	6,26,000	--
Mr. Mahesh Ambalal Kuvadia	-	10,000	10,000	-
*Mr. K. Rajender Reddy	-	15,000	15,000	-
*Mr. M. Kesavaiah	-	15,000	15,000	-
#Mr. Ashish Kesaraneni	-	-	-	--
#Mr. M. Srinivas Kumar	-	-	-	-

* Resigned w.e.f. 06.05.2019

** resigned w.e.f. 12.10.2018

appointed on 12.10.2018 and resigned on 08.02.2019

4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the year April 2018 to March 2019, Four (4) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are 29.05.2018, 13.08.2018, 13.11.2018 and 14.02.2019.

A. COMPOSITION AND ATTENDANCE FOR MEETINGS:

Name	Designation	Category	Number of meetings during the year 2018-2019	
			Held	Attended
Mr. Venkata Subbiah Dintakurthi	Chairman	Independent, Non-Executive	4	4
*K. Rajender Reddy	Member	Independent, Non-Executive	4	4
*M. Kesavaiah	Chairman	Independent, Non-Executive	4	4
**G. Rama Krishna Reddy	Member	Non-Executive	4	2
^Mrs. Arpitha Reddy Mettu	Member	Independent, Non-Executive	-	-
\$Mr. Mahesh A Kuvadia	Member	Independent, Non-Executive	-	-
\$\$Mr. B. Laxminarayana	Member	Independent, Non-Executive	-	-

* Resigned w.e.f. 06.05.2019

^ appointed w.e.f. 14.08.2019

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

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

** resigned on 12.10.2018

B. NAME AND DESIGNATION OF COMPLIANCE OFFICER

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

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2018-2019

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2019
Pending at the beginning of the year	Nil
Received during the year	Nil
Disposed of during the year	Nil
Remaining unresolved at the end of the year	Nil

- (iii) service contracts, notice period, severance fees;
(iv) stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

Name of the Director	Remuneration (Rs)	Sitting Fee (Rs)	Total (Rs)	No. of Shares held
Mr. K. Hari Krishna Reddy	30,80,000	-	30,80,000	1185308
Mr. G. Rama Manohar Reddy	24,00,000	-	24,00,000	59,00,990
*Mrs. G. Amulya Reddy	18,00,000	-	18,00,000	6,05,608
**Mr. G. Rama Krishna Reddy	-	-	-	-
Mr. D. VenkataSubbliah	-	15,000	15,000	-
Mr. Srinivasa Rao Mandava	-	10,000	10,000	-
Mr. D. Venkateswara Rao	6,16,000	-	6,16,000	--
Mr. Mahesh Ambalal Kuvadia	-	10,000	10,000	-
*Mr. K. Rajender Reddy	-	15,000	15,000	-
*Mr. M. Kesavaiah	-	15,000	15,000	-
#Mr. Ashish Kesaraneni	-	-	-	--
#Mr. M. Srinivas Kumar	-	-	-	-

* Resigned w.e.f. 06.05.2019

** resigned w.e.f. 12.10.2018

appointed on 12.10.2018 and resigned on 08.02.2019

4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the year April 2018 to March 2019, Four (4) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are 29.05.2018, 13.08.2018, 13.11.2018 and 14.02.2019.

A. COMPOSITION AND ATTENDANCE FOR MEETINGS:

Name	Designation	Category	Number of meetings during the year 2018-2019	
			Held	Attended
Mr.Venkata Subbliah Dintakurthi	Chairman	Independent, Non-Executive	4	4
*K. Rajender Reddy	Member	Independent, Non-Executive	4	4
*M. Kesavaiah	Chairman	Independent, Non-Executive	4	4
**G. Rama Krishna Reddy	Member	Non-Executive	4	2
^Mrs. Arpitha Reddy Mettu	Member	Independent, Non-Executive	-	-
\$Mr. Mahesh A Kuvadia	Member	Independent, Non-Executive	-	-
\$\$Mr. B. Laxminarayana	Member	Independent, Non-Executive	-	-

* Resigned w.e.f. 06.05.2019

^ appointed w.e.f. 14.08.2019

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

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

** resigned on 12.10.2018

B. NAME AND DESIGNATION OF COMPLIANCE OFFICER

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

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2018-2019

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2019
Pending at the beginning of the year	Nil
Received during the year	Nil
Disposed of during the year	Nil
Remaining unresolved at the end of the year	Nil

5. RISK MANAGEMENT COMMITTEE

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

A. ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:

- ▣ Framing of Risk Management Plan and Policy
- ▣ Overseeing implementation of Risk Management Plan and Policy
- ▣ Monitoring of Risk Management Plan and Policy
- ▣ Validating the process of risk management
- ▣ Validating the procedure for Risk minimisation
- ▣ Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- ▣ Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

B. COMPOSITION

The composition of the Risk Management Committee as under:

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

* Resigned w.e.f. 06.05.2019

^ appointed w.e.f. 14.08.2019

** resigned on 12.10.2018

No meeting held during the year 2018-2019.

7. GENERAL BODY MEETINGS**A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:**

Financial Year	Date	Time	Venue	Special Resolution Passed
2015-2016	30.09.2016	10.30 A.M.	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	-
2016-2017	29.09.2017	10:30 A.M.	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	Yes
2017-2018	30.11.2018	11.00 A.M	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	-

No Extra-ordinary General Meetings / Postal ballot was held during the year 2018-19.

8. DISCLOSURES**A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:**

During the year under review, the Company had not entered in to any materially significant transaction with any related party. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

B. COMPLIANCES:

Sl. No	Action taken by	Details of Violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company secretary, If any.
1	BSE	Regulation 33- Delay in filing financial results for the quarter ended 31.03.2018	Penalty imposed	Penalty paid by the Company
2	BSE	Regulation 33- Delay in filing financial results by for the quarter ended 31.03.2018	Penalty imposed	Penalty paid by the Company
3	BSE	Regulation 13(3) – delay in submitting statement of investor complaints for the quarter ended 30.09.2018	Penalty imposed	Penalty paid by the Company
4	BSE	Regulation 31- delay in submitting shareholding pattern for the quarter ended 30.09.2018	Penalty imposed	Penalty paid by the Company
5	BSE	SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018 (erstwhile SEBI Circular No. CIR/CFD/CMD/12/2015 dated November 30, 2015) - Delay in submitting financial results for two consecutive quarters (June, 2018 and September, 2018)	Transferred to 'Z/ZP' group	The Company could not file financial statements for the quarters ended June, 2018 and September, 2018 as the company was referred to CIRP proceedings. However, the company was able to make settlement with the operational creditor and is out of the CIRP proceedings
6	BSE	Regulation 6(1) – non appointment of company secretary and compliance officer for the period 01.10.2018 - 31.12.2018	Penalty imposed	Penalty paid by the Company

C. WHISTLE BLOWER POLICY:

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

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person has been denied access to the Chairman of the Audit Committee.

D. CODE OF CONDUCT

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

E. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2018-2019

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2019 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015

F. CEO/ CFO Certification

The Managing Director and CEO/ CFO certification of the financial statements as specified in Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year 2018-2019 is provided elsewhere in this Annual Report.

G. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISLOSURE REQUIREMENTS) REGULATIONS, 2015

All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been appropriately complied with and the status of non-mandatory requirements is given below:

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

The financial Statements are free from any Audit Qualifications.

H. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

I. RECONCILIATION OF SHARE CAPITAL:

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

J. DISCLOSURE OF ACCOUNTING TREATMENT:

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 133 of the Companies Act, 2013.

AUDITORS FEES

The total fees paid to the auditor for the Financial Year 2018-19 is Rs. 6,19,500

GRAPH**9. MEANS OF COMMUNICATION:**

- i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Regulation 33 of SEBI (LODR), Regulations, 2015 within forty five days/sixty days of the close of the respective period.
- ii. The approved financial results are forthwith sent to the listed Stock Exchanges and are published in the newspapers namely, The Financial Express and Andhra Prabhawithin forty-eight hours of approval thereof.
- iii. As the Company's quarterly/half yearly financial results are published in press, the same are not mailed to the Shareholders.

- iv. These financial statements, press releases are also posted on the Company's website
www.aishwaryatechtele.com

10. General Shareholders Information:

• Company Registration Details	The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L72200TG1995PLC020569
• Date	28th September, 2019
• Time	11:00 A.M
• Venue of AGM	#1-3-1026 & 1027, Singadikunta, Kavadiguda Hyderabad-500080
• Financial Calendar	1 st April to 31 st March.
• Tentative Schedule for considering Financial Results:	
For the Quarter ending June, 2019	July/August, 2019
For the Quarter ending September, 2019	October/ November, 2019
For the Quarter ending December, 2019	January/ February, 2020
For the Quarter/year ending March, 2020	April/ May, 2020
• Date of Book Closure	21.09.2019 to 29.09.2019
• Listing on Stock Exchanges	BSE Limited
• Scrip Code	539287
• ISIN Number for NSDL & CDSL	INE778I01024
• Payment of annual listing fees to stock exchanges	Paid to BSE, where the shares of the Company are listed
• Plant Location	Survey No: 139 to 141 & 143 Village Rajapoor, Rajapoor Mandal, Dist.: Mahaboobnagar, Telangana – 509 202.
• Registrars & Transfer Agents Address for correspondence:	To be addressed to: Bigshare Services Private Limited 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital Somajiguda, Rajbhavan Road, Hyderabad 500082, Telangana.
• Investor Correspondence / Query on Annual Report, etc.	Mr. KhushMohammad Company Secretary Aishwarya Technologies and Telecom Limited 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad-500080, Andhra Pradesh. Ph.Nos:040- 27531324/25/26 Fax: 040-27535423 Email: sales@aishwaryatechtele.com Web: www.aishwaryatechtele.com

Depository Services:

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

National Securities Depository Ltd, Trade World, 4 th Floor, Kamala Mills Compound, SenapatiBapatMarg, Lower Patel, Mumbai - 400 013. Tel: 022-24994200 Fax: 022-24972993/24976351 Email: info@nsdl.co.in	Central Depository Services (I) Ltd. PhirozeJeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai- 400 023. Tel: 022-22723333, 022-22723224 Fax: 022-22723199 Email: investors@cdslindia.com
Nomination Facility :	Shareholders holding shares in physical form and desirous of making

	a nomination in respect of their shareholding in the Company as permitted under the provisions of the Companies Act, 2013 are requested to submit to the RTA in the prescribed form for this purpose.
Company's Policy on prevention of insider trading :	Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company had framed a Code of Conduct for prevention of insider trading. Mr. Khush Mohhammad, Company Secretary, has been appointed as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company, who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

A. Registrars & Transfer Agents: Bigshare Services Private Limited

306, Right Wing, 3rd Floor, Amrutha Ville,
Opp. Yashoda Hospital Somajiguda,
Rajbhavan Road, Hyderabad 500082,
Telangana.

B. Share Transfer System:

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized form. Transfer of these shares is done through depositories with no involvement of the Company. However, all requests received for transfer of shares for off market transaction in physical form are processed by the Registrars and Transfer Agents. The Share Transfers are registered and returned within a period of 15 days from the date of lodgement, if documents are complete in all respects.

All matters pertaining to share transfer in physical form are handled by the Registrars and Share Transfer Agents M/s. Bigshare Services Private Limited, Hyderabad, who is registrar to the Company. The share transfer requests are processed by them and a transfer register is sent to the Company for approval once in a fortnight. There were no share transfers pending as on 31st March 2019.

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

We have no GDRs/ADRs or any commercial instrument.

C. Market price data:

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

S. No.	Month	High (Rs.)	Low (Rs.)
1	April, 2018	5.98	4.75
2	May, 2018	5.39	4.30
3	June, 2018	4.59	3.44
4	July, 2018	3.75	2.96
5	August, 2018	3.48	2.45
6	September, 2018	2.90	2.13
7	October, 2018	3.01	2.10
8	November, 2018	3.00	2.01
9	December, 2018	3.00	2.45
10	January, 2019	3.17	2.53
11	February, 2019	2.52	2.00
12	March, 2019	2.60	2.06

D. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2019:

Category code	Category of Shareholder	Total Number of shares	% of share holding	Shares pledged or otherwise encumbered	
				Number of Shares	As a percentage
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian				
a.	Individuals/Hindu Undivided Family	8171941	34.20	--	--
b.	Central Government/State Government(s)	--	--	--	--
c.	Bodies Corporate	--	--	--	--
d.	Financial Institutions/Banks	--	--	--	--
	Others :-	--	--	--	--
e.	Mutual Funds	--	--	--	--
f.	Trusts	--	--	--	--
	Sub Total (A)(1)	8171941	34.20	--	--
(2)	Foreign				
a.	Individuals (Non Resident Individuals/Foreign Individuals)	--	--	--	--
b.	Bodies Corporate	--	--	--	--
c.	Institutions	--	--	--	--
	Others :-	--	--	--	--
d.	Overseas Corporate Bodies	--	--	--	--
	Sub Total (A)(2)	--	--	--	--
	Total Shareholding of Promoter and Promoter Group	8171941	34.20	--	--
	(A)=(A)(1)+(A)(2)	8171941	34.20	--	--
(B)	Public Shareholding				
(1)	Institutions				
a.	Mutual Funds/UTI	--	--	--	--
b.	Financial Institutions/Banks	--	--	--	--
c.	Central Government/State Government(s)	--	--	--	--
d.	Venture Capital Funds	--	--	--	--
e.	Insurance Companies	--	--	--	--
f.	Foreign Institutional Investors	--	--	--	--
g.	Foreign Venture Capital Investors	--	--	--	--
h.	Foreign Companies	--	--	--	--
	Sub Total (B)(1)	--	--	--	--
(2)	Non-Institutions				
a.	Bodies Corporate	2644453	11.07	--	--
b.	Individuals				
	i) Individual shareholders holding nominal share capital upto Rs.2 lakh	4979965	20.84	--	--

	ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh	7732452	32.36	--	--
c.	Any Others : -			--	--
	I) Non Resident Individuals	140644	0.59	--	--
	ii) Overseas Corporate Bodies	--	--	--	--
	iii) Trusts	--	--	--	--
	iv) Employees	102690	0.43	--	--
	v) Clearing Members	39215	0.16	--	--
	vi) Foreign Nationals	--	--	--	--
	vii) NBFCs registered with RBI	82582	0.35		
	Sub Total (B)(2)	15722001	65.80	--	--
	Total Public Shareholding (B)=(B)(1)+(B)(2)	15722001	65.80	--	--
	Total (A)+(B)	23893942	100.00	--	--
(C)	Shares held by Custodians and against Depository Receipts have been Issued	--	--	--	--
	Grand Total (A)+(B)+(C)	23893942	100.00	--	--

E. Distribution of Shareholding as on 31.03.2019

No. of equity Shares held	No. of Shareholders	%	No. of Shares	%
1 to 5000	4385	73.56	708625	3.19
5001 to 10000	648	10.87	538440	2.42
10001 to 20000	344	5.77	546408	2.45
20001 to 30000	148	2.48	381340	1.71
30001 to 40000	71	1.19	260299	1.17
40001 to 50000	70	1.17	335827	1.51
50001 to 100000	115	1.92	857256	3.86
100001 and above	180	3.02	18585747	83.68
Grand Total	5961		22213942	100.00

F. DEMATERIALISATION & LIQUIDITY OF SHARES:**Dematerialization and Liquidity of Shares:**

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE778101024. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	% Share Capital
NSDL	1,21,46,393	50.83
CDSL	99,87,084	41.80
Physical	17,60,465	7.37
Total	2,38,93,942	100.00

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

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

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

GREEN INITIATIVE IN THE COPORATE GOVERNANCE

As part of the green initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Audited financial Statements, Auditors Report, Dividend intimations etc., by email Physical copies are sent only to those shareholders whose email addresses are not registered with the Company and for bounced mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/concerned depository to enable the Company to send the documents in electronic from or inform the Company, in writing, in case they wish to receive the above documents in paper mode.

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

-
**Place: Hyderabad
Date: 14.08.2019**

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

Practicing Company Secretary's Certificate on Independent Directors

To the Members of **Aishwarya Technologies and Telecom Limited**

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

Place: Hyderabad
Date: 14.08.2019

For S.S. Reddy & Associates

Sd/-
S.Sarveswar Reddy
Proprietor
M. No. A12611, C.P.No: 7478

ANNEXURE -IV

MANAGEMENT DISCUSSION AND ANALYSIS

(Forming part of Directors' Report)

OVERVIEW OF FY 2018-19

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

HIGH END TECHNOLOGIES

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

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

Currently, ATTL manufactures products for Telephone Service Providers, Defence Sector, Cable TV Operators and Railways and has added prestigious clients like HFCL, DRDO, ISRO, SAC, LEOS, LASTEC, NPOL, AIRTEL, VTL, ACT Fibre and Sterlite Technologies in this financial year.

INDUSTRY SCENARIO (Test & Measuring Instruments Sector)

The T&M Segment in Telecom Sector and in other sectors Like Defense, Research and Educational, has great potential as there are many pending network expansions in Telecom sector, broadband services for 4,50,000 villages under BBNL, are under progress for finalization during this financial year. These projects have got 5 years span for installation and later the 10 years minimum for maintenance.

Modernization of Defence Labs, Railway Networks and Educational Labs are under great pace. The T&M segment will have continues and steady market for another 5 years span with existing technologies in networks. There is huge expansions in 4G networks by the public and Private Telecom Operators, which will have the requirement of Test & Measuring Instruments in coming years.

SWOT ANALYSIS**STRENGTHS**

- We are the biggest company in manufacturing of test equipment's in India having 20 TEC (Telecom Engineering Centre) approvals from DOT (Department of Telecommunications).
- As our manufacturing costs are very less compared to competitors from US & Japan which is helping us to increase the market share in India YOY (Year on Year) without any price reduction.
- We are giving turnkey solutions for the defence sector; the response is very encouraging which has better margins.

WEAKNESSES

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

OPPORTUNITIES

The coming 3-4 years the telecom sector will have great opportunity and there is a tender from Bharat Broadband Nigam Limited to provide Broadband connectivity for 4,50,000 villages which has 29000 crores project under National Optical Fiber Network (NOFN) , we are anticipating an order of Rs. 20 crores from this project. All telecom operators are expanding their Fibre networks due to data demand and requirement for Testers is increasing.

THREATS

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

Mitigating Factors:

Foreign Exchange fluctuations badly affected our company but also other companies as well and the selling prices of the products have not increased significantly as several Tenders were quoted in the first half of the financial year.

- To meet Chinese import invasion we are redesigning technologies to produce products at lower cost.
- To compete in pricing and getting technical approvals in India for Chinese products is difficult; hence they may not be competitors for Defence, so no threat is expected in the near future.
- The biggest customer BSNL has gone into losses and the procurement from BSNL and MTNL may go down which will affect our business and payments are delayed from BSNL and MTNL to Aishwarya Telecom.

FINANCIAL PERFORMANCE**A) STANDALONE BASIS:**

During the year under review, the company has recorded revenue of Rs 999.55 lakhs and incurred a net loss of Rs. 1448.28 crores. There were no operations in the subsidiary and therefore there is no change in revenue and negligible change in net loss.

INTERNAL CONTROL SYSTEMS

The company has adequate internal control systems commensurate with the size and the nature of business of the Company.

The internal control system is constantly assessed and strengthened with tighter control procedures. The internal control systems ensure effectively of operations, compliance with internal policies and applicable laws and regulations, protection of resources and assets, and accurate reporting of financial transactions.

The audit committee periodically reviews the adequacy and efficacy of the said internal control systems. All the issues relating to internal control systems are resolved by the audit committee.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report may be "forward looking statements: within the meaning of applicable securities laws and regulations. These statements are based on certain assumption and expectations of future events. Actual results could differ materially for those expressed or implied. Important facts could make a

Differences at the Company's operations include economic conditions affecting domestic demand and supply conditions, finished goods prices, changes in government regulations and tac regime etc. The company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events.

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

Sd/-

M. Srinivasa Rao
Managing Director

Place: Hyderabad
Date: 14.08.2019

ANNEXURE-V

The details of remuneration during the year 2018-2019 as per Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2015 are as follows:

Sl. No	Disclosure Requirement	Disclosure Details	
i.	Ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the Financial year	Executive Directors	Ratio to median remuneration
		G. Rama Manohar Reddy	15 : 1
		K. Hari Krishna Reddy	20 : 1
		M. Srinivasa Rao	NIL
		D.V Rao	4 : 1
ii.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
			NIL
Note: During the year 2018-19, Non-Executive/Independent Directors being paid only sitting fees for the meeting attended by them.			

iii. Number of permanent employees on the rolls of the Company as on 31st March, 2019: 40

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details if there are any exceptional circumstances for increase in the managerial remuneration

V . Affirmation that the remuneration is per the remuneration policy of the Company:

The Company is in compliance with its remuneration policy.

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

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

Form AOC - 1

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

1. Name of the Subsidiary: **Bhashawanth Power Projects Private Limited**
2. Reporting Period: 01.04.2018 to 31.03.2019
3. Reporting Currency: Indian Rupee

S.No.	Particulars	Amount In Rupees
1.	Share Capital	19,70,000
2.	Reserves and surplus for the year ending	(19,90,776)
3.	Total Assets	54,974
4.	Total Liabilities	54,974
5.	Investments	-
6.	Turnover (Income)	-
7.	Profit / loss before Taxation	-
8.	Provision for Taxation	-
9.	Profit / loss after Taxation	-
10.	Proposed Dividend	-
11.	% of Shareholding	75

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

For and on behalf of the Board

Sd/-
K. Hari Krishna Reddy
Chairman and WTD

Sd/-
M. Srinivasa Rao
Managing Director

Place: Hyderabad
Date: 14.08.2019

Sd/-
D V Rao
Whole-Time Director cum CFO

Part B Associates and Joint Ventures: NIL

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

Name of Associates or Joint Ventures	Name1	Name2	Name3
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate or Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates or Joint Venture			
Extent of Holding (in percentage)			
4. Description of how there is significant influence			
5. Reason why the associate/joint venture is not consolidated			
6. Net worth attributable to shareholding as per latest audited Balance Sheet			
7. Profit or Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

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

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

CSVR & Associates
Chartered Accountants



F-2, Trendset Ville,
Road No.3, Banjara Hills,
Hyderabad - 500034
Ph: 040-23551980
Email: csvrassociates@gmail.com

INDEPENDENT AUDITOR'S REPORT

To
The Members of
AISHWARYA TECHNOLOGIES AND TELECOM LIMITED

Report on the Audit of the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **AISHWARYA TECHNOLOGIES AND TELECOM LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 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 B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were amounts required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 2013.

Financial Year	Amount Rs.
Fy 2009-10	91507
Fy 2010-11	56691

for CSVR & ASSOCIATES

Place: Hyderabad
Date : 09.08.2019

CHARTERED ACCOUNTANTS
Firm Regn. No.012121S

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

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements, of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the management during the year as per a programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the provisions of paragraph 3 Clause (iii) of the Order are not applicable to this company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not given any loans, investments, guarantees and security during the year as per the provisions of sections 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the company does not fall under the threshold limits prescribed for the maintenance of cost records under subsection (1) of section 148 of the Companies Act.
- (vii) (a) The company is irregular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Services Tax (GST), custom duty, cess and other material statutory dues as applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods and Services Tax (GST), customs duty and cess were in arrears, wherever applicable, as at 31st March, 2019 for a period of more than six months from the date they became payable except the following.

Particulars	Amount Rs.
Vat & CST	5825747
Service Tax	637598
TDS	5492739
PF	2719725
PT	179100
Income Tax	1538788

- (b) According to the information and explanations given to us, there are no dues of income tax, Goods and Services Tax (GST), customs duty and cess which have not been deposited on account of any dispute.
- (viii) The company has defaulted in repayment of loans to State Bank of India and the amount outstanding as on 31.03.2019 payable to State Bank of India is 6.70 Crores.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3 (xii) is not applicable.
- (xiii) According to the information and explanations given to us and based on our `examination of the records of the company, transactions with related parties are in compliance with sections 177 and 188 of the Companies Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has made preferential allotment of shares during the year by complying the provisions of sec 42 of the Companies Act, 2013. However, the company has not made any private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

**Place: Hyderabad
Date : 09.08.2019**

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

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **AISHWARYA TECHNOLOGIES AND TELECOM LIMITED** ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Place: Hyderabad
Date : 09.08.2019**

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

Aishwarya Technologies and Telecom Limited

Balance Sheet as at March 31, 2019

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

Particulars	Notes	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	39,789,334	47,900,132
Other Intangible Assets	3	27,540	27,806
Financial Assets			
(a) Investments	4	1,500,000	1,500,000
Deferred Tax Assets (Net)		91,989,092	34,269,711
Total Non - Current Assets		133,305,966	83,697,649
Current Assets			
Inventories	5	65,155,432	105,094,344
Financial Assets			
(a) Trade Receivables	6	92,454,304	182,821,564
(b) Cash and Cash Equivalents	7	906,358	2,263,791
(c) Bank Balances other than (b) Above	7	14,293,248	17,619,805
(d) Other Financial Assets	8	11,278,819	11,788,377
Current Tax Assets		2,097,253	987,017
Other Current Assets	9	15,629,757	16,300,481
Total Current Assets		201,815,172	336,875,379
Total Assets		335,121,138	420,573,028
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	119,469,710	111,069,710
Other Equity	11	351,274	145,910,821
Total Equity		119,820,984	256,980,531
Non-current liabilities			
Financial Liabilities			
(a) Borrowings	12	-	19,438
Employee benefit obligations	13	235,591	157,598
Total Non-current liabilities		235,591	177,036
Current Liabilities			
Financial Liabilities			
(a) Borrowings	14	69,355,423	74,491,985
(b) Trade Payables	15	48,641,390	20,461,212
(c) Other Financial Liabilities	16	54,350,878	60,651,899
Employee Benefit Obligations	13	6,531,380	4,063,217
Other Current Liabilities	17	38,833,803	3,747,148
Total Current Liabilities		217,712,874	163,415,461
Total Liabilities		217,948,465	163,592,497
Total Equity and Liabilities		337,769,448	420,573,028
Corporate Information and significant accounting policies	1 & 2		

The accompanying notes form an integral part of the financial statements.

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 012121SSd/-
(CA.VENKATESH G.)
PARTNER
M.No.239608Place : Hyderabad
Date : 09.08.2019Sd/-
(M.SRINIVASA RAO)
MANAGING DIRECTOR
DIN : 03456187Sd/-
(G.RAMA MANOHAR REDDY)
WHOLE-TIME DIRECTOR
DIN : 00135900Sd/-
(D.VENKATESWARA RAO)
WHOLE-TIME DIRECTOR & CFO
DIN : 03616715Sd/-
(KHUSH MOHAMMAD)
COMPANY SECRETARY
M.No.A24743

Aishwarya Technologies and Telecom Limited**Statement of Profit and Loss for the quarter ended March 31, 2019**

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

Particulars	Notes	For the Year ended March 31, 2019	For the Year ended March 31, 2018
INCOME			
Revenue from Operations	18	99,955,260	242,485,785
Other Income (Net)	19	31,562,535	21,121,081
Total Income		131,517,794	263,606,866
EXPENSES			
Cost of Materials Consumed	20	5,503,641	8,519,923
Purchase of Stock in Trade		56,474,138	195,412,807
Changes in Inventories of Finished Goods and Work-in-Progress	21	38,068,253	7,134,300
Employee Benefits Expense	22	26,653,622	30,340,427
Finance Costs	23	15,850,587	14,563,266
Depreciation and Amortisation Expense	3	8,041,760	9,008,884
Other Expenses	24	182,963,633	120,401,592
Total Expenses		333,555,634	385,381,199
Profit Before Exceptional Items and Tax		(202,037,840)	(121,774,333)
Exceptional Items (Net)		-	(344,484)
Profit Before Tax		(202,037,840)	(121,429,849)
Tax Expense			
Current Tax		-	(47,734)
Deferred Tax		(57,254,137)	(30,389,389)
Total Tax Expense		(57,254,137)	(30,437,123)
Profit for the year		(144,783,702)	(90,992,726)
Other comprehensive income			
A Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the defined benefit plans		1,789,399	189,960
(b) Deferred tax relating to items that will not be reclassified to profit or loss		-465,244	(65,741)
Total other comprehensive income		1,324,155	124,219
Total comprehensive income for the year		(143,459,547)	(90,868,507)
Earnings per equity share			
(Equity shares, par value of ` 5 each)			
Basic		(6.46)	(4.10)
Diluted		(6.46)	(4.10)
Corporate information and significant accounting policies	1 & 2		

The accompanying notes form an integral part of the financial statements.

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 012121SSd/-
(CA.VENKATESH G.)
PARTNER
M.No.239608Place : Hyderabad
Date : 09.08.2019Sd/-
(M.SRINIVISA RAO)
MANAGING DIRECTOR
DIN : 03456187Sd/-
(G.RAMA MANOHAR REDDY)
WHOLE-TIME DIRECTOR
DIN: 00135900Sd/-
(D.VENKATESWARA RAO)
WHOLE-TIME DIRECTOR & CFO
DIN : 03616715Sd/-
(KHUSH MOHAMMAD)
COMPANY SECRETARY
M.No.A24743

Aishwarya Technologies and Telecom Limited**Statement of changes in equity for the year ended March 31, 2019**

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

a. Equity

Particulars	Number of Shares	Amount
Balance at March 31, 2017	22,213,942	111,069,710
Changes in equity share capital during the year	1,680,000	8,400,000
Balance at March 31, 2018	23,893,942	119,469,710

b. Other Equity

Particulars	Reserves and Surplus				
	Securities Premium Reserve	Share Warrants	General Reserve	Retained Earnings	Total
Balance at April 1, 2017	118,608,770	-	11,326,000	101,407,058	231,341,828
Profit for the year	-	-	-	(90,868,507)	(90,868,507)
Additions during the year	-	5,437,500	-	-	5,437,500
Balance at March 31, 2018	118,608,770	5,437,500	11,326,000	10,538,551	145,910,821
Profit for the year	-	-	-	(143,459,547)	(143,459,547)
Shares Allotted	-	(2,100,000)	-	-	(2,100,000)
Balance at March 31, 2019	118,608,770	3,337,500	11,326,000	(132,920,996)	351,274

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

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

Place : Hyderabad
Date : 09.08.2019

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

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

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

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

Aishwarya Technologies and Telecom Limited

Cash Flow Statement as at March 31, 2019

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

Particulars	31-03-2019	31-03-2018
Cash flow from operating activities		
Profit Before Tax	(202,037,840)	(121,429,849)
Adjustment for		
Depreciation	8,041,760	9,008,884
Interest Expense	-	14,563,266
Bad Debts Written Off	-	55,152,591
Bad Deposits Written Off	-	10,476,668
Advances Written Off	-	26,351,903
Cash flow before working capital changes		
(Increase)/Decrease in Inventories	39,938,912	11,488,097
(Increase)/Decrease in Trade receivables	90,367,260	(6,010,577)
(Increase)/Decrease in Other Financial Assets	509,558	(3,735,773)
(Increase)/Decrease in Other Assets	(439,512)	(2,673,911)
(Increase)/Decrease in Other Bank balances	3,326,557	9,236,890
Increase/(Decrease) in Trade Payables	28,180,178	(31,986,074)
Increase/(Decrease) in Other Financial Liabilities	(1,407,068)	(16,124,792)
Increase/(Decrease) in Provisions	756,757	1,303,584
Increase/(Decrease) in Other Liabilities	35,071,010	3,383,721
Cash flow from Operating Activities	2,307,572	(40,995,372)
Less: Tax Paid	-	(540,202)
Net Cash Flow From Operating Activities	2,307,572	(41,535,574)
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(260,051)	(13,024,124)
Sale of Fixed Assets	345,000	15,616
Intangible Assets	-	-
Net Cash Flow From Investing Activities	84,949	(13,008,508)
Cash Flow From Financing Activities		
Issue of Equity Shares	8,400,000	3,250,000
Issue of Share Warrants	(2,100,000)	5,437,500
Chit Liability	-	24,564,665
Long Term Loan	(19,438)	(103,095)
Short Term Loan	(5,136,562)	13,789,965
Current Maturities of Long Term Borrowings	(4,893,953)	9,553,517
Interest Paid	-	(11,977,691)
Net Cash Flow From Financing Activities	(3,749,953)	44,514,861
Net Cash Flow During the Year	(1,357,432)	(10,029,221)
Cash & Cash Equivalent At the Beginning Of the Year	2,263,791	12,293,012
Cash & Cash Equivalent At the End Of the Year	906,358	2,263,791

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 012121SSd/-
(CA.VENKATESH G.)
PARTNER
M.No.239608Place : Hyderabad
Date : 09.08.2019Sd/-
(M.SRINIVASA RAO)
MANAGING DIRECTOR
DIN : 03458187Sd/-
(G.RAMA MANOHAR REDDY)
WHOLE-TIME DIRECTOR
DIN : 00135900Sd/-
(D.VENKATESWARA RAO)
WHOLE-TIME DIRECTOR & CFO
DIN : 03616715Sd/-
(KHUSH MOHAMMAD)
COMPANY SECRETARY
M.No.A24743

Aishwarya Technologies and Telecom Limited
Notes forming part of the financial statements

NOTE 1. Background

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

NOTE 2. Significant Accounting Policies

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

a) Basis of preparation

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

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

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

b) Segment reporting

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

The Board of directors are identified as chief operating decision makers. Refer note 38 for segment information presented.

c) Functional and Presentation Currency:

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

d) Revenue Recognition:

☐ **Sale of Goods:**

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

☐ **Sales Returns:**

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

☐ **Interest Income:**

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

▣ Dividend Income:

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

e) Income tax

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

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

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

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

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

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

f) Leases

At the inception of each lease, the lease arrangement is classified as either a finance lease or operating lease, based on the substance of the lease arrangement. A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease. All other leases are classified as operating leases.

As a lessee:

Operating lease payments are recognized as an expense in the statement of profit & loss over lease term.

g) Impairment of assets

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

h) Cash and cash equivalents

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

i) Trade receivables

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

j) Inventories

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

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

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

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

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

2) Measurement

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

Debt instruments:

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

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

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

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

Equity instruments

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

3) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Company determines whether there has been a significant increase in credit risk.

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

4) Derecognition of financial assets

A financial asset is derecognized only when

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

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

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

l) Impairment of non-financial assets:

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

m) Offsetting financial instruments

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

n) Property, plant and equipment

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

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

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

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

Transition to Ind AS

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

Depreciation/Amortisation methods, estimated useful lives and residual value

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

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

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

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

o) Intangible assets**Recognition:**

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

Amortization methods and periods:

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

Transition to Ind AS

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

p) Trade and other payables

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

q) Borrowings

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

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

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

r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred.

s) Provisions, contingent liabilities and contingent assets:

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

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

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

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

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

ii) Other long-term employee benefit obligations:

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

iii) Post Employment Obligations:

The Company operates the following post-employment schemes:

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

Gratuity obligations

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

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

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

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

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

Defined contribution plans

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

Compensated Absences:

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

u) Dividends

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

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

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

w) Use of Estimates and Judgements

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

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

x) Current and Non- Current classification:

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

y) Foreign Currencies:

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

Transactions and Balances:

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

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

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

z) Standards issued but not yet effective:

Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Group has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases:

Ind AS 116 was notified by MCA on March 30, 2019 and it replaces the existing leases standard, Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The standard includes two recognition exemptions for lessees - leases of 'low value' assets (eg. personal computers) and short term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use of asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

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

The company intends to adopt the standard from April 01, 2019 and assumes the effect will be insignificant.

Aishwarya Technologies and Telecom Limited Notes forming part of the financial statements (All amounts are in Indian rupees, except share data and where otherwise stated)												
3. Property, Plant and Equipment												
Description of Assets	Tangible Assets							Intangible Assets				
	Freehold Land	Buildings	Computers	Optical Test Equipment	R&D Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Computer Software		
I. Cost or deemed cost												
Balance as at April 1, 2017	19,714,537	15,110,663	4,768,818	55,782,523	40,766,112	1,249,233	2,504,424	4,530,728	144,427,038	5,898,950		
Additions	-	-	155,597	196,600	11,690,220	30,000	51,707	900,000	13,024,124	-		
Disposals	-	-	-	-	-	-	-	(740,848)	(740,848)	-		
Balance as at March 31, 2018	19,714,537	15,110,663	4,924,415	55,979,123	52,456,332	1,279,233	2,556,131	4,689,880	156,710,314	5,898,950		
Additions	-	-	187,542	-	-	10,500	39,209	-	237,251	22,800		
Disposals	-	-	-	-	-	-	-	(887,000)	(887,000)	-		
Balance as at March 31, 2019	19,714,537	15,110,663	5,111,957	55,979,123	52,456,332	1,289,733	2,595,340	3,802,880	156,060,565	5,921,750		
II. Accumulated depreciation												
Balance as at 1 April, 2017	-	8,763,195	4,682,170	43,315,633	36,528,543	1,092,600	2,353,364	3,886,454	100,621,958	5,775,716		
Depreciation expense for the year	-	1,157,144	126,927	4,155,552	2,911,624	52,356	119,718	390,135	8,913,456	95,428		
Eliminated on disposal of assets	-	-	-	-	-	-	-	(725,232)	(725,232)	-		
Balance as at March 31, 2018	-	9,920,339	4,809,097	47,471,185	39,440,167	1,144,956	2,473,082	3,551,357	108,810,182	5,871,144		
Depreciation expense for the year	-	1,111,376	136,588	2,764,248	3,575,005	46,552	62,358	323,567	8,018,694	23,066		
Eliminated on disposal of assets	-	-	-	-	-	-	-	(557,645)	(557,645)	-		
Balance as at March 31, 2019	-	11,031,715	4,945,684	50,235,433	43,015,172	1,190,508	2,535,440	3,317,279	116,271,231	5,894,210		
III. Carrying Amount												
Balance as at March 31, 2018	19,714,537	5,190,324	115,318	8,507,938	13,016,165	134,277	83,049	1,138,523	47,900,132	27,806		
Balance as at March 31, 2019	19,714,537	4,078,948	166,273	5,743,690	9,441,160	98,225	59,900	485,601	39,789,334	27,540		

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

4. Investments

Particulars	As at 31.03.2019	As at 31.03.2018
A. Non-current investments		
Investment carried at cost		
(i) Equity instruments of Subsidiaries (unquoted)	1,500,000	1,500,000
Total	1,500,000	1,500,000

5. Inventories

Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Inventories (lower of cost and net realisable value)		
Raw materials	1,956,066	3,826,725
Stock in trade (including Finished goods)	63,199,366	101,267,619
Total	65,155,432	105,094,344

6. Trade receivables

Particulars	As at 31.03.2019	As at 31.03.2018
Trade receivables - Current		
Unsecured, considered good	92,454,304	182,821,564
Doubtful	-	26,343,805
Less: Allowance for doubtful debts (expected credit loss allowance)	-	(26,343,805)
Total	92,454,304	182,821,564

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

Particulars	As at 31.03.2019	As at 31.03.2018
Balances with Banks		
in current accounts	336,919	1,479,932
Cash on hand	569,439	783,854
Total Cash and cash equivalents	906,358	2,263,786

7B. Other Bank balances

Particulars	As at 31.03.2019	As at 31.03.2018
Unpaid dividend account	152,052	148,198
Deposits held as margin money/security for bank guarantees	14,141,196	17,471,607
Total	14,293,248	17,619,805

8. Other financial assets

Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Interest accrued on deposits	4,894,446	4,421,420
Security deposits	6,384,373	7,366,957
Total current other financial assets	11,278,819	11,788,377

9. Other assets

Particulars	As at 31.03.2019	As at 31.03.2018
Current:		
Prepaid expenses	54,843	215,596
Advances to suppliers	11,496,643	11,866,414
Other advances		
- Unsecured, considered good	4,078,271	4,218,471
Total current assets	15,629,757	16,300,481

Aishwarya Technologies and Telecom Limited
Notes forming part of the financial statements

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

10. Equity share capital

Particulars	As at 31.03.2019	As at 31.03.2018
Authorised share capital: 3,10,00,000 fully paid up equity shares of Rs. 5/- each (Previous year: 24,000,000 Equity shares of Rs. 5/- each)	155,000,000	155,000,000
Issued and subscribed capital: 2,22,13,942 Equity Shares of Rs.5/- each fully paid up	119,469,710	111,069,710
Total	119,469,710	111,069,710

Notes:

(A) Reconciliation of the number of shares outstanding:

Particulars	Number of shares	Amount
Balance at April 1, 2017	21,563,942	107,819,710
Issue of Shares	650,000	3,250,000
Balance at March 31, 2018	22,213,942	111,069,710
Issue of shares	1,680,000	8,400,000
Balance at March 31, 2019	23,893,942	119,469,710

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

	As at 31.03.2019		As at 31.03.2018	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid equity shares				
G.Rama Manohar Reddy	5,900,990	24.70	4,750,990	21.39
K.Hari Krishna Reddy	1,319,046	5.52	1,185,308	5.34

(C). Rights, preferences and restrictions attached to equity shares:

The company has one class of equity shares having a par value of Rs.5/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

Aishwarya Technologies and Telecom Limited**Notes forming part of the financial statements**

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

11. Other equity**Particulars**

General Reserve	11,326,000	11,326,000
Securities Premium Account	118,608,770	118,608,770
Share Warrants	3,337,500	5,437,500
Retained Earnings	(132,920,996)	10,538,551
Balance at end of year	351,274	145,910,821

11.1 General Reserve

Balance at beginning of year	11,326,000	11,326,000
Balance at end of year	11,326,000	11,326,000

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

11.2 Securities premium reserve

Balance at beginning of year	118,608,770	118,608,770
Balance at end of year	118,608,770	118,608,770

11.3 Retained earnings

Balance at beginning of year	10,538,551	101,407,058
Net profit for the year	(143,459,547)	(90,868,507)
Balance at end of year	(132,920,996)	10,538,551

11.4 Share warrants

Balance at beginning of year	5,437,500	-
Additions during the year (Net of Allotment)	(2,100,000)	5,437,500
Balance at end of year	3,337,500	5,437,500

Aishwarya Technologies and Telecom Limited		
Notes forming part of the financial statements		
(All amounts are in Indian rupees, except share data and where otherwise stated)		
12. Non-current borrowings		
Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured - at amortised cost		
Term loans		
from banks	-	19,438
Total non-current borrowings	-	19,438
Current maturities on long-term borrowings have been disclosed under the head Other current financial liabilities		
Summary of borrowing arrangements		
12.1 Term Loans		
Nature of Security & Terms of Repayment :		
Hire purchase loan from Indus Ind Bank and Sundaram fin (Secured by the relevant assets for which loan is taken)		
13. Employee benefit obligations		
Particulars	As at 31.03.2019	As at 31.03.2018
Non - Current		
- Leave encashment	-	-
- Gratuity	235,591	157,598
	235,591	157,598
Current		
- Leave encashment	1,231,764	1,016,243
- Gratuity	5,299,616	3,046,974
	6,531,380	4,063,217
Total	6,766,971	4,220,815
14. Current borrowings		
Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured - at amortised cost		
Loans from Related Parties	7,289,600	5,160,000
Secured - at amortised cost		
Loans repayable on demand		
from banks (bank overdraft)	62,065,823	69,331,985
Total	69,355,423	74,491,985

Notes:**i) Loan from related parties:**

Loan from G Rama Manohar Reddy

ii) Loan from banks

Cash Credit from State Bank of Hyderabad is secured by Hypothecation of fixed assets and raw materials, semi-finished, finished goods and sundry debtors of the company and guaranteed by directors of the company in their personal capacities.

15. Trade Payables

Particulars	As at 31.03.2019	As at 31.03.2018
Trade Payables - Current		
Dues to micro enterprises and small enterprises (Refer Note 27)	-	-
Dues to creditors other than micro enterprises and small enterprises	48,641,390	20,461,212
Total	48,641,390	20,461,212

16. Other financial liabilities

Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Current maturities of long term borrowings	4,599,998	9,200,000
Current Maturities of finance lease obligation	59,562	353,513
Creditors for expenses	49,691,318	51,098,386
Total	54,350,878	60,651,899

17. Other liabilities

Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Advance from customers	38,833,803	3,747,148
Total	38,833,803	3,747,148

Aishwarya Technologies and Telecom Limited		
Notes forming part of the financial statements		
(All amounts are in Indian rupees, except share data and where otherwise stated)		
18. Revenue from operations		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of Services	5,556,578	5,341,189
Sale of Products		
Manufacturing	7,662,191	8,857,031
Trading	86,736,490	228,287,565
Total	99,955,260	242,485,785
19. Other income (net)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income on financial assets carried at amortised cost		
Bank deposits	1,036,586	1,391,799
	1,036,586	1,391,799
Other non-operating income		
Dividend from Chit Investment	2,501,950	3,942,650
Commission Received	879,366	517,379
Excess Provision on Doubtful Debts	26,343,805	14,014,598
Foreign Exchange Fluctuation Loss	733,515	1,253,449
Miscellaneous income (Net)	67,313	1,206
	30,525,949	19,729,282
Total	31,562,535	21,121,081
20. Cost of materials consumed		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock	3,826,725	8,180,522
Add: Purchases	3,632,982	4,166,126
Less: Closing stock	1,956,066	3,826,725
Material Consumed	5,503,641	8,519,923

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening Stock:		
Finished Goods	101,267,619	108,401,919
Closing Stock:		
Finished Goods	63,199,366	101,267,619
Net (increase) / decrease	38,068,253	7,134,300

22. Employee Benefits Expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and Wages, including Bonus	25,436,560	28,016,288
Leave Encashment	232,530	409,361
Gratuity	662,251	997,419
Staff Welfare Expenses	322,281	917,359
Total	26,653,622	30,340,427

23. Finance costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense		
- Interest on Working Capital Loan	5,106,103	10,205,298
- Interest on Hire Purchase Loan	44,972	74,898
- Interest on Buyers Credit and Other FLC Charges	-	112,358
- Finance Cost on Chit Liability	6,963,566	2,585,575
- Loan Processing Fees	-	736,007
- Interest Others	3,735,946	849,130
Total	15,850,587	14,563,266

24. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
- Rent	824,600	2,709,925
- Rates & Taxes	500,791	688,409
- Office Electricity & Maintenance	783,410	1,187,257
- Conveyance	882,469	1,266,697
- Subscription, Books & Periodicals	51,811	36,933
- Postage & Telegrams	187,790	237,192
- Printing & Stationery	334,823	501,357
- Regn. Licence & Filing Fees	365,822	1,105,671
- Advertisement Expenses	2,034,095	2,000,961
- Agency Commission	172,000	476,468
- Auditors Remuneration	525,000	525,000
- Bank Charges	783,095	2,084,236
- Business Promotion Expenses	7,294	167,359
- Carriage Outwards	1,589,117	2,404,807
- Directors Sitting Fee	115,000	37,500
- Donations	90,000	31,016
- Insurance	179,188	508,485
- Recruitment Charges	35,754	47,150
- Packing Material	71,549	147,273
- Penalties	457,063	-
- Professional & Consultancy Charges Including Legal Charges	5,538,822	1,979,971
- Bad debts written off	148,962,932	55,152,591
- Advances written off	-	26,351,903
- Bad Deposits written off	-	10,476,668
- Repairs & Maintenance	376,968	1,733,353
- Telephone & Fax Expenses	190,141	568,214
- Tender Expenses	115,000	55,179
- Testing & Calibration Expenses	663,075	2,623,386
- Tour & Travelling Expenses		
a) Directors	1,871,753	1,859,726
b) Others	2,284,685	3,436,905
- Penal Charges on Delay in payment of Chits	12,969,587	-
Total	182,963,633	120,401,592

Aishwarya Technologies and Telecom Limited
Notes forming part of the financial statements

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

25 Capital and Financial risk management objectives and policies**A. Capital management and Gearing Ratio**

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

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

B. Financial Risk Management Framework

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

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

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

Particulars	Impact on Profit before tax	
	31-Mar-19	31-Mar-18
Interest rates-increase by 0.5%	(200,239)	(373,833)
Interest rates-decrease by 0.5%	200,239	373,833

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

Credit Risk

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

(I) Year ended 31 March, 2019:**(a) Expected credit loss for financial assets where general model is applied**

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at 12 month expected credit losses	Other financial assets	118,932,730	-	118,932,730
Loss allowance measured at Life time expected credit losses				-

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

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Loss allowance measured at Life time expected credit losses	Trade Receivables	92,454,304	-	92,454,304

(ii) Year ended 31 March, 2018:**(a) Expected credit loss for financial assets where general model is applied**

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at 12 month expected credit losses	Other financial assets	214,493,537		214,493,537
	Loans			
Loss allowance measured at Life time expected credit losses		-	-	-

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

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Loss allowance measured at Life time expected credit losses	Trade Receivables	209,165,369	(26,343,805)	182,821,564

(iv) Reconciliation of Loss allowance provision

Particulars	Provision on Trade Receivables	Allowance for bad & doubtful deposits	Allowance for bad & doubtful loans
Loss allowance as at March 31, 2018	26,343,805	-	-
Add/(Less):			
Provision made during the period	-	-	-
Provision reversed during the period	(26,343,805)	-	-
Loss allowance as at March 31, 2019	-	-	-

Significant estimates and judgements**Impairment of financial assets**

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

Liquidity Risk

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

Particulars	On Demand	In next 12 months	>1 year	Total
Year ended March 31, 2019				
Borrowings		69,355,423	-	69,355,423
Trade and other payables		48,641,390	-	48,641,390
Other financial liabilities		54,350,878	-	54,350,878
	-	172,347,691	-	172,347,691
Year ended March 31, 2018				
Borrowings		74,491,985	19,438	74,511,423
Trade and other payables		20,461,212	-	20,461,212
Other financial liabilities		60,651,899	-	60,651,899
	-	155,605,096	19,438	155,624,534

Market risk - Foreign exchange exposure:**Foreign exchange risk sensitivity**

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

Particulars	Impact on Profit and loss account	
	For the year ended 31 March 2019	For the year ended 31 March 2018
EUR Sensitivity		
Increase of USD by Rs. 1/-	(335,357)	(40,328)
Decrease of USD by Rs. 1/-	335,357	40,328
EUR Sensitivity		
Increase of EUR by Rs. 1/-	-	(24,619)
Decrease of EUR by Rs. 1/-	-	24,619
Pound sensitivity		
Increase of Pound by Rs. 1/-	-	(14,132)
Decrease of Pound by Rs. 1/-	-	14,132
JPY Sensitivity		
Increase of JPY by Rs. 1/-	-	(5,263,760)
Decrease of JPY by Rs. 1/-	-	5,263,760

Aishwarya Technologies and Telecom Limited
Notes forming part of the financial statements

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

26 Financial Instruments

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

Particulars	Fair value hierarchy	Carrying Values		Fair value	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Assets:					
Current					
i) Trade receivables	Level 3	92,454,304	182,821,564	92,454,304	182,821,564
ii) Cash and cash equivalents	Level 3	906,358	2,263,791	906,358	2,263,791
iii) Other balances with banks	Level 3	14,293,248	17,619,805	14,293,248	17,619,805
iv) Other financial assets	Level 3	11,278,819	11,788,377	11,278,819	11,788,377
Liabilities:					
Non-Current					
(i) Borrowings	Level 3	-	19,438	-	19,438
Current					
i) Borrowings	Level 3	69,355,423	74,491,985	69,355,423	74,491,985
ii) Trade payables	Level 3	48,641,390	20,461,212	48,641,390	20,461,212
iii) Other current financial liabilities	Level 3	54,350,878	60,651,899	54,350,878	60,651,899

Fair value hierarchy

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

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

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

i) The Carrying values of Current financial liabilities and current financial assets are taken as their fair value because of their short term nature.

ii) The Carrying values of Non-Current financial liabilities and Non-current financial assets are taken as their fair value based on their discounted cash flows.

iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realised or paid in sale transactions as of respective dates. as such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

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

Significant estimate:

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

NOTE NO.27**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

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

NOTE NO.28**Earnings per Share:**

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

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

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

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
Profit after tax	(14,61,07,858)	(9,09,92,726)
Basic & Diluted:		
Number of shares outstanding at the year end	2,38,93,942	2,22,13,942
Weighted average number of equity shares	2,22,18,545	2,16,70,791
Earnings per share	-6.58	-4.10

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

NOTE NO.29**Post-Employment Benefit Plans**

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for every completed year of service. The following tables summarize the components of net benefit expenses recognized in the statement of profit and loss and the amounts recognized in the balance sheet for the respective plans.

a) Reconciliation of Defined Benefit Obligation:

Particulars	31-Mar-19	31-Mar-18
Liability at the beginning of the period / year	3204572	2500309
Current Services Cost	414858	812646
Interest Cost	247393	184773
Benefits Cost	0	(103196)
Actuarial (gain)/Loss	1668384	(189960)
Liability at the end of the period / year	5535207	3204572

b) Amount recognized in the Balance Sheet

Particulars	31-Mar-19	31-Mar-18
Liability at the end of the Period / Year	5535207	3204572
Amount to be recognised in Balance Sheet	5535207	3204572

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

Particulars	31-Mar-19	31-Mar-18
Current Service Cost	414858	812646
Interest Cost	247393	184773
Expense recognized in Statement of Profit and Loss	662251	997419

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

Particulars	31-Mar-19	31-Mar-18
Experience (gain)/Loss on plan liabilities	1789399	(189960)
Demographic (gain)/Loss on plan liabilities	-	-

e) Principal assumptions used in determining gratuity:

Particulars	2018-19	2017-18
Salary Escalation	5%	5%
Discount Rate	7.72%	7.72%
Employee Turnover	4%	4%

f) Sensitivity Analysis

Assumptions	As at 31.03.2019	As at 31.03.2018
Discount Rate		
1% Increase	(356910)	(243839)
1% Decrease	402611	278805
Salary Rate		
1% Increase	797572	596059
1% Decrease	(664028)	(491022)
Attrition Rate		
1% Increase	263813	213023
1% Decrease	(290669)	(236020)

NOTE NO. 30

Pursuant to the provisions of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee or director, who was in receipt of remuneration for the year under consideration exceeding one crore two lakh rupees, the information of which could form part of the Director's Report for the year ended 31st March 2019.

NOTE NO. 31**Foreign Exchange Earnings and Outflow:**

Particulars	Current Year Rs. in Lakhs	Previous Year Rs. in lakhs
Foreign Exchange Earnings	8.79	5.17
Foreign Exchange Outflow	42.59	102.47

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

Particulars	Current Year Rs.in Lakhs	Previous Year Rs. in Lakhs
Bank Guarantee	138.99	243.02
Letter of Credit	-	443.43

NOTE NO. 33**Deferred Tax:**

In compliance with the Accounting Standard "AS-22 Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company has recognised Rs.5,77,19,381/- towards deferred tax deferred tax asset in the year 2018-19. The major components of deferred tax asset / liability are on account of timing differences in depreciation.

NOTE NO.34

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

NOTE NO. 35**Segment Reporting:****Information about primary business segments:**

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

Information about secondary business segment:

The Company operates in one geographical segment i., India

NOTE NO. 36**Transactions with the related parties pursuant to Accounting Standard 18:****List of Related Parties**

Key managerial personnel	- K.Harikrishna Reddy (Chairman) - G.Ramamanochar Reddy (Managing Director) - G.Amulya Reddy (CFO) - D.Venkateswara Rao
Subsidiary Company	Bhaswanth Power Projects Private Limited

Transaction with the Related Parties:

Particulars	Subsidiary Company		Key Management personnel	
	2017-18	2016-17	2018-19	2017-18
Remuneration	-	-	7896000	7800000
Loans Taken	-	-	5105000	8660000
Loans Repaid	-	-	2975400	4700000

Balance as at 31st March

Particulars	Enterprise significantly influenced by KMP		Key Management Personnel	
	2018-19	2017-18	2018-19	2017-18
Remuneration	--	-	2603039	1199480
Loans Taken	--	-	7289600	5160000
Investments	--	-	1500000	1500000

NOTE NO. 37**NCLT Case:**

During the year, Company's operating creditor M/s SEI Trading Indian Private has filed case before NCLT, Hyderabad for claiming their dues and also terminated distribution-ship. Aishwarya Technologies and Telecom Ltd has filed a civil petition before City Civil court Hyderabad for injunction against sudden termination of distribution-ship by the above said party. Though the matter was pending before the City Civil Court which was filed much before the NCLT case, NCLT Hyderabad admitted the case filed by the above said operational creditor. Due to admission of the operational creditor's petition, the BOD was terminated and IRP was appointed to proceed under IBC.

The company has filed appeal before NCLAT, New Delhi and made settlement with the operational creditor for payment of dues. Finally on accepting the settlement deed the NCLAT, New Delhi has set aside the order passed by NCLT, Hyderabad and restored all the rights of Board of Directors by passing the order on 19th Sept 2018.

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

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

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

NOTE NO. 39**Delay In submission of Results to SEBI:**

During the FY 2018-19, there is a substantial change in the management of the organization and the board resolution for the resignations and appointments of such directors have been done during May 2019 and filling with ROC was done during June 2019. This has resulted delay in finalizing annual accounts and conducting Board meeting for declaration of annual financial results. There is also delay in submission of results for the first two quarters due to the above said NCLT case.

NOTE NO. 40**Bad Debts Written off:**

The management of the company has put several efforts toward recovery of receivables of the previous years and finally decided and resolved written-off an amount of Rs.14.90 crores during the year.

NOTE NO. 41

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

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

SIGNATURES TO NOTE "1" TO "41"**VIDE OUR REPORT OF EVEN DATE****FOR AND ON BEHALF OF THE BOARD**

**For CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.012121S**

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

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

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

**Place : Hyderabad
Date : 09.08.2019**

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

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

**CONSOLIDATED FINANCIAL STATEMENTS
OF
AISHWARYA TECHNOLOGIES AND
TELECOM LIMITED**

&

**BHASHWANTH POWER PROJECTS
PRIVATE LIMITED**

2018-2019

CSVR & Associates
Chartered Accountants



Flat No.F-2, Trendset Ville,
Road No.3, Banjara Hills,
Hyderabad - 500034
Ph: 8885142303

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

To
The Members of
M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED

Report on the Audit of the Consolidated Ind AS financial statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED** ("the Company"), its subsidiary namely Bhashwanth Power Projects Private Limited (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including consolidated Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes In Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

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

Management's Responsibility for the Consolidated Ind AS financial statements

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (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 Ind AS financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Consolidated Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 and 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 Group and the operating effectiveness of such controls, refer to our separate report in the "Annexure A"; and
- (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 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Group does not have any pending litigations which would impact its financial position in its consolidated Ind AS financial statements.
- (ii) The Group has not entered into any long-term contracts including derivatives contracts requiring provision under applicable laws or accounting standards, for material foreseeable losses and
- (iii) There were amounts required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 2013.

PLACE : HYDERABAD
DATE : 09.08.2019

For CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 012121S

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

ANNEXURE –A TO THE CONSOLIDATED AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the group as of and for the year ended 31st March, 2019, we have audited the internal financial controls over financial reporting of **M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED** ("the Company") and its subsidiary company which are incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the group's internal financial controls over financial reporting of the company and its subsidiary companies, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the group's internal financial controls system over financial reporting of the company and its subsidiary companies, which are incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company, which are incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE : HYDERABAD
DATE : 09.08.2019

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

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

Aishwarya Technologies and Telecom Limited			
Consolidated Balance Sheet as at March 31, 2019			
(All amounts are in Indian rupees, except share data and where otherwise stated)			
Particulars	Notes	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	39,789,334	47,900,132
Other Intangible Assets	3	27,540	27,806
Goodwill	4	22,500	22,500
Deferred Tax Assets (Net)		91,989,092	34,269,711
Total Non - Current Assets		131,828,466	82,220,149
Current Assets			
Inventories	5	65,155,432	105,094,344
Financial Assets			
(a) Trade Receivables	6	92,454,304	182,821,564
(b) Cash and Cash Equivalents	7	914,332	2,274,769
(c) Bank Balances other than (b) Above	7	14,293,248	17,619,805
(d) Other Financial Assets	8	11,278,819	11,788,377
Current Tax Assets		2,097,253	987,017
Other Current Assets	9	15,676,757	16,347,481
Total Current Assets		201,870,146	336,933,357
Total Assets		333,698,612	419,153,506
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	119,469,710	111,069,710
Other Equity	11	(4,307,039)	143,955,830
Equity attributes to owners of the company		115,162,671	255,025,540
Non-controlling Interest		511,725	500,723
Total Equity		115,674,396	255,526,263
Non-current liabilities			
Financial Liabilities			
(a) Borrowings	12	-	19,438
Employee benefit obligations	13	235,592	157,598
Total Non-current liabilities		235,592	177,036
Current Liabilities			
Financial Liabilities			
(a) Borrowings	14	69,355,423	74,491,985
(b) Trade Payables	15	48,717,140	20,461,212
(c) Other Financial Liabilities	16	54,350,878	60,686,645
Employee Benefit Obligations	13	6,531,380	4,063,217
Other Current Liabilities	17	38,833,803	3,747,148
Total Current Liabilities		217,788,624	163,450,207
Total Liabilities		218,024,216	163,627,243
Total Equity and Liabilities		333,698,613	419,153,506
Corporate information and significant accounting policies			

The accompanying notes form an integral part of the financial statements.

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

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

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

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

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

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

Place : Hyderabad
Date : 09.08.2019

Aishwarya Technologies and Telecom Limited			
Consolidated Statement of Profit and Loss for the quarter ended March 31, 2019			
(All amounts are in Indian rupees, except share data and where otherwise stated)			
Particulars	Notes	For the Year ended March 31, 2019	For the Year ended March 31, 2018
INCOME			
Revenue from Operations	18	99,955,260	242,485,785
Other Income (Net)	19	31,562,535	21,121,081
Total Income		131,517,794	263,606,866
EXPENSES			
Cost of Materials Consumed	20	5,503,641	8,519,923
Purchase of Stock in Trade		56,474,138	195,412,807
Changes in Inventories of Finished Goods and Work-in-Progress	21	38,068,253	7,134,300
Employee Benefits Expense	22	26,653,622	30,340,427
Finance Costs	23	15,850,587	14,563,266
Depreciation and Amortisation Expense	3	8,041,760	9,008,884
Other Expenses	24	183,007,642	120,415,642
Total Expenses		333,599,643	385,395,249
Profit Before Exceptional Items and Tax		(202,081,849)	(121,788,383)
Exceptional Items (Net)		-	(344,484)
Profit Before Tax		(202,081,849)	(121,443,899)
Tax Expense			
Current Tax		-	(47,734)
Deferred Tax		(57,254,137)	(30,389,389)
Total Tax Expense		(57,254,137)	(30,437,123)
Profit for the year		(144,827,711)	(91,006,776)
Other comprehensive Income			
A Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the defined benefit plans		1,789,399	189,980
(b) Deferred tax relating to items that will not be reclassified to profit or loss		(465,244)	(65,741)
Total other comprehensive Income		1,324,155	124,219
Total comprehensive Income for the year		(146,151,867)	(90,882,557)
Total comprehensive Income for the year attributable to:			
- Owners of the Company		(146,162,869)	(90,879,045)
- Non-Controlling Interests		11,002	(3,512)
		(146,151,867)	(90,882,557)
Earnings per equity share			
(Equity shares, par value of ₹ 5 each)			
Basic		(6.58)	(4.27)
Diluted		(6.58)	(4.27)
Corporate information and significant accounting policies			

The accompanying notes form an integral part of the financial statements.

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

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

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

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

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

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

Place : Hyderabad
Date : 09.08.2019

Aishwarya Technologies and Telecom Limited
Consolidated Statement of changes in equity for the year ended March 31, 2019
(All amounts are in Indian rupees, except share data and where otherwise stated)

a. Equity

Particulars	Number of Shares	Amount
Balance at March 31, 2017	22,213,942	111,069,710
Changes in equity share capital during the year	1,680,000	8,400,000
Balance at March 31, 2018	23,893,942	119,469,710

b. Other Equity

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	Share Warrants	General Reserve	Retained Earnings	
Balance at April 1, 2017	118,608,770	-	11,326,000	99,462,605	229,397,375
Profit for the year	-	-	-	(90,879,045)	(90,879,045)
Additions during the year	-	5,437,500	-	-	5,437,500
Balance at March 31, 2018	118,608,770	5,437,500	11,326,000	8,583,560	143,955,830
Profit for the year	-	-	-	(146,162,869)	(146,162,869)
Shares Allotted	-	(2,100,000)	-	-	(2,100,000)
Balance at March 31, 2019	118,608,770	3,337,500	11,326,000	(137,579,309)	(4,307,039)

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

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

Place : Hyderabad
Date : 09.08.2019

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

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

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

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

Aishwarya Technologies and Telecom Limited
Consolidated Cash Flow Statement as at March 31, 2019
(All amounts are in Indian rupees, except share data and where otherwise stated)

Particulars	31-03-2019	31-03-2018
Cash flow from operating activities		
Profit Before Tax	(202,081,849)	(121,443,899)
Adjustment for		
Depreciation	8,041,760	9,008,884
Interest Expense	-	14,563,266
Bad Debts Written Off	-	55,152,591
Bad Deposits Written Off	-	10,476,668
Advances Written Off	-	26,351,903
Profit on sale of assets		(344,484)
Cash flow before working capital changes		
(Increase)/Decrease in Inventories	39,938,912	11,488,097
(Increase)/Decrease in Trade receivables	90,367,260	(6,010,577)
(Increase)/Decrease in Other Financial Assets	509,558	(3,735,773)
(Increase)/Decrease in Other Assets	(439,512)	(2,673,911)
(Increase)/Decrease in Other Bank balances	3,326,557	9,236,890
Increase/(Decrease) in Trade Payables	28,255,928	(31,986,074)
Increase/(Decrease) in Other Financial Liabilities	(1,457,459)	(16,112,996)
Increase/(Decrease) in Provisions	756,758	1,303,584
Increase/(Decrease) in Other Liabilities	35,086,655	3,383,721
Cash flow from Operating Activities	2,304,568	(41,342,110)
Less: Tax Paid	-	(540,202)
Net Cash Flow From Operating Activities	2,304,568	(41,882,312)
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(260,051)	(13,024,124)
Sale of Fixed Assets	345,000	360,100
Intangible Assets	-	-
Net Cash Flow From Investing Activities	84,949	(12,664,024)
Cash Flow From Financing Activities		
Issue of Equity Shares	8,400,000	3,250,000
Issue of Share Warrants	(2,100,000)	5,437,500
Chit Liability		24,564,665
Long Term Loan	(19,438)	(103,095)
Short Term Loan	(5,136,562)	22,989,969
Current Maturities of Long Term Borrowings	(4,893,953)	353,513
Interest Paid	-	(11,977,691)
Net Cash Flow From Financing Activities	(3,749,953)	44,514,861
Net Cash Flow During the Year	(1,360,436)	(10,031,475)
Cash & Cash Equivalent At the Beginning Of the Year	2,274,769	12,306,244
Cash & Cash Equivalent At the End Of the Year	914,332	2,274,769

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

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

Place : Hyderabad
Date : 09.08.2019

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

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

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

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

Notes forming part of the Consolidated financial statements

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

Background

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

1. Significant Accounting Policies:

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

a) Basis of preparation**(i) Compliance with Ind AS**

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

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis

(iii) Principles of consolidation

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

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

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

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

b) Segment reporting

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

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

c) Foreign currency translation**(i) Functional and presentation currency**

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

(ii) Transactions and balances

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

d) Revenue Recognition:

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

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

e) Sale of products

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

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

f) Income tax

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

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

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

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

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

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

g) Leases**As a lessee:**

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit and loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

h) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the

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

i) Cash and cash equivalents

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

j) Trade receivables

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

k) Inventories

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

l) Investments and other financial assets

1) Classification

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

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

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

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

2) Measurement

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

Debt instruments:

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

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

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses

which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

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

Equity Instruments

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

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

3) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the group determines whether there has been a significant increase in credit risk.

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

4) Derecognition of financial assets

A financial asset is derecognized only when

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

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

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

m) Income recognition

Interest income

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

n) Offsetting financial instruments

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

o) Property, plant and equipment

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

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

Transition to Ind AS

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

Depreciation/Amortisation methods, estimated useful lives and residual value

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

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

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

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

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

(ii) Amortization methods and periods

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

(iii) Transition to Ind AS

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

q) Trade and other payables

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

r) Borrowings

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

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

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit

or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

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

s) Borrowing costs

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

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

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

t) Provisions

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

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

u) Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

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

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

(iii) Post-employment obligations

The group operates the following post-employment schemes:

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

Gratuity obligations

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

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

are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

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

(iv) **Bonus plans**

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

v) **Contributed equity**

Equity shares are classified as equity.

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

w) **Dividends**

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

x) **Earning per share**

(i) **Basic earnings per share**

Basic earnings per share is calculated by dividing:

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

(ii) **Diluted earnings per share**

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

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

2. Critical estimates and Judgements

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

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

The areas involving critical estimates or judgements are:

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

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

aa) Current and Non- Current classification:

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

bb) Foreign Currencies:

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

Transactions and Balances:

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

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

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

Aishwarya Technologies and Telecom Limited Notes forming part of the consolidated financial statements (All amounts are in Indian rupees, except share data and where otherwise stated)												
3. Property, Plant and Equipment												
Description of Assets	Tangible Assets										Intangible Assets	
	Freehold Land	Buildings	Computers	Optical Test Equipment	R&D Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	Computer Software		
I. Cost or deemed cost												
Balance as at April 1, 2017	19,714,537	15,110,663	4,768,818	55,782,523	40,766,112	1,249,233	2,504,424	4,530,728	144,427,038	5,898,950		
Additions	-	-	155,597	196,600	11,690,220	30,000	51,707	900,000	13,024,124	-		
Disposals	-	-	-	-	-	-	-	(740,848)	(740,848)	-		
Balance as at March 31, 2018	19,714,537	15,110,663	4,924,415	55,979,123	52,456,332	1,279,233	2,556,131	4,689,860	156,710,314	5,898,950		
Additions	-	-	187,542	-	-	10,500	39,209	-	237,251	22,800		
Disposals	-	-	-	-	-	-	-	(887,000)	(887,000)	-		
Balance as at March 31, 2019	19,714,537	15,110,663	5,111,957	55,979,123	52,456,332	1,289,733	2,595,340	3,802,860	156,060,565	5,921,750		
II. Accumulated depreciation												
Balance as at 1 April, 2017	-	8,763,195	4,682,170	43,315,633	36,528,543	1,092,600	2,353,364	3,886,454	100,621,958	5,775,716		
Depreciation expense for the year	-	1,157,144	126,927	4,155,552	2,911,624	52,356	119,718	390,135	8,913,456	95,428		
Eliminated on disposal of assets	-	-	-	-	-	-	-	(725,232)	(725,232)	-		
Balance as at March 31, 2018	-	9,920,339	4,809,097	47,471,185	39,440,167	1,144,956	2,473,082	3,551,357	108,810,182	5,871,144		
Depreciation expense for the year	-	1,111,376	136,588	2,764,248	3,575,005	45,552	62,358	323,567	8,018,694	23,066		
Eliminated on disposal of assets	-	-	-	-	-	-	-	(557,645)	(557,645)	-		
Balance as at March 31, 2019	-	11,031,715	4,945,684	50,235,433	43,015,172	1,190,508	2,535,440	3,317,279	116,271,231	5,894,210		
III. Carrying Amount												
Balance as at March 31, 2018	19,714,537	5,190,324	115,318	8,507,938	13,016,165	134,277	93,049	1,138,523	47,900,132	27,806		
Balance as at March 31, 2019	19,714,537	4,078,948	166,273	5,743,690	9,441,160	99,225	59,900	485,601	39,789,334	27,540		

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

4. Goodwill

Particulars	As at 31.03.2019	As at 31.03.2018
Balance at the beginning of the year	22500	22500
Balance at the end of the year	22500	22500

5. Inventories

Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Inventories (lower of cost and net realisable value)		
Raw materials	1,956,066	3,826,725
Stock in trade (including Finished goods)	63,199,366	101,267,619
Total	65,155,432	105,094,344

6. Trade receivables

Particulars	As at 31.03.2019	As at 31.03.2018
Trade receivables - Current		
Unsecured, considered good	92,454,304	182,821,564
Doubtful	-	26,343,805
Less: Allowance for doubtful debts (expected credit loss allowance)	-	(26,343,805)
Total	92,454,304	182,821,564

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

Particulars	As at 31.03.2019	As at 31.03.2018
Balances with Banks		
in current accounts	343,717	1,489,739
Cash on hand	570,615	785,030
Total Cash and cash equivalents	914,332	2,274,769

7B. Other Bank balances

Particulars	As at 31.03.2019	As at 31.03.2018
Unpaid dividend account	152,052	148,198
Deposits held as margin money/security for bank guarantees	14,141,196	17,471,607
Total	14,293,248	17,619,805

8. Other financial assets

Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Interest accrued on deposits	4,894,446	4,421,420
Security deposits	6,384,373	7,366,957
Total current other financial assets	11,278,819	11,788,377

9. Other assets

Particulars	As at 31.03.2019	As at 31.03.2018
Current:		
Prepaid expenses	54,843	215,596
Advances to suppliers	11,496,643	11,866,414
Other advances	-	-
- Unsecured, considered good	4,125,271	4,265,471
Total current assets	15,676,757	16,347,481

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

10. Equity share capital

Particulars	As at 31.03.2019	As at 31.03.2018
Authorised share capital: 3,10,00,000 fully paid up equity shares of Rs. 5/- each (Previous year: 24,000,000 Equity shares of Rs. 5/- each)	155,000,000	155,000,000
Issued and subscribed capital: 2,22,13,942 Equity Shares of Rs.5/- each fully paid up	119,469,710	111,069,710
Total	119,469,710	111,069,710

Notes:

(A) Reconciliation of the number of shares outstanding:

Particulars	Number of shares	Amount
Balance at April 1, 2017	21,563,942	107,819,710
Issue of Shares	650,000	3,250,000
Balance at March 31, 2018	22,213,942	111,069,710
Issue of shares	1,680,000	8,400,000
Balance at March 31, 2019	23,893,942	119,469,710

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

	As at 31.03.2019		As at 31.03.2018	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid equity shares				
G.Rama Manohar Reddy	5,900,990	24.70	4,750,990	21.39
K.Hari Krishna Reddy	1,319,046	5.52	1,185,308	5.34

(C). Rights, preferences and restrictions attached to equity shares:

The company has one class of equity shares having a par value of Rs.5/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

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

11. Other equity

Particulars		
General Reserve	11,326,000	11,326,000
Securities Premium Account	118,608,770	118,608,770
Share Warrants	3,337,500	5,437,500
Retained Earnings	(137,579,309)	8,583,560
Balance at end of year	(4,307,039)	143,955,830

11.1 General Reserve

Balance at beginning of year	11,326,000	11,326,000
Balance at end of year	11,326,000	11,326,000

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

11.2 Securities premium reserve

Balance at beginning of year	118,608,770	118,608,770
Balance at end of year	118,608,770	118,608,770

11.3 Retained earnings

Balance at beginning of year	8,583,560	99,462,605
Net profit for the year	(146,162,869)	(90,879,045)
Balance at end of year	(137,579,309)	8,583,560

11.4 Share warrants

Balance at beginning of year	5,437,500	-
Additions during the year (Net of Allotment)	(2,100,000)	5,437,500
Balance at end of year	3,337,500	5,437,500

12. Non-Controlling Interest

Balance at beginning of year	500,723	504,235
Share of Profit/ Loss	11,002	(3,512)
Balance at end of year	511,725	500,723

Aishwarya Technologies and Telecom Limited**Notes forming part of the consolidated financial statements**

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

12. Non-current borrowings

Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured - at amortised cost		
Term loans		
from banks	-	19,438
Total non-current borrowings	-	19,438

Current maturities on long-term borrowings have been disclosed under the head Other current financial liabilities

Summary of borrowing arrangements**12.1 Term Loans****Nature of Security & Terms of Repayment :**

Hire purchase loan from Indus Ind Bank and Sundaram fin (Secured by the relevant assets for which loan is taken)

13. Employee benefit obligations

Particulars	As at 31.03.2019	As at 31.03.2018
Non - Current		
- Leave encashment	-	-
- Gratuity	235,592	157,598
	235,592	157,598
Current		
- Leave encashment	1,231,764	1,016,243
- Gratuity	5,299,616	3,046,974
	6,531,380	4,063,217
Total	6,766,972	4,220,815

14. Current borrowings

Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured - at amortised cost		
Loans from Related Parties	7,289,600	5,160,000
Secured - at amortised cost		
Loans repayable on demand		
from banks (bank overdraft)	62,065,823	69,331,985
Total	69,355,423	74,491,985

Notes:**i) Loan from related parties:**

Loan from G Rama Manohar Reddy

ii) Loan from banks

Cash Credit from State Bank of Hyderabad is secured by Hypothecation of fixed assets and raw materials, semi-finished, finished goods and sundry debtors of the company and guaranteed by directors of the company in their personal capacities.

15. Trade Payables

Particulars	As at 31.03.2019	As at 31.03.2018
Trade Payables - Current		
Dues to micro enterprises and small enterprises (Refer Note 27)	-	-
Dues to creditors other than micro enterprises and small enterprises	48,717,140	20,461,212
Total	48,717,140	20,461,212

16. Other financial liabilities

Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Current maturities of long term borrowings	4,599,998	9,200,000
Current Maturities of finance lease obligation	59,562	353,513
Creditors for expenses	49,691,318	51,133,132
Total	54,350,878	60,686,645

17. Other liabilities

Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Advance from customers	38,833,803	3,747,148
Total	38,833,803	3,747,148

Aishwarya Technologies and Telecom Limited		
Notes forming part of the consolidated financial statements		
(All amounts are in Indian rupees, except share data and where otherwise stated)		
18. Revenue from operations		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of Services	5,556,578	5,341,189
Sale of Products		
Manufacturing	7,662,191	13,238,982
Trading	86,736,490	223,905,614
Total	99,955,260	242,485,785
19. Other income (net)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income on financial assets carried at amortised cost		
Bank deposits	1,036,586	1,391,799
	1,036,586	1,391,799
Other non-operating income		
Dividend from Chit Investment	2,501,950	3,942,650
Commission Received	879,366	517,379
Excess Provision on Doubtful Debts	26,343,805	14,014,598
Foreign Exchange Fluctuation Loss	733,515	1,253,449
Miscellaneous income (Net)	67,313	1,206
	30,525,949	19,729,282
Total	31,562,535	21,121,081
20. Cost of materials consumed		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock	3,826,725	8,180,522
Add: Purchases	3,632,982	4,166,126
Less: Closing stock	1,956,066	3,826,725
Material Consumed	5,503,641	8,519,923

21. Changes in inventories of finished goods and work-in-progress		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening Stock:		
Finished Goods	101,267,619	108,401,919
Closing Stock:		
Finished Goods	63,199,366	101,267,619
Net (increase) / decrease	38,068,253	7,134,300
22. Employee Benefits Expense		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and Wages, including Bonus	25,436,560	28,016,288
Leave Encashment	232,530	409,361
Gratuity	662,251	997,419
Staff Welfare Expenses	322,281	917,359
Total	26,653,622	30,340,427
23. Finance costs		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense		
- Interest on Working Capital Loan	5,106,103	10,205,298
- Interest on Hire Purchase Loan	44,972	74,898
- Interest on Buyers Credit and Other FLC Charges	-	112,358
- Finance Cost on Chit Liability	6,963,566	2,585,575
- Loan Processing Fees	-	736,007
- Interest Others	3,735,946	849,130
Total	15,850,587	14,563,266

24. Other expenses

Particulars	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
- Rent	824,600	2,709,925
- Rates & Taxes	500,791	690,209
- Office Electricity & Maintenance	783,410	1,187,257
- Conveyance	882,469	1,266,697
- Subscription, Books & Periodicals	51,811	36,933
- Postage & Telegrams	187,790	237,192
- Printing & Stationery	334,823	501,357
- Regn. Licence & Filing Fees	373,222	1,107,271
- Advertisement Expenses	2,034,095	2,000,961
- Agency Commission	172,000	476,468
- Auditors Remmuration	535,000	535,000
- Bank Charges	786,104	2,084,885
- Business Promotion Expenses	7,294	167,359
- Carriage Outwards	1,589,117	2,404,807
- Directors Sitting Fee	115,000	37,500
- Donations	90,000	31,016
- Insurance	179,188	508,485
- Recruitment Charges	35,754	47,150
- Packing Material	71,549	147,273
- Penalties	457,063	
- Professional & Consultancy Charges Including Legal Charges	5,562,422	1,979,971
- Bad debts written off	148,962,932	55,152,591
- Advances written off	-	26,351,903
- Bad Deposits written off	-	10,476,668
- Repairs & Maintenance	376,968	1,733,354
- Telephone & Fax Expenses 190,141		568,214
- Tender Expenses	115,000	55,179
- Testing & Calibration Expenses	663,075	2,623,386
- Tour & Travelling Expenses		
a) Directors	1,871,753	1,859,726
b) Others	2,284,685	3,436,905
- Penal Charges on Delay in payment of Chits	12,969,587	-
Total	183,007,642	120,415,642

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

25 Capital and Financial risk management objectives and policies

A. Capital management and Gearing Ratio

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

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

B. Financial Risk Management Framework

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

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

Interest rate risk

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

Interest rate sensitivity

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

Particulars	Impact on Profit before tax	
	31-Mar-19	31-Mar-18
Interest rates-increase by 0.5%	(200,239)	(373,833)
Interest rates-decrease by 0.5%	200,239	373,833

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

Credit Risk

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

(I) Year ended 31 March, 2019:**(a) Expected credit loss for financial assets where general model is applied**

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at 12 month expected credit losses	Other financial assets	118,932,730	-	118,932,730
Loss allowance measured at Life time expected credit losses				-

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

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Loss allowance measured at Life time expected credit losses	Trade Receivables	92,454,304	-	92,454,304

(II) Year ended 31 March, 2018:**(a) Expected credit loss for financial assets where general model is applied**

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition				
Loss allowance measured at 12 month expected credit losses	Other financial assets	214,493,537		214,493,537
	Loans			
Loss allowance measured at Life time expected credit losses			-	-

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

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit loss (Impairment)	Carrying amount net of provision
Loss allowance measured at Life time expected credit losses	Trade Receivables	209,165,369	(26,343,805)	182,821,564

(iv) Reconciliation of Loss allowance provision

Particulars	Provision on Trade Receivables	Allowance for bad & doubtful deposits	Allowance for bad & doubtful loans
Loss allowance as at March 31, 2018	26,343,805	-	-
Add/(Less):			
Provision made during the period	-	-	-
Provision reversed during the period	(26,343,805)	-	-
Loss allowance as at March 31, 2019	-	-	-

Significant estimates and judgements**Impairment of financial assets**

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

Liquidity Risk

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

Particulars	On Demand	in next 12 months	>1 year	Total
Year ended March 31, 2019				
Borrowings		69,355,423	-	69,355,423
Trade and other payables		48,641,390	-	48,641,390
Other financial liabilities		54,350,878	-	54,350,878
	-	172,347,691	-	172,347,691
Year ended March 31, 2018				
Borrowings		74,491,985	19,438	74,511,423
Trade and other payables		20,461,212	-	20,461,212
Other financial liabilities		60,651,899	-	60,651,899
	-	155,605,096	19,438	155,624,534

Market risk - Foreign exchange exposure:**Foreign exchange risk sensitivity**

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

Particulars	Impact on Profit and loss account	
	For the year ended 31 March 2019	For the year ended 31 March 2018
EUR Sensitivity		
Increase of USD by Rs. 1/-	(335,357)	(40,328)
Decrease of USD by Rs. 1/-	335,357	40,328
EUR Sensitivity		
Increase of EUR by Rs. 1/-	-	(24,619)
Decrease of EUR by Rs. 1/-	-	24,619
Pound sensitivity		
Increase of Pound by Rs. 1/-	-	(14,132)
Decrease of Pound by Rs. 1/-	-	14,132
JPY Sensitivity		
Increase of JPY by Rs. 1/-	-	(5,263,760)
Decrease of JPY by Rs. 1/-	-	5,263,760

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

26 Financial Instruments

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

Particulars	Fair value hierarchy	Carrying Values		Fair value	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Assets:					
Current					
i) Trade receivables	Level 3	92,454,304	182,821,564	92,454,304	182,821,564
ii) Cash and cash equivalents	Level 3	914,332	2,274,769	914,332	2,274,769
iii) Other balances with banks	Level 3	14,293,248	17,619,805	14,293,248	17,619,805
iv) Other financial assets	Level 3	11,278,819	11,788,377	11,278,819	11,788,377
Liabilities:					
Non-Current					
(i) Borrowings	Level 3	-	19,438	-	19,438
Current					
i) Borrowings	Level 3	69,355,423	74,491,985	69,355,423	74,491,985
ii) Trade payables	Level 3	48,717,140	20,461,212	48,717,140	20,461,212
iii) Other current financial liabilities	Level 3	54,350,878	60,686,645	54,350,878	60,686,645

Fair value hierarchy

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

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

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

i) The Carrying values of Current financial liabilities and current financial assets are taken as their fair value because of their short term nature.

ii) The Carrying values of Non-Current financial liabilities and Non-current financial assets are taken as their fair value based on their discounted cash flows.

iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realised or paid in sale transactions as of respective dates. as such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

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

Significant estimate:

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

NOTE NO.27**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

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

NOTE NO.28**Earnings per Share:**

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

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

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

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
Profit after tax	(14,61,51,867)	(9,08,82,557)
Number of shares outstanding at the year end	2,38,93,942	2,22,13,942
Weighted average number of equity shares	2,22,18,545	2,16,70,791
Earnings per share (Basic & Dilluted)	-6.58	-4.27

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

NOTE NO.29**Post-Employment Benefit Plans**

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

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

e) Reconciliation of Defined Benefit Obligation:

Particulars	31-Mar-19	31-Mar-18
Liability at the beginning of the period / year	3204572	2500309
Current Services Cost	414858	812646
Interest Cost	247393	184773
Benefits Cost	0	(103196)
Actuarial (gain)/Loss	1668384	(189960)
Liability at the end of the period / year	5535207	3204572

f) Amount recognized in the Balance Sheet

Particulars	31-Mar-19	31-Mar-18
Liability at the end of the Period / Year	5535207	3204572
Amount to be recognised in Balance Sheet	5535207	3204572

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

Particulars	31-Mar-19	31-Mar-18
Current Service Cost	414858	812646
Interest Cost	247393	184773
Expense recognized in Statement of Profit and Loss	662251	997419

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

Particulars	31-Mar-19	31-Mar-18
Experience (gain)/Loss on plan liabilities	1789399	(189960)
Demographic (gain)/Loss on plan liabilities	-	-

g) Principal assumptions used in determining gratuity:

Particulars	2018-19	2017-18
Salary Escalation	5%	5%
Discount Rate	7.72%	7.72%
Employee Turnover	4%	4%

h) Sensitivity Analysis

Assumptions	As at 31.03.2019	As at 31.03.2018
Discount Rate		
1% Increase	(356910)	(243839)
1% Decrease	402611	278805
Salary Rate		
1% Increase	797572	596059
1% Decrease	(664028)	(491022)
Attrition Rate		
1% Increase	263813	213023
1% Decrease	(290669)	(236020)

NOTE NO. 30

Pursuant to the provisions of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the group does not have any employee or director, who was in receipt of remuneration for the year under consideration exceeding one crore two lakh rupees, the information of which could form part of the Director's Report for the year ended 31st March 2019.

NOTE NO. 31**Foreign Exchange Earnings and Outflow:**

Particulars	Current Year Rs. in Lakhs	Previous Year Rs. in lakhs
Foreign Exchange Earnings	8.79	5.17
Foreign Exchange Outflow	42.59	102.47

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

Particulars	Current Year Rs.in Lakhs	Previous Year Rs. in Lakhs
Bank Guarantee	138.999	243.02
Letter of Credit	-	443.43

NOTE NO. 33**Segment Reporting:****Information about primary business segments:**

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

Information about secondary business segment:

The Company operates in one geographical segment i., India

NOTE NO. 34**Transactions with the related parties pursuant to Accounting Standard 18:****List of Related Parties**

Key managerial personnel	- K.Harikrishna Reddy (Chairman) - G.Ramamanohar Reddy (Managing Director) - G.Amulya Reddy (CFO) - D.Venkateswara Rao
--------------------------	---

Transaction with the Related Parties:

Particulars	Subsidiary Company		Key Management personnel	
	2017-18	2016-17	2018-19	2017-18
Remuneration	--	--	7896000	7800000
Loans Taken	--	--	5105000	8660000
Loans Repaid	--	--	2975400	4700000

Balance as at 31st March

Particulars	Enterprise significantly influenced by KMP		Key Management Personnel	
	2018-19	2017-18	2018-19	2017-18
Remuneration	--	--	2603039	1199480
Loans Taken	--	--	7289600	5160000

NOTE NO. 35**Deferred Tax:**

In compliance with the Accounting Standard "AS-22 Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company has recognized Rs.5,77,19,381/- towards deferred tax asset in the year 2018-19. The major components of deferred tax asset / liability are on account of timing differences in depreciation.

NOTE NO. 36**Bad Debts Written off:**

The management of the company has put several efforts toward recovery of receivables of the previous years and finally decided and resolved written-off an amount of Rs.14.90 crores during the year.

NOTE NO.37

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

NOTE NO. 38**NCLT Case:**

During the year, Holding Company's operating creditor M/s SEI Trading Indian Private has filed case before NCLT, Hyderabad for claiming their dues and also terminated distribution-ship. Aishwarya Technologies and Telecom Ltd has filed a civil petition before City Civil court Hyderabad for injunction against sudden termination of distribution-ship by the above said party. Though the matter was pending before the City Civil Court which was filed much before the NCLT case, NCLT Hyderabad admitted the case filed by the above said operational creditor. Due to admission of the operational creditor's petition, the BOD was terminated and IRP was appointed to proceed under IBC.

The company has filed appeal before NCLAT, New Delhi and made settlement with the operational creditor for payment of dues. Finally on accepting the settlement deed the NCLAT, New Delhi has set aside the order passed by NCLT, Hyderabad and restored all the rights of Board of Directors by passing the order on 19th Sept 2018.

NOTE NO. 39**Bank Overdraft classified as Non-Performing Asset:**

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

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

NOTE NO. 40**Delay in submission of Results to SEBI:**

During the FY 2018-19, there is a substantial change in the management of the organization and the board resolution for the resignations and appointments of such directors have been done during May 2019 and filling with ROC was done during June 2019. This has resulted delay in finalizing annual accounts and conducting Board meeting for declaration of annual financial results. There is also delay in submission of results for the first two quarters due to above said NCLT case.

NOTE NO. 41**Additional Information for Consolidated Financial Statements**

Name of the Entity	Net Assets i.e., Total Assets minus Total Liabilities.		Share in Profit or Loss	
	As % of consolidated net assets	Amount Rs.	As % of consolidated profit or loss	Amount Rs.
Bhashwanth Power Projects Pvt. Ltd.	-0.01	-20776	0.03	-44009

NOTE NO. 42

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

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

SIGNATURES TO NOTE "1" TO "42"**FOR AND ON BEHALF OF THE BOARD****VIDE OUR REPORT OF EVEN DATE**

**For CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.012121S**

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

**Place : Hyderabad
Date : 09.08.2019**

Sd/-

**(M.SRINIVASA RAO)
MANAGING DIRECTOR
DIN: 03456187**

Sd/-

**(D. VENKATESWARA RAO)
WHOLE TIME DIRECTOR & CFO
DIN:03616715**

Sd/-

**(G. RAMA MANOHAR REDDY)
WHOLE TIME DIRECTOR
DIN:00135900**

Sd/-

**(KHUSH MOHAMMAD)
COMPANY SECRETARY
M.No.A24743**

BHASHWANTH POWER PROJECTS PRIVATE LIMITED

TWELVETH ANNUAL REPORT

2018-2019

CSVR & Associates
Chartered Accountants



Flat No.F-2, Trendset Ville,
Road No.3, Banjara Hills,
Hyderabad - 500034
Ph: 8885142303

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Bhaswanth Power Projects Private Limited

Report on the Audit of the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Bhaswanth Power Projects Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
4. As required by Section 143(3) of the Act based on our audit, we report that:
 - i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - j) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- k) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- l) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- m) On the basis of the written representations received from the directors as on 31st March, 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.
- n) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- o) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- p) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- iv. The Company does not have any pending litigations which would impact its financial position.
- v. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- vi. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Hyderabad
Date : 28.06.2019

**For CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.012121S**

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

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements, of our report of even date)

- (i) According to the information and explanations given to us, the company do not hold any fixed assets during the financial year, hence maintenance and physical verification of fixed assets do not arise.
- (vii) As the Company does not hold any inventories during the year, the reporting requirement under the provisions of paragraph 3 Clause (ii) of the Order is not applicable to this Company.
- (viii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the provisions of paragraph 3 Clause (iii) of the Order are not applicable to this company.
- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not given any loans, investments, guarantees and security during the year as per the provisions of sections 185 and 186 of the Companies Act, 2013.
- (x) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.
- (xi) The maintenance of cost records has not been prescribed by the Central Government under subsection (1) of section 148 of the Companies Act.
- (viii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Services Tax (GST), custom duty, cess and other material statutory dues as applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods and Services Tax (GST), customs duty and cess were in arrears, wherever applicable, as at 31st March, 2019 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, Goods and Services Tax (GST), customs duty and cess which have not been deposited on account of any dispute.
- (xvii) The company has not availed any loans or borrowing from a financial institution or banks. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- (xviii) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (xix) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xx) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xxi) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3 (xii) is not applicable.
- (xxii) According to the information and explanations given to us and based on our examination of the records of the company, there were no transactions with related parties during the year as referred to in section 188 of the Companies Act.

- (xxiii) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xxiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) is not applicable.
- (xxv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Hyderabad
Date : 28.06.2019

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

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

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Bhaswanth Power Projects Private Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Place: Hyderabad
Date : 28.06.2019**

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

Bhashwanth Power Projects Private Limited**Balance Sheet as at March 31, 2019**

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

Particulars	Notes	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-Current Assets			
Property, Plant & Equipment		-	-
Total Non - Current Assets		-	-
Current Assets			
Financial Assets			
(a) Cash and Cash Equivalents	3	7,974	10,983
Other Current Assets	4	47,000	47,000
Total Current Assets		54,974	57,983
Total Assets		54,974	57,983
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	5	1,970,000	1,970,000
Other Equity	6	(1,990,776)	(1,946,767)
Total Equity		(20,776)	23,233
Current Liabilities			
Financial Liabilities			
(a) Trade Payables	7	75,750	34,750
Total Current Liabilities		75,750	34,750
Total Liabilities		75,750	34,750
Total Equity and Liabilities		54,974	57,983
Corporate information and significant accounting policies			

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

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

Place : Hyderabad
 Date : 28.06.2019

Sd/-
 (G. RAMA MANOHAR REDDY)
Director
 DIN: 00135900

Sd/-
 (G. RAMA KRISHNA REDDY)
Director
 DIN: 00136203

Bhashwanth Power Projects Private Limited**Statement of Profit and Loss for the quarter ended March 31, 2019**

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

Particulars	Notes	For the Quarter ended March 31, 2019	For the Year ended March 31, 2018
INCOME			
Total Income		-	-
EXPENSES			
Other Expenses	8	44,009	14,049
Total Expenses		44,009	14,049
Profit Before Exceptional Items and Tax		(44,009)	(14,049)
Exceptional Items (Net)		-	-
Profit Before Tax		(44,009)	(14,049)
Tax Expense			
Current Tax		-	-
Deferred Tax		-	-
Total Tax Expense		-	-
Profit for the year		(44,009)	(14,049)
Total comprehensive income for the year		(44,009)	(14,049)
Earnings per equity share			
(Equity shares, par value of ` 5 each)			
Basic		(0.22)	(0.07)
Corporate information and significant accounting policies			

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

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

Sd/-
(G. RAMA MANOHAR REDDY)
Director
DIN: 00135900

Sd/-
(G. RAMA KRISHNA REDDY)
Director
DIN: 00136203

Place : Hyderabad
Date : 28.06.2019

Bhashwanth Power Projects Private Limited
Statement of changes in equity for the year ended March 31, 2019
 (All amounts are in Indian rupees, except share data and where otherwise stated)

a. Equity

Particulars	No. of Shares	Amount
Issued and Paid up Capital at April 1, 2017	197,000	1,970,000
Less: Treasury Shares	-	-
Balance at April 1, 2017	197,000	1,970,000
Changes in equity share capital during the year	-	-
Balance at March 31, 2018	197,000	1,970,000
Changes in equity share capital during the year	-	-
Balance at March 31, 2019	197,000	1,970,000

b. Other Equity

Particulars	Retained earnings	Total
Balance at April 1, 2017	(1,932,718)	(1,932,718)
Profit for the year	(14,049)	(14,049)
Balance at March 31, 2018	(1,946,767)	(1,946,767)
Profit for the year	(14,049)	(14,049)
Balance at March 31, 2019	(1,960,816)	(1,960,816)

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

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

Place : Hyderabad
 Date : 28.06.2019

Sd/-
 (G. RAMA MANOHAR REDDY)
 Director
 DIN: 00135900

Sd/-
 (G. RAMA KRISHNA REDDY)
 Director
 DIN: 00136203

Bhashwanth Power Projects Private Limited**Cash Flow Statement as at March 31, 2019**

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

Particulars	31-03-2019	31-03-2018
Cash flow from operating activities		
Profit Before Tax	(44,009)	(14,049)
Cash flow before working capital changes		
(Increase)/Decrease in Other Assets	-	-
Increase/(Decrease) in Trade Payables	41,000	11,800
Cash flow from Operating Activities	<u>(3,009)</u>	<u>(2,249)</u>
Less: Tax Paid	-	-
Net Cash Flow From Operating Activities	<u>(3,009)</u>	<u>(2,249)</u>
Net Cash Flow From Investing Activities	<u>-</u>	<u>-</u>
Net Cash Flow From Financing Activities	<u>-</u>	<u>-</u>
Net Cash Flow During the Year	(3,009)	(2,249)
Cash & Cash Equivalent At the Beginning Of the Year	10,983	13,232
Cash & Cash Equivalent At the End Of the Year	<u>7,974</u>	<u>10,983</u>

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

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

Place : Hyderabad
 Date : 28.06.2019

Sd/-
(G. RAMA MANOHAR REDDY)
Director
DIN: 00135900

Sd/-
(G. RAMA KRISHNA REDDY)
Director
DIN: 00136203

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

Bhashwanth Power Projects Private Limited is engaged in the business of generation and distribution of power.

NOTE 2. Significant Accounting Policies

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

cc) Basis of preparation

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

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

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

dd) Segment reporting

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

The Board of directors are identified as chief operating decision makers. Refer note 38 for segment information presented.

ee) Functional and Presentation Currency:

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

ff) Revenue Recognition: **Sale of Goods:**

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

 Sales Returns:

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

☐ **Interest Income:**

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

☐ **Dividend Income:**

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

gg) Income tax

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

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

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

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

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

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

hh) Impairment of assets

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

ii) Cash and cash equivalents

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

jj) Trade receivables

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

kk) Inventories

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

ll) Impairment of non-financial assets:

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

mm) Offsetting financial Instruments

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

nn) Property, plant and equipment

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

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

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

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

Transition to Ind AS

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

oo) Trade and other payables

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

pp) Borrowings

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

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

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

qq) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred.

rr) Provisions, contingent liabilities and contingent assets:

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

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

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

ss) Dividends

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

tt) Earnings per share**(ii) Basic earnings per share**

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

uu) Use of Estimates and Judgements

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

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

vv) Current and Non- Current classification:

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

ww) Foreign Currencies:

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

Transactions and Balances:

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

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

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

xx) Standards issued but not yet effective:

Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Group has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases:

Ind AS 116 was notified by MCA on March 30, 2019 and it replaces the existing leases standard, Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The standard includes two recognition exemptions for lessees - leases of 'low value' assets (eg. personal computers) and short term leases (i.e., leases with a lease term of 12 months or less).

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

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

The company intends to adopt the standard from April 01, 2019 and assumes the effect will be insignificant.

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

Note - 3: Cash and Bank Balances

3A. Cash and Cash Equivalents

Particulars	As at 31.03.2019	As at 31.03.2018
Balances with Banks in current accounts	6,798	9,807
Cash on hand	1,176	1,176
Total Cash and cash equivalents	7,974	10,983

4. Other assets

Particulars	As at 31.03.2019	As at 31.03.2018
Current:		
Advances recoverable in cash or kind -Current	47,000	47,000
Total current assets	47,000	47,000

5. Equity share capital

Particulars	As at 31.03.2019	As at 31.03.2018
Authorised share capital: 3,10,00,000 fully paid up equity shares of Rs. 5/- each (Previous year: 24,000,000 Equity shares of Rs. 5/- each)	2,200,000	2,200,000
Issued and subscribed capital: 2,22,13,942 Equity Shares of Rs.5/- each fully paid up	1,970,000	1,970,000
Total	1,970,000	1,970,000

Notes:

(A) Reconciliation of the number of shares outstanding:

Particulars	Number of shares	Amount
Balance at April 1, 2017	197,000	1,970,000
Issue of Shares	-	-
Balance at March 31, 2018	197,000	1,970,000
Issue of shares	-	-
Balance at March 31, 2019	197,000	1,970,000

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

	As at 31.03.2019		As at 31.03.2018	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid equity shares				
G.Rama Manohar Reddy	49250	25%	49,250	25%
Aishwarya Technologies and Telecom Limited	147750	75%	147,750	75%

(C). Rights, preferences and restrictions attached to equity shares:

The company has one class of equity shares having a par value of Rs.5/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

6. Other equity

Particulars	As at 31.03.2019	As at 31.03.2018
Retained Earnings	(1,990,776)	(1,946,767)
Balance at end of year	(1,990,776)	(1,946,767)

6.1. Retained earnings	As at 31.03.2019	As at 31.03.2018
Balance at beginning of year	(1,946,767)	(1,932,718)
Net profit for the year	(44,009)	(14,049)
Balance at end of year	(1,990,776)	(1,946,767)

Bhashwanth Power Projects Private Limited**Notes forming part of the financial statements**

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

7. Trade Payables

Particulars	As at 31.03.2019	As at 31.03.2018
Trade Payables - Current		
Dues to micro enterprises and small enterprises (Refer Note 10)	-	-
Dues to creditors other than micro enterprises and small enterprises	75,750	34,750
Total	75,750	34,750

8. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rates and Taxes	-	1,800
Registration , License and Filing fee	7,400	1,600
Auditors' remuneration (Refer Note (i) below)	10,000	10,000
Professional Charges	23,600	-
Miscellaneous expenses	3,009	649
Total	44,009	14,049

Notes:**i) Auditors' remuneration (net of service tax) comprises of:**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Company		
For statutory audit	10,000	10,000
Total	10,000	10,000

9. Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after

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

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
Profit after tax	(44,009)	(14,049)
Basic:		
Number of shares outstanding at the year end	197000	197,000
Weighted average number of equity shares	197000	197000
Earnings per share (₹)	-0.22	-0.07

*Note: EPS is calculated based on profits excluding the other comprehensive income***10. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	- Dues to Micro an

collected by the Management. This has been relied upon by the auditors **Particulars**

Bhashwanth Power Projects Private Limited
Notes forming part of the financial statements

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

11. Financial Instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2019 were as follows:

Particulars	Fair value heirarchy	Amortised cost	Total carrying value	Total fair value
Assets:				
Current				
(i) Cash and cash equivalents	Level 3	7,974	7,974	7,974
Total		7,974	7,974	7,974
Liabilities:				
Current				
(i) Trade payables	Level 3	75,750	75,750	75,750
Total		75,750	75,750	75,750

The carrying value and fair value of financial instruments by categories as of 31 March 2018 were as follows:

Particulars	Fair value heirarchy	Amortised cost	Total carrying value	Total fair value
Assets:				
Current				
(i) Cash and cash equivalents	Level 3	10,983	10,983	10,983
Total		10,983	10,983	10,983
Liabilities:				
Current				
(i) Trade payables	Level 3	34,750	34,750	34,750
Total		34,750	34,750	34,750

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).

NOTE NO. 12

Pursuant to the provisions of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee or director, who was in receipt of remuneration for the year under consideration exceeding one crore two lakh rupees, the information of which could form part of the Director's Report for the year ended 31st March 2018.

NOTE NO. 13**Foreign Exchange Earnings and Outflow:**

Particulars	Current Year Rs. In Lakhs	Previous Year Rs. In lakhs
Foreign Exchange Earnings	0	0
Foreign Exchange Outflow	0	0

NOTE NO. 14**Contingent Liabilities not provided for**

Particulars	Current Year Rs.in Lakhs	Previous Year Rs. in Lakhs
Bank Guarantee	0	0
Letter of Credit	0	0

NOTE NO. 15**Segment Reporting:****Information about primary business segments:**

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

Information about secondary business segment:

The Company operates in one geographical segment i., India

NOTE NO. 16

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

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

SIGNATURES TO NOTE "1" TO "16"**VIDE OUR REPORT OF EVEN DATE**

**For CSV & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.012121S**

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

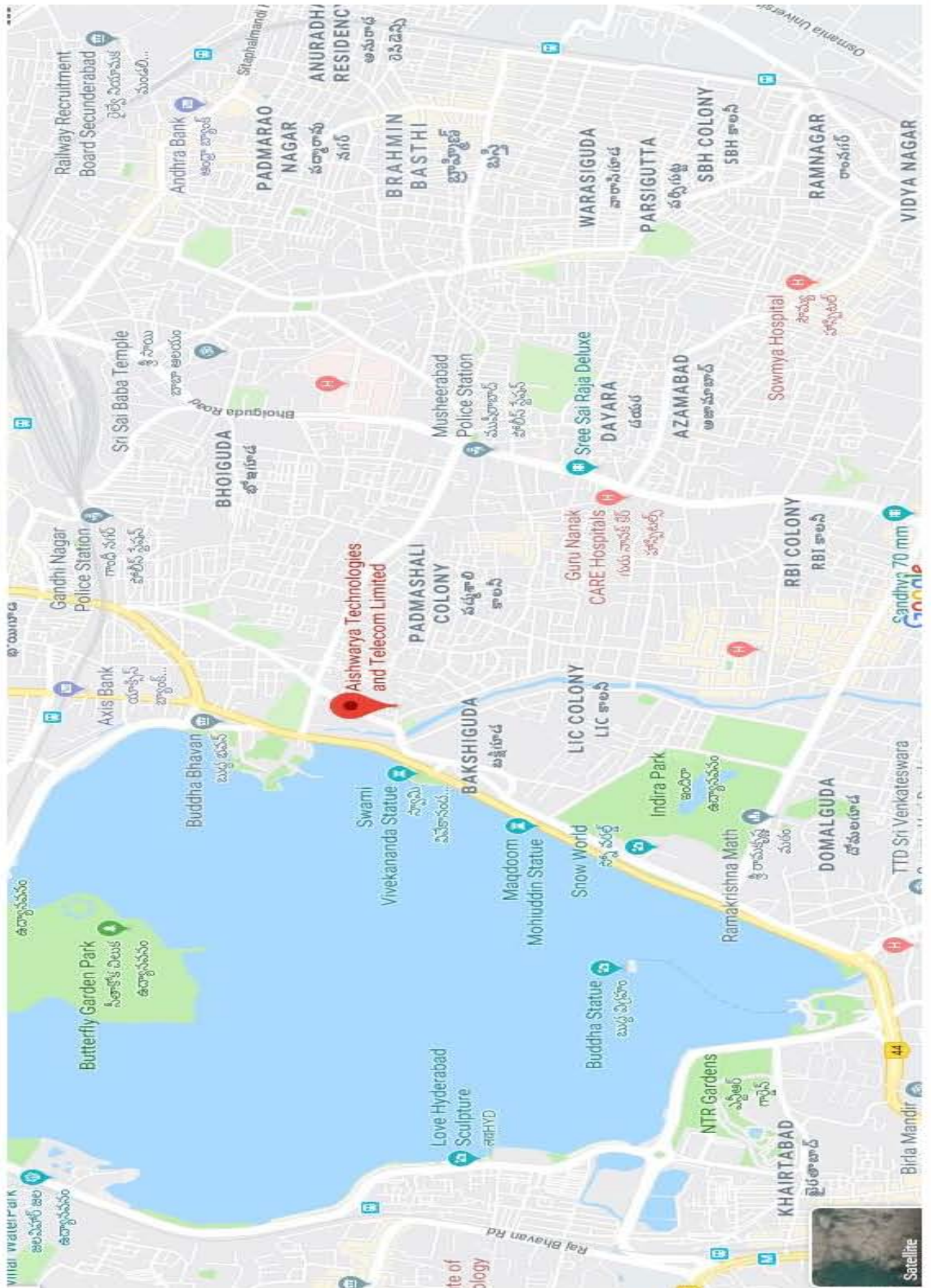
**Place : Hyderabad
Date : 28.06.2019**

FOR AND ON BEHALF OF THE BOARD

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

**Sd/-
(G.RAMA KRISHNA REDDY)
DIRECTOR
DIN: 00136203**

Route map of the venue of the AGM for the financial year 2018-2019



Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L72200TG1995PLC020569
 Name of the company : Aishwarya Technologies and Telecom Limited
 Registered office : 1-3-1026 &1027, Singadikunta, Kavadiguda, Hyderabad, 500080
 Telangana.
 Name of the member(s) :
 Registered Address :
 E-mail Id :
 Folio No./Client Id :
 DP ID :

Name of the member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
 Address :
 E-mail Id :
 Signature:, or failing him
2. Name :
 Address:
 E-mail Id :
 Signature:, or failing him
3. 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 24th Annual General Meeting of the Company, to be held on Saturday, 28th day of September, 2019 at 11:00 a.m. at 1-3-1026 &1027, Singadikunta, Kavadiguda, Hyderabad, 500080 Telangana and at any adjourned meeting thereof in respect of such resolutions as are indicated below:

Resolutions:

1. Approval of financial statements (including consolidated financial statements) for the year ended 31.03.2019
2. Appointment of Mr. G. Rama Manohar Reddy as a director who retires by rotation.
3. Reappointment of Mr. G. Rama Manohar Reddy as Whole-time Director of the company
4. Appointment of Mr. Mandava Srinivasa Rao as Managing Director of the Company
5. Reappointment of Mr. D. Venkatasubbiah as Independent Director of the Company
6. Appointment of Mr. M. Satish Kumar as Independent Director of the Company
7. Continuation of Mr. D. Venkatasubbiah as Independent Director of the Company

Signed this day of 2019

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Aishwarya Technologies and Telecom Limited
1-3-1026 &1027, Singadikunta, Kavadiguda, Hyderabad, 500080 Telangana

ATTENDANCE SLIP
(Please present this slip at the Meeting venue)

I hereby record my presence for the 24th Annual General Meeting of the members to be held on Friday, 28th Saturday of September, 2019 at 11:00 a.m. at 1-3-1026 &1027, Singadikunta, Kavadiguda, Hyderabad, 500080 Telangana and at any adjourned meeting thereof.

Shareholders/Proxy's Signature _____
Shareholders/Proxy's full name _____
(In block letters)

Folio No./ Client ID _____

No. of shares held _____

Note:

Shareholders attending the meeting in person or by proxy are required