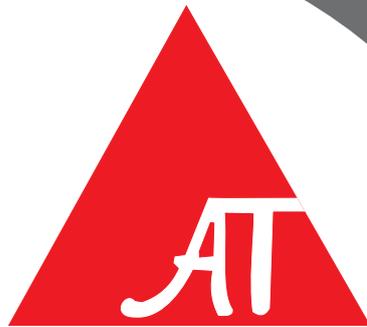




ANNUAL REPORT
2015-2016



AISHWARYA TECHNOLOGIES AND TELECOM LIMITED
(Formerly known as AISHWARYA TELECOM LIMITED)

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

**21st
ANNUAL REPORT**

2015-2016

CORPORATE INFORMATION**BOARD OF DIRECTORS**

1. Mr. G. Rama Krishna Reddy	-	Chairman	(DIN: 00136203)
2. Mr. G. Rama Manohar Reddy	-	Managing Director	(DIN: 00135900)
3. Mrs. G. Amulya Reddy	-	Whole time Director cum CFO	(DIN: 00136428)
4. Mr. D. Venkata Subbiah	-	Independent Director	(DIN: 00006618)
5. Mr. K. Rajender Reddy	-	Independent Director	(DIN: 06885840)
6. Mr. Modipalli Kesavaiah	-	Independent Director	(DIN: 05322821)

CFO

Mrs. G. Amulya Reddy

COMPANY SECRETARY

Mrs. Parul Agarwal

REGISTERED OFFICE

1-3-1026 & 1027, Singadikunta,
Kawadiguda, Hyderabad-500080,
Telangana.

Ph.Nos:040- 27531324/25/26

Fax: 040-27535423

Email: sales@aishwaryatechtele.com

CORPORATE OFFICE

2nd Floor, ICOMM House, Plot No.31,
Phase-1, Srinagar Colony, Banjara Hills,
Hyderabad-500073, Telangana.

Ph.Nos:040- 23541476/77/78/79

Fax: 040-23541480

Email: sales@aishwaryatechtele.com

CORPORATE IDENTITY NUMBER

L72200TG1995PLC020569

AUDITORS

M/s. Ramana Reddy & Associates

Chartered Accountants,

Unit No.406, 4th Floor, Ashoka Capitol,

Opp: KBR Park, Road No.2, Banjara Hills,

Hyderabad – 500 034

BANKERS

State Bank of Hyderabad

Commercial Branch

Surya Towers, SP Road

Secunderabad- 500 003

AUDIT COMMITTEE:

- | | | | |
|----|---------------------------|---|----------|
| 1. | Mr. D. Venkata Subbiah | - | Chairman |
| 2. | Mr. K. Rajender Reddy | - | Member |
| 3. | Mr. M. Kesavaiah | - | Member |
| 4. | Mr. G. Rama Krishna Reddy | - | Member |

NOMINATION & REMUNERATION COMMITTEE:

- | | | | |
|----|------------------------|---|----------|
| 1. | Mr. D. Venkata Subbiah | - | Chairman |
| 2. | Mr. K. Rajender Reddy | - | Member |
| 3. | Mr. M. Kesavaiah | - | Member |

STAKEHOLDER RELATIONSHIP COMMITTEE:

- | | | | |
|----|---------------------------|---|----------|
| 1. | Mr. M. Kesavaiah | - | Chairman |
| 2. | Mr. G. Rama Krishna Reddy | - | Member |
| 3. | Mr. K. Rajender Reddy | - | Member |

INDEPENDENT DIRECTORS COMMITTEE:

- | | | | |
|----|------------------------|---|----------|
| 1. | Mr. M. Kesavaiah | - | Chairman |
| 2. | Mr. D. Venkata Subbiah | - | Member |
| 3. | Mr. K. Rajender Reddy | - | Member |

RISK MANAGEMENT COMMITTEE:

- | | | | |
|----|---------------------------|---|----------|
| 1. | Mr. K. Rajender Reddy | - | Chairman |
| 2. | Mr. G. Rama Manohar Reddy | - | Member |
| 3. | Mr. G. Rama Krishna Reddy | - | 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 Twenty First Annual General Meeting of the Shareholders of M/s. Aishwarya Technologies and Telecom Limited will be held on Friday, 30th day of September, 2016 at 10:30 a.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 March 31, 2016, the Statement of Profit & Loss and Cash Flow Statement (including the consolidated financial statements) for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. G. Rama Krishna Reddy (DIN: 00136203) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Ramana Reddy & Associates, Chartered Accountants, Hyderabad as Statutory Auditors of the Company and to fix their remuneration and for the purpose to consider and if, thought fit, to pass with or without modification(s), the following Ordinary Resolution thereof:

“RESOLVED THAT pursuant to the provisions of Section 139(2) and 142 of the Companies Act, 2013 and rules made there under and pursuant to recommendation of Audit Committee, and pursuant to the resolution passed by the Members at the Annual General Meeting (AGM) held on 29th September, 2014 for the appointment of M/s. Ramana Reddy & Associates (Firm Registration No. 012121S) as Statutory Auditors of the Company to hold office till the conclusion of the AGM to be held in the year 2017, be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2017 as may be determined by the Audit Committee in consultation with the Auditor from time to time.”

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

Place: Hyderabad

Date: 11.08.2016

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

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 Corporate 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. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2016 to 30.09.2016 (Both days Inclusive).
3. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
4. 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.
5. 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.
6. 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.
7. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
8. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s.Bigshare Services Private Limited)
9. 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.

10. 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 M/s. Bigshare Services Private Ltd., Share Transfer Agents of the Company for their doing the needful.
11. 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.
12. 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.
13. 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.
14. Electronic copy of the Annual Report for 2015-2016 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 2015-2016 is being sent in the permitted mode.
15. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2015-2016 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
16. All dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, till date the Company has transferred to IEPF the unpaid and unclaimed amount pertaining to dividends declared up to the financial year 2007-08. Members who have not yet encashed their dividend warrants for the financial year 2008-09 onwards are requested to make their claims to the Company immediately. The last date for transfer the unclaimed dividend for the year 2008-09 is 25.10.2016. Members may please note that no claim shall lie against the Company in respect of dividend which remains unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account and no payment shall be made in respect of such claims.

17. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 23.09.2016, are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 09.00 a.m. on 27.09.2016 and will end at 05.00 p.m. on 29.09.2016. The Company has appointed Mr. S. Sarveswar Reddy, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 09.00 a.m. on 27.09.2016 and will end at 05.00 p.m. on 29.09.2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - (i) For CDSL: 16 digits beneficiary ID,
 - (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (iii) 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> <ul style="list-style-type: none"> 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. 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.
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> <ul style="list-style-type: none"> 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).

(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 on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution

details.

- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the 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.

18. 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.
19. Relevant documents referred to in the accompanying Notice, as well as Annual Reports 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. up to the date of Annual General Meeting.

20. The Ministry of Corporate Affairs (vide circular nos. 17/2011 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
For Aishwarya Technologies and Telecom Limited**

**Place: Hyderabad
Date: 11.08.2016**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting before you the Annual Report of the Company together with the Consolidated Financial Audited Statements of Accounts for the year ended 31st March, 2016.

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

The performance during the period ended 31st March, 2016 has been as under:

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	2015-2016	2014-2015	2015-2016	2014-2015
Total Income	4738.00	3198.56	4738.00	3198.56
Total Expenditure	4846.20	3395.94	4846.42	3396.18
Profit Before Tax	(108.18)	(197.38)	(108.42)	(197.62)
Provision for Tax	(1.71)	(4.20)	(1.71)	(4.20)
Profit after Tax	(109.90)	(201.58)	(110.13)	(201.82)
Transfer to General Reserves	0	(6.74)	0	(6.74)
Profit available for appropriation	1065.91	1175.81	1065.91	1176.09
Provision for Proposed Dividend	0	0	0	0
Provision for Corporate Tax	0	0	0	0
Balance Carried to Balance Sheet	1065.91	1175.81	1065.91	1176.09

2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report. (i.e.11/08/2016)

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

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

4. PUBLIC DEPOSITS:

The Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

5. TRANSFER TO RESERVES:

Directors have decided not to transfer any amount to reserves for the year.

6. DIVIDEND:

Your Directors have decided not to recommend dividend for the year.

7. REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review

8. DISCLOSURES UNDER SECTION 134(3) (I) OF THE COMPANIES ACT, 2013:

No material changes and commitments which could affect the Company's financial position have occurred between the ends of the financial year of the Company.

9. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls. 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.

10. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

The details of transactions/contracts/arrangements entered into by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in detail somewhere else in the report (if applicable) and forms part of this Report.

12. BOARD MEETINGS DURING THE YEAR:

The Board of Directors duly met 5 (five) times on 30.05.2015, 14.08.2015, 28.09.2015, 14.11.2015 and 13.02.2016 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

13. CORPORATE GOVERNANCE:

A Separate section titled “Report on Corporate Governance” along with the Auditors' Certificate on Corporate Governance as stipulated under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the annual report.

14. 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 as a part of this Annual Report – Annexure I

15. RETIREMENTS AND RESIGNATIONS:

During the year, no director has resigned from the Company. Mr. G. Rama Krishna Reddy retires by rotation and being eligible offers himself for re-appointment. Your directors recommend his reappointment.

16. APPOINTMENT / RE- APPOINTMENT OF DIRECTORS/CEO/CFO AND KEY MANAGERIAL PERSONNEL:

During the year, there is no change in the Board of the Company.

Mr. G. Rama Krishna Reddy retires by rotation and being eligible offers himself for re-appointment.

Particulars	Details of the Director
Name	Mr. G. Rama Krishna Reddy
DIN	00136203
Date of Birth	17/02/1937
Date of Appointment	31/08/2006
Qualifications	B.A.,
No. of Shares held in the Company	373500
Directorships held in other companies (excluding private limited and foreign companies)	--
Positions held in mandatory committees of other companies	—
Relationship with other directors of the Company	Father of Mr. G. Rama Manohar Reddy and Father-in-law of Mrs. G. Amulya Reddy

17. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Mr.D. Venkata Subbiah, Mr. K. Rajender Reddy and Mr. M. Kesavaiah 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.-Annexure-II

18. DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments 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 and loss of the company for that period;
- c) The Directors had 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;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES:

Your Company has one subsidiary Company M/s. Bhashwanth Power Projects Private Limited.

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC1 is provided at Annexure-IV. In accordance with third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing therein its audited standalone and the consolidated financial statements has been placed on the website of the Company at www.aishwaryatechtele.com.

Further, audited financial statements together with related information and other reports of each of the subsidiary companies, have also been placed on the website of the Company at www.aishwaryatechtele.com.

20. STATUTORY AUDITORS:

M/s. Ramana Reddy & Associates, Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, have expressed their willingness for reappointment. Your directors propose the appointment of M/s. Ramana Reddy & Associates, Chartered Accountants, as statutory auditors to hold office until the conclusion of the next Annual General Meeting of the company.

The Board recommends the re-appointment of M/s. Ramana Reddy & Associates, Chartered Accountants as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting.

21. INTERNAL AUDITORS:

M/s. CSVR & Associates Chartered Accountants, Hyderabad are the internal Auditors of the Company.

22. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practicing Company Secretaries is annexed to this Report as annexure.

23. AUDIT REPORTS:

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2016 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges that may occur in the industry.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013 and does not have any qualifications, reservations or adverse remarks.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Since the Company does not have the net worth of Rs. 500 Crores or more, or turnover of Rs. 1000 Crores or more, a net profit of Rs. 5 Crores or more during the financial year or, 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.

25. COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has signed uniform listing agreement with BSE Limited and framed the following policies which are available on Company's website i.e. www.aishwaryatechtele.com

- Board Diversity Policy
- Policy on preservation of Documents
- Risk Management Policy
- Whistle Blower Policy
- Familiarisation programme for Independent Directors
- Anti-Sexual Harrassment Policy
- Related Party Policy
- Code of Conduct

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 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: NIL
Foreign Exchange Outgo: Rs.2786.87 Lakhs

27. INSURANCE:

The properties and assets of your Company are adequately insured.

28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans or Guarantees during the year under review.

29. CREDIT & GUARANTEE FACILITIES:

The Company has been availing Credit and Guarantee facilities from State Bank of Hyderabad, S.P. Road and Bellavista Branches during the year.

30. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to your Company.

31. 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, the ratio of remuneration of managing director (Mr. G. Rama Manohar Reddy) and whole time director (Mrs. G. Amulya Reddy) to median employees is 0.76:1 and 0.53:1 respectively.

32. 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.

33. CEO/ CFO CERTIFICATION:

The Managing Director and CEO/ CFO certification of the financial statements for the year 2015-16 is provided elsewhere in this Annual Report.

34. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

35. SECRETARIAL STANDARDS:

The company is in compliance with SS 1 & SS 2.

36. 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: The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

2. Issue of shares with differential rights: The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.

- 3. Issue of shares under employee's stock option scheme:** The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014
- 4. Non- Exercising of voting rights :** During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
- 5. Disclosure on purchase by company or giving of loans by it for purchase of its shares:** The company did not purchase or give any loans for purchase of its shares.
- 6. Buy back shares:** The company did not buy-back any shares during the period under review.
- 7. Disclosure about revision:** Since the company did not undergo any revision, this clause is Not Applicable to the company for the period under review.
- 8. Preferential Allotment of Shares:** The company did not allot any shares on preferential basis during the period under review.

37. EMPLOYEE RELATIONS AND REMUNERATION:

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 8,50,000/- and above per month or Rs. 1,02,00,000/- and above in aggregate per annum, the limits prescribed under Section 197(12) of Companies Act 2013 read with Rule 5 of Companies(Appointment & Remuneration Of Managerial Personnel) Rules, 2014.

38. 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:	Nil
No. of complaints disposed off:	Nil

39. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, for 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, other statutory authorities like SEBI, ROC, Stock Exchanges, NSDL, CDSL etc and shareholders of the Company for their continued support for the growth of the Company.

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

**Place: Hyderabad
Date: 11.08.2016**

**Sd/-
G.Rama Krishna Reddy
Chairman
DIN: 00136203**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

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 2015-16 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 is 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.

We 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 2015-16.

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

**Place: Hyderabad
Date: 11.08.2016**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

CORPORATE GOVERNANCE

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:

1. COMPANY'S PHILOSOPHY ON CODE OF 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.

2. 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, www.aishwaryatechtele.com.

3. BOARD EVALUATION:

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance

report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

4. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

All new independent directors inducted into the Board attend an orientation program. The details of training and familiarization program are provided in the corporate governance report. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

5. LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective from December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company entered into fresh Listing Agreement with BSE Limited.

6. 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. 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 website www.aishwaryatechtele.com

7. BOARD OF DIRECTORS

A. COMPOSITION OF THE BOARD:

The Company is managed and controlled through a professional body of Board of Directors. As on 31st March 2016, the Board of the Company has 6 members (including 1 Managing Director, 1 Whole-Time Director, 1 Non executive director and 3 Independent Non-Executive Directors). 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 is a Director.

The Board has been enriched with the advices and knowledge of the Independent Directors. None of the Independent Directors has any pecuniary or business relationship except receiving sitting fees. The composition of the Board of Directors as on 31.03.2016 and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

B. ATTENDANCE OF EACH DIRECTOR AT BOARD MEETING HELD DURING THE YEAR AND LAST ANNUAL GENERAL MEETING AND NUMBER OF OTHER BOARD OF DIRECTORS IN WHICH A DIRECTOR IS A MEMBER OR CHAIRPERSON.

Name of Director	Category of Directorship	Number of Director-ships in other Companies	Number of Board Committee memberships held in other Companies		Attendance Particulars		
			Mem-ber	Chair-man	Last AGM 28.09.15	Board Meetings 15-16	
						Held	Attended
Mr. G. Rama Manohar Reddy	Managing Director	1	–	--	Yes	5	5
Mrs. G. Amulya Reddy	Whole-Time Director	–	--	--	Yes	5	5
Mr. G. Rama Krishna Reddy	Non-Executive Director	1	–	--	Yes	5	5
Mr. D. Venkata Subbiah	Non Executive & and independent Director	2	3	1	Yes	5	5
Mr. K. Rajender Reddy	Non Executive & and independent Director	–	–	--	Yes	5	5
Mr. M. Kesavaiah	Non Executive & and independent Director	1	–	–	Yes	5	5

C. MEETINGS DURING THE YEAR:

The Board of Directors duly met 5 (Five) times on 30.05.2015, 14.08.2015, 28.09.2015, 14.11.2015 and 13.02.2016 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

D. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Mr. G. Rama Krishna Reddy, Non-Executive Director and Mr. G. Rama Manohar Reddy, Managing Director of the Company are inter-se related as father and son respectively. Mrs. G. Amulya Reddy is wife of Mr. G. Rama Manohar Reddy, Managing Director and daughter-in-law of Mr. G. Rama Krishna Reddy, Non-Executive Director.

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

None of the Non-Executive Directors of the company holds any shares and Convertible Instruments in their name.

8. AUDIT COMMITTEE:**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with external auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
 - a. Any changes in accounting policies and practices;
 - b. Qualification in draft audit report;
 - c. Significant adjustments arising out of audit;
 - d. The going concern concept;
 - e. Compliance with accounting standards;
 - f. Compliance with stock exchange and legal requirements concerning financial statements and
 - g. Any related party transactions
- Reviewing the company's financial and risk management's policies.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- 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.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- 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.
- 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.
- 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 30.05.2015, 14.08.2015, 14.11.2015 and 13.02.2016.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. D. Venkata Subbiah	Chairman	NED(I)	4	4
Mr. K. Rajender Reddy	Member	NED(I)	4	4
Mr. M. Kesavaiah	Member	NED(I)	4	4
Mr. G. Rama Krishna Reddy	Member	ED	4	4

NED (I) : Non Executive Independent Director

ED : Executive Director

9. NOMINATION AND REMUNERATION COMMITTEE:

The Committee comprises of three non-executive Independent Directors

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.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. D. Venkata Subbiah	Chairman	NED(I)	1	1
Mr. K. Rajender Reddy	Member	NED(I)	1	1
Mr. M. Kesavaiah	Member	NED(I)	1	1

NED (I) : Non Executive Independent Director

C. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

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.

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, clause 49 of the Equity Listing Agreement 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, Clause 49(II)(B) of the Equity Listing Agreement and Regulation 19 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 be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements, 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, Clause 49 of the Equity Listing Agreement 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 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.

10. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

A) COMPOSITION:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. M. Kesavaiah	Chairperson	NED(I)
Mr. G. Rama Krishna Reddy	Member	ED
Mr. K. Rajender Reddy	Member	NED(I)

NED (I) : Non Executive Independent Director

ED : Executive Director

B. NAME AND DESIGNATION OF COMPLIANCE OFFICER

Ms.Parul Agarwal, Company Secretary is the compliance officer of the Company.

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2015-16

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2016
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

11. REMUNERATION OF DIRECTORS:

A. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY: The Non- Executive Directors have no pecuniary relationship or transactions.

B. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS: As per the remuneration policy of the company.

C. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2015-16 AND OTHER DISCLOSURES:

Name of the Director	Salary (Rs)	Sitting fees (Rs)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Mr. G. Rama Manohar Reddy	30,00,000	–	41,00,990	-	-	-	-
Mrs. G. Amulya Reddy	21,00,000	–	75,608	-	-	-	-
Mr. G. Rama Krishna Reddy	–	–	3,73,500	-	-	-	-
Mr. D. Venkata Subbiah	–	12,500	-	-	-	-	-
Mr. K. Rajender Reddy	–	12,500	-	-	-	-	-
Mr. M. Kesavaiah	–	12,500	-	-	-	-	-

D. 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 14.03.2016 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 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.

12. FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 14/03/2016 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company.
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of Non-Independent Directors. The Company has 3 Non-Independent Directors namely:

1. Mr. G. Rama Manohar Reddy
2. Mr. G. Rama Krishna Reddy
3. Mrs. G. Amulya Reddy

The meeting recognized the significant contribution made by all the above said directors in directing the Company towards the success path.

The meeting also reviewed and evaluated the performance of the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

13. 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 should 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 Finance 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.

14. RISK MANAGEMENT COMMITTEE:**A) COMPOSITION:**

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. K. Rajender Reddy	Chairperson	NED(I)
Mr.G. Rama Manohar Reddy	Member	ED
Mr. K. Rajender Reddy	Member	NED(I)

NED (I) : Non Executive Independent Director

ED : Executive Director

B) 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.

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

Financial Year	Date	Time	Location	Special / Ordinary Resolution
2014-15	28.09.2015	11:00 a.m.	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	1. Issue of convertible warrants on preferential basis to the promoters and the others 2. Amendment of articles of Association
2013-14	29.09.2014	11: 30 a.m.	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	1. Appointment of Mr. D. Venkata Subbiah as Independent Director 2. Appointment of Mr. K. Rajender Reddy as Independent Director 3. Alteration of Articles of Association.
2012-13	28.09.2013	11:00 a.m.	1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana	Nil

B. PASSING OF RESOLUTIONS BY POSTAL BALLOT:

There were no resolutions passed by the Company through Postal Ballot during the financial year 2015-16.

16. MEANS OF COMMUNICATION:

The quarterly, half-yearly and yearly financial results will be sent to the Stock Exchanges immediately after the Board approves the same and these results will also be published in prominent daily newspapers. These financial statements, press releases are also posted on the Company's website, at www.aishwaryatechtele.com. As the financial performance of the Company is well published, individual communication of half yearly results are not sent to the shareholders.

17. GENERAL SHAREHOLDER INFORMATION:**A) ANNUAL GENERAL MEETING:**

Day, Date and Time: Friday, 30th September, 2016 at 10.30 a.m.

Venue: 1-3-1026 &1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana

B) FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2016-17 (TENTATIVE SCHEDULE)

Financial year to which the Annual General Meeting relates: 2015-16

Financial calendar: 2016-17 (tentative)

Adoption of Quarterly results for the Quarter ending

- 30th June, 2016 : 11.08.2016 (declared)
- 30th September, 2016 : on or before 14.11.2016
- 31st December, 2016 : on or before 14.02.2017
- 31st March, 2017 : on or before 30.05.2017

Annual General Meeting (Next year): August / September, 2017

C) DIVIDEND PAYMENT DATE: No Dividend was declared during the Financial Year 2015-16.**D) NAME AND ADDRESS OF EACH STOCK EXCHANGE WHERE THE COMPANIES SECURITIES ARE LISTED:****EXCHANGE :** BSE LIMITED, P.J. Towers, Dalal Street, Mumbai- 400001.**E) STOCK CODE:****EXCHANGE: BSE LIMITED****CODE: 532975****F) STOCK MARKET PRICE DATA:**

Month	High	Low
April'15	4.89	3.65
May'15	4.78	3.70
June'15	4.68	3.70
July'15	4.49	3.56
Aug'15	4.19	3.50
Sept'15	4.49	3.39
Oct'15	4.43	3.51
Nov'15	3.99	3.05
Dec'15	3.84	3.10
Jan'16	5.38	3.35
Feb'16	4.44	3.31
Mar'16	3.74	2.91

G) IN CASE SECURITIES ARE SUSPENDED FROM TRADING :

The securities are not suspended from trading on any of the stock exchanges.

H) REGISTRAR AND SHARE TRANSFER AGENTS:

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

I) SHARE TRANSFER SYSTEM:

The Transfer of Shares is affected by the Registrars after necessary approval of the Board/Share Transfer Committee. Transfer generally takes 1-2 weeks.

J) DEMATERIALISATION & 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 INE778I01024. 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	11640986	53.98
CDSL	9758891	45.26
PHYSICAL	164065	0.76
Total	21563942	100.00

**K) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:
Nil****L) ADDRESS FOR CORRESPONDENCE:****Registered Office:**

1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad-500080, Telangana.
Phone 040-27531324/25/26

Corporate Office:

2nd Floor, ICOMM House, Plot No.31, Phase-1, Srinagar Colony, Banjara Hills,
Hyderabad – 500 073, Telangana
Phone 040-23541476/77/78/79

M) BOOK CLOSURE DATE: 24th September, 2016 to 30th September, 2016 (both days inclusive)**N) LISTING FEES:**

The equity shares of the Company are listed on BSE Ltd. The Company has paid the listing fees for the year 2015-16 to BSE Limited.

O) ELECTRONIC CONNECTIVITY: The Company has demat connectivity with both NSDL and CDSL. The ISIN is INE778I01024

P) SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016:

S. No.	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and Promoter group		
1.	Indian		
	Individual	59,03,071	27.37
2.	Foreign	-	-
	Individual-	-	-
	Sub-Total A	59,03,071	27.37
B	Public Shareholding		
1.	Institutions	-	-
2.	Non Institutions	1,56,60,871	72.63
	Sub Total B	1,56,60,871	72.63
	Grand Total (A+B)	2,15,63,942	100

18. OTHER 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:

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

C. WHISTLE BLOWER POLICY:

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 was denied access to the Audit Committee.

D. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE 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:

- i. The Chairman of the Company is an Executive Chairman and the provisions relating to the appointment for Executive Chairman are complied with. All other requirements of the Board during the year have been complied with.
- ii. The financial Statements are free from any Audit Qualifications.

E. WEB-LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED.

Your Company has one subsidiary Company M/s. Bhashwanth Power Projects Private Limited. The policy for material subsidiary can be accessed at www.aishwaryatechtele.com

F. 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 129 of the Companies Act, 2013.

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 2016 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 our 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, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we was aware and the steps that we 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: 11.08.2016**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

**Sd/-
G. Amulya Reddy
Director cum CFO
DIN 00136428**

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Aishwarya Technologies and Telecom Limited

We have examined the Compliance with conditions of Corporate Governance of M/s. Aishwarya Technologies and Telecom Limited for the year ended 31st March, 2016 as stipulated in Regulation 34(3) read with Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

As required by the guidance note issued by the institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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 S.S. Reddy & Associates

Sd/-

S. Sarveswar Reddy
Proprietor

C.P.No: 7478, M.No. A12611

Place: Hyderabad

Date: 11.08.2016

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations 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.**

MANAGEMENT DISCUSSION AND ANALYSIS

(Forming part of Directors' Report)

OVERVIEW OF FY 2015-16

Aishwarya Telecom Limited has changed the name as Aishwarya Technologies and Telecom Limited. The company has taken several measures to get more business from Defense sector than telecom, and hence the name change is essential to emphasize the diversification of activities to Defense Sector also. The year under review saw Aishwarya Technologies and Telecom Limited (ATTL) entered into a new growth momentum in Defense sector and cable TV sector. ATTL is confident of getting big orders from Defense and Telecom Sector, especially from new projects like NFS, Defense Research Labs, NOFN, RIL JIO, Cable TV operators, which may help us to have a Order book of 65 Crores in this financial year. We have received the biggest order of 22 Crores from Indian Army for the Optical Cable Tracing Equipments in this year.

HIGH END TECHNOLOGIES

ATTL has received exclusive Distribution ship from Sumitomo Electric Industries, Japan for India, Bangladesh and Sri Lanka for entire range of splicing machines. There is an opportunity to get business worth Rs. 40 Crores during the current financial year from the splicing machines only. Due to digitization of cable TV and Data demand from 3G & 4G Networks, the demand for fiber optic testers is very good till the year 2023. ATTL is manufacturing DC-DC converters, Speciality Cables for the defense labs and few samples are approved and confident of getting good business for these products also. ATTL has added new products like Specialty Cables, TWT Amplifiers, Solid State Power Amplifiers and RF Components.

ATTL has tied up with a world leading company for the EMI/EMC chambers and bidding for defense labs to the tune of Rs.20 Crores in 2016-17.

ATTL got good orders from AIRTEL, L&T, Sterlite, HFCL, BSNL, Reliance JIO, Livingston-India, and Cable TV Operators in the last financial year for Fibre Test equipments.

ATTL is technically qualified from BDL for sub contract manufacturing optical components and the value of the Tender is 75 Crores. ATTL is Manufacturing RF Power Meters, Data Testers, Fiber Optic Test Equipments & Cable Fault Locators.

Currently, ATTL manufactures products for Telephone Service Providers, Defense Sector, Cable TV Operators and Railways and has added prestigious clients like ERICSSON, 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 Sectors, 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 Defense Labs, Railway Networks, and Educational Labs are under great pace. The T&M segment will have continues and steady market for another 10 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 equipments in India having 30 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 can't 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.50 Crores from this project. Further, BSNL called Tenders for worth 24000 Crores for defense network project and we are confident of getting Rs.50 Crores order 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 be 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 Defense, 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.4719.23 lakhs and made a net loss of Rs.109.90 lakhs due to provision for bad and doubtful debts amounting to Rs. 132.78 Lakhs created against Sundry Debtors more than 2 years. Without the provision of bad and doubtful debts the company has arrived the profit of Rs. 22.88 Lakhs in the current year against revenue of Rs.3173.91 lakhs and net loss of Rs.201.58 lakhs in the previous financial year 2014-15.

B.) CONSOLIDATED BASIS:

The Company has recorded a turnover of Rs. 4719.23 Lakhs and the loss of Rs. 110.13 Lakhs due to provision for bad and doubtful debts amounting to Rs. 132.78 Lakhs created against Sundry Debtors more than 2 years. Without the provision of bad and doubtful debts the company has arrived the profit of Rs. 22.65 Lakhs in the current year against the turnover of Rs. 3173.91 Lakhs and the loss of Rs. 201.81 Lakhs in the previous financial year ending 31.03.2015.

The Consolidated Financial Statements of your company for the financial year 2015-16 have been prepared in compliance with applicable Accounting Standards and where applicable Listing Agreement as prescribed by the Securities and Exchange Board of India.

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 from those expressed or implied. Important facts that could make a difference at the Company's operations include economic conditions affecting domestic demand and supply conditions, finished goods prices, changes in government regulations and tax 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**

**Place: Hyderabad
Date: 11.08.2016**

**Sd/-
G. Rama Manohar Reddy
Managing Director
DIN: 00135900**

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 Personnel) Rules, 2014
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

To
The Members of
M/s Aishwarya Technologies and Telecom Limited

We have conducted the audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. 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, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2015 and ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board process 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, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2016 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014;
 - (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 thereunder;
 - (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;
 - (v) The Securities and Exchange Board of India Act, 1992 ('SEBI Act')
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 2015-16:-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **All the required disclosures from time to time and as and when applicable were complied with.**

- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
 - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**
 - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
 - v. 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**
 - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
 - vii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable**
 - viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading regulations; **The Company has framed code of conduct for regulating & reporting trading by Insiders and for Fair Disclosure, 2015 and displayed the same on company's Website i.e www.aishwaryatechtele.com and all required disclosures from time to time as and when applicable are complied with.**
 - ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable and
 - The Company has signed fresh Uniform listing agreement with BSE Limited and Calcutta Stock Exchange Limited;
 - The company has framed the policies as mentioned below and displayed the same on the company's website i.e. www.aishwaryatechtele.com
 - Board Diversity Policy
 - Policy on Preservation of Documents
 - Risk Management Policy
 - Whistle Blower Policy
 - Related party transaction policy
 - Familiarisation programme for independent directors
 - Anti Sexual harassment policy
 - Code of conduct
3. During the year the company has conducted 5 Board meetings, 4 Audit committee meetings, 4 Stakeholders Relationship Committee meetings and 1 Nomination & Remuneration Committee meeting. 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 Listing Agreement entered into by the Company with Stock Exchange(s).

4. During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations;
5. The Company has identified the following law applicable specifically to the Company:
 - 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

OBSERVATIONS:

(a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of 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.

(b) We further report that:

(I) The Company has Company Secretary and CFO namely Mrs. Parul Agarwal and Mrs. G. Amulya Reddy respectively.

(ii) The Company has M/s. CSVR & Associates Chartered Accountants as the internal auditors of the Company.

We further report that:-

- 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.
- 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.

For S.S. Reddy & Associates

Sd/-

**S. Sarveswar Reddy
Proprietor**

C.P.No: 7478, M.No. A12611

**Place: Hyderabad
Date: 11.08.2016**

MGT 9

Extract of Annual Return

As on the Financial Year 31.03.2016

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

I. REGISTRATION AND OTHER DETAILS:									
i.	CIN			L72200TG1995PLC020569					
ii.	Registration Date			02.06.1995					
iii.	Name of the Company			Aishwarya Technologies and Telecom Limited					
iv.	Category / Sub-Category of the Company			Company limited by shares/Non government Company					
v.	Address of the Registered office and contact details			1-3-1026 & 1027, Singadikunta, Kavadiguda Hyderabad- 500080, Telangana					
vi.	Whether listed company Yes / No			Yes					
vii.	Name, Address and Contact details of Registrar and 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		Subsidiary Company		% of shares Held		Applicable Section
1.	M/s. 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 Share-holders	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. Promoters									
(1) Indian									
Individual/HUF	5912251	--	5912251	27.42	5903071	--	5903071	27.37	0.05
Central Govt.	--	--	--	--	--	--	--	--	--
State Govt .(s)	--	--	--	--	--	--	--	--	--
Bodies Corp.	--	--	--	--	--	--	--	--	--
Banks / FI	--	--	--	--	--	--	--	--	--
Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (1) :-	5912251	--	5912251	27.42	5903071	--	5903071	27.37	0.05
(2) Foreign									
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	5912251	--	5912251	27.42	5903071	--	5903071	27.37	0.05
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) FII's	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
2. Non Institutions									
a) Bodies Corp.	3018843	0	3018843	14	3213498	0	3213498	14.90	0.90
i) Indian	--	--	--	--	--	--	--	--	--

ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	4369567	78841	4448408	20.63	3437874	78841	3516715	16.30	- 4.33
ii) Individual share holders holding nominal share capital in excess of Rs 1 lakh	7835045	24000	7859045	36.45	8579543	24000	8603543	39.88	3.43
c) Others (specify)									
1. NRI	83869	60000	143869	0.67	84684	60000	144684	0.67	--
2. Employees	178562	1224	179786	0.83	178562	1224	179786	0.83	--
3. Clearing Members	1740	0	1740	0.01	2645	0	2645	0.01	--
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	15487626	164065	15651691	72.58	15496806	164065	15660871	72.63	0.05
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	21399877	164065	21563942	100	21399877	164065	21563942	100	--

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	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	
1.	G Rama Manohar Reddy	5103562	--	5103562	23.67	4100990	--	4100990	19.02	-4.65
2.	G Rama Krishna Reddy	373500	--	373500	1.73	373500	--	373500	1.73	--
3.	C Peda Bapulu	224329	--	224329	1.04	224329	--	224329	1.04	--
4.	G Amulya Reddy	75608	--	75608	0.35	75608	--	75608	0.35	--
5.	Veera Baba Reddy Pendru	45117	--	45117	0.21	45117	--	45117	0.21	--

6.	Venkata Rami Reddy Gorla	30895	--	30895	0.14	30895	--	30895	0.14	--
7.	G Manda Reddy	30040	--	30040	0.14	30040	--	30040	0.14	--
8.	Yemula Deepa	10000	--	10000	0.05	10000	--	10000	0.05	--
9.	Venkata Sundara Ramgopal Achanta	6000	--	6000	0.03	6000	--	6000	0.03	--
10.	Pidugu Ganga Reddy	6000	--	6000	0.03	6000	--	6000	0.03	--
11.	Binu Bhansali	4800	--	4800	0.02	4800	--	4800	0.02	--
12.	Nalla Satyanarayana	1400	--	1400	0.01	1400	--	1400	0.01	--
13.	Yemula Pavani	1000	--	1000	0.00	1000	--	1000	0.00	--
14.	Nayansukh Reddy Baddam	--	--	--	--	619132	--	619132	2.87	2.87
15.	G. Shailaja	--	--	--	--	152167	--	152167	0.71	0.71
16.	Rahul Katpally	--	--	--	--	112457	--	112457	0.52	0.52
17.	K. Prashanthi Reddy	--	--	--	--	71878	--	71878	0.33	0.33
18.	K.V Ramana Reddy	--	--	--	--	37758	--	37758	0.18	0.18

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of 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	5103562	23.67	4100990	19.02
2.	Nayansukh Reddy Baddam	--	--	619132	2.87
3.	G. Shailaja	--	--	152167	0.71
4.	Rahul Katpally	--	--	112457	0.52
5.	K. Prashanthi Reddy	--	--	71878	0.33
6.	K.V Ramana Reddy	--	--	37758	0.18

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs):

Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of Shares	% of total shares of The company	No. of shares	% of total shares of the company
1.	Sri Shirdi Capital Services Pvt Ltd	724485	3.36	--	--
2.	Vinod Amrithraj	373571	1.73	373571	1.73
3.	Hari Krishna Reddy Kallam	737911	3.42	789526	3.56
4.	Chilakapati Vijayakumari	227780	1.06	227780	1.06
5.	Maulik Vithal Patel	216499	1.00	216499	1.00
6.	Sudha Rani Kallam	--	--	328916	1.52
7.	P. Sateesh Chand	--	--	220000	1.02
8.	N V Durga Sai Lakshmi Palakurthi	--	--	206200	0.96
9.	Jancy Gnanadhas	--	-	204463	0.95
10.	Rakesh Palakurthi	--	--	193505	0.89

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
	G. Rama Krishna Reddy				
	At the beginning of the year	373500	1.73	--	--
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year	373500	1.73	--	--
2.	G. Rama Manohar Reddy				
	At the beginning of the year	5103562	23.67	--	
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year	4100990	19.02	(1002572)	--

3.	G. Amulya Reddy				
	At the beginning of the year	75608	0.35	--	
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year	75608	0.35	--	

➤ Shareholding of other directors is NIL

V. INDEBTEDNESS

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

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount	169933	7112113	--	7282046
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	169933	7112113	--	7282046
Change in Indebtedness during the financial year	(169933)	(4662051)	--	(4831984)
Addition				
Reduction				
Net Change	(169933)	(4662051)	--	(4831984)
Indebtedness at the end of the financial year				
i) Principal Amount	0	2450062	--	2450062
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	2450062	--	2450062

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Mr. G. Rama Manohar Reddy (Managing Director)	Mrs. G. Amulya Reddy (Whole time Director)	Total Amount
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	Remuneration to managing Director Rs. 250000/- Per Month (250000*12)= 3000000 NIL Nil	Remuneration to Whole-Time Director Rs. 175000/- Per Month (175000*12) = 2100000 NIL NIL	Rs. 5100000/-
2.	Stock Option		--	--
3.	Sweat Equity		--	--

4.	Commission - as % of profit - Others, specify...	--	--
5.	Others, please specify	--	--
6.	Total (A)	--	--
7.	Ceiling as per the Act	-	--

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Director			Total Amount
		D. Venkata Subbiah	K. Rajender Reddy	M. Kesavaiah	
1.	Independent Directors Fee for attending board / committee meetings/ Commission/ Others, please specify	12500	12500	12500	37500
	Total (1)	12500	12500	12500	37500
2.	Other Non-Executive Directors/Fee for attending board / committee meetings/commission/ Others, please specify	--	--	--	--
	Total (2)	--	--	--	--
	Total (B)=(1+2)	12500	12500	12500	37500
	Total Managerial Remuneration	--	--	--	--
	Overall Ceiling as per the Act	--	--	--	--

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

Sl.no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
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	--	Parul Agarwal 186000/-	G. Amulya Reddy	186000/-
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please Specify	NIL	NIL	NIL	NIL
6.	Total	NIL	186000/-	NIL	186000/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. DIRECTORS					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. OTHER OFFICERS IN DEFAULT					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

ANNEXURE II**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

To,
The Board of Directors
M/s Aishwarya Technologies and Telecom Limited

Dear Sir/Madam,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking you,

Date: 11.08.2016
Place: Hyderabad

Yours Faithfully,
Sd/-
M. Kesavaiah
(Independent director)

ANNEXURE II
DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To,
The Board of Directors
Aishwarya Technologies and Telecom Limited

Dear Sir/Madam,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
(i) the statutory audit firm or the internal audit firm that is associated with the Company and
(ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking you,

Yours Faithfully,

Sd/-

D. Venkata Subbiah
(Independent director)

Date: 11.08.2016
Place: Hyderabad

ANNEXURE II
DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To,
The Board of Directors
Aishwarya Technologies and Telecom Limited

Dear Sir/Madam,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
(i) the statutory audit firm or the internal audit firm that is associated with the Company and
(ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking you,

Yours Faithfully,

Sd/-

K. Rajender Reddy
(Independent director)

Date: 11.08.2016
Place: Hyderabad

Annexure- III
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 arms length transactions under third proviso there to

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 date(s) of approval by the Board
- f. Amount paid as advances, if any:
- g. 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

ANNEXURE-IV

Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 - AOC-1, the Company is presenting summarized financial information about individual subsidiaries as at March 31, 2015.

Information relating to Subsidiaries as at March 31, 2016.

Name of the Subsidiary	BHASHAWANTH POWER PROJECTS PRIVATE LIMITED
Reporting Currency	INR
Exchange rate as on 31.03.2016	NA
Share Capital	RS. 1970000
Reserves and Surplus	RS.15041
Total Assets	RS.2030199
Investments	NA
%of holding	75%
Sales and Other Income	RS.0
Profit before Taxation	RS.(23000)
Provision for Taxation	RS.0
Profit after Taxation	RS.(23000)
Proposed Dividend	NA

Ramana Reddy & AssociatesUnit No.406, 4th Floor,
Ashoka Capitol, Opp:KBR Park,
Road No.2, Banjara Hills,
Hyderabad – 500 034
Ph: 23316426/23316912**INDEPENDENT AUDITOR'S REPORT**

To
The Members of
M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED
[Formerly known as AISHWARYA TELECOM LIMITED]

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED [Formerly known as AISHWARYA TELECOM LIMITED]**, (“the Company”), which comprise the Balance sheet as at 31st March, 2016, the Statement of Profit and Loss for the year then ended, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date

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 of India in terms of sub-section (11) of section 143 of the Act, we give in the 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, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in the "Annexure B" ; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 positions in its financial statements.
 - (ii) The Company 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.

**for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S**

**PLACE : HYDERABAD
DATE : 28.05.2016**

**Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799**

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 any granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the sub-clauses (a) (b) and (c) are not applicable to the 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 provided any loans, investments, guarantees, and security during the year as referred to in 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 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.
- (vi) The maintenance of cost records has not been prescribed by the Central Government under subsection (1) of section 148 of the Companies Act.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise 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, service tax, sales tax, customs duty, excise duty and cess were in arrears, wherever applicable, as at 31st March, 2016 for a period of more than six months from the date they became payable except the following.

Particulars	Amount Rs.
CST	427991
Service Tax	40020
TDS	4156352
PF	293215
ESI	98475
Income Tax	874595

- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, service tax, excise duty and cess which have not been deposited on account of any dispute
- (viii) The company has not defaulted in repayment of loans or borrowings to financial institutions or banks.
- (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 not made any preferential allotment or 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 RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S**

**PLACE : HYDERABAD
DATE : 28.05.2016**

**Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799**

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 **M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED [Formerly known as AISHWARYA TELECOM LIMITED]** ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **RAMANA REDDY & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

PLACE : HYDERABAD
DATE : 28.05.2016

Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**NOTE NO. 1****Disclosure of significant Accounting Policies:****a) Basis of Preparation of Financial Statements:**

- i) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and relevant presentational requirements of the Companies Act, 2013.
- ii) Accounting policies not specifically referred to otherwise are in consonance with prudent accounting principles.
- iii) All income and expenditure items having material bearing on the financial statements are recognised on accrual basis.

a) Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known or materialized.

b) Fixed Assets:

Fixed Assets are stated at acquisition cost (net of modvat / cenvat, if any) including directly attributable cost of bringing them to their respective working conditions for the intended use less accumulated depreciation. All costs, including financing/borrowing cost till commencement of commercial production attributable to the fixed assets have been capitalized.

c) Revenue Recognition of Income & Expenditure:

All income and expenditure are accounted on accrual basis.

Sale of telecom equipments

Revenue is recognized when significant risks and rewards of ownership of goods have passed to the buyer and is disclosed including Sales tax and Carriage outwards and excluding returns, as applicable.

Interest

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

d) Depreciation:

Pursuant to the enactment of the Companies Act, 2013 ('the act'), the company has provided depreciation under written down value method as per Part C of the Schedule II of the Companies Act, 2013 except the useful lives of Furniture & Fixtures, Optical Test Equipment, R&D Equipment. The same were reviewed by the management to reflect periods over which these assets are expected to be used. The details of estimate useful lives of these assets are given below:

Particulars	Life in Years
Furniture & Fixtures	15
Optical Test Equipment	18
R&D Equipment	18
Intangible Asset – Software	3

e) Inventories:

Raw materials are valued at cost on FIFO basis. Finished Goods are valued at cost or net realizable value whichever is lower.

f) Investments:

Investments made by the company are primarily of long term nature and are valued at cost. Provision will be made for decline, other than temporary, in the value of investments.

g) Foreign Currency Transactions:

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognised over the life of the contract. Non-monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on translation is recognised as revenue except incases where they relate to acquisition of fixed asset in which case they are adjusted to the carrying cost of such asset.

h) Retirement Benefits:

Gratuity: Liability towards gratuity is provided on the basis of actuarial valuation made by an independent actuary.

Provident Fund: The periodic contributions to Statutory Provident Fund are charged to revenue.

Leave Encashment: Liability towards leave encashment is provided on the basis of actuarial valuation made by an independent actuary.

i) Earning per Share:

The Company reports its Earnings per Share (EPS) in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

j) Taxes on Income:

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company. Deferred tax asset / liability is recognized for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax asset / liability are measured as per the tax rates / laws that have been enacted or substantively enacted by the Balance Sheet date.

k) Provision, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

l) Investment in Chit Fund:

The company will arrive at profit/loss on chit investments in the year of closure of respective chit subscription.

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31.03.16	As at 31.03.15
1	2	3	4
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	107819710	107819710
(b) Reserves & Surplus	3	236525483	247515799
(2) Non-Current Liabilities			
(a) Long Term Borrowings	4	2450062	7282046
(b) Other Long Provisions	5	403822	465509
(3) Current Liabilities			
(a) Short Term Borrowings	6	35403316	67357143
(b) Trade Payables	7	67879502	20964382
(c) Other Current Liabilities	8	37973022	35166873
(d) Short Term Provisions	9	3083127	2454502
TOTAL		<u>491538044</u>	<u>489025964</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	53562647	65229013
(ii) Intangible Assets	11	9445	16010
(b) Non-Current Investments	12	1500000	1500000
(c) Deferred Tax Asset (Net)		3446190	3122375
(2) Current Assets			
(a) Inventories	13	101432150	86436404
(b) Trade Receivables	14	214369250	252283864
(c) Cash and Cash Equivalents	15	34436213	23843369
(d) Other Current Assets	16	82782149	56594929
TOTAL		<u>491538044</u>	<u>489025964</u>

Notes forming part of the financial statements

1 - 37

VIDE OUR REPORT OF EVEN DATE**FOR AND ON BEHALF OF THE BOARD**

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-
(AMULYA REDDY)
Director cum CFO
DIN: 00136428

Sd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203

Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570

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

Place: Hyderabad
Date : 28.05.2016

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

Particulars	Note No.	Current Year	Previous Year
1	2	3	4
		Rs.	Rs.
I. Revenue from operations	17	471922512	317391252
II. Other Income	18	1877997	2464583
III. Total Revenue (I +II)		<u>473800509</u>	<u>319855835</u>
IV. <i>Expenses:</i>			
Material Consumed	19	20311124	9823746
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	20	-11137117	-9549703
Operation and Other Expenses	21	427585946	295087892
Employee Benefit Expenses	22	23083666	21445869
Finance Costs	23	12378464	11207114
Depreciation and amortization expenses	10 & 11	12397235	11579386
TOTAL		<u>484619318</u>	<u>339594304</u>
V. Profit / Loss before exceptional and extraordinary items and tax (III + IV)		-10818809	-19738469
VI. Exceptional Items		0	0
VII. Profit / Loss before extraordinary items and tax (V - VI)		-10818809	-19738469
VIII. Extraordinary Items		0	0
IX. Profit / Loss before tax (VII - VIII)		-10818809	-19738469
X. Tax expenses:			
- Income Tax		495322	529537
- Deferred Tax		-323815	-109652
XI. Profit / Loss for the year from continuing operations (IX - X)		<u>-10990316</u>	<u>-20158354</u>
XII. Profit / Loss from discontinuing operations		0	0
XIII. Tax expense of discontinuing operations		0	0
XIV. Profit / Loss from discontinuing operations (XII - XIII)		<u>0</u>	<u>0</u>
XV. Profit / Loss for the year (XI + XIV)		-10990316	-20158354
XVI. Earning per equity share:			
(1) Basic		-0.51	-0.93
(2) Diluted		-0.51	-0.93

Notes forming part of the financial statements 1 - 37

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246SSd/-
(AMULYA REDDY)
Director cum CFO
DIN: 00136428Sd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN: 00135900Place: Hyderabad
Date : 28.05.2016

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

Particulars	Current Year Rs.	Previous Year Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (+/-)	-10818809	-19738469
Add: Adjustments for:		
Depreciation	12397235	11579386
Operating Profit before Working Capital	<u>1578426</u>	<u>-8159083</u>
Adjustments for working capital charges:		
Inventories	-14995746	-11526897
Trade Receivables	37914614	28295473
Other Current Assets	-26187220	-285590
Current Liabilities	49721269	1537081
Long Term Provisions	-61687	151576
Short Term Provisions	628625	589598
Cash generated from Operations Before Extra-Ordinary items	<u>48598281</u>	<u>10602158</u>
Taxes Paid	-495322	0
Net cash flow from operating activities (A)	<u><u>48102959</u></u>	<u><u>10602158</u></u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-724304	-3560829
Sale of Fixed Assets	0	0
Net Cash Flow from investing Activities (B)	<u><u>-724304</u></u>	<u><u>-3560829</u></u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long Term Borrowings	-4831984	-2026217
Short Term Borrowings	-31953827	138501
Net Cash Flow from Financing Activities (C)	<u><u>-36785811</u></u>	<u><u>-1887716</u></u>
Net Increase in Cash and Cash Equivalents (A+B+C)	10592844	5153613
Cash & Cash Equivalents at the beginning of the year	23843369	18689756
Cash & Cash Equivalents at the end of the year	34436213	23843369

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-

(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

Place: Hyderabad
Date : 28.05.2016

Sd/-
(AMULYA REDDY)
Director cum CFO
DIN: 00136428

Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570

Sd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203

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

NOTE NO. 2

SHARE CAPITAL

Equity Share Capital

- Authorised Capital

2,40,00,000 Equity Shares of Rs. 5/- each

As at
31.03.16
Rs.As at
31.03.15
Rs.120000000120000000

- Issued, Subscribed & Fully paid share capital

2,15,63,942 Equity Shares of Rs.5/- each fully paid up

107819710107819710

TOTAL

107819710107819710

Terms 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.

List of Shareholders holding more than 5%

Name of the Shareholder

No. of
Shares% of
holdingNo. of
Shares% of
holding

G.Rama Manohar Reddy

4100990

19.02%

5103562

23.67%

NOTE NO. 3

RESERVES & SURPLUS

General Reserve

Rs.

As at
31.03.16
Rs.

Rs.

As at
31.03.15
Rs.

11326000

11326000

Surplus in the Statement of Profit & Loss

- Opening Balance

117581029

138413091

Less: Carrying amount of assets on expiry
of life as per Sch. II

0

673708

117581029137739383

Add: Surplus for the year

-10990316-20158354106590713117581029

- Securities Premium A/c

106590713

117581029

118608770118608770

TOTAL

236525483247515799

NOTE NO. 4

LONG TERM BORROWINGS

A) Secured Loans

- Hire Purchase Loan

0

169933

B) Unsecured Loans

- Loans from directors

24500627112113

TOTAL

24500627282046

Details of Loans Raised from Related Parties

- G.Rama Manohar Reddy

2450062

7112113

NOTE NO. 5

OTHER LONG TERM PROVISIONS

Provision for employee benefits

- Leave Encashment

- Gratuity

As at
31.03.16
Rs.As at
31.03.15
Rs.

9010

35167

394812

430342

403822465509

NOTE NO. 6

SHORT TERM BORROWINGS

- Cash Credit from SBH

TOTAL

35403316

67357143

3540331667357143

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.

NOTE NO. 7

TRADE PAYABLES

Sundry Creditors

- Outstanding due of micro enterprises and small enterprises

- Outstanding due of other than micro enterprises and small enterprises

TOTAL

0

0

67879502

20964382

6787950220964382

NOTE NO. 8

OTHER CURRENT LIABILITIES

- Current Maturities of Finance Lease Obligation

- Advances received from Customers

- Creditors for expenses

- Chit Liability

TOTAL

156566

138262

1539344

2537992

18042291

20753144

18234821

11737475

3797302235166873

NOTE NO. 9

SHORT TERM PROVISIONS

- For Taxation Current Year

- For Leave Encashment

- For Gratuity

TOTAL

1369917

529537

153643

441353

1559567

1483612

30831272454502

NOTE NO. 10

TANGIBLE ASSETS

Description of the Asset	Gross Carrying Amount				Depreciation Block				Net Carrying Amount	
	Cost as at 01.04.15	Additions During the year	Deletions During the year	Total As at 31.03.16	As at 01.04.15	For the year	Deletions During the year	Total As at 31.03.16	As at 31.03.16	As at 31.03.15
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- Land	19714537	0	0	19714537	0	0	0	0	19714537	19714537
- Building	15110663	0	0	15110663	5617465	1730610	0	7348075	7762588	9493198
- Computers	4414731	219847	0	4634578	4210246	278082	0	4488328	146250	204485
- Furnitures & Fixtures	1197485	43498	0	1240983	907710	107618	0	1015328	225655	289775
- Optical Test Equipment	55467523	315000	0	55782523	29702725	7412953	0	37115678	18666845	25764798
- R & D Equipment	40766112	0	0	40766112	32050842	2295959	0	34346801	6419311	8715270
- Office Equipment	2240920	102845	0	2343765	2010864	164199	0	2175063	168702	230056
- Vehicles	3952314	43114	0	3995428	3135420	401249	0	3536669	458759	816894
TOTAL	142864285	724304	0	143588589	77635272	12390670	0	90025942	53562647	65229013

NOTE NO. 11

INTANGIBLE ASSETS

Description of the Asset	Gross Carrying Amount				Depreciation Block				Net Carrying Amount	
	Cost as at 01.04.15	Additions During the year	Deletions During the year	Total As at 31.03.16	As at 01.04.15	For the year	Deletions During the year	Total As at 31.03.16	As at 31.03.16	As at 31.03.15
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- Software	5768646	0	0	5768646	5752640	6565	0	5759205	9441	16006
TOTAL	5768646	0	0	5768646	5752640	6565	0	5759205	9441	16006

NOTE NO. 12

NON-CURRENT INVESTMENTS

In Subsidiary Company:

- Bhaswanth Power Projects Pvt. Ltd.,
(1,47,750 Equity Shares of Rs.10/- each)

TOTAL

As at
31.03.16
Rs.

1500000

1500000As at
31.03.15
Rs.

1500000

1500000

NOTE NO. 13

INVENTORIES

(Valued at cost or Net Ralisable Value Whichever Is Lower)

- Raw Materials
- Finished Goods

TOTAL

14255850

87176300

101432150

10397221

76039183

86436404

NOTE NO. 14

TRADE RECEIVABLES

(Unsecured, Considered Good)

- Debts Outstanding for a period
exceeding 6 months
- Other debts

- Provision for bad & doubtful debts

TOTAL

174255111

75909980

250165091

35795841

214369250

238137703

36663625

274801328

22517464

252283864

NOTE NO. 15

CASH AND CASH EQUIVALENTS

- Balance with Scheduled Banks
in Current Accounts
- in Margin Money Deposits
- Cash on Hand
- Earmarked Balances with Banks
Unpaid Dividend Accounts

TOTAL

5440810

27978646

570586

446170

34436212

2130450

20522443

744306

446170

23843369

NOTE NO. 16

OTHER CURRENT ASSETS

- Deposits
- Advance to Suppliers
- Other Advances
- Tax Deducted at Source
- Interest Receivable
- Prepaid Expenses
- IT Refund Receivable

TOTAL

24106566

45004042

6722420

273874

4331845

1637828

705574

82782149

22471043

23929299

4144826

602311

3773863

1223587

450000

56594929

NOTE NO. 17	Current Year Rs.	Previous Year Rs.
REVENUE FROM OPERATIONS		
- Sales	473981025	317624263
- Less: Central Excise Duty	2058513	233011
TOTAL	<u>471922512</u>	<u>317391252</u>
 NOTE NO. 18		
OTHER INCOME		
Foreign Exchange Gain	0	1588990
Interest Earned	1877997	875593
TOTAL	<u>1877997</u>	<u>2464583</u>
 NOTE NO. 19		
MATERIAL CONSUMED		
- Opening Stock	10397221	8420027
Add: Purchases	24169753	11800940
	<u>34566974</u>	<u>20220967</u>
Less: Closing Stock	14255850	10397221
TOTAL	<u>20311124</u>	<u>9823746</u>
 NOTE NO. 20		
Changes in Inventories of finished goods, work-in-progress and stock-in-trade		
- Opening Stock		
Finished Goods	76039183	66489480
Less : Closing Stock		
Finished Goods	87176300	76039183
TOTAL	<u>-11137117</u>	<u>-9549703</u>

NOTE NO. 21	Current Year Rs.	Previous Year Rs.
OPERATION AND OTHER EXPENSES		
(a) OTHER MANUFACTURING EXPENSES		
- Trade Purchases	342747425	235788622
- Packing Material	852429	320524
- Testing & Calibration Expenses	170517	928324
(b) ADMINISTRATIVE & SELLING EXPENSES:		
- Rent	1661000	1432956
- Rates & Taxes	921387	481089
- Office Electricity & Maintenance	1298541	1142841
- Conveyance	1302994	1139827
- Subscription, Books & Periodicals	33582	25291
- Postage & Telegrams	549202	388232
- Printing & Stationery	939651	816837
- Regn. Licence & Filing Fees	632904	649344
- Professional & Consultancy Charges	912762	775070
- Professional Tax	7500	7500
- Insurance	423982	435885
- Recruitment Charges	70806	87861
- Donations	174001	45001
- Repairs & Maintenance	562618	376384
- Testing & Calibration Expenses	274316	652855
- Telephone & Fax Expenses	996714	941385
- Directors Sitting Fee	37500	32500
- Tour & Travelling Expenses		
a) Directors	1643522	1666631
b) Others	3359289	2656133
- Auditors Remuneration	475000	475000
- Foreign Exchange Fluctuation Loss	5287969	0
- Miscellaneous Expenses	1500	0
- Advertisement Expenses	1913089	920890
- Agency Commission	637937	388622
- Tender Expenses	117062	121421
- Business Promotion Expenses	451664	282554
- Discount on Sales	2918012	912232
- Carriage Outwards	2589338	1262270
- VAT and CST Payment	9839289	5318107
- Loss on Chits	8697346	0
- Provisional for Bad & Doubtful Debts	13278377	22517464
- Bad debts written off	18645152	9699299
- Bank Charges	3161569	2398941
TOTAL	<u>427585946</u>	<u>295087892</u>

NOTE NO. 22

EMPLOYEE BENEFIT EXPENSES

	Current Year Rs.	Previous Year Rs.
- Salaries, Wages & Other Benefits to employees	21159905	19613290
- Staff Welfare	1215917	1048540
- Leave Encashment	0	476520
- Gratuity	707844	307519
TOTAL	<u>23083666</u>	<u>21445869</u>

NOTE NO. 23

FINANCE COSTS

- Interest on Working Capital Loan	9457976	10048458
- Interest on Hire Purchase Loan	30026	62371
- Interest on Buyers credit and Other FLC Charges	1826740	267143
- Loan Processing Fees	525000	545000
- Interest Others	538722	284142
TOTAL	<u>12378464</u>	<u>11207114</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
NOTE NO. 24**Contingent Liabilities not provided for:**

		Current Year Rs. Lakhs	Previous Year Rs. Lakhs
a.	Bank Guarantees	243.02	212.21
b.	Letters of Credit	443.43	421.44
c.	Disputed Sales Tax Liability	–	19.06

NOTE NO. 25**Managerial Remuneration:**

Particulars	2015-16 Rs.	2014-15 Rs.
Managing Director	3000000	3000000
Whole Time Director	2100000	2100000
TOTAL	5100000	5100000

NOTE NO. 26**Auditors' Remuneration:**

Particulars	2015-16 Rs.	2014-15 Rs.
As Auditors	325000	325000
Tax Audit Fees	150000	150000
TOTAL	475000	475000

NOTE NO. 27

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 sixty lakh rupees the information of which could form part of the Director's Report for the year ended 31st March 2016.

NOTE NO. 28

There are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting', specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

NOTE NO. 29

Transactions with the Related Parties pursuant to Accounting Standard 18:

i. List of Related Parties

Subsidiary Company	:	Bhashwanth Power Projects Pvt. Ltd.,
Associate Companies / Firms (including Companies / firms Controlled by key management Personnel / relatives who are sub- stantially interested)	:	Nil
Key Management Personnel	:	Mr. G. Rama Krishna Reddy, Chairman Mr. G. Rama Manohar Reddy, Managing Director Mrs. G. Amulya Reddy, CFO

Transaction with the Related Parties:

Particulars	Subsidiary / Associate Company		Key Management personnel	
	2015-16	2014-15	2015-16	2014-15
Remuneration	–	–	5100000	5100000
Loans Repaid	–	–	4662051	2196150

Balance as at 31st March

Particulars	Associate Companies		Key Management personnel	
	2015-16	2014-15	2015-16	2014-15
Remuneration	–	–	229220	549820
Investments	1500000	150000	–	--
Loan	–	–	2450062	7112113

NOTE NO. 30**Earnings Per Share**

The numerators and denominators used for calculation of EPS

	Year ended 31-03-16	Year ended 31-03-15
a) Profit available to the Equity shareholders (Rs)	-10990316	-20158354
b) No. of Equity shares	21563942	21563942
c) Weighted Avg. No. of Equity Share	–	--
c) Nominal value of share (Rs)	05	05
d) Basic Earning per Share (Rs)	-0.51	-0.93

NOTE NO. 31

Outstanding dues to Micro small and medium enterprises under the MSME development act, 2006 have been determined based on the information available with the company and the required disclosures are given below.

Year ending March 31st	2016 Rs.	2015 Rs.
a) Principal amount remain unpaid	-	-
b) Interest due there on	-	-
c) Interest paid by the company in terms of Section 16 of MSME development act, 2006 along with the amount of the re-payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME development Act,2006	-	-
e) Interest accrued and remaining unpaid	-	-
f) Further interest and remaining due and Payable even in the succeeding year units such date When the Interest dues as above are actually paid to the small enterprises.		

NOTE NO. 32

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.3,23,815/-towards deferred tax asset in the year 2015-16. The major components of deferred tax assets and liabilities are arising on account of timing differences in depreciation and carried forward of losses.

NOTE NO.33**Depreciation as per Companies Act, 2013**

Useful life of various assets was revised in accordance with schedule II of the companies Act 2013. The Change in useful life resulted in the completion of useful life of certain fixed assets before 31.03.2014. The carrying amount of the assets after retaining the salvage value was transferred to the retained earnings in the previous year. The amount of which is Rs.6,73,708/-

NOTE NO. 34

Cash Flow statement has been prepared under indirect method as per the Accounting Standard – 3" Cash Flow Statements".

NOTE NO. 35

Sundry Debtors, Sundry Creditors, Advance for Supplies and Deposits are subject to confirmation with the respective parties / authorities.

NOTE NO. 36

Foreign Exchange Earnings & Out Go:

- Foreign Exchange Earnings – Rs.Nil
(Previous year Rs.87.40 Lakhs)
- Foreign Exchange Outgo – Rs.2786.87 lakhs
(Previous year – Rs.4802.69 lakhs)

NOTE NO.37

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

Notes to the financial statements and statement on accounting policies form an integral part of the Balance Sheet, Statement of profit and Loss and Cash Flow Statement.

SIGNATURES TO NOTES `1' TO `37'

VIDE OUR REPORT OF EVEN DATE
For RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

PLACE : HYDERABAD
DATE : 28.05.2016Sd/-

FOR AND ON BEHALF OF THE BOARD

Sd/-
(G. RAMA KRISHNA REDDY)
CHAIRMAN
DIN :00136203

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

Sd/-
(G.AMULYA REDDY)
Director cum CFO
DIN :00136428

Sd/-
(PARUL AGARWAL)
COMPANY SECRETARY
M.NO.A24570

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

&

**BASHWANTH POWER PROJECTS
PRIVATE LIMITED**

2015-2016

Ramana Reddy & Associates
Chartered Accountants



Unit No.406, 4th Floor,
Ashoka Capitol, Opp:KBR Park,
Road No.2, Banjara Hills,
Hyderabad – 500 034
Ph: 23316426/23316912

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members of
M/s. Aishwarya Technologies and Telecom Limited.,
[Formerly known as AISHWARYA TELECOM LIMITED]

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **M/s. Aishwarya Technologies and Telecom Limited [Formerly known as AISHWARYA TELECOM LIMITED]** (“the Holding Company”) and its subsidiary Bhashwanth Power Projects Private Limited, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement 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”).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2016;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the

Companies (Accounts) Rules, 2014

- (e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2016 and taken on record by the Board of Directors of the holding company and report of the statutory auditors of its subsidiary companies, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 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 consolidated financial statement does not have any pending litigations which would impact its financial positions in its consolidated 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 Group in accordance with the relevant provisions of the Companies Act, 2013.

for **RAMANA REDDY & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN: 003246S

PLACE : HYDERABAD
DATE : 28.05.2016

Sd/-
(CA.RAAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

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 financial statements of the group as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of **M/s. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED [Formerly known as AISHWARYA TELECOM LIMITED]** (“the Company”) and its subsidiary companies 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 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 group 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 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 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.

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 financial statements for external purposes in accordance with generally accepted accounting principles. The group 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 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 company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its Subsidiary companies, 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 2016, 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.

**for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S**

**PLACE : HYDERABAD
DATE : 28.05.2016**

**Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**NOTE NO. 1****A. GROUP INFORMATION**

The Company has invested in 1,47,750 shares of the subsidiary for an amount of Rs.15,00,000/- on 15.09.2009 which in turn has become a subsidiary of the aishwarya Technologies and Telecom Limited. The Company at present is holding 75% interest in the subsidiaries share capital. The consolidated financial statements of the company have been prepared for the financial year 2015-16 as required by section 129(3) of the Companies Act, the relevant rules notified thereunder and Accounting Standard 21, duly including the financial statements of the above referred subsidiary of the company.

B. Significant Accounting Policies:**(a) Basis of Preparation of Financial Statements:**

The consolidated financial statement have been prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounts) Rules, 2014, (as amended) and the relevant provisions of the Companies Act, 2013. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the accounting principles generally accepted in India. The accounting policy has been consistently applied by the Group.

(b) Principles of Consolidation

The consolidated financial statements are prepared using the financial statement of the company and its subsidiary. The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) – 21 “Consolidated Financial Statements” and other applicable accounting standards, as applicable, notified by the Companies (Accounts) Rules, 2014 (as amended). The consolidated financial statements have been prepared using uniform accounting policies for like transactions.

(c) Other significant accounting policies

These are set out under “Significant Accounting Policies” as given in the Company's standalone financial statements.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31.03.16	As at 31.03.15
1	2	3	4
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	107819710	107819710
(b) Reserves & Surplus	3	236525264	247544330
(c) Minority Interest		507760	502010
(2) Non-Current Liabilities			
(a) Long Term Borrowings	4	2450062	7282046
(b) Other Long Provisions	5	403822	465509
(3) Current Liabilities			
(a) Short Term Borrowings	6	35403316	67357143
(b) Trade Payables	7	67879502	20964382
(c) Other Current Liabilities	8	38018180	35200581
(d) Short Term Provisions	9	3083127	2454502
TOTAL		<u>492090743</u>	<u>489590213</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	53562647	65229013
(ii) Intangible Assets	11	31945	38510
(b) Deferred Tax Asset (Net)		3446190	3122375
(2) Current Assets			
(a) Inventories	12	101432150	86436404
(b) Trade Receivables	13	214896250	252810864
(c) Cash and Cash Equivalents	14	34447753	23857609
(d) Other Current Assets	15	84273808	58095438
TOTAL		<u>492090743</u>	<u>489590213</u>

Notes forming part of the financial statements 1 - 31

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246SSd/-
(G.AMULYA REDDY)
Director cum CFO
DIN: 00136428Sd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN: 00135900Place: Hyderabad
Date : 28.05.2016

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

Particulars	Note No.	Current Year	Previous Year
1	2	3	4
		Rs.	Rs.
I. Revenue from operations	16	471922512	317391252
II. Other Income	17	1877997	2464583
III. Total Revenue (I +II)		473800509	319855835
IV. <i>Expenses:</i>			
Material Consumed	18	20311124	9823746
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	19	-11137117	-9549703
Operation and Other Expenses	20	427608946	295111128
Employee Benefit Expenses	21	23083666	21445869
Finance Costs	22	12378464	11207114
Depreciation and amortization expenses	10 & 11	12397235	11579386
TOTAL		484642318	339617540
V. Profit / Loss before exceptional and extraordinary items and tax (III + IV)		-10841809	-19761705
VI. Exceptional Items		0	0
VII. Profit / Loss before extraordinary items and tax (V - VI)		-10841809	-19761705
VIII. Extraordinary Items		0	0
IX. Profit / Loss before tax (VII - VIII)		-10841809	-19761705
X. Tax expenses:			
- Income Tax		495322	529537
- Deferred Tax		-323815	-109652
XI. Profit / Loss for the year from continuing operations (IX - X)		-11013316	-20181590
XII. Profit / Loss from discontinuing operations		0	0
XIII. Tax expense of discontinuing operations		0	0
XIV. Profit / Loss from discontinuing operations (XII - XIII)		0	0
XV. Profit / Loss for the year (XI + XIV)		-11013316	-20181590
XVI. Earning per equity share:			
(1) Basic		-0.51	-0.94
(2) Diluted		-0.51	-0.94

Notes forming part of the financial statements

1 - 31

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246SSd/-
(G.AMULYA REDDY)
Director cum CFO
DIN: 00136428Sd/-
(G.RAMA KRISHNA REDDY)
CHAIRMAN
DIN: 00136203Sd/-
(CA.RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799Sd/-
PARUL AGARWAL
COMPANY SECRETARY
M.NO.A24570Sd/-
(G.RAMA MANOHAR REDDY)
MANAGING DIRECTOR
DIN: 00135900Place: Hyderabad
Date : 28.05.2016

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NOTE NO. 2

SHARE CAPITAL

Equity Share Capital

- Authorised Capital

2,40,00,000 Equity Shares of Rs. 5/- each

As at
31.03.16
Rs.

As at
31.03.15
Rs.

120000000

120000000

- Issued, Subscribed & Fully paid share capital

2,15,63,942 Equity Shares of Rs.5/- each fully paid up

107819710

107819710

TOTAL

107819710

107819710

Terms 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.

List of Shareholders holding more than 5%

Name of the Shareholder

G.Rama Manohar Reddy

No. of
Shares

4100990

% of
holding

19.02%

No. of
Shares

5103562

% of
holding

23.67%

NOTE NO. 3

RESERVES & SURPLUS

General Reserve

Surplus in the Statement of Profit & Loss

- Opening Balance

Less: Carrying amount of assets on expiry
of life as per Sch. II

Rs.

As at
31.03.16
Rs.

Rs.

As at
31.03.15
Rs.

11326000

11326000

117609560

138474368

0

673708

117609560

137800660

Add: Surplus for the year

-11013316

-20181590

106596244

117619070

Less: Transferred to Minority Interest

5750

9510

106590494

117609560

- Securities Premium A/c

118608770

118608770

TOTAL

236525264

247544330

NOTE NO. 4

LONG TERM BORROWINGS

A) Secured Loans

- Hire Purchase Loan

0

169933

B) Unsecured Loans

- Loans from directors

2450062

7112113

TOTAL

2450062

7282046

Details of Loans Raised from Related Parties

- G.Rama Manohar Reddy

2450062

7112113

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NOTE NO. 5	As at 31.03.16 Rs.	As at 31.03.15 Rs.
OTHER LONG TERM PROVISIONS		
Provision for employee benefits		
- Leave Encashment	9010	35167
- Gratuity	394812	430342
	<u>403822</u>	<u>465509</u>

NOTE NO. 6

SHORT TERM BORROWINGS		
- Cash Credit from SBH	35403316	67357143
TOTAL	<u>35403316</u>	<u>67357143</u>

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.

NOTE NO. 7

TRADE PAYABLES

Sundry Creditors

- Outstanding due of micro enterprises and small enterprises	0	0
- Outstanding due of other than micro enterprises and small enterprises	67879502	20964382
TOTAL	<u>67879502</u>	<u>20964382</u>

NOTE NO. 8

OTHER CURRENT LIABILITIES

- Current Maturities of Finance Lease Obligation	156566	138262
- Advances received from Customers	1539344	2537992
- Creditors for expenses	18087449	20786852
- Chit Liability	18234821	11737475
TOTAL	<u>38018180</u>	<u>35200581</u>

NOTE NO. 9

SHORT TERM PROVISIONS

- For Taxation Current Year	1369917	529537
- For Leave Encashment	153643	441353
- For Gratuity	1559567	1483612
TOTAL	<u>3083127</u>	<u>2454502</u>

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NOTE NO. 10

TANGIBLE ASSETS

Description of the Asset	Gross Carrying Amount				Depreciation Block			Net Carrying Amount	
	Cost as at 1.4.15	Additions During the year	Deletions During the year	Total As at 31.03.16	As at 1.4.15	For the year	Total As at 31.03.16	As at 31.03.16	As at 31.03.15
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- Land	19714537	0	0	19714537	0	0	0	19714537	19714537
- Building	15110663	0	0	15110663	5617465	1730610	7348075	7762588	9493198
- Computers	4414731	219847	0	4634578	4210246	278082	4488328	146250	204485
- Furnitures & Fixtures	1197485	43498	0	1240983	907710	107618	1015328	225655	289775
- Optical Test Equipment	55467523	315000	0	55782523	29702725	7412953	37115678	18666845	25764798
- R & D Equipment	40766112	0	0	40766112	32050842	2295959	34346801	6419311	8715270
- Office Equipment	2240920	102845	0	2343765	2010864	164199	2175063	168702	230056
- Vehicles	3952314	43114	0	3995428	3135420	401249	3536669	458759	816894
TOTAL	142864285	724304	0	143588589	77635272	12390670	90025942	53562647	65229013

NOTE NO. 11

INTANGIBLE ASSETS

Description of the Asset	Gross Carrying Amount				Amortisation Block			Net Carrying Amount	
	Cost as at 1.4.15	Additions During the year	Deletions During the year	Total As at 31.03.16	As at 1.4.15	For the year	Total As at 31.03.16	As at 31.03.16	As at 31.03.15
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- Software	5768646	0	0	5768646	5752640	6565	5759205	9441	16006
- Goodwill	22500	0	0	22500	0	0	0	22500	22500
TOTAL	5791146	0	0	5791146	5752640	6565	5759205	31941	38506

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NOTE NO. 12	As at 31.03.16 Rs.	As at 31.03.15 Rs.
INVENTORIES		
(Valued at cost or Net Realisable Value Whichever Is Lower)		
- Raw Materials	14255850	10397221
- Finished Goods	87176300	76039183
TOTAL	<u>101432150</u>	<u>86436404</u>

NOTE NO. 13

TRADE RECEIVABLES

(Unsecured, Considered Good)

- Debts Outstanding for a period exceeding 6 months	174782111	238664703
- Other debts	75909980	36663625
	<u>250692091</u>	<u>275328328</u>
- Provision for bad & doubtful debts	35795841	22517464
TOTAL	<u>214896250</u>	<u>252810864</u>

NOTE NO. 14

CASH AND CASH EQUIVALENTS

- Balance with Scheduled Banks in Current Accounts	5451566	2141506
- in Margin Money Deposits	27978646	20522443
- Cash on Hand	571370	747490
- Earmarked Balances with Banks Unpaid Dividend Accounts	446170	446170
TOTAL	<u>34447752</u>	<u>23857609</u>

NOTE NO. 15

OTHER CURRENT ASSETS

- Deposits	24106566	22471043
- Loans & Advances	85000	85000
- Advance to Suppliers	45004042	23929299
- Other Advances	6722420	4144826
- Tax Deducted at Source	273874	602311
- Interest Receivable	4331845	3773863
- Preliminary expenses	0	8850
- Preoperative expenses	1406659	1406659
- Prepaid Expenses	1637828	1223587
- IT Refund Receivable	705574	450000
TOTAL	<u>84273808</u>	<u>58095438</u>

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NOTE NO. 16

REVENUE FROM OPERATIONS

	Current Year Rs.	Previous Year Rs.
- Sales	473981025	317624263
- Less: Central Excise Duty	2058513	233011
TOTAL	<u>471922512</u>	<u>317391252</u>

NOTE NO. 17

OTHER INCOME

Foreign Exchange Gain	0	1588990
Interest Earned	1877997	875593
TOTAL	<u>1877997</u>	<u>2464583</u>

NOTE NO. 18

MATERIAL CONSUMED

- Opening Stock	10397221	8420027
Add: Purchases	24169753	11800940
	<u>34566974</u>	<u>20220967</u>
Less: Closing Stock	14255850	10397221
TOTAL	<u>20311124</u>	<u>9823746</u>

NOTE NO. 19

Changes in Inventories of finished goods,
work-in-progress and stock-in-trade

- Opening Stock		
Finished Goods	76039183	66489480
Less : Closing Stock		
Finished Goods	87176300	76039183
TOTAL	<u>-11137117</u>	<u>-9549703</u>

NOTE NO. 20

OPERATION AND OTHER EXPENSES

(a) OTHER MANUFACTURING EXPENSES

	Current Year Rs.	Previous Year Rs.
- Trade Purchases	342747425	235788622
- Packing Material	852429	320524
- Testing & Calibration Expenses	170517	928324

(b) ADMINISTRATIVE & SELLING EXPENSES:

- Rent	1661000	1432956
- Rates & Taxes	922837	482325
- Office Electricity & Maintenance	1298541	1142841
- Conveyance	1302994	1139827
- Subscription, Books & Periodicals	33582	25291
- Postage & Telegrams	549202	388232
- Printing & Stationery	939651	816837
- Regn. Licence & Filing Fees	635304	654044
- Professional & Consultancy Charges	912762	782070
- Professional Tax	7500	7500
- Insurance	423982	435885
- Recruitment Charges	70806	87861
- Donations	174001	45001
- Repairs & Maintenance	562618	376384
- Testing & Calibration Expenses	274316	652855
- Telephone & Fax Expenses	996714	941385
- Directors Sitting Fee	37500	32500
a) Directors	1643522	1666631
b) Others	3359289	2656133
- Auditors Remuneration	485000	485000
- Foreign Exchange Fluctuation Loss	5287969	0
- Miscellaneous Expenses	1500	0
- Advertisement Expenses	1913089	920890
- Agency Commission	637937	388622
- Tender Expenses	117062	121421
- Business Promotion Expenses	451664	282554
- Discount on Sales	2918012	912232
- Carriage Outwards	2589338	1262270
- VAT and CST Payment	9839289	5318107
- Loss on Chits	8697346	0
- Provisional for Bad & Doubtful Debts	13278377	22517464
- Bad debts written off	18645152	9699299
- Preliminary expenses written off	8850	0
- Bank Charges	3161869	2399241
TOTAL	<u>427608946</u>	<u>295111128</u>

NOTE NO. 21

EMPLOYEE BENEFIT EXPENSES

	Current Year Rs.	Previous Year Rs.
- Salaries, Wages & Other	21159905	19613290
Benefits to employees		
- Staff Welfare	1215917	1048540
- Leave Encashment	0	476520
- Gratuity	707844	307519
TOTAL	<u>23083666</u>	<u>21445869</u>

NOTE NO. 22

FINANCE COSTS

- Interest on Working Capital Loan	9457976	10048458
- Interest on Hire Purchase Loan	30026	62371
- Interest on Buyers credit and Other FLC Charges	1826740	267143
- Loan Processing Fees	525000	545000
- Interest Others	538722	284142
TOTAL	<u>12378464</u>	<u>11207114</u>

NOTE NO. 23**Contingent Liabilities not provided for by the Holding Company:**

Contingent Liabilities not provide for	Current Year Rs. Lakhs	Previous Year Rs. Lakhs
Bank Guarantees	243.02	212.21
Letters of Credit	443.43	421.44
Disputed Sales Tax Liability	-	19.06

NOTE NO. 24**Managerial Remuneration:**

Particulars	2015-16 Rs.	2014-15 Rs.
Managing Director	3000000	3000000
Whole Time Director	2100000	2100000
TOTAL	5100000	5100000

NOTE NO. 25**Segment Reporting:**

There are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting', specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

NOTE NO. 26**Foreign Exchange Earnings & Out Go:**

Particulars	2015-16 Amount (Lakhs)	2014-15 Amount (Lakhs)
Foreign Exchange Earnings	Nil	87.40
Foreign Exchange Outgo	2786.87	4802.69

NOTE NO. 27**Disclosure under Micro, Small and Medium Enterprises Development Act, 2006**

There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

NOTE NO. 28

These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous year figures have been regrouped wherever if thought necessary in conformity with the current year groupings. Paise have been rounded off to the nearest rupee.

NOTE NO. 29

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 sixty lakh rupees the information of which could form part of the Director's Report for the year ended 31st March 2016.

NOTE NO. 30**Earnings per Share****The numerators and denominators used for calculation of EPS**

Particulars	2014-15	2013-14
a) Profit available to the Equity Shareholders (Rs.)	-11013316	-20181590
b) No. of Equity Shares	21563942	21563942
c) Nominal value of Share (Rs.)	10	5
d) Earnings per Share (Rs.)	-0.51	-0.94

NOTE NO. 31**Additional Information for Consolidated Financial Statements**

Name of the Entity	Net Assets i.e., Total Assets minus Total Liabilities		Share in Profit of loss	
	As % of Consolidated net assets	Amount Rs.	As % of Consolidated Profit or loss	Amount Rs.
Subsidiaries – Indian				
Bhashwanth Power Projects Private Limited	0.58	1985041	0.21	-23000
Subsidiaries – Foreign				
	Nil	Nil	Nil	Nil

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

SIGNATURES TO NOTES - 1 TO 31

VIDE OUR REPORT OF EVEN DATE
For RAMANA REDDY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 003246S

Sd/-
(CA RAJASEKHAR REDDY A.)
PARTNER
Membership No.227799

PLACE : HYDERABAD
DATE : 28.05.2016

FOR AND ON BEHALF OF THE BOARD

Sd/-
(G. RAMA KRISHNA REDDY)
CHAIRMAN
DIN :00136203

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

Sd/-
(G.AMULYA REDDY)
Director cum CFO
DIN :00136428

Sd/-
(PARUL AGARWAL)
COMPANY SECRETARY
M.NO.A24570

BHASHWANTH POWER PROJECTS PRIVATE LIMITED

TENTH ANNUAL REPORT

2015-2016

BOARD OF DIRECTORS : G.Rama Manohar Reddy - Director
G.Rama Krishna Reddy - Director

REGISTERED OFFICE : 1-3-1026 & 1027,
Singadikunta, Kawadiguda,
Hyderabad – 500 080.

CIN : U40109TG2006PTC051674

BANKERS : State Bank of Hyderabad
Raj Bhavan Road Branch,
Hyderabad.

AUDITORS : M/s. CSVR & Associates
Chartered Accountants
Hyderabad.500034

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**NOTE NO. 1****Disclosure of Accounting Policies:****a) General:**

The financial statements are prepared under the historical cost convention and comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013 and the same is prepared as a going concern basis.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known or materialised.

c) Revenue Recognition:

All revenue income and expenditure are recognized on accrual concept of accounting. Interest income is recognised on a time proportion basis into account the amount outstanding and the rate applicable.

d) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

e) Earnings per Share

The Company reports its Earnings per Share (EPS) in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

f) Provision, Contingent Liabilities and contingent Assets.

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

g) Impairment of Assets

An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired.

h) Investments

Investments made by the company in various securities are primarily need to be held over long term period and are valued at cost. Provision will be made for decline, other than temporary in the value of investments

i) Earning Per Share:

The Company reports its Earnings per Share (EPS) in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

CSVR & Associates
Chartered Accountants



Flat No.F-2, Trendset Ville,
Road No.3, Banjara Hills,
Hyderabad – 500 034
Ph: 9704858388

INDEPENDENT AUDITOR'S REPORT

To
The Members of
M/s. Bhaswanth Power Projects Private Limited.,

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Bhaswanth Power Projects Private Limited, ("the Company"), which comprise the Balance sheet as at 31st March, 2016, the Statement of Profit and Loss for the year then ended, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date

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 of India in terms of sub-section (11) of section 143 of the Act, we give in the 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, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in the "Annexure B" ; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 positions in its financial statements.
 - (ii) The Company 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 no 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.

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

**PLACE : HYDERABAD
DATE : 28.05.2016**

**Sd/-
(CA.SATYANARAYANA P.)
PARTNER
Membership No.233977**

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 does not have any fixed assets thereby the maintenance of proper records, physical verification does not arise.
- (ii) The Company is not holding any inventories. Accordingly, the provisions of paragraph 3 Clause (ii) of the Companies (Auditor's Report) Order, 2016 is not applicable to this company.
- (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 sub-clauses (a) (b) and (c) are not applicable to the 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 provided any loans, investments, guarantees, and security during the year as referred to in 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 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.
- (vi) The maintenance of cost records has not been prescribed by the Central Government under subsection (1) of section 148 of the Companies Act.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise 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, service tax, sales tax, customs duty, excise duty and cess were in arrears, wherever applicable, as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, service tax, excise duty and cess which have not been deposited on account of any dispute.
- (viii) 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.

- (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) The company is a Private Limited company. Hence, the provisions of section 197 read with Schedule V to the Companies Act are not applicable to the company. Accordingly, paragraph 3 (xi) is not applicable.
- (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, there were no transactions with related parties during the year as referred to in section 188 of the Companies Act.
- (xiv) 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.
- (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 : 28.05.2016**

**Sd/-
(CA.SATYANARAYANA P.)
PARTNER
Membership No.233977**

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 **M/s. Bhaswanth Power Projects Private Limited** (“the Company”) as of 31 March 2016 in conjunction with our audit of the 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE : HYDERABAD

DATE : 28.05.2016

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

**Sd/-
(CA.SATYANARAYANA P.)
PARTNER
Membership No.233977**

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
1	2	3	4
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	1970000	1970000
(b) Reserves and Surplus	3	15041	38041
(2) Current Liabilities			
(a) Other current liabilities	4	45158	33708
Total		<u>2030199</u>	<u>2041749</u>
II. ASSETS			
(1) Current assets			
(a) Trade receivables	5	527000	527000
(b) Cash and cash equivalents	6	11540	14240
(c) Other Current Assets	7	85000	93850
(d) Preoperative Expenses	8	1406659	1406659
Total		<u>2030199</u>	<u>2041749</u>
Notes forming part of the financial statements	1 - 15		

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

Sd/-
 (CA.SATYANARAYANA P.)
 PARTNER
 Membership No. 233977

PLACE : HYDERABAD
 DATE : 28.05.2016

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

Sd/-
 (G. RAMA KRISHNA REDDY)
 DIRECTOR
 DIN: 00136203

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

Particulars	Note No	Current Year	Previous Year
1	2	3	4
		Rs.	Rs.
I. Revenue from operations		0	0
II. Other Income		0	0
III. Total Revenue (I +II)		<u>0</u>	<u>0</u>
IV. <u>Expenses:</u>			
Other expenses	9	23000	23236
Total Expenses		<u>23000</u>	<u>23236</u>
V. Loss before exceptional and extraordinary items and tax (III - IV)		-23000	-23236
VI. Exceptional Items		0	0
VII. Loss before extraordinary items and tax (V - VI)		-23000	-23236
VIII. Extraordinary Items		0	0
IX. Loss before tax (VII - VIII)		-23000	-23236
X. Tax expense:			
(1) Current tax		0	0
(2) Deferred tax		0	0
XI. Loss for the year from continuing operations (IX - X)		<u>-23000</u>	<u>-23236</u>
XII. Profit/(Loss) from discontinuing operations		0	0
XIII. Tax expense of discounting operations		0	0
XIV. Profit/(Loss) from discontinuing operations (XII - XIII)		0	0
XV. Loss for the year (XI + XIV)		-23000	-23236
XVI. Earning per equity share:			
(1) Basic		-0.12	-0.12
(2) Diluted		-0.12	-0.12

Notes forming part of the financial statements

1 - 15

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

Sd/-
 (CA.SATYANARAYANA P.)
 PARTNER
 Membership No. 233977

PLACE : HYDERABAD
 DATE : 28.05.2016

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

Sd/-
 (G. RAMA KRISHNA REDDY)
 DIRECTOR
 DIN: 00136203

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

Particulars	Current Year Rs.	Previous Year Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (+/-)	-23000	-23236
Add: Adjustments for:		
Operating Profit before Working Capital		
Adjustments for working capital charges:		
Other Current Assets	8850	10000
Current Liabilities	11450	1236
Provisions	0	0
Cash generated from Operations Before Extra-Ordinary items	<u>-2700</u>	<u>-12000</u>
Taxes Paid	0	0
Net cash flow from operating activities (A)	<u><u>-2700</u></u>	<u><u>-12000</u></u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	0	0
Sale of Fixed Assets	0	0
Net Cash Flow from investing Activities (B)	<u><u>0</u></u>	<u><u>0</u></u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long Term Borrowings	0	0
Short Term Borrowings	0	0
Net Cash Flow from Financing Activities (C)	<u><u>0</u></u>	<u><u>0</u></u>
Net Increase in Cash and Cash Equivalents (A+B+C)	-2700	-12000
Cash & Cash Equivalents at the beginning of the year	14240	26240
Cash & Cash Equivalents at the end of the year	11540	14240

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

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

Sd/-
 (CA.SATYANARAYANA P.)
 PARTNER
 Membership No. 233977

PLACE : HYDERABAD
 DATE : 28.05.2016

Sd/-
 (G.RAMA KRISHNA REDDY)
 CHAIRMAN
 DIN: 00136203

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

NOTE NO. 2**SHARE CAPITAL****Equity Share Capital**

Authorised Share capital

- 2,20,000 Equity Shares of Rs.10/-
eachAs at
31.03.2016
Rs.As at
31.03.2015
Rs.22000002200000

Issued, Subscribed & Fully paid share capital

- 1,97,000 Equity Shares of Rs.10/-
each fully paid up19700001970000**Total**19700001970000**Terms attached to equity shares**

The company has one class of equity shares having a par value of Rs.10/- 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.

List of shareholders holding more than 5%**Name of the Shareholder**

G.Rama Manohar Reddy

Aishwarya Technologies and Telecom Limited

**No.of
shares**

49250

147750

**% of
Holding**

25.00%

75.00%

**No.of
shares**

49250

147750

**% of
Holding**

25.00%

75.00%

NOTE NO. 3**RESERVES AND SURPLUS**

Surplus in the Statement of Profit & Loss

- Opening Balance

38041

61277

Add: Surplus for the year

-23000-23236**Total**1504138041**NOTE NO. 4****OTHER CURRENT LIABILITIES**

- Creditors for expenses

45158

33708

Total4515833708**NOTE NO. 5****TRADE RECEIVABLES**

(Unsecured, Considered Good)

- Debts outstanding for a period
exceeding six months

527000

527000

- Other Debts

0

0

Total527000527000

NOTE NO. 6**CASH AND CASH EQUIVALENTS**

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
- Balances with banks	10756	11056
- Cash on hand	784	3184
Total	<u>11540</u>	<u>14240</u>

NOTE NO. 7**OTHER CURRENT ASSETS**

- Loans & Advances	85000	85000
- Preliminary Expenses	0	8850
Total	<u>85000</u>	<u>93850</u>

NOTE NO. 8**PREOPERATIVE EXPENSES**

- Rates & Taxes	2878	2878
- Salaries & Wages	752150	752150
- Bank Charges	449	449
- Audit Fees	25000	25000
- Professional & Consultancy	343605	343605
- Office Expenses	282577	282577
Total	<u>1406659</u>	<u>1406659</u>

NOTE NO. 9**OTHER EXPENSES**

	Current Year Rs.	Previous Year Rs.
- Bank Charges	300	300
- Rates & Taxes	1450	1236
- Audit Fees	10000	10000
- Professional & Consultancy	0	7000
- Preliminary Expenses written-off	8850	0
- Registration, Licence & Filing fee	2400	4700
Total	<u>23000</u>	<u>23236</u>

NOTE NO. 10

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 sixty lakh rupees the information of which could form part of the Director's Report for the year ended 31st March 2016.

NOTE NO. 11

Foreign Exchange Earnings & Out Go:

- Foreign Exchange Earnings – Rs. Nil
- Foreign Exchange Outgo – Rs. Nil

NOTE NO. 12**Auditors Remuneration:**

	2015-16 Rs.	2014-15 Rs.
-As Auditors	10000	10000

NOTE NO. 13**Earnings per Share:**

Particulars	2014-15 Rs.	2013-14 Rs.
Profit attributable to the Equity Share Holders	-23000	-23836
No. of Equity Shares	197000	197000
Nominal Value of Share	10	10
Earnings Per Share	-0.12	-0.12

NOTE NO. 14

Micro Small and Medium enterprises under the micro Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below: In Rupees

	2015-16	2014-15
A Principal amount remaining unpaid as on 31st March	—	--
B Interest due thereon as on 31st March	—	--
C Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	—	--
D Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	—	--
E Interest accrued and remaining unpaid as at 31st March	—	—
F Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	—	--

NOTE NO. 15

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

Notes, Schedules and statement on accounting policies form an integral part of the balance sheet and Statement of profit and Loss.

SIGNATURE TO NOTES - 1 TO 15**VIDE OUR REPORT OF EVEN DATE****FOR AND ON BEHALF OF THE BOARD**

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

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

**Sd/-
(CA.SATYANARAYANAP.)
PARTNER
Membership No 024459**

**Sd/-
(G.RAMA KRISHNA REDDY)
DIRECTOR
DIN: 00136203**

**PLACE: HYDERABAD
DATE : 28.05.2016**

**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:

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 21st Annual General Meeting of the Company, to be held on Friday, 30th day of September, 2016 at 10.30 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 31.03.2016
2. Appointment of Mr. G. Rama Krishna Reddy as a director who retires by rotation.
3. Appointment of statutory auditors and fixation of their remuneration

Signed this day of..... 2016

Signature of shareholder

Signature of Proxy holder(s)



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 21st Annual General Meeting of the members to be held on Friday, 30th day of September, 2016 at 10.30 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)

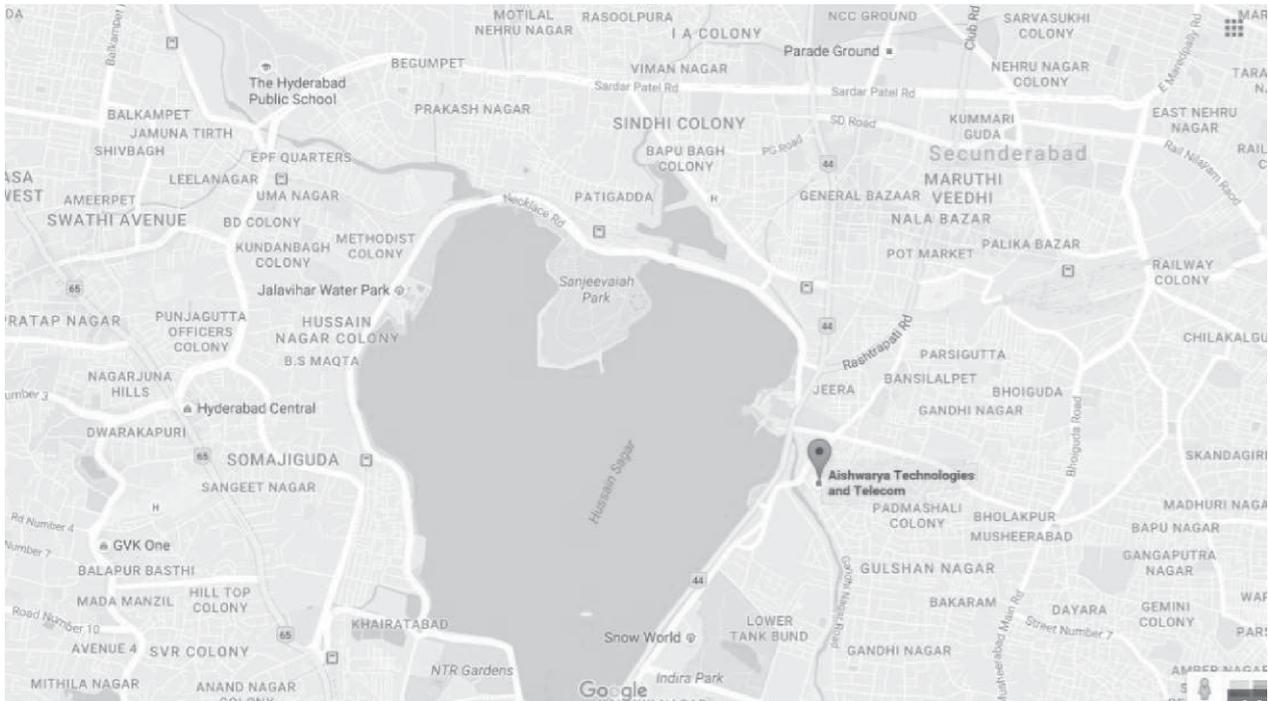
Folio No./ Client ID _____

No. of shares held _____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

ROUTE MAP FOR AGM VENUE



BOOK-POST
PRINTED MATTER

To

If Undelivered Please return to :



AISHWARYA TECHNOLOGIES AND TELECOM LTD.

(Formerly known as AISHWARYA TELECOM LIMITED)

1-3-1026 & 1027, Singadikunta, Kawadiguda,

Hyderabad - 500 080. Telangana State, India.

Phone : +91-40-2753 1324, Fax : 2753 5423

E-mail : sales@aishwaryatechtele.com

Web : www.aishwaryatechtele.com

