CONNECT BROADBAND

Quadrant Televentures Limited

Annual Report 2018-19

CORPORATE INFORMATION

BOARD OF DIRECTORS
Babu Mohanlal Panchal
Sanjiv Kumar Sachdev (Nominee of IDBI Bank Ltd.)
Mitu Mehrotra Goel
Dinesh A. Kadam

CHIEF FINANCIAL OFFICER
Munish Bansal

COMPANY SECRETARY & MANAGER
Gourav Kapoor

AUDITORS
M/s Khandelwal Jain & Co.
Chartered Accountants

INTERNAL AUDITORS
M/s Ernst & Young – LLP

Bankers
IDBI Bank Ltd
LIC of India
State Bank of India
(Erstwhile State Bank of Patiala)
Oriental Bank of Commerce
Kotak Mahindra Bank
(Erstwhile ING Vyasa Bank Ltd.)
Punjab National Bank
HDFC Bank Ltd.
ICICI Bank Ltd.

Registered Office
Autocars Compound, Adalat Road,
Aurangabad – 431005, Maharashtra

Corporate Office
B-71, Industrial Area, Phase VII,
Mohali - 160055
Punjab

REGISTRAR & SHARE TRANSFER AGENTS
Cameo Corporate Services Ltd.
Subramanian Building No. 1
Club House Road, Anna Salai
Chennai - 600002
E-mail:investor@cameoindia.com
Tele: +91-44-28460390-394

CONTENTS

GO GREEN APPEAL TO SHAREHOLDERS

Dear Shareholder, if you are still receiving the physical copy of Annual Report, we request you to share your email address, so that Annual Report and other communications may be sent electronically. E-mail address may be communicated at investor@cameoindia.com or at secretarial@infotelconnect.com.

SAVE TREES SAVE EARTH

NOTICE

NOTICE is hereby given that the Seventy Second (72nd) Annual General Meeting of Quadrant Televentures Limited (the "Company") will be held on Friday, 20th September, 2019 at 1:00 P.M. at the Registered Office of the Company at Autocars Compound, Adalat Road, Aurangabad - 431 005, (Maharashtra) to transact the following businesses:-

ORDINARY BUSINESS: -

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2019 together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Mitu Mehrotra Goel (DIN 05188846), who retires by rotation at the ensuing Annual General Meeting, and being eligible, offers herself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and Rules made there under (including any statutory modification(s) or reenactment thereof for the time being in force) M/s SGN & Company, Chartered Accountants (Firm Registration No. 134565W) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 72nd Annual General Meeting until the conclusion of the 77th Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors on the recommendation of the Audit Committee, in addition to the re-imbursement of all out of pocket expenses incurred in connection with the audit of the Company."

SPECIAL BUSINESS: -

4. To consider and approve the appointment & Regularization of Mr. Dinesh Ashokrao Kadam as Director/ Independent director (Non-Executive) of the Company and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act read with Schedule IV to the Act and the Rules made there under read with Schedule IV to the Companies Act, 2013, Mr. Dinesh Ashokrao Kadam (DIN - 08282276), who was appointed by the Board of Directors as an Additional Director (Independent Non Executive) of the Company with effect from December 13, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act 2013 ("Act") in respect of whom the Company has received a notice in writing from a Shareholder of Company under Section 160 of the Act proposing candidature of Mr. Dinesh Ashokrao Kadam for the office of Director of the Company, be and is hereby appointed a Director (Independent Non Executive) of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from 13th December, 2018 to 12th December 2023."

5. To consider and ratify the remuneration to be paid to M/s Sanjay Gupta and Associates, Cost Auditors of the Company and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of Rs.70,000/- (Rupees Seventy Thousands Only) excluding Service Tax, traveling and other out of pocket expenses incurred by them in connection with the Cost audit as approved by the Board on the recommendation of the Audit Committee, to be paid to M/s. Sanjay Gupta and Associates, (Firm Registration No. 000212) Cost Auditors of the Company for the cost audit w.r.t. the FY 2019-20, be and is hereby ratified, confirmed and approved."

By Order of the Board of Directors of
QUADRANT TELEVENTURES LIMITED

Place: Gurgaon — **GOURAV KAPOOR**
Dated: August 9, 2019 — **COMPANY SECRETARY**

<u>**NOTES: -**</u>

1. **IN TERMS OF THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY, THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN BE A PROXY FOR MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN AN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE MEETING IS ENCLOSED.**
2. In terms of the provisions of Section 102 of the Companies Act, 2013, the Statement setting out material facts in respect of all Special Business to be transacted at the meeting is annexed and forms part of the Notice.
3. Copies of Notice of 72nd Annual General Meeting together with Annual Report are being sent by electronic mode to all the members whose email addresses are registered with the Company/Depository Participant(s) and for Members who have not registered their email addresses, physical copies of the Annual Report are being sent by the permitted mode, to those members who hold shares in physical form and whose names appear in the Company's Register of Members on Friday, 9th August, 2019 and as regards shares held in the electronic form, to those beneficial owners of the shares as at the close of business hours on Friday, 9th August, 2019 as per the particulars of beneficial owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Upon request, printed copy of Annual Report will be supplied to those share holders to whom Annual Report has been sent through Electronic Mode.

4. Corporate Members intending to send authorized representative(s) to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.

5. Details as per the Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment /re-appointment at the ensuing Annual General Meeting is appended to the Notice.

6. For convenience of the Members and proper conduct of meeting, entry to the place of meeting will be regulated by attendance slip, which is annexed to the Annual Report, Members are requested to sign at the place provided on the attendance Slip, and hand it over at the entrance of the venue.

7. Members who hold shares in dematerialized form are requested to write their Client ID and Depository Participant ID and those who hold shares in physical form are requested to write their Folio Number on the Attendance Slip and bring their attendance slip, as enclosed, alongwith their copy of Annual Report to the Meeting.

8. Members holding shares in dematerialized form are requested to notify immediately any change of address to their Depository Participants (DPs) and those who hold shares in physical form are requested to write to the Company's Registrar & Share Transfer Agents, M/s. Cameo Corporate Services Ltd., "Subramanian Building" No. 1, Club House Road, Anna Salai, Chennai - 600 002.

9. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 13th September, 2019 to Friday, 20th September, 2019 (both days inclusive) for the purpose of the Meeting.

10. In terms of and in compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility as an alternate to all its Members to enable them to cast their vote electronically instead of casting the vote at the Meeting. The Members who have casted their votes by remote e-voting may participate in the Meeting even after exercising their right to vote through remote e-voting but they shall not be allowed to cast vote again at the Meeting. For this purpose, the Company has entered into an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their votes electronically. The Company is also providing facility for voting by Ballot at the Annual General Meeting apart from providing remote e-voting facility for all those members who are present at the general meeting but have not casted their votes by availing the remote e-voting facility.

11. The remote e-voting facility shall be opened from Tuesday, 17th September, 2019 at 9.00 a.m. to Thursday, 19th September, 2019 till 5.00 p.m., both days inclusive. The remote e-voting facility shall not be allowed beyond 5.00 p.m. Thursday, 19th September, 2019. During the period when facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date, may opt for remote e-voting. Provided that once the vote on a resolution is casted by the member, he shall not be allowed to change it subsequently or cast the vote again.

    The notice of the meeting is also being placed on the website of the Company viz. www.connectzone.in and on the website of CDSL viz. www.cdslindia.com .

12. The Company has fixed Friday, 13th September, 2019, as the cutoff date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or in the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are attached herewith and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting.

13. Mrs. Gayathri R. Girish, Practicing Company Secretary (C.P. No. 9255) has been appointed as the Scrutinizer for conducting the voting by ballot at the Meeting and remote e-voting process in fair and transparent manner.

    The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes casted by Ballot at the Meeting, thereafter unblock the votes casted through remote e-voting in the manner provided in the Rules and make, not later than 3 days of conclusion of the Meeting, consolidated Scrutinizer's Report of remote e-voting and voting by Ballot at the Meeting, of the total votes casted in favour or against, if any, to the Chairman of the Meeting and the Chairman or a person as may be authorized by him in writing shall declare the result of the voting forthwith and all the resolutions as mentioned in the Notice of the Meeting shall be deemed to be passed on the date of the Meeting. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.connectzone.in and on the website of CDSL at www.cdslindia.com, immediately after the results are declared by the Chairman.

14. Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date i.e. Friday, 13th September, 2019, may obtain the User ID and Password by sending an email request to secretarial@infotelconnect.com. Members may also call on +91 172 5090000 or send a request to Mr. Gourav Kapoor, Company Secretary, by writing to him at Quadrant Televentures Limited at B-71, Industrial Area, Phase VII, Mohali – 160055.

15. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Friday, 13th September, 2019, the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or at the Meeting by Ballot.

16. In case of joint holders attending the Meeting, and who have not exercised their right to vote by remote e-voting facility, only such joint holder who is higher in the order of names shall be entitled to vote.

17. Non-resident Indian Members are requested to inform M/s. Cameo Corporate Services Limited, Registrar and Share Transfer Agent of the Company, immediately whenever there is a change in their residential status on return to India for permanent settlement together with the particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin code number, if not furnished earlier.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members

holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company's RTA. In view of SEBI's circular dated April 20, 2018, the Company has sent the letters followed by remindeis to the shareholders holding equity shares in physical form for updation of PAN and bank account details with the Company / RTA.

19. The relevant documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company on all working days between 12.00 Noon to 3.00 p.m. up to the date of the Annual General Meeting.

20. Members desiring any information relating to the Financial Statements/ Director's Report are requested to send their queries to the Company Secretary - 7 days before the date of the meeting so as to enable the Management to reply at the Meeting.

21. Members who hold the shares in physical form under the multiple folio's, in identical names or joint accounts in the same order or names, are requested to send the share certificates to Registrar and Share Transfer Agent of the Company namely M/s. Cameo Corporate Services Ltd., "Subramanian Building", No.1, Club House Road, Anna Salai, Chennai - 600 002, for consolidation into a single folio.

22. GREEN INITIATIVE:

    Members who have not registered their e-mail address so far are requested to register their E-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.

    Shareholders are requested to send any investor complaints at the Email ID for the Investor Grievance / Redressal division at secretarial@infotelconnect.com.

23. The equity shares of the Company are tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories i.e., NSDL and CDSL. Taking into consideration the enormous advantages offered by the Depository Systems, Members are requested to avail the facility of dematerialization of the Company's shares on either of the Depositories, as aforesaid.

    The Annual Report of the Company will be made available on the Company's website at www.connectzone.in and also on the website of BSE Limited at www.bseindia.com.

24. Members are requested to kindly bring their copy of the Annual Report to the Meeting.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MODE

The process and manner for voting by electronic means and the time schedule including the time period during which the votes may be casted is as under:

(i) The voting period begins on Tuesday, 17th September, 2019 at 9.00 a.m. to Thursday, 19th September, 2019 till 5.00 p.m., both days inclusive. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date of Friday, 13th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com

(iv) Click on "Shareholders".

(v) Now Enter your User ID

- **a.** For CDSL: 16 digits beneficiary ID,
- **b.** For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- **c.** Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

For Members holding shares in Demat and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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, given in Postal Ballot Form, 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	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. If both the details are not recorded with the depository or Company please enter member ID/folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering details appropriately, click on "SUBMIT" tab.

(x) 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.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant Quadrant Televentures Limited. The EVSN of the Company is 190812021.

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

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

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) 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. In case the shareholders have any grievances connected with the voting by Postal Ballot/AGM including electronic means, the Shareholders may also call on +91 172 5090000 or send a request to Mr. Gourav Kapoor, Company Secretary, by writing to him at Quadrant Televentures Limited at B-71, Industrial Area, Phase-VII, Mohali 160055 or send an email to secretarial@infotelconnect.com.

By Order of the Board of Directors of
QUADRANT TELEVENTURES LIMITED

Place: Gurgaon | **GOURAV KAPOOR**
Dated: August 9, 2019 | **COMPANY SECRETARY**

A STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Dinesh Ashokrao Kadam as an Additional Director (Independent - Non Executive) with effect from 13th December, 2018. In terms of the provisions of Section 161(1) of the Act, Mr. Dinesh Ashokrao Kadam would hold office up to the date of the ensuing Annual General Meeting.

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, it is proposed to appoint Mr. Dinesh Ashokrao Kadam as a Director / Independent Director (Non-Executive) in respect of whom the Company has received a notice from a Shareholder of the Company proposing candidature of Mr. Dinesh Ashokrao Kadam for the office of the Director (Independent Non-Executive) for a period of five consecutive years term from 13th December, 2018 upto 12th December, 2023.

Brief particulars of Mr. Dinesh Ashokrao Kadam, nature of his expertise in specific functional areas, names of companies in which he holds directorship and the membership/ chairmanship of Board Committees, shareholding in the company and relationship between the Directors inter-se as required under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are annexed to this Notice.

The Company has received from Mr. Dinesh Ashokrao Kadam consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, intimation in Form DIR-8 in terms of Companies (Appointment & Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013 and a declaration to the effect that he meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Dinesh Ashokrao Kadam, Independent Director fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and he is independent of the Company's management.

All the relevant documents in connection with the appointment of Mr. Dinesh Ashokrao Kadam, are available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days upto the date of the Annual General Meeting.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Dinesh Ashokrao Kadam as an Independent Director.

Your Directors recommend the proposed resolution as set out at Item No. 4 of the Notice for the approval of the shareholders of the Company by way of an Ordinary Resolution.

None of the Directors except Mr. Dinesh Ashokrao Kadam and/ or his relatives is in any way, concerned or interested financially or otherwise, in this resolution.

Item No. 5

The Board of Directors of the Company on the recommendation of Audit Committee has reappointed M/s Sanjay Gupta and Associates, Cost Accountants (Firm Registration No.000212), as Cost Auditors of the Company to conduct the audit of Cost Records of the Company in respect of Telecommunication Services for the financial year commencing from 1st April, 2019 to 31st March, 2020 at a remuneration of Rs.70,000/- (Rupees Seventy Thousands Only) excluding applicable Taxes and other out of pocket expenses at actual for the financial year commencing from 1st April, 2019 to 31st March, 2020.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration to be paid to the Cost Auditors shall be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee and the same has to be subsequently ratified by the Shareholders of the Company at a general body meeting.

Accordingly, consent of the members is being sought by passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration as payable to the cost Auditors for the financial year commencing from 1st April, 2019 to 31st March, 2020.

Your Directors recommend the proposed resolution as set out at Item No. 5 of the Notice for the approval of the shareholders of the Company by way of Ordinary Resolution.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way, concerned or interested financially or otherwise, in this resolution.

By Order of the Board of Directors of
QUADRANT TELEVENTURES LIMITED

Place: Gurgaon **GOURAV KAPOOR**
Dated: August 9, 2019 **COMPANY SECRETARY**

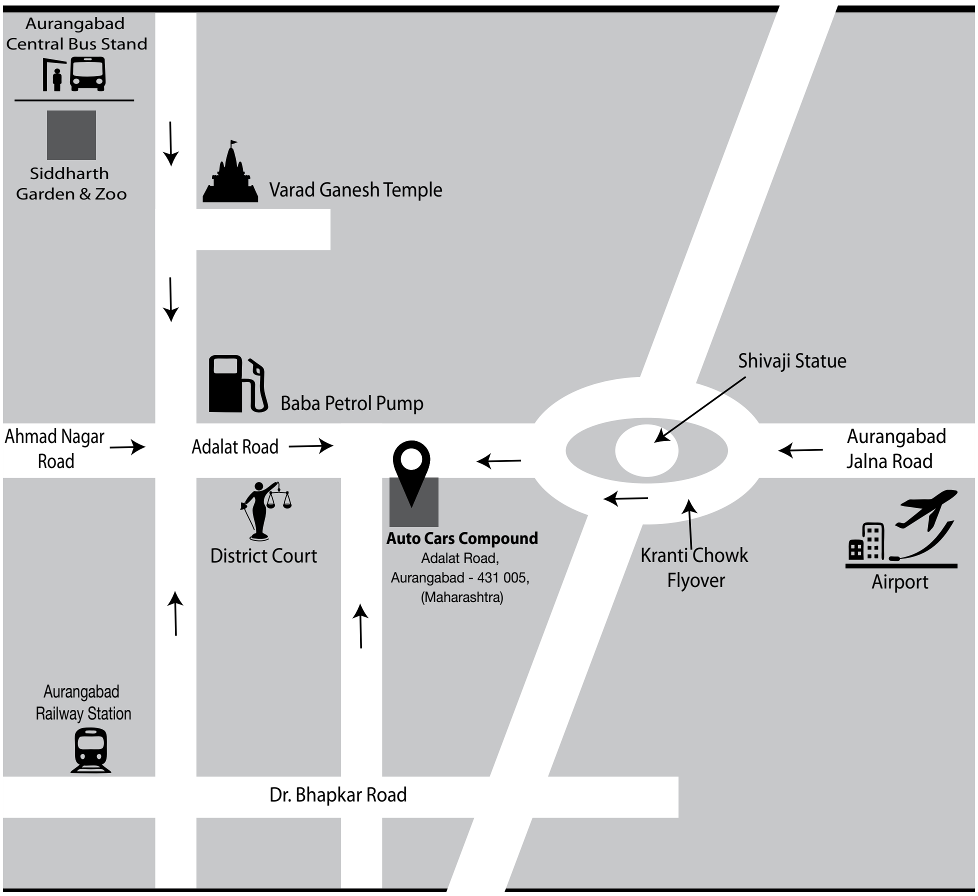
DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

(Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of Director	Mr. Dinesh Ashokrao Kadam	Ms. Mitu Mehrotra Goel
Director Identification Number (DIN)	08282276	05188846
Date of Birth	09.01.1985	03.09.1976
Age	34 Years	42 Years
Date of Appointment	13.12.2018	30.09.2014
Educational Qualification	M.Com, MBA (Finance)	M. Com., MBA (Finance), LLB
Nature of Expertise in specific functional areas	Over 12 years of experience in the field of Taxation, Finance & Accounts	Over 18 years of experience in the field of Taxation, Finance & Accounts
Disclosure of relationship between directors inter-se	NIL	NIL
Name of Listed Companies in which holds the directorship and the membership of committees of the board	NIL	NIL
No. of Share held by Directors in the Company	NIL	NIL

Route Map to the Venue of the AGM

Autocars Compound,
Adalat Road, Aurangabad - 431 005, (Maharashtra)



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 72nd (Seventy Second) Annual Report together with the Audited Accounts and Auditors Report for the Financial Year ended on 31st March, 2019.

SUMMARY OF FINANCIAL RESULTS

The Company's financial results for the year ended 31st March, 2019 is summarized below: -

(Rs. In millions)

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
I.	Revenue from operations	**3977.19**	3442.00
II.	Other Income	**75.93**	411.25
III.	Total Income(I+II)	**4053.12**	3853.25
IV.	Expenses		
	Networks operation Expenditure	**3067.11**	2547.41
	Employee Benefits Expenses	**421.67**	502.19
	Sales & Marketing Expenditure	**159.71**	159.86
	Finance Cost	**1019.51**	949.41
	Depreciation and Amortization Expenses	**291.83**	565.05
	Other Expenses	**370.46**	502.87
	Total Expenses	**5330.29**	5226.80
V.	Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)	**(1277.18)**	(1373.55)
VI.	Exceptional Item	**-**	1626.10
VII.	Profit/(Loss) before extraordinary items and tax (V-VI)	**(1277.18)**	(2999.65)
VIII.	Income Tax expenses		
(1)	Current Tax		-
(2)	Deferred Tax		-
IX.	Profit (Loss) for the period from continuing operations (VII-VIII)	**(1277.18)**	(2999.65)
X.	Profit/(Loss) from discontinued operations		-
XI.	Tax Expenses of discontinued operations		-
XII.	Profit/(Loss) From the discontinued operations (After Tax) (X-XI)		-
XIII.	Profit /(Loss) for the period(IX+XII)		(2999.65)
XIV.	Other Comprehensive Income		
(A)	Items that will not be reclassified to Profit/(loss)		
	Re-measurement gain/(loss) on defined benefits plans	**(11.41)**	(3.58)
(B)	Items that will be reclassified to profit/(loss)		-
	Other Comprehensive Income (After Tax)	**(11.41)**	(3.58)
XV.	Total Comprehensive Income	**(1288.59)**	(3003.23)

FINANCIAL PERFORMANCE REVIEW

The Company's operating revenue has improved by 15.54% from Rs. 3442.00 million in 2017-18 to Rs. 3997.19 million in FY 2018-19 and also the Company has sustained an operating loss of Rs. 1277.18 million during the financial year 2018-19 against Rs. 1373.55 million for the financial year 2017-18.

Total expenses during 2018-19 have remained stagnant at Rs. 5330.29 million against Rs. 5226.80 in the previous year.

BUSINESS OPERATIONS

Your Company holds Unified License (UL License) and ISP Licence Category-A for providing Telephony Services in the Punjab Telecom Service Area comprising of the State of Punjab, Union Territory of Chandigarh and Panchkula Town of Haryana.

GSM Business of the Company was in continuous losses which increased further due to launch of 4G services by leading competitors in the market, who are offering free talk time and data, so in order to sustain and curtail the losses, the GSM business has been discontinued during the Financial Year 2016-17.

Currently, the Portfolio of services provided by the Company includes Fixed Voice (Landline) services, DSL (Internet) services and Leased Line services in the Punjab Telecom Circle.

The Company provides broadband services through its fiber optic cable laid across Punjab and the Company has also entered into co-location agreements with other operators in order to expand its network.

As at 31.03.2019, the Company had a total subscriber base of 2,21,854 customers.

MARKETING INITIATIVES

During the year, various marketing initiatives were taken in order to enhance the brand visibility through various programs such as Dil da connection (free Broadband for 1 year contest), Net Champs etc, in order to connect to and reach out to a larger segment of the populace especially the younger segment of society.

CORPORATE DEBT RESTRUCTURING SCHEME (CDR SCHEME)

The Corporate Debt Restructuring Cell (CDR Cell) had vide its letter no.CDR(JCP)563/2009-10 dated August 13, 2009 approved a Corporate Debt Restructuring Package (CDR Package) for the company, in order to write off the losses and also to enable the company to service its debts. As of March 31, 2019, the Company has duly complied with all the terms and conditions as stipulated in the CDR Package.

However, due to continuous losses and financial constraints, the Company has defaulted/delayed in the interest payments accrued towards Lenders on account of Secured Non-Convertible Debentures (NCDs) issued to Lenders as per CDR terms for the period ended March 31, 2019 and principal repayment of Secured NCDs accrued for the period ended March 31, 2019 and till the date of signing of this report.

The Company is in discussion with the Lenders for the appropriate recourse in the matter.

EQUITY SHARE CAPITAL AND LISTING OF SHARES

The paid-up Equity share capital of the Company is Rs. 61,22,60,268/- comprising of 61,22,60,268 equity shares of Re. 1/- each. The Company's shares are listed on BSE Limited and are actively traded.

The Company has not issued any new securities during the year under review.

MATERIAL CHANGES

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company i.e. 31st March 2019 and till the date of signing of this Report i.e. August 9, 2019.

Further, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DIVIDEND

As on 31.03.2019, the Company had accumulated losses. Your Directors, therefore, have not recommended any dividend for the financial year 2018-19.

TRANSFER TO RESERVES

During the year under review, no amount has been transferred to reserves.

FIXED DEPOSITS

Your Company has not accepted / renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

HUMAN RESOURCE DEVELOPMENT

Human resource is considered as the most valuable of all resources available to the Company. The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. The Management has been continuously endeavouring to build high performance culture on one hand and amiable work environment on the other hand.

Company has focused on identifying internal talent and nurtures them through the culture of continuous learning and development, thereby building capabilities for creating future leaders. Regular innovative programs for learning and development are also drawn up constantly in order to create an encouraging and conducive work environment for empowering the employees at all levels and maintaining a well structured reward and recognition mechanism. The Company encourages its employees to strengthen their entrepreneurial skills in order to enhance the Organization's productivity and creativity.

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

The Company, being in the telecommunications sector is not involved in carrying on any manufacturing activity; accordingly, the information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to Conservation of Energy, Technology Absorption and Foreign Exchange earnings/outgo are not applicable.

However, the following information would give adequate idea of the continuous efforts made by the Company in this regard:

(i) Energy Conservation:

(a) Electricity is used for the working of the Company's telephone exchanges and other network infrastructure equipment. The Company regularly reviews power consumption patterns across its network and implements requisite changes in the network or processes in order to optimize power consumption and thereby achieve cost savings.

(b) Reduction in the running of the Diesel Generator (DG) Sets during power cuts it its various tower sites.

(ii) Technology Absorption: The Company has not imported any technology. The Company has not yet established separate Research & Development facilities.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, there were no foreign exchange earnings; the total foreign exchange outgo was to the tune of Rs. 117.28 millions, which was on account of Import of Capital Equipment, finance charges and travel expenses.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9, is provided in Annexure-1 which forms part of this report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is appended as Annexure-2 to the Board's Report.

Further, there are no employees drawing remuneration in excess of the threshold limits in terms of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The remuneration paid to all Key Managerial Personnel is in accordance with remuneration policy adopted by the Company.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADQUECY

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of Section 177(9) of the Companies Act, 2013 and the Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (URL: http://www.connectzone.in/corporate_governance.php).

RELATED PARTY TRANSACTIONS

In line with the requirements of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Related Party Transactions and the same is posted on the Company's URL: http://www.connectzone.in/corporate_governance.php

Information on transaction with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not provided since there are no transactions with related parties during financial year 2018-19, Except payment of remuneration to the Key Managerial Personnel.

CORPORATE SOCIAL RESPONSIBILTY

In terms of the provisions of Section 135 read with Schedule VII and the Rule made thereunder, every Company having net-worth of Rs. 500 Crore or turnover of Rs.1,000 Crore or Net Profit of Rs.5 Crore is required to constitute Corporate Social Responsibility Committee. The Company does not meet any of the above criteria. As such the Company is not required to constitute Corporate Social

Responsibility Committee and comply with the requirements of Section 135 read with Schedule VII and the Rules made thereunder.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to the provisions of Section 134(3)(g) of the Companies Act 2013, particulars of Loans/guarantee/investments/securities given under Section 186 of the Act are given in the related notes to the Financial Statements forming part of the Annual Report.

BOARD EVALUATION

One of the key functions of the Board is to monitor and review the Board evaluation framework. In compliance with the provisions of the Companies Act, 2013 and the Listing Regulations, the HR and Nomination Committee has approved the process, format, attributes and criteria for the performance evaluation of the Board, Board Committees and Individual Directors.

The process provides that the performance evaluation shall be carried out on an annual basis. During the year, the Directors completed the evaluation process, which included evaluation of the Board as a whole, Board Committees and individual Directors.

Performance of the Board and Board Committees was evaluated on various parameters such as structure, composition, quality, diversity, experience, competencies, performance of specific duties and obligations, quality of decision-making and overall Board effectiveness.

Performance of individual Directors was evaluated on parameters, such as meeting attendance, participation and contribution, engagement with colleagues on the Board, responsibility towards stakeholders and independent judgments. All the directors were subject to peer-evaluation.

All Directors participated in the evaluation process. The results of evaluation were discussed in the Independent Director's meeting held on 8th February, 2019. The Board noted the suggestions / inputs of independent directors and Recommendations arising from this entire process were deliberated upon by the Board to augment its effectiveness and optimize individual strengths of the Directors.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. The familiarization programme adopted by the Company is posted on the website of the Company's URL: http://www.connectzone.in/corporate_governance.php

REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination & Remuneration Committee (NRC) is responsible for formulating the criteria for determining qualification, positive attributes and independence of Directors. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

In line with this requirement, the Board has adopted the Policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees and the same has been disclosed in the Corporate Governance Report, which forms part of the Directors' Report. The same is also available on the Company's website URL: http://www.connectzone.in/corporate_governance.php

NUMBER OF MEETING OF THE BOARD

Four Meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

THE DETAILS OF DIRECTORS WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

Mr. Arvind R Somani, Independent Director ceased to be a Director of the Company due to resignation w.e.f. November 3rd, 2018. Mr. Dinesh A Kadam, was appointed as an Additional independent Director w.e.f. December 13th, 2018 for a period of five years subject to regularization by the shareholders of the Company at the ensuing Annual General Meeting.

Mr. Vinay Kumar Monga, Independent Director also ceased to be a Director of the Company due to resignation w.e.f. May 24th, 2019.

In terms of the provisions of Section 152 (6) of the Companies Act, 2013 and the Rules made there under, Ms. Mitu Mehrotra Goel, Director retires by rotation and being eligible, has offered, herself for re-appointment. The Board recommends her re-appointment at the ensuing Annual General Meeting.

A brief profile of Directors seeking confirmation/appointment, nature of expertise in specific functional area, name of other companies in which they holds Directorship(s) and Membership(s)/ Chairmanship(s) of the Committees of the Board of Directors and the particulars of the shareholding as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Notice.

During the year, the non-executive director of the Company had no pecuniary relationship or transactions with the Company.

THE DETAILS OF KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

During the financial year there was no change in the Key managerial Personnel of the Company. Further, no changes took place in Key Managerial Personnel for the period 1st April, 2019 till the date of signing of Board Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all Independent Directors of the Company Confirming that they meet with the criteria of independence, as prescribed under section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, the Company had, on 30th September, 2014, appointed M/s Khandelwal Jain & Co., Chartered Accountants (Firm Registration No.105049W), as Statutory Auditors of the Company for a period of 5 years from the conclusion of Sixty Seventh (67th) Annual General Meeting of the Company until the conclusion of Seventy Second (72nd) Annual General Meeting of the Company. They have expressed their inability to continue as the Statutory Auditors of the Company.

M/s. Khandelwal Jain & Co., Chartered Accountants, Mumbai have served as Auditors of the Company since FY 2010-11 and the Board takes this opportunity and place on record its sincere appreciation for the valuable guidance and support of M/s. Khandelwal Jain & Co., during their tenure as Statutory Auditors of the Company.

The Board has recommended the appointment of M/s. SGN & Co., Chartered Accountants (Firm Registration No. 134565W), Mumbai as Statutory Auditors of the Company from the conclusion of the ensuing Seventy Second (72nd) Annual General Meeting of the Company until the conclusion of the Seventy Seventh (77th) Annual General Meeting, Subject to the approval of the shareholders in the ensuing Annual General Meeting, on such remuneration as may be fixed by the Board of Directors of the Company in consultation with the Statutory Auditors.

COST AUDITOR

The Central Government had directed vide its order no. 52/26/CAB-2010 dated 6th November, 2012 to conduct a Cost Audit in respect of the specified products viz., Telecommunication Industry.

The Board of Directors of the Company had appointed M/s Sanjay Gupta & Associates, as Cost Auditor of the Company for the financial year 2018-19. The Cost Auditors have submitted their report and the same shall be filed with the Registrar of the Companies within the specified timeline.

The Board of Directors of the Company has again accorded its approval for the appointment of M/s Sanjay Gupta & Associates, Cost Accountants, New Delhi, as the Cost Auditor of the Company, to conduct audit of the Cost Accounting Records maintained by the Company for the financial year commencing on 1st April, 2019 and ending on 31st March, 2020, subject to the approval of the Central Government, if any.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution for ratification of the remuneration amounting to Rs.70,000/- (Rupees Seventy Thousands Only) plus applicable service tax and out of pocket expenses payable to the Cost Auditors for financial year commencing on 1st April, 2018.

In compliance with the provisions of the Companies (Cost Audit Report) Rules, 2011 and General Circular No. 15/2011 issued by Government of India, Ministry of Corporate Affairs, Cost Audit Branch, we hereby submit that, the Company has filed the Cost Audit Report for the financial year ended on 31st March, 2018 within the prescribed timeline.

SECRETARIAL AUDITOR AND ANNUAL SECRETARIAL COMPLIANCE

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s B. K. Gupta & Associates (CP No. 5708:, FCS: 4590), Practicing Company Secretary to undertake the secretarial audit of the company for the financial year 2018-19. The Secretarial Auditor has submitted the Report on the Secretarial Audit conducted by him for the financial year 2018-19 which forms part of the Board's Report as Annexure- 3.

The Report does not contain any qualification, reservation or adverse remark.

The Board has again appointed M/s B. K. Gupta & Associates, Practicing Company Secretary to undertake the secretarial audit of the company for the financial year 2019-20.

In terms of Circular No. CIR/CFD/CMD1/27/2019, dated February 08, 2019, issued by Securities Exchange Board of India (SEBI) the Company has also submitted the Annual Secretarial Compliance issued by M/s B. K. Gupta & Associates with the Stock Exchange within the stipulated timeline.

INTERNAL AUDITORS

M/s Ernst and Young performs the duties of internal auditors of the Company and their report is reviewed by the Audit Committee from time to time.

AUDIT COMMITTEE

In compliance with the provisions of Section 177 of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has constituted an Audit Committee. The composition, scope and powers of the Audit Committee together with details of meetings held during the year under review, forms part of the Corporate Governance Report.

The recommendations of the Audit Committee are accepted by the Board.

RISK MANAGEMENT POLICY

The Company has an elaborate Risk Management policy which is designed to enable risks to be identified, assessed and mitigated appropriately. This policy seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The policy defines the risk management approach across the organization at various levels including documentation and reporting. The Company has identified various risks and also has mitigation plans for each risk identified.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

As of March 31, 2019, there were no amounts eligible for transfer to the Investor Education and Protection Fund (IEPF) of the Central Government, in terms of the provisions of Section 125 of the Companies Act, 2013.

SUBSIDIARY COMPANIES

As of March 31, 2019, the Company has no subsidiary company; hence the information in AOC-1 pursuant to the provisions of Section 129(3) of the Companies Act, 2013 is not applicable.

JOINT VENTURES/ASSOCIATE COMPANIES

As of March 31, 2019, the Company is an Associate Company of Quadrant Enterprises Private Limited. However, there are no Joint Ventures of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

As on 31st March, 2019, the Company has no subsidiary Company and the consolidated financial statements has not been compiled. Hence, the provisions relating to consolidation of accounts is not applicable to the Company.

STATUTORY AUDITORS' REPORT

The Statutory Auditors of the Company, M/s Khandelwal Jain & Co., Chartered Accountants, have submitted the Auditors' Report which has the following observation on Standalone Financial Statements for the period ended March 31, 2019.

MANAGEMENT'S EXPLANATION TO THE AUDITORS' QUALIFICATIONS/OBERSERVATIONS: -

1) Auditors' Qualification in the Standalone Auditor's Report

Basis of Qualified Opinion:-

As stated in Note 40 of financial statements, balances of some of the trade payable, trade receivable, other liabilities, advances and security deposits are subject to confirmations, reconciliation and adjustments, if any. The effect of the same is unascertainable, and hence the consequential cumulative effect thereof on loss including other comprehensive income for the year, assets, liabilities and other equity is unascertainable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effect of the matter described in the Basis for qualified Opinion in paragraph above, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31 March, 2019, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Management's Explanations to the Auditor's Qualification in the Standalone Auditor's Report

The Company is in process of reconciliations / adjustments, if any, on its balances of some of the trade payable, trade receivable, other liabilities, advances and deposits. The requisite accounting effect, if any, will be given upon such reconciliation.

2) Auditors' Observation in the Standalone Auditor's Report

We draw attention to Note 41 to the financial statements, the Company has incurred a net loss of Rs. 1,288,587,268 during the year, the accumulated losses as at March 31, 2019 amounted to Rs. 18,891,598,775, resulting in, the erosion of its net worth and has current liabilities in excess of current assets by Rs 6,644,241,761 as at March 31, 2019. These factors raise doubts that the Company will not be able to continue as a going concern. The management is confident of generating cash flows from continue business operations through increasing subscribers' base and with the support of significant shareholders to fund its operating and capital fund requirements. In view of the above, the financial statements have been prepared on a going concern basis. Our report is not qualified in respect of this matter.

Management's Explanations to Auditors' Observation in the Standalone Auditor's Report

The accumulated losses of the Company as at March 31, 2019 are more than fifty percent of its net worth as at that date. The losses are due to declining market of the fixed line business and high operating costs. The management is confident of generating cash flows from business operations through increasing subscribers' base and other value added services and reducing losses gradually. Further with the support of significant shareholders to fund its operating and capital expenditure. Management is confident of meeting its funds requirement.

3) Auditors' Observation in the Annexure to the Standalone Auditor's Report

Point No. VIII of the Annexure to Auditor's Report which summarizes the basis of Qualification "According to the information and explanations given to us and records examined by us, the Company has defaulted in repayment of dues to banks / debenture holders as follows:

A. Amount Outstanding as at 31st March, 2019 and not paid till date	Amount of Default as on March 31, 2019		Delay/Default (In days)	
	Principle	Interest	Principle	Interest
IDBI Bank	352,334,416	368,101,164	30-607 Days	30-607 Days
Kotak Mahindra Bank	7,934,705	10,693,693	30-181 Days	30-181 Days
Life Insurance Corporation of India	79,246,620	89,016,744	30-729 Days	30-788 Days
State Bank of India	26,416,720	29,673,579	30-729 Days	30-788 Days
Oriental Bank of Commerce	79,250,160	89,020,733	30-729 Days	30-788 Days
Total	**545,182,621**	**586,505,912**		

Further, amount defaulted during the year and paid before the Balance Sheet date are as under:

B. Amount paid before the year end	Amounts		Delay/Default (In days)	
	Principle	Interest	Principle	Interest
Kotak Mahindra Bank	10,562,700	10,552,455	85-89 Days	85-89 Days
Total	**10,562,700**	**10,552,455**		

Management's Explanations to Auditors' observation in the Annexure to the Standalone Auditor's Report

Due to continuous losses and financial constraints, the Company has defaulted/ delayed the interest payments accrued towards Lenders on account of Secured Non-Convertible Debentures (NCDs) issued to Lenders as per CDR terms for the period ended March 31, 2019 and principal repayment of Secured NCDs accrued for the period ended March 31, 2019 and till the date of signing of this report. The Company is in discussions with Lenders for appropriate recourse in the matter.

PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review the Committee/Management has not received any complaint related to Sexual Harassment.

POLICY ON PREVENTION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has framed a) Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and b) Code of Fair Disclosure. The Company's Code, inter alia, prohibits purchase and/or sale of shares of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods. Both the Codes are available at the website of the Company.

CORPORATE GOVERNANCE

The Company is committed to maintained highest standards of Corporate Governance. The detail report on Corporate Governance, Management Discussion and Analysis Report as well as Corporate Governance Compliance Certificate are attached pursuant to the requirements of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Directors state that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The Directors has selected such accounting policies and applied consistently and have 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 the Companies Act, 2013 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;

(e) The Directors had laid down internal financial controls to be followed by the Company and 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.

ACKNOWLEDGEMENTS

Your Directors wish to express their gratitude for the wholehearted support received throughout the year from the Department of Telecommunications, Financial Institutions, Banks, Lenders and the various Central and State Government Departments, Business Associates, Shareholders and Subscribers.

The Directors also extend their appreciation to the employees for their continuing support and unstinting efforts in ensuring an excellent all round operational performance.

For and on behalf of the Board of Directors

	Mitu Mehrotra Goel	**Babu Mohanlal Panchal**
Place: Gurgaon	**Director**	**Director**
Date: August 9, 2019	**(DIN: 05188846)**	**(DIN: 01806193)**

Annexure 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended 31st March 2019

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN: L00000MH1946PLC197474

ii) Registration Date: 02/08/1946

iii) Name of the Company: QUADRANT TELEVENTURES LIMITED

iv) Category/Sub Category of the Company: COMPANY LIMITED BY SHARES/INDIAN NON GOVERNMENT COMPANY

v) Address of the registered office and contact details: AUTOCARS COMPOUND, ADALAT ROAD, AURANGABAD-431005
Ph: 0240-2320754 E-mail Address : secretarial@infotelconnect.com

vi) Whether listed company (Yes/No): YES

vii) Name, Address and Contact Details of Registrar and Transfer Agent, if any: Cameo Corporate Services Limited
Subramanian Building No.1, Club House Road, Anna Salai, Chennai-600002

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:-

SI. No.	Name and Description of main products/services	NIC Code of the Product/Service*	% to total turnover of the company
1.	Basic Telephone Services	611	43%
2.	Internet and Broadband Services	611	47%
3.	Cellular Mobile Telephone Services	612	10%

*Note: - As per National Industrial Classification 2008 – Ministry of Statistics and Programme implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NA	NA	NA	NA	NA

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2018)				No. of Shares held at the end of the year (As on 31-03-2019)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(I) Indian									
a) Individual/HUF	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Bodies Corp	323,705,749	0	323,705,749	52.8706	314,205,749	0	314,205,749	51.3187	-1.5519
e) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Any other…	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total(A)(1):-	**323,705,749**	**0**	**323,705,749**	**52.8706**	**314,205,749**	**0**	**314,205,749**	**51.3187**	**-1.5519**
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Other- Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any other…	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-Total(A)(2):-	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.00**
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**323,705,749**	**0**	**323,705,749**	**52.8706**	**314,205,749**	**0**	**314,205,749**	**51.3187**	**-1.5519**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2018)				No. of Shares held at the end of the year (As on 31-03-2019)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Banks/FI	166,570,726	0	166,570,726	27.2059	166,472,466	0	166,472,466	27.190	-0.3211
C) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	10,772,205	0	10,772,205	1.7594	10,772,205	0	10,772,205	1.7594	0.0000
g) FIIs	125000	0	125000	0.0204	125000	0	125000	0.0204	0.0000
h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Others(Specify)									
Sub-total(B)(1):-	**177,467,931**	**0**	**177,467,931**	**28.9857**	**177,369,671**	**0**	**177,369,671**	**28.970**	**-0.0157**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	77,826,851	516,309	78,343,160	12.7957	78,595,635	516,309	79,111,944	12.9283	+0.1326
ii) Overseas	0	2,775	2,775	0.0004	0	2,775	2,775	0.0004	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	21,244,045	609,512	21853557	3.569	22781701	606542	23388243	3.8199	0.2506
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	8,096,920	0	8096920	1.3224	15435545	0	15435545	2.5210	1.1986
iii) Others(specify)									
Clearing members	44,734	0	44,734	0.0073	65,118	0	65,118	0.01	-0.0027
Hindu divided families	2,433,381	0	2,433,381	0.3974	2,284,974	0	2,284,974	0.370	+0.0274
Non resident indians	309,571	2,490	312,061	0.0510	393,759	2,490	396,249	0.06	-0.009
Trusts	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	2775	0	2775	0	0
Sub-total (B)(2):-	**109,955,502**	**1,131,086**	**111,086,588**	**18.1436**	**119556732**	**1128116**	**120684848**	**19.7113**	**1.5676**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**287,423,433**	**1,131,086**	**288,554,519**	**47.1364**	**296926403**	**1128116**	**298054519**	**48.6810**	**1.5516**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**611,129,182**	**1,131,086**	**612,260,268**	**100**	**611132152**	**1128116**	**612260268**	**100.0000**	**0.0000**

(ii) **Shareholding of Promoters**

SI No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of Shares	% of total shares of the company	% of shares Pledged/ encumbered to total shares	No of Shares	% of total shares of the company	% of shares Pledged/ encumbered to total shares	% change in share holding during the year
1	Quadrant Enterprises Private limited	302,905,169	49.4732	35.7209	302,905,169	49.4732	35.7209	0
2	Nippon Investment and Finance Company Pvt. ltd.	20,800,580	3.3973	0	0	0	0	-3.3973
3	Tekcare India Pvt. Ltd.	0	0	0	11,300,580	1.85	0	+1.85
	Total	**323,705,749**	**52.870**	**35.7209**	**314,205,749**	**51.323**	**35.7209**	**0**

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

S. No		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.	**Quadrant Enterprises Pvt. Ltd.**				
	At the beginning of the year	302,905,169	49.4732	302,905,169	49.4732
	At the End of the year	302,905,169	49.4732	302,905,169	49.4732
2.	**Nippon Investment and Finance Company Private Limited**				
	At the beginning of the year	20,800,580	3.3973	20,800,580	3.3973
	At the End of the year	20,800,580	3.3973	0	0
3.	**Tekcare India Private Limited**				
	At the beginning of the year	0	0	0	0
	At the End of the year	11,300,580	1.8457	11,300,580	1.8457

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

SI. No	Top 10 Shareholders *	Shareholding at the beginning of the year 01-04-2018		Cumulative Shareholding at the end of the year 31-03-2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	IDBI Bank	117,909,604	19.2580	117,853,844	19.2489
2	Oriental Bank of Commerce	33,541,111	5.4782	33,496,611	5.4709
3	Mantu Housing Projects Ltd	21,000,000	3.4299	21,000,000	3.4299
4	Masitia Capital Services Ltd.	13,015,565	2.1258	13,015,565	2.1258
5	Kotak Mahindra Bank Ltd	11,698,980	1.9107	11,698,980	1.9107
6	Life Insurance Corporation Of India	10,772,205	1.7594	10,772,205	1.7594
7	Moolsons Holding Private Ltd.	7,085,179	1.1572	7,085,179	1.1572
8	MKJ Enterprises Limited	7,054,488	1.1522	7,054,488	1.1522
9	Madanlal Ltd.	5,082,251	0.8300	5,082,251	0.8300
10	INDSEC SEC & FIN Ltd.	4,840,000	0.7905	4,840,000	0.7905

*The shares of the Company are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(V) Shareholding of Directors and Key Managerial Personnel

	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NO SHARES ARE HELD BY DIRECTORS AND KMP DURING THE YEAR 2018-2019			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g allotment/transfer/ bonus/sweat equity etc):				
	At the End of the year				

V INDEBTEDNESS

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

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	**3,273,386,957**	**10,117,483,602**	**-----**	**13,390,870,558**
ii) Interest due but not paid	**-----**	**-----**	**-----**	**------**
iii) Interest accrued but not due	**-----**	**-----**	**-----**	**-----**
TOTAL (I+II+III)	**3,273,386,957**	**10,117,483,602**	**-----**	**13,390,870,558**
Change in indebtedness during the financial year				
• Addition*	**----**	**608,702,697**	**-----**	**608,702,697**
• Reduction**	**(8,161,058)**	**-----**	**-----**	**(8,161,058)**
NET CHANGE	**(8,161,058)**	**608,702,697**	**-----**	**600,541,639**
Indebtedness at the end of the financial year				
i) Principal amount	**3,265,225,899**	**10,726,186,299**	**-----**	**13,991,412,198**
ii) Interest due but not paid	**-----**	**-----**	**-----**	**------**
iii) Interest accrued but not due	**-----**	**-----**	**-----**	**------**
TOTAL (I+II+III)	**3,265,225,899**	**10,726,186,299**	**-----**	**13,991,412,198**

*Note: In furtherance of obligations under the CDR package, Settlement and Co-operation Agreement and mutual understanding through formalized Agreement entered into by and between the Company, Videocon Industries Limited (VIL) and Videocon Telecommunications Limited (VTL), the VTL has granted/infused advances of Rs.1286 Crores into the Company from time to time. The Company has obtained shareholders approval for conversion of aforesaid advances into Unsecured Zero Coupon Compulsory Convertible Debentures, convertible into 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares. Due to the introduction of Indian Accounting Standards the figures for the financial year ended March 31, 2017 have been adjusted and said adjustment have resulted in significant changes the said figures. As on 31-Mar'2019, fair valuation of Unsecured Loan of Rs.1286 Crores is Rs. 8,103,981,402 and for fair valuation of NCD of Rs. 166,776,100/- is Rs. 113,505,011/-.

** Working Capital utilization increased by Rs.2,401,642/- and repayment of NCDs during the year is Rs.(10,562,700)/-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs.)

SI. NO	Particulars of Remuneration	Name of MD/WTD/Manager	Total Remuneration
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	NIL NIL NIL	NIL NIL NIL
2.	Stock option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify…	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	---	---
	Ceiling as per the Act	---------	

B. Remuneration to other directors:

(Amount in Rs.)

SI. No.	Particulars of Remuneration	Name of Directors				Total Amount
	1. Independent Directors	**#Mr. Arvind Ramnath Somani**	**Mr. Babu Mohanlal Panchal**	**#Mr. Vinay Kumar Monga**	***Mr. Dinesh A. Kadam**	
	• Fee for attending board/ committee meetings	25,000	45,000	50,000	10,000	
	• Commission	----	----	----	----	
	• Others, please specify	----	----	----	----	
	Total (1)	25,000	45,000	50,000	10,000	130,000
	2. Other Non-Executive Directors	**Mrs. Mitu Mehrotra Goel**		****Mr. Sanjiv Kumar Sachdev (Nominee of IDBI Bank)**		
	• Fee for attending board/ committee meetings	30,000		20,000		
	• Commission	----		----		
	• Others, please specify	----		----		
	Total (2)	30,000		20,000		50,000
	Total (B)=(1+2)					1,80,000
`	Total Managerial Remuneration (A+B)					1,80,000
	Overall Ceiling as per the Act					

**Mr. Dinesh Kadam was appointed as Independent Director on the Board of the Company w.e.f. December 13th, 2018.*

#Mr. Arvind Somani and Mr. Vinay Kumar Monga ceased to be Director due to resignation w.e.f. November 3, 2018 and May 24, 2019 respectively.

**Nominee Director's sitting fee was paid to IDBI Bank Limited

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

(Amount in Rs.)

SI. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**CS**	**CFO**	**Total**
		____	Mr. Gourav Kapoor	Mr. Munish Bansal	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	NIL	7,88,090	17,49,618	25,37,708
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	32,400	32,400
	(c) Profits in lieu of salary under section 17(3) Income tax Act,1961	NIL	NIL	NIL	NIL
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
	Total		7,88,090	17,82,018	25,70,108

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	Section-138 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that the Company has issued a debentures in lieu of outstanding loans to the charge holders and has filed Form No. 10. However, no charge has been satisfied by filing Form no. 17 with the Registrar of Companies in this regard with respect to original charge registered in favour of charge holder. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/ STA(PD)/ Insp/ 209A /197474 /4429 dated 26th September, 2014 served on the Company and its present and former Directors and Company Secretary and Manager under Section 269 of the Companies Act, 1956, directed to give explanation for alleged violation of the provisions of Section 138(1) of the Companies Act, 1956. The Company has made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 138 of the Companies Act, 1956 with ROC, Maharashtra. The compounding in respect of Section 138 could not be compounded as the offence was not made good by the Company by complying with the requirements of the Act. The Company was not able to file the particulars of satisfaction of charge due to non-receipt of NOC for the purpose of satisfaction of charge, hence, the offence was not compounded by the Honb'le Company Law Board Bench in its hearing held on 17th May, 2016 and dismissed the Compounding Application filed by the Company, its present and former Directors for Compounding of Offence under Section 138(1) of the Companies Act, 1956, granting liberty to the Company to file fresh application, vide its order dated 18th May, 2016.	**NIL**	Hon'ble Company Law Board, Mumbai Bench	
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	Section-138 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that the Company has issued a debentures in lieu of outstanding loans to the charge holders and has filed Form No. 10. However, no charge has been satisfied by filing Form no. 17 with the Registrar of Companies in this regard with respect to original charge registered in favour of charge holder. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/STA(PD)/ Insp/209A/197474/4429 dated 26th September, 2014 served on the Company and its present and former Directors and Company Secretary and Manager under Section 269 of the Companies Act, 1956, directed to give explanation for alleged violation of the provisions of Section 138(1) of the Companies Act, 1956. The present and former Directors, Manager under Section 269 of Companies Act, 1956 and Company Secretary, who are Officers in default, have made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 138 of the Companies Act, 1956 with ROC, Maharashtra. The compounding in respect of Section 138 could not be compounded as the offence was not made good by the Company by complying with the requirements of the Act. The Company was not able to file the particulars of satisfaction of charge due to non-receipt of NOC for the purpose of satisfaction of charge, hence, the offence was not compounded by the Honb'le Company Law Board Bench in its hearing held on 17th May, 2016 and dismissed the Compounding Application filed by the Company, its present and former Directors for Compounding of Offence under Section 138(1) of the Companies Act, 1956, granting liberty to the Company and its present and former Directors to file fresh application vide its order dated 18th May, 2016.	NIL	Hon'ble Company Law Board, Mumbai Bench	
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

Place: Gurgaon	**Mitu Mehrotra Goel** **Director** **(DIN: 05188846)**	**Babu Mohanlal Panchal** **Director** **(DIN: 01806193)**
Date: August 9, 2019		

Annexure 2

REMUNERATION RELATED DISCLOSURES, PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

<table>
<tr><td>Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year</td><td>All the Directors of the Company are Non-Executive and they are entitled for payment of sitting fee only on account of Board Meetings / Committee Meetings attended by them from time to time.
Since, the Company is not paying any remuneration to its Directors therefore the ratio of remuneration of each director to the median remuneration of the employee cannot be derived.</td></tr>
<tr><td>Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;</td><td>The Company has the appraisal cycle of April to March. The increments generally released are effective from 1st April every year.
The detail of remuneration paid to Key Managerial Personnel of the Company is as under: -
<table>
<tr><th>Name</th><th>Designation</th><th>Remuneration paid FY 2018-19 (In Rs. Lacs)</th><th>Remuneration Paid in FY 2017-18 (In Rs. Lacs)</th><th>% Increase/ (Decrease) in Remuneration from previous year</th></tr>
<tr><td>*Mr. Gourav Kapoor</td><td>Company Secretary</td><td>7.11</td><td>0.89</td><td>NA</td></tr>
<tr><td>Mr. Munish Bansal</td><td>Chief Financial Officer</td><td>15.02</td><td>13.20</td><td>13.78%</td></tr>
</table>
*Mr. Gourav Kapoor has joined the Company on February 23, 2018 and there was no change in his remuneration during the financial year ended March 31, 2019</td></tr>
<tr><td>Percentage increase in the median remuneration of employees in the financial year;</td><td>In the financial year, there was increase of 20.17% in the median remuneration of employees.</td></tr>
<tr><td>Number of permanent employees on the rolls of company;</td><td>403 (as on 31st March, 2019)</td></tr>
<tr><td>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;</td><td>The average increase in the remuneration of employees other than the Managerial Personnel during the financial year 2018-19 was 6% and the average increase in the remuneration of KMPs was 6.89%. The Compensation structure and revision in the remuneration of the employees is guided by our reward policy, external competitiveness and benchmarking and is as per the compensation and appraisal policy of the Company.</td></tr>
<tr><td>Affirmation that the remuneration is as per the remuneration policy of the Company.</td><td>It is affirmed that the remuneration is as per the Remuneration Policy of the Company.</td></tr>
</table>

For and on behalf of the Board of Directors

Place: Gurgaon
Date: August 9, 2019

Mitu Mehrotra Goel
Director
(DIN: 05188846)

Babu Mohanlal Panchal
Director
(DIN: 01806193)

Annexure 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and ruleNo.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

TO
THE MEMBERS
QUADRANT TELEVENTURES LIMITED
AUTO CARS COMPOUND,
ADALAT ROAD, AURANGABAD,
MAHARASHTRA 431005.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Quadrant Televentures Limited, Maharashtra** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 audit period covering the financial year ended on 31St March, 2019 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- Not applicable during the audit period;

   e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999-;

   f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-Not applicable during the audit period

   g) 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;

   h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-Not Applicable during the audit period; and

   i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-Not Applicable during the audit period;

(vi) The other laws as informed and certified by the management of the company which are specifically applicable to the Company based on their sector/ industry are:

   a) The Indian Telegraph Act, 1885.

   b) The Telecom Regulatory Authority of India Act, 1997 and Rules and Regulations made there under.

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

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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

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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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 audit period the company has not made any decisions which are having major bearing in the Company's affair in pursuance of above referred laws, rules, regulation, guidelines, standards, etc.

for B.K. Gupta & Associates
Company Secretaries

Sd/-

(Bhupesh Gupta)
FCS No.:4590
CP No.:5708

Place: Chandigarh
Date: 24.05.2019

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

LIST OF LABOUR LAWS AND ENVIRONMENTAL LAWS WHICH HAVE BEEN VERIFIED DURING AUDIT PERIOD

List of Labour Laws
Industrial Disputes Act, 1947
The Payment of Wages Act, 1936
The Minimum Wages Act, 1948
Employee's State Insurance Act 1948
The Payment of Bonus Act, 1972
The Contract Labour (Regulation and Abolition) Act, 1970
The Apprentices Act, 1961

List of Environmental Laws
Water (Prevention and Control of Pollution) Act, 1974
Air (Prevention and Control of Pollution) Act, 1981
Hazardous Waste (Management, Handling and Transboundary Movements) Rules, 2008

Annexure:-A

TO
THE MEMBERS
QUADRANT TELEVENTURES LIMITED
AUTO CARS COMPOUND,
ADALAT ROAD, AURANGABAD,
MAHARASHTRA 431005.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for B.K. Gupta & Associates
Company Secretaries

sd/-

(Bhupesh Gupta)
FCS No.:4590
C P No.:5708

Place: Chandigarh
Date: 24.05.2019

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

(As required under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Corporate Governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are the main features to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate Governance is more than a set of processes and compliances. It underlines the role that we see for ourselves for today, tomorrow and beyond.

The following report on Corporate Governance reflecting ethics of the Company and its continuous commitment to ethical business principles across its operations, lays down the best practices and the procedures adopted by the Company in line with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and internationally followed standards of corporate governance.

1. **Governance Philosophy**

At Quadrant Televentures Limited, Corporate Governance focuses on creating and sustaining a deep relationship of trust and transparency with all stakeholders. We consider stakeholders as partners in our journey forward and we are committed to ensure their wellbeing, despite business challenges and economic volatilities.

Our governance philosophy reflects our commitment to disclose timely and accurate information regarding our financial and operational performance, as well as our leadership and governance structure. Over the years, our stakeholder commitment has enhanced the respect and recall of our brand.

Our Board of Directors ('Board') shapes the long-term vision and policy approach to steadily elevate the quality of governance in our organisation. We follow global standards of Corporate Governance and continuously benchmark ourselves to adopt the best practices. The objective is to emerge as a market leader in our industry, nationally and internationally with focus on creating greater value for all those who have a stake in our progress directly or indirectly. The Board puts a lot of emphasis on creating a global talent pool, compliant ethical business practices and making all our actions consistent with the need to protect the environment by following green practices and technologies.

2. **Board of Directors**

(A) Composition of the Board

As on March 31, 2019, the Board of Directors of the Company consists of five Directors, including three Independent Directors and a Nominee Director as per the details mentioned in the table given below. The Composition of the Board of Directors of the Company is complying with the regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board Members possess requisite management skills and adequate experience and expertise. The Board directs and reviews the overall business operations of the Company; the day-to-day affairs are being managed by the Business Heads.

None of the directors are members in more than ten Committees and/or Chairman of more than five Committees across all companies in which they are directors. All Directors have made necessary disclosures regarding Committee position.

Board of Directors as at 31.03.2019

Name of the Director	Category	No. of Directorships in other Companies#	No. of other Directorships in Listed Companies (Category of Directorship)	No. of other Committee positions held in other Companies		No. of Shares/ convertible instruments held
				Committee Chairmanship	Committee Memberships	
Mr. Babu Mohanlal Panchal	Independent Director	NIL	NIL	NIL	NIL	NIL
*Mr. Vinay Kumar Monga	Independent Director	NIL	NIL	NIL	NIL	NIL
Ms. Mitu Mehrotra Goel	Non-executive Director	NIL	NIL	NIL	NIL	NIL
**Mr. Dinesh Kadam	Independent Director	NIL	NIL	NIL	NIL	NIL
Mr. Sanjiv Kumar Sachdev Nominee of IDBI Bank Limited	Non-executive Director	NIL	NIL	NIL	NIL	NIL

Excludes Directorship(s) held in private limited companies and foreign companies.

**Mr. Vinay Kumar Monga has resigned as Independent Director w.e.f. 24th May, 2019.*

***Mr. Dinesh Kadam was appointed as Independent Director on the Board of the Company w.e.f. 13th December, 2018*

Mr. Arvind R. Somani who has resigned w.e.f. November 3, 2018

Note:

Only Includes Membership / Chairmanship in other Public Limited Companies and excludes Private Companies and foreign Companies.

Committees considered are Audit Committee and Stakeholders Relationship Committee.

No Director is related to any other Director on the Board in terms of the definition of relative given under the Companies Act, 2013.

(B) Information Placed before the Board

During the year 2018-19, information as mentioned in Part – A of Schedule II under Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were placed before the Board which includes the following matters: -

A. Annual operating plans and budgets and any updates.

B. Capital budgets and any updates.

C. Quarterly results for the listed entity and its operating divisions or business segments.

D. Minutes of meetings of audit committee and other committees of the board of directors.

E. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.

F. Show cause, demand, prosecution notices and penalty notices, which are materially important.

G. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.

H. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.

I. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.

J. Details of any joint venture or collaboration agreement.

K. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.

L. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

M. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.

N. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

O. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

(C) Code of Conduct

The Company has a Code of Conduct for members of the Board and Senior Management. The Code lays down, in detail, the standards of business conduct ethics and governance.

A copy of the Code has been put on the Company's website, (URL: http://*www.connectzone.in/corporategovernance.php)*

The Code has been circulated to all the members of the Board and Senior Management and they have affirmed compliance of the same. A declaration signed by the Manager as defined u/s 2(53) of the Companies Act, 2013 to this effect forms part of this report.

(D) Number of Board Meetings held, dates and attendance; including attendance at the last Annual General Meeting:

The Board meets every quarter to review and discuss the operations and operating results and financials apart from other items pertaining to statutory compliances and routine administrative items on the agenda.

Additional board meetings are held whenever required. During the financial year ended 31.03.2019, 4 (Four) Board Meetings were held and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held are as follows: -

29th May, 2018, 08th August, 2018, 3rd November, 2018, 08th February, 2019

One separate meeting of Independent Directors was also held on 08th February 2019, which was attended by all the Independent Directors.

The 71st Annual General Meeting (AGM) of the shareholders was held on September 20th, 2018.

ATTENDANCE AT BOARD MEETINGS/AGM IN THE FINANCIAL YEAR-2018-2019			
Name of the Director	**No. of Board Meetings Held/Attended**		**Last AGM attended (Yes/No)**
	Held during the Tenure	**Attended**	
#Mr. Babu Mohanlal Panchal	4	4	Yes
*Mr. Arvind Ramnath Somani	3	2	Yes
***Mr. Vinay Kumar Monga	4	4	No
Ms. Mitu Mehrotra Goel	4	4	No
**Mr. Dinesh Kadam	1	1	No
Mr. Sanjiv Kumar Sachdev (Nominee of IDBI Bank Ltd)	4	2	No

#Chairman of the Audit Committee

** Mr. Arvind R. Somani has resigned as Independent Director w.e.f. November 3, 2018 and*

***Mr. Dinesh Kadam was appointed as Independent Director on the Board of the Company w.e.f. 13th December, 2018.*

****Mr. Vinay Kumar Monga has resigned as Independent Director w.e.f. 24th May, 2019.*

(E) Relationships between Directors inter-se

None of the Directors are related to each other.

(F) Brief Profile of Directors seeking appointment/re-appointment:

The brief profile of director seeking appointment/ re-appointment is appended to the Notice convening the Seventy Second Annual General Meeting.

(G) Familiarization Programme for Independent Directors

In terms of the Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a familiarisation program for the independent directors. The Familiarisation Program aims at helping the independent directors to understand the Company, its management, roles & responsibilities in the company, operations of the Company etc. Accordingly, the Company has been following the familarisation programme which has helped its independent directors to equip themselves with the Company.

The details relating to the Familiarization Programme have been uploaded on the website of the Company viz. (URL:http:// *www.connectzone.in/corporategovernance.php)*

(H) The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Business	Understanding, of business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

(I) Confirmation regarding Independent Director

The Board hereby confirms that in the opinion of the Board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

(J) Reason for Resignation of Independent Directors

Mr. Arvind R. Somani and Mr. Vinay Kumar Monga, Independent Directors have each confirmed that they have resigned from the Board of Directors of the Company due to their personal reasons and there is no other material reason for the same.

3. Committees of the Board of Directors

The Board has constituted various Committees for smooth and efficient operations of Company's activities. The Committees meet at regular intervals to review their respective areas of operation. The draft minutes of the proceedings of each Committee meeting are circulated to the members of that Committee for their comments and thereafter, confirmed by the respective Committee in its next meeting. The proceedings of all such Committee meetings are regularly placed before the Board.

(A) AUDIT COMMITTEE:

As on 31.03.2019, the Audit Committee comprised of the following members:

Name	Designation	Category
Mr. Babu Mohanlal Panchal	Chairman	Independent
Mr. Dinesh Kadam*	Member	Independent
Mr. Vinay Kumar Monga**	Member	Independent
Mr. Sanjiv Kumar Sachdev	Member	Nominee Director of IDBI Bank Limited

**Mr. Dinesh Kadam was inducted as Member of Audit Committee w.e.f. February 8h, 2019.*

***Mr. Vinay Kumar Monga has resigned as Member of Audit Committee w.e.f. May 24, 2019.*

The constitution of the Audit Committee is in line with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. Mr. Babu Mohanlal Panchal - a Qualified Chartered Accountant is the Chairman of the Audit Committee. The Committee meets regularly and the Statutory Auditors, the Internal Auditors, and other senior officers including the Chief Financial Officer (CFO) are permanent invitees to the Committee Meetings. The quorum for the Audit Committee is two independent Directors. The Company Secretary is the *de-facto* Secretary of the Committee. The Chairman of the Audit Committee was present at the Annual General Meeting held on September 20th, 2018.

During the year under review, 4 (Four) Audit Committee meetings were held on the following dates:

29th May, 2018, 08th August, 2018, 3rd November, 2018, 08th February, 2019.

The Attendance of the members at the Audit Committee Meetings was as under: -

Name of the Members	No. of Meetings held during the tenure	No. of Meetings Attended
Mr. Babu Mohanlal Panchal	4	4
*Mr. Arvind Ramnath Somani	3	2
**Mr. Dinesh Kadam	1	1
***Mr. Vinay Kumar Monga	4	4
Mr. Sanjiv Kumar Sachdev (Nominee of IDBI Bank)	4	2

**Mr. Arvind R. Somani has resigned as Member of Audit Committee w.e.f. November 3, 2018.*

***Mr. Dinesh kadam was inducted as Member of Audit Committee w.e.f. February 8th, 2019.*

****Mr. Vinay Kumar Monga has resigned as Member of Audit Committee w.e.f. May 24, 2019.*

Broad Terms of reference, as stipulated by the Board, to the Audit Committee are as follows:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees and payment for any other service.
- Approval of appointment of the Cost Auditor & Internal Auditor.
- Reviewing, with the management, the annual financial plans and financial statements before submission to the Board for approval, with particular reference to:
  a. Matters which are required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  b. Changes, if any, in accounting policies and practices and reasons for the same
  c. Major accounting entries involving estimates based on the exercise of judgment by management
  d. Significant adjustments made in the financial statements arising out of audit findings.
  e. Compliance with listing and other legal requirements relating to financial statements.
  f. Disclosure of any related party transactions.
  g. Modified opinion (s), if any, in the draft Audit Report.

Reviewing, with the management, among others, the following matters:

- Quarterly financial statements before submission to the Board for approval.
- Statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or right issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Performance of Statutory Auditors, including Cost Auditor and Internal Auditors adequacy of the internal control systems.
- Adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle blower mechanism/ Vigil Mechanism.
- Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.

The Audit Committee has been mandatory authorized to review the following Information:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions, submitted by the management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of internal auditors / chief internal Auditor.
- Statement of deviations;
  - (a) Quarterly statement including report of monitoring agency, if applicable, submitted to Stock exchange in terms of Regulation 32(1)
  - (b) Annual statement of funds utilized for the purpose other than those stated in the offer documents/prospectus/ notice in terms of Regulation 32(7)

Whistle Blower Policy/Vigil Mechanism

The Board has adopted a Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding its accounting, auditing, internal controls or disclosure practices. It gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. More details are available on website (URL:http://*www.connectzone.in/corporategovernance.php)*

(B) NOMINATION AND REMUNERATION COMMITTEE

As on 31.03.2019, the Nomination and Remuneration Committee comprised of the following members: -

Name	Designation	Category
*Mr. Vinay Kumar Monga	Chairman	Independent Non-executive
Mr. Babu Mohanlal Panchal	Member	Independent Non-executive
**Mr. Dinesh Kadam	Member	Independent Non-executive
Ms. Mitu Mehrotra Goel	Member	Non-executive

**Mr. Vinay Kumar Monga has resigned as Chairman of Nomination & Remuneration Committee w.e.f. May 24, 2019. Mr. Babu Mohanlal Panchal has been appointed as a Chairman of the Committee w.e.f. May 24, 2019.*

***Mr. Dinesh Kadam was inducted as Member of Nomination and Remuneration Committee w.e.f. February 8th, 2019.*

The Company Secretary is the de-facto Secretary to the committee.

During the year under review, 1 (One) Nomination and Remuneration Committee Meeting was held on 8th August 2018.

The Attendance of the members at the Nomination and Remuneration Committee Meetings was as under: -

Name of the Members	No. of Meetings held during the tenure	No. of Meetings Attended
Mr. Vinay Kumar Monga	1	1
*Mr. Arvind Ramnath Somani	1	1
Mr. Babu Mohanlal Panchal	1	1
Ms. Mitu Mehrotra Goel	1	1

**Mr. Arvind R. Somani has resigned as Member of Nomination and Remuneration Committee w.e.f. November 3, 2018.*

Mr. Dinesh kadam was inducted as Member of Nomination and Remuneration Committee w.e.f. February 8th, 2019.

Term of reference :

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(2) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(3) devising a policy on diversity of board of directors;

(4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(6) recommend to the board, all remuneration, in whatever form, payable to senior management.

Remuneration Policy:

The Company has formulated the remuneration policy. The details of this policy are available on the Company's website viz. (URL: http://*www.connectzone.in/corporategovernance.php)*

Performance evaluation criteria:

Board has already put in place a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board/Key Management Personnel/Senior Management. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The evaluation of the performance was on the basis of the contributions and suggestions made to the Board/Management with respect to financial strategy, business operations etc.

Directors Remuneration:

a. No other remuneration is paid to any of the Directors except the sitting fees for attending meetings of the Board / Committees.

b. The Company pays sitting fees to all the Non-Executive Directors at the rate of Rs. 5,000/- for each meeting of the Board and/or Committee. However, no Sitting Fees is paid for Share Transfer In-House Committee meetings.

The details of sitting fees paid to Directors during the financial year 2018-19 were as under: -

Sr. No.	Name of the Director	Sitting Fee
1	Mr. Arvind Ramnath Somani*	25,000
2	Mr. Dinesh Kadam**	10,000
2	Mr. Babu Mohanlal Panchal	45,000
3	Ms. Mitu Mehrotra Goel	30,000
4	Mr. Vinay Kumar Monga***	50,000
5	Mr. Sanjiv Kumar Sachdev**** (Nominee Director)	20,000

**Mr. Arvind R. Somani has resigned as Independent Director w.e.f. November 3, 2018.*

***Mr. Dinesh kadam was appointed as Independent Director on the Board of the Company w.e.f. December 13th, 2018.*

****Mr. Vinay Kumar Monga has resigned as Independent Director w.e.f. May 24, 2019.*

****Nominee Director's sitting fee was paid to IDBI Bank Limited.

Stock Option:

The Company has not issued any Stock Options

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE

The **Stakeholders Relationship Committee** – which is a Board level Committee, approves the transfer/transmission/ transposition in excess of 5,000 shares pertaining to any single shareholder;

As on 31.03.2019, the Stakeholders Relationship Committee comprised of the following members: -

Name	Designation	Category
Mr. Vinay Kumar Monga*	Chairman	Independent Non-executive
Ms. Mitu Mehrotra Goel	Member	Non-executive
Mr. Babu Mohanlal Panchal	Member	Independent Non-executive
Mr. Dinesh Kadam**	Member	Independent Non-executive

**Mr. Vinay Kumar Monga has resigned as Chairman of Stakeholders Relationship Committee w.e.f. May 24, 2019. Ms. Mitu Mehrotra Goel has been appointed as the Chairperson of the Committee w.e.f. May 24, 2019.*

***Mr. Dinesh kadam was inducted as Member of Stakeholders Relationship Committee w.e.f. February 8th, 2019.*

Mr. Arvind R. Somani has resigned as Member of Stakeholders Relationship Committee w.e.f. November 3, 2018.

During the year under review, 1 (One) Stakeholders Relationship Committee Meetings was held on 03rd November, 2018.

The Attendance of the members at the Stakeholders relationship Committee Meeting was as under: -

Name of the Members	No. of Meetings held during the tenure	No. of Meetings Attended
Mr. Vinay Kumar Monga	1	1
Mr. Babu Mohanlal Panchal	1	1
Ms. Mitu Mehrotra Goel	1	1
*Mr. Arvind Ramnath Somani	1	NIL

**Mr. Arvind R. Somani has resigned as Member of Stakeholders Relationship Committee w.e.f November 3, 2018.*

Terms of reference and Scope of the Committee:

The role of the committee shall *inter-alia* include the following:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

This Committee meets on need basis to approve the share transfers / transmission in excess of 5,000 shares pertaining to any single shareholder as well as the issue of duplicate share certificates. In respect of requests received for "Loss of shares", only the Stakeholders Relationship Committee is empowered to issue the duplicate share certificates.

Compliance Officer

Mr. Gourav Kapoor, Company Secretary is the Compliance Officer of the Company.

Status of Investor Complaints

Details of Investor Complaints received and redressed during the year ended March 31, 2019:-

PARTICULARS	NO. OF COMPLAINTS
No. of Complaints pending as on 1st April, 2018	NIL
No. of Complaints received during the year (From 1st April, 2018 to 31st March, 2019)	NIL
No. of Complaints resolved during the year (From 1st April, 2018 to 31st March, 2019)	NIL
No. of Complaints remaining unresolved as on 31st March, 2019	NIL

(D) Share Transfer In-house Committee (STIC)

Besides the Stakeholders Relationship Committee which consists of Board Members, there is another in-house Committee known as the Share Transfer In-House Committee (STIC), which meets for the approval of transfer/transmission/ transposition/split of physical shares for quantities up to 5,000 shares pertaining to any single shareholder, in each individual transaction, and to take on record / note the remat / demat of shares done by the Registrar and Share Transfer Agent (RTA) in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to expedite the process for transfer/transmission of shares, apart from the redressal of shareholders' complaints.

As of March 31, 2019, the Share Transfer In-house Committee comprised of the following members: -

Name	Designation	Category
Ms. Mitu Mehrotra Goel	Chairman	Non-executive
Mr. Babu Mohanlal Panchal	Member	Independent
Mr. Vinay Kumar Monga*	Member	Independent
Mr. Munish Bansal	Member	Chief Financial Officer
Mr. Gourav Kapoor	Member	Company Secretary & Manager u/s 2(53) of Companies Act 2013

**Mr. Vinay Kumar Monga has resigned as Member of Share Transfer In-house Committee w.e.f. May 24, 2019.*

However, this Committee is not empowered to issue duplicate shares in case of loss of share certificate(s) but is only authorized to issue duplicate certificate(s) in cases where mutilated / torn / partially burnt original shares certificates are surrendered to the Company.

(E) RISK MANAGEMENT COMMITTEE: -

The Company had voluntarily constituted the Risk Management Committee under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to monitor and review the risk management plan.

The Company has adopted the Risk Management policy. The Company has in place a comprehensive framework for risk management for assessment of risk and minimize their adverse impact on the activities of the Company. The details of this policy are available on the Company's website viz. (URL: http://*www.connectzone.in/corporategovernance.php)*

Composition of the Committee: -

The composition of the Committee as on 31st March, 2019 was as under: -

Name	Designation	Category
Ms. Mitu Mehrotra Goel	Chairman	Non-Executive Director
*Mr. Vinay Kumar Monga	Member	Independent
Mr. Babu Mohanlal Panchal	Member	Independent

**Mr. Vinay Kumar Monga has resigned as Member of Risk Management Committee w.e.f. May 24th, 2019.*

The Company Secretary is the de-facto Secretary of the Committee.

No meeting was held during the period under review.

(F) FINANCE AND GENERAL AFFAIRS COMMITTEE: -

The Board of Directors of the Company had constituted "Finance and General Affairs Committee" to consider and approve the general matters in the day-to-day ordinary course of business.

The composition of the Committee is as under: -

Name	Designation	Category
Ms. Mitu Mehrotra Goel	Chairman	Non-Executive Director
Mr. Vinay Kumar Monga*	Member	Independent
Mr. Babu Mohanlal Panchal	Member	Independent

*Mr. Vinay Kumar Monga has resigned as Member from the Finance and General Affairs Committee w.e.f. May 24, 2019.

The Company Secretary is the de-facto Secretary of the Committee.

Terms of Reference and Scope of the Committee: -

The Committee is entrusted with various powers relating to Banks including Opening & Closing of Bank Accounts / Corporate Debt Restructuring / Legal Matters / Authorisations to deal with various Statutory Authorities/ Departments, and matters of general natures in the ordinary course of business.

No meeting held during the period under review.

4. **General Body Meetings**

- The location and time of the last three Annual General Meetings was as under:

AGM	Date	Location	Time	Special Resolution Passed
71st	20.09.2018	Autocars Compound, Adalat Road, Aurangabad, 431005, Maharashtra	2:30 PM	1. One Special Resolution was passed for the appointment of Mr. Gourav Kapoor as Manager of the Company in terms of the provisions of Section 196, 197 and 203 read with Schedule V of Companies Act 2013 2. One Special Resolution passed for the addition of object clause under the provisions of Section 13 and other applicable of the Companies Act 2013
70th	01.09.2017	Autocars Compound, Adalat Road, Aurangabad, 431005, Maharashtra	2:30 PM	One Special Resolution was passed for the Issuance of Unsecured Zero Coupon Compulsorily Convertible Debentures (convertible into preference shares) in terms of the provisions of Section 55, 62(3) and 71 of Companies Act, 2013
69th	21.07.2016	Autocars Compound, Adalat Road, Aurangabad, 431005, Maharashtra	2:30 PM	One Special Resolution was passed for the appointment of Mr. Amit Verma as Manager of the Company in terms of the provisions of Section 196, 197 and 203 read with Schedule V of Companies Act 2013

- **Postal Ballot**

No voting through Postal Ballot was done during the financial year 2018-19.

5. **Means of Communication**

The Quarterly Results, Shareholding Pattern, Corporate Governance and other corporate communications to BSE Limited is filed through BSE Listing Centre, for dissemination on their website. Moreover, all material information about the Company is also promptly filed through BSE Listing Centre.

A. Annual Report containing, inter alia, Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

B. Annual Report, Quarterly Financial Results, Shareholding Pattern, etc of the Company as on March 31, 2019 are also posted on the website of the Company: *www.connectzone.in*.

C. Quarterly /Annually Financial Results are published in daily newspapers, viz. Financial Express (English daily) and Loksatta (vernacular newspaper) and are also uploaded on the Company's website www.connectzone.in

6. **Management Discussion and Analysis Report**

Management Discussion and Analysis Report forms part of the Annual Report.

7. **General Shareholder Information**

a. **72nd Annual General Meeting**

The 72nd Annual General Meeting of the Company is proposed to be held as per the following schedule:

Day	Friday
Date	20th September, 2019
Time	1:00 P.M.
Venue	Autocars Compound , Adalat Road, Aurangabad – 431005 , Maharashtra

b. **Financial Year and Financial Calendar**

Financial Year : 1st April to 31st March

c. **Financial Calendar of the Company (Tentative)**

Results for the First Quarter	On or before 14th August, 2019
Results for the Second Quarter	On or before 14th November, 2019
Results for the Third Quarter	On or before 14th February, 2020
Results for the Fourth Quarter	On or before 30th May, 2020
Annual General Meeting for the financial year ending March 31, 2020	On or before 30th September, 2020

d. **Dates of Book Closure**

Company's Register of Members and Share Transfer Books will remain closed from Friday, 13th September, 2019 to Friday, 20th September, 2019 (both days inclusive) for the purpose of Annual General Meeting.

e. **Dividend payment date:**

The Board has not recommended any dividend for the financial year ended March 31, 2019.

f. **Listing of Equity Shares on Stock Exchanges**

Company's shares are listed on **BSE Limited (BSE)**

As at March 31, 2019, the issued, subscribed and paid up equity share capital of the Company consists of 612,260,268 equity shares of Re 1/- each. The Company has paid the requisite Listing Fee up to 31.03.2019.

g. **Scrip Code**

BSE : 511116

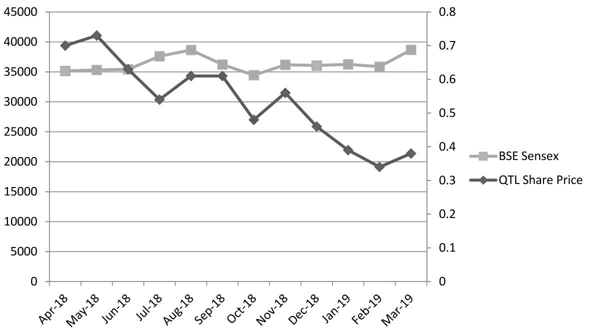
h. **Stock Price Data**

The reported high and low closing prices of the Company's shares traded during the fiscal 2018-2019 on the Bombay Stock Exchange are given below:

Month	High	Low
Apr 18	1.54	0.64
May 18	0.75	0.63
Jun 18	0.76	0.56
Jul 18	0.66	0.51
Aug 18	0.68	0.52
Sep 18	0.7	0.54
Oct 18	0.65	0.46
Nov 18	0.6	0.46
Dec 18	0.6	0.46
Jan 19	0.49	0.37
Feb 19	0.39	0.32
Mar 19	0.52	0.34

Performance in comparison to BSE Sensex

QTL Share Price and BSE Sensex movement



i. Registrar & Share Transfer Agents

M/s. Cameo Corporate Services Ltd.
Subramanian Building, No.1,
Club House Road, Anna Salai, Chennai-600 002
Tel: 91-44-28460390-394
Fax: 91-44-28460129
E-mail: investor@cameoindia.com.

j. Share Transfer System

Applications for transfer of shares held in physical form are received at the office of the Registrar & Share Transfer Agents of the Company. All valid transfers are processed within 15 days from the date of receipt. The Company has pursuant to the Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, submitted within stipulated time, certificate of half yearly basis confirming due compliance of share transfer formalities by the Company from practicing Company Secretary.

k. Distribution of Shareholding as on 31st March 2019

Shareholding of Nominal Value	Shareholders		Shareholding	
Rs.	Number	% of total	Rs.	% of total
1 - 100	4686	32.6323	271020	0.0442
101 - 500	4736	32.9805	1381502	0.2256
501 - 1000	1775	12.3607	1576480	0.2574
1001 - 2000	1115	7.7646	1857854	0.3034
2001 - 3000	415	2.8899	1089256	0.1779
3001 - 4000	202	1.4066	741353	0.1210
4001 - 5000	341	2.3746	1657583	0.2707
5001 - 10000	487	3.3913	3864490	0.6311
10001 - And Above	603	4.1991	599820730	97.9682
Total :	**14360**	**100.0000**	**612260268**	**100.0000**

Shareholding Pattern as on 31st March 2019

Category Code	Category of shareholders	No. of Share-holders	Total no. of shares	As a percentage of (A+B+C)
A	**Shareholding of Promoter and Promoter Group**			
1.	Indian Bodies Corporate	2	314,205,749	51.3190
2.	Foreign	0	0	0
	Sub Total (A)	**2**	**314,205,749**	**51.3190**
B	**Public Shareholding**			
1.	Institutions	8	**177,369,671**	**28.9697**
2.	Non-Institutions:			
	-Bodies Corporate	230	79,111,944	12.9213
	- Individuals	13404	38,823,788	6.3410
	-Others	456	27,49,116	0.4490
	Sub – Total (B)	**14098**	**298,054,519**	**48.6810**
	TOTAL (A)+(B)	**14100**	**612260268**	**100.00**
C	**Shares held by Custodians and against which Depository Receipts have been issued**	0	0	N.A
	GRAND TOTAL (A)+(B)+(C)	**14100**	**612,260,268**	**100.00**

l. Dematerialization of Shares

As on 31st March 2019, 99.82% of the issued Equity Share Capital of the Company is held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

m. Outstanding GDR/ADR or Warrants

As on date there are no Global Depository Receipts (GDR), American Depository Receipts (ADR) or Warrants pending conversion and likely to impact the equity share capital of the Company

n. Corporate Office / Plant

B-71, Phase VII, Industrial Focal Point,
Mohali - 160 055 (Punjab)

o. Registered Office Address

Autocars Compound, Adalat Road,
Aurangabad – 431005, Maharashtra

p. Address for correspondence

Mr. Gourav Kapoor
Company Secretary,
QUADRANT TELEVENTURES LIMITED
B-71, Phase VII, Industrial Focal Point,
Mohali - 160 055 (Punjab)
Tel. No. 0172- 5090000
E-mail Address : secretarial@infotelconnect.com

q. Website Address - www.connectzone.in

r. CIN No. - L00000MH1946PLC197474

s. The Company does not undertake any hedging activities.

t. Credit Rating - CARE D

u. Certificate from Practising Company Secretaries

- A certificate has been received from M/s B. K. Gupta & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

v. Disclosures

(a)	Materially significant related party transactions i.e. transactions of the Company with Promoters, Directors, Management, Subsidiaries or Relatives etc. that may have potential conflict with the interests of the Company at large.	There are no transactions which may have potential conflicts with the interest of the company at large. Transactions with the related parties are disclosed in the Notes forming part of the financial statement in the Annual Report. A Policy on Related party transactions is posted on the Company's website – (URL: http://*www.connectzone.in/corporategovernance.php)*
(b)	Non compliance by the Company, penalties and strictures 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.	NIL
(c)	Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee	The Company has implemented Whistle Blower Policy and it is hereby affirmed that no personnel have been denied access to the Audit Committee. A policy on Vigil Mechanism is posted on the Company's website – (URL: http://*www.connectzone.in/corporategovernance.php)*
(d)	Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:	The Company has complied with all the mandatory requirements and adopted the following non mandatory requirements like: - i) The Company has constituted Internal Complaints Committee to redress complaints pertaining to sexual harassment of women at work place. a) No. of Complaints filed during the Financial year – NIL b) No. of Complaints disposed off during the Financial year – NIL c) No. of Complaints pending as on end of the Financial year - NIL ii) The Company has constituted sub-committee of Stakeholders Relationship Committee under the nomenclature of Share Transfer In-house Committee (STIC) iii) Constitution of Sub-committee of the Board under nomenclature of Finance and General Affairs Committee to consider and approve the general matters in the day-to-day ordinary course of business. iv) The Company has voluntarily constituted Risk Management Committee to monitor and review the risk management plan.
(e)	The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Company has complied with all the disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 read with requirements under Part C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
(f)	Web link where policy for determining "material' subsidiaries is disclosed	NA
(g)	Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A)	NA
(h)	Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part	Rs.25,92,351/-

DECLARATION

The Board of Directors laid down a code of conduct for all the Board Members and senior management which is posted on the website of the Company. Board members and senior management have affirmed compliance with the code of conduct.

For QUADRANT TELEVENTURES LIMITED

Gourav Kapoor
Company Secretary & Manager
u/s 2(53) of the Companies Act, 2013

Place: Gurgaon
Date: August 09, 2019

CERTIFICATION

To,
The Board of Directors
Quadrant Televentures Limited.

We, Gourav Kapoor, Company Secretary & Manager as defined u/s 2(53) of the Companies Act 2013 and, Munish Bansal, Chief Financial Officer (CFO) certify to the Board that:

(a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2019 and that to the best of our knowledge and belief:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

   (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.

(b) To best of our knowledge and belief, no transactions entered are fraudulent, illegal or violate of the Company's code of conduct.

(c) We accept the responsibility for establishing and maintaining internal controls for financial reporting evaluate the effectiveness, disclosing the deficiencies in the design or operation of internal controls, if any, to the Auditors and the Audit Committee and take steps to rectify these deficiencies.

(d) We have indicated wherever applicable to the Auditors and the Audit Committee:

   (i) Significant changes in internal control over financial reporting during the year.

   (ii) Significant changes in accounting policies, the same have been disclosed in the notes to the financial statements; and

   (iii) Instances of significant frauds, which we became aware,

FOR QUADRANT TELEVENTURES LIMITED

(MUNISH BANSAL)	**(GOURAV KAPOOR)**
CHIEF FINANCIAL OFFICER	**COMPANY SECRETARY**
	& MANAGER U/S 2(53)

Place: Gurgaon
Date: August 9, 2019

CERTIFICATE BY PRACTICING COMPANY SECRETARY

On Compliance with the conditions of Corporate Governance under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Members of

Quadrant Televentures Limited

Aurangabad, Maharashtra

We have examined the compliance of conditions of Corporate Governance by Quadrant Televentures Limited (the company) for the year ended on 31st March 2019 as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit not an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information, and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as per the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

For BHUPESH GUPTA
Practicing Company Secretaries

(BHUPESH GUPTA)
Date: August 9, 2019 **M.No.4590**
C.P.NO.5708

MANAGEMENT DISCUSSION & ANALYSIS REPORT

ECONOMY AND INDUSTRY OVERVIEW

Macro Economic Situation

The telecom sector has witnessed the all round growth over last few years. The Sector has assumed the position of an essential infrastructure for socio-economic development in an increasingly knowledge-intensive world. The reach of telecom services to all regions of the country has become an integral part of an innovative and technologically-driven society.

The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector. The government has enabled easy market access to telecom equipment and a fair and proactive regulatory framework that has ensured availability of telecom services to consumer at affordable prices. The deregulation of Foreign Direct Investment (FDI) norms has made the sector one of the fastest growing and a top five employment opportunity generator in the country.

The government has fast-tracked reforms in the telecom sector and continues to be proactive in providing room for growth for telecom companies. The Government of India is working to digitally connect the rural and remote regions in the country and has decided a new affordable tariff structure with the principle of more you use, less you pay. The changes will soon be reflected in tariff changes by service providers in the country.

BUSINESS OVERVIEW

Quadrant Televentures Limited is a Unified Access Services Licensee and an Internet Service Provider in the Punjab Telecom Circle comprising of the State of Punjab, the Union Territory of Chandigarh and the Panchkula town of Haryana. The Company started its operations as a fixed line service provider under the brand name "CONNECT" in the year 2000. Subsequently, the Company was granted the UASL License (Unified Access Services License) in the Punjab Telecom Circle in 2003. Apart from the UASL License, the Company also holds the ISP (Internet Service Provider) License Category –A (PAN INDIA) and the IP-1 (Infrastructure Provider-Category -1) License for providing services in the Punjab Telecom Circle.

Currently, the Company is providing Fixed Voice (Landline) services, DSL (Internet) services and Leased Line services in the Punjab Telecom Circle.

As at 31.03.2019, the Company had a total subscriber base of 2,21,854 customers.

The Company with its extensive optic fiber cable network of over 3800 km, provides services in over 150 cities / towns covering 52 of the 55 Short Distance Charging Areas ("SDCA") of Punjab Telecom Circle, as defined by the Department of Telecommunications, Government of India.

Key Business and Financial highlights for the financial year ended 31.03.2019 are as under:

- Moving into FTTH business on fast pace through partnering with local cable operators and franchises.
- Positive EBITDA of the Company during the financial year 2018-19 while the company was incurring losses from last many years.
- Growth in gross revenue of the Company by 5.18 % i.e. Revenue grown from Rs. 3853.25 (F.Y. 2017-18) to Rs 4053.12.(F.Y. 2018-19)

REGULATORY DEVELOPMENTS/CHANGES

National Digital Communications Policy

- Keeping in view the changes in the advancements in the digital communications ecosystem, the National Telecom Policy referred to as 'National Digital Communications Policy was announced.
- The Telecom Commission is redesignated as the **Digital Communications Commission**, to ensure that the high aspirations are achieved within stipulated time.
- The National Digital Communications Policy aims to accomplish the following Strategic Objectives by 2022:
  1. Provisioning of Broadband for All.
  2. Creating 4 Million additional jobs in the Digital Communications sector
  3. Enhancing the contribution of the Digital Communications sector to 8% of India's GDP from ~ 6% in 2017
  4. Propelling India to the Top 50 Nations in the ICT Development Index of ITU from 134 in 2017
  5. Enhancing India's contribution to Global Value Chains
  6. Ensuring Digital Sovereign
- In pursuit of accomplishing these objectives by year 2022, the National Digital Communications Policy, 2018 envisages three Missions:
  1. **Connect India**: Creating Robust Digital Communications Infrastructure To promote Broadband for All as a tool for socio-economic development, while ensuring service quality and environmental ustainability.
  2. **Propel India**: Enabling Next Generation Technologies and Services through Investments, Innovation and IPR generationTo harness the power of emerging digital technologies, including 5G, AI, IoT, Cloud and Big Data to enable provision of future ready products and services; and to catalyse the fourth industrial revolution (Industry 4.0) by promoting Investments, Innovation and IPR.
  3. **Secure India**: Ensuring Sovereignty, Safety and Security of Digital Communication. To secure the interests of citizens and safeguard the digital sovereignty of India with a focus on ensuring individual autonomy and choice, data ownership, privacy and security; while recognizing data as a crucial economic resource.

Minimum Requirements for Security Policy

- DOT issued instructions to licenses to include the defined items in their Security policies.
- Licensees given one-year period to fully implement the above mentioned requirements.
- Meanwhile, Security Audits could be conducted for gap analysis.
- Guidelines subject to review after every two years or on need basis.

Guidelines for Unified License in respect of migration of operational existing licenses

- Amendment issued which does away the eligibility criteria of net worth as specified in Clause no. 1{ix) for existing licensees migrating to UL

Growth & Market Trends

India is currently the world's second-largest telecommunications market with a subscriber base of 1.19 billion. The overall teledensity in the country is 91.22%. While the rural teledensity is currently 58.89%, the urban teledensity stands at 160.57%. Internet and broadband penetration in the Country is increasing steadily, boosting the Government's Digital India campaign. The number of subscribers accessing internet via wireless phones etc. was 491.10 million, while the number of Broadband subscribers was 447.12 million.

However the number of Landline users has decreased mainly due to the increasing use of mobile handsets due to convenience of use and accessibility and features like telephony directory and SMS coupled with cheaper or more affordable tariffs.

Broadband

Increase in Broadband connectivity is being seen as an integral driver of improved socio-economic performance. Broadband services empower masses and allow individuals to access new career and educational opportunities, help businesses reach new markets and improve efficiency and enhance the Government's capacity to deliver critical services like health, banking and commerce to all of its citizens.

Insights

- Broadband telephony in India has a great opportunity.
- Wireless data services have captivated a major chunk of internet customers in India. Given the significant economic and social benefits, expanding affordable access to broadband has become a high priority for the Government. Various schemes have been launched by the Government for providing broadband connectivity to rural & remote areas
- With increase in penetration of smart devices, fixed line broadband demand is also increasing and multi device usage on Wi-Fi fuelling this demand.

KEY INDUSTRY DEVELOPMENTS

REGULATORY DEVELOPMENTS / CHANGES

The Government is making major investments in laying optical fibre cable for extending the reach of telecom network to the remote and rural villages, through the flagship BharatNet Programme which is financed mainly through the Universal Service Obligation Fund (USOF).

- **BharatNet:** The Government is implementing the flagship BharatNet project (in two phases), to link each of the 2.5 lakh Gram Panchayats of India through optical fibre network. This is the largest rural connectivity project of its kind in the world and is the first pillar of Digital India Programme. It will facilitate the delivery of various e-Services and applications including e-health, e-education, e-governance and e-commerce in the future. The project envisages optical mix of underground fibre, fibre over power lines, radio and satellite media for providing broadband connectivity which can be utilized by all categories of service providers on non-discriminatory basis. Work on phase I of the project has been completed.
- **Phase II of BharatNet Project** is under implementation, which aims to connect 1.5 lakh GPs through high speed broadband, and is targeted to be completed by March 2019. Under BharatNet project a total of 2,98,406 km of Optical Fibre Cable (OFC)pipes have been laid as on 26.11.2018. The number of Gram Panchayats (GPs) where OFC have been laid are 1,21,511. The number of GPs made Service Ready are 1,16,311.

o For accessing broadband services in all the 2.5 lakh Gram Panchayats under BharatNet, around 12.5 lakh Wi-fi hotspots will be set up (with 5 hotspots in each panchayat on an average) in rural areas. This is going to provide broadband access to millions of people in rural areas. In addition to the wi-fi hotspots provisioned in the BharatNet, the Government is going to setup 25,000 Public Wi-Fi Hotspots infrastructure at BSNL's Telephone Exchanges in rural areas.

- **Connecting the Unconnected:** The Government has approved a Comprehensive Telecom Development Plan for North East Region to be funded from Universal Service Obligation Fund (USOF). This project will connect 8621 villages through installation of 6000 mobile tower sites. The Department is also implementing a project for laying over 3000 km of Submarine Optical Fibre Cable between Mainland (Chennai) and Port Blair and five other islands namely Car Nicobar, Little Andaman, Havelock, Kamorta and Great Nicobar Islands of Andaman & Nicobar Islands.
- **Active Infrastructure sharing:** The Government issued a notification on 11.02.2016 permitting sharing of active infrastructure amongst service providers based on mutual agreements. The active sharing cover antenna, feeder cable, Node B, Radio Access Network (RAN) and transmission systems.
- **Introduction of Virtual Network Operators (VNO):** The Government has issued guidelines for UL(VNO) on 31st May, 2016. VNO system allows Telecom Service Providers to utilize their networks and spectrum efficiently by sharing active and passive infrastructure. Further, VNOs can provide services in small towns and rural areas using the network of existing TSPs having unutilised capacity or by last mile connectivity. This apart, the VNOs can be effective in providing services in airports or buildings or in smart cities.
- **Right of Way Rules:** The Government has notified the Indian Telegraph Right of Way Rules, 2016 to regulate underground infrastructure (optical fibre) and over ground infrastructure (mobile towers). This rule is applicable to all telecom service providers holding a licence issued under sub-section (1) of section 4 of the Indian Telegraph Act, 1885. These rules have simplified the grant of right of way permissions for creation of telecom infrastructure by making it transparent and time-bound. This measure is expected to facilitate an increase in the pace of creation of infrastructure both rural and urban areas.
- **Registration Certificate of Infrastructure Provider Category-I (IP-I):** Under IP-I registration, a company can provide assets such as Dark Fibres, Right of way, Duct Space, Tower for the purpose to grant on lease/rent/sale basis to the licensees of Telecom Services licensed under Section 4 of Indian Telegraph Act, 1885 on mutually agreed terms and conditions. As on 27.06.2018, 862 companies have been registered as Infrastructure Provider Category-I.
- **Telecom Spectrum:** A major achievement in the sector has been bringing in transparency in the allocation of spectrum by adopting an auction process. This has also resulted in the highest ever upfront payment to the Government. There has been a marked thrust on improving efficiency in the use of spectrum by allowing spectrum sharing, trading and harmonisation.

OPPORTUNITIES AND THREATS

Opportunities

The telecom industry's opportunities include those variables that are out of the control of the industry, but could benefit the business. Since technologies that the telecom industry supplies change so frequently, it is essential that the businesses know what types of products are soon-to-be-supplied, so they can have the proper marketing prepared.

To achieve 'Digital India' objective - the Company is putting all initiatives to maintain the quality of services and retainability of the subscribers of the Company in view of the prevailing preferences of the subscriber and competition in the market.

Threats

The threats for the telecom industry focus on the issues that are coming from the outside that might negatively impact business. These could include new competitors opening their doors, or a failing economy. The telecom industry sells products that are key for communication, but are not essential if someone is trying to cut their budget.

High level of competition and Deployment of 4G & 5G Technology causes tremendous pressure on new customer acquisitions, retention of existing customers and tariffs.

OUTLOOK

The Company will continue to offer comprehensive broadband solutions to consumers, small businesses enterprises and other entities. The Company foresees a very high degree of competition in the years to come. In terms of subscriber base, all existing mobile operators have been facing a decline and single major operator holds sway over the market.

The Company derives a substantial part of its earnings from the Internet Service and wireline (copper based network) services.

RISKS & CONCERNS

The telecom operators in long run are expected to see a return to growth in revenue and hence uplift in profitability, while providing world class mobility services to more than 1.3 billion Indians spread across vast geography of India. The Company is exposed to a number of risks. Some key risks have been mentioned below:

- **Lack of fixed line penetration:**
  - India has very little penetration of fixed line in its network whereas, most of the developed countries have a very high penetration of fixed lines(telephone line that traveled through a metal wire or optical fiber as part of a nationwide telephone network).
  - The countries having high fixed line penetration are able to operate broadband over the fixed line and thus are much ahead of India in terms of download speeds. Downloading speed in India is 512 kbps compared to other nations who have touched the speed of 100 Mbps.
  - Private Service Providers when entered the sector, started deploying a network using cellular technology that has a limitation in terms of download speeds.
  - Though India has almost 1.2 billion connections the fixed line is around 18 million. Broadband Connectivity on fixed line is also poor.
  - Only around 25% of Towers in India are connected with fibre networks, whereas in developed nations, it is in excess of 70%.
  - 5G Network requires towers to be connected to with very high-speed systems. Those high speeds are not possible on the present radio systems. But are possible on fibre system.
- **High Right-of-Way (ROW) cost:** Sometimes, states governments charge a huge amount for permitting the laying of fibreetc. (A right of way is a type of easement that allows a person to pass through another's land)
- It takes a **long time to get right-of-way permissions** and thus India is yet not able to exploit the full potential of 4G networks.
- **Huge fluctuations in the duties** on Telecom Equipment which contribute to connecting the whole system from centerserver to the consumer.
- **Current System of Tariffs:** Major telecom Operators are reporting losses and financial stress. One operator, even, has recently announced bankruptcy. This shows that the current tariff system is not financially viable for telecoms.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company's philosophy towards internal control is based on the principle of healthy growth and proactive approach to risk management. Aligned to this philosophy, the Company has deployed a robust framework of internal controls that facilitates efficient conduct of business operations in compliance with the company policy; fair presentation of our financial results in a manner that is complete, reliable and understandable; ensure adherence to regulatory and statutory compliances;

and safeguards investor interest by ensuring the highest level of governance. The Internal Control framework has been set up across the company and is followed at the circle and country level. This framework is assessed periodically and performance of circles and countries are measured via objective metrics and defined scorecards.

An independent Audit firm Ernst & Young -LLP is entrusted with the internal audit function for this purpose. The Internal Auditors continuously evaluate the Internal Control Systems which are evaluated by the Audit Committee for appropriate actions and corrections, wherever necessary.

The management reviews and evaluates detailed revenue budgets for various products and departments and the actual performance is measured on monthly basis and a detailed analysis of the variances is carried out by a periodical review by the Board in order to set right any material deviations. In addition a budgetary control on all items of capital expenditure ensures that actual spending is in line with the capital budget.

SEGMENT WISE AND PRODUCT WISE PERFORMANCE

The Company operates in a single segment. The Product wise performance has been explained separately in subsequent paras.

ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Company has endeavored to expand the operations geographically and also in terms of providing new value added services. The Company has expanded its wireline services to 150 cities / towns of Punjab and widened its wireless footprint to cover the whole of Punjab Circle.

Due to the introduction of Indian Accounting Standards the figures for the financial year ended March 31, 2018 have been adjusted and said adjustment have resulted in significant changes in the said figures for the financial year ended March 31, 2018. The Company's revenue marginally increased by 1.51% from Rs.3442.00 million in 2017-18 to Rs.3977.19 million in 2018-19 and Company has sustained an operating loss of Rs. 1277.18 million during the financial year 2018-19 against Rs. 1373.55 million for the financial year 2017-18.

Revenue at a glance is as follows:

(Rs. in millions)

Parameter	FY 2018-19	FY 2017-18
Unified Access Services	365.64	448.03
Internet Services	1882.12	2119.62
Interconnect Usage Charges	1720.73	807.47
Infrastructure Services	86.80	66.88
Other Income	75.929	411.25
Total	**4053.11**	**3853.25**

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Key Financial Indicators

Telecom Business

(Rs. in millions)

Parameter	FY 2018-19	FY 2017-18
Revenue from Telephony Service	3977.19	3442.00

On Gross Basis

(Rs. in millions)

Parameter	FY 2018-19	FY 2017-18
Gross Income	4053.12	3853.25
Profit/(Loss) for the year	(1288.58)	(3003.23)

Major Expenses at a glance are as follows:

(Rs. in millions)

Parameter	FY 2018-19	FY 2017-18
Network Operations Expenditure	3067.10	2547.41
Employee Benefit Expenditure	421.66	508.95
Sales & Marketing Expenditure	159.70	159.86
Administration & Other Expenditure	370.46	502.87
Finance Cost	1019.51	949.41
Total	**5038.43**	**4668.50**

Share Capital

The Authorised Share Capital of the company is Rs.15000 million. Against this, the Paid up Share Capital is Rs.2860.71 million comprising of Rs.612.26 million by way of Equity Shares and Rs.2248.45 million by way of Cumulative Redeemable Preference Shares (CRPS).

Secured Loans/ Non Convertible Debentures

Pursuant to the CDR Scheme, 25% of Secured Loans had been repaid and 25% of Secured Loans had been converted into Preference Share Capital during 2011-12; the remaining 50% of the Secured Loans amounting to Rs.3196.91 million were converted into Non Convertible Debentures allotted to the Banks/Financial Institution as on January 21, 2013 in compliance with the terms and conditions of the CDR Scheme.

Key Financial Ratios

There are no significant changes (i.e. changes of 25% or more as compared to the immediately previous financial year) in key financial ratios.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE

Our employees are our most important assets. We believe that the quality and level of service that our professionals deliver are among the highest in the global technology services industry. We are committed to remaining among the industry's leading employers.

As at March 31, 2019, the Group employed 403 employees as against 451 during the previous year. The company has a professionally qualified work force out of which more than 70% are professionals drawn from various fields including Engineers, MBA's, C.As / C.S.s etc. The key aspects of our HR practice include recruitment, training and development, and compensation.

The competency development of our employees continues to be a key area of strategic focus for us. We launched new programs for our employees in keeping with the changes in the use of technology in education. We enhanced our technology-led training efforts in multiple areas.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may constitute a "forward-looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic markets in which the Company operates, changes in the Government Regulations, tax laws and other statutes and other incidental factors. Further, the Company retains the flexibility to respond to fast-changing market conditions and business imperatives. The Company may therefore need to change any of the plans and projections that may have been outlined in this report, depending on the actual market conditions.

For and on behalf of the Board of Directors

Place: Gurugram	**Mitu Mehrotra Goel**	**Babu Mohanlal Panchal**
Date: August 9, 2019	**Director**	**Director**
	(DIN: 05188846)	**(DIN: 01806193)**

INDEPENDENT AUDITOR'S REPORT

To the Members of
Quadrant Televentures Limited

Report on the Audit of the Financial Statements

1. Qualified Opinion

We have audited the accompanying financial statements of **Quadrant Televentures Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effect of the matter described in the Basis for qualified Opinion in paragraph 2 below,* the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Qualified Opinion

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

As stated in Note 40 of financial statements, balances of some of the trade payable, trade receivable, other liabilities, advances and security deposits are subject to confirmations, reconciliation and adjustments, if any. The effect of the same is unascertainable, and hence the consequential cumulative effect thereof on loss including other comprehensive income for the year, assets, liabilities and other equity is unascertainable.

3. Emphasis of Matter

We draw attention to Note 41 to the financial statements, the Company has incurred a net loss of Rs. 1,288,587,268 during the year and the accumulated losses as at March 31, 2019 amounted to Rs. 18,891,598,775, resulting in, the erosion of its net worth and has current liabilities in excess of current assets by Rs 6,644,241,761 as at March 31, 2019. These factors raise doubts that the Company will not be able to continue as a going concern. The management is confident of generating cash flows from continue business operations through increasing subscribers' base and with the support of significant shareholders to fund its operating and capital fund requirements. In view of the above, the financial statements have been prepared on a going concern basis. Our report is not qualified in respect of this matter.

4. Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	***Revenue Recognition:*** Revenue is recognised at the fair value of the consideration received or receivable, which is generally the transaction price, net of any taxes / duties, rebate, discounts and process waivers. (refer note 3.12) Due to Company's presence across different marketing regions within the country and the competitive business environment, the estimation of various types of discounts, rebate, waivers to be recognised based on services made during the year is material and considered to be judgmental. Due to the level of judgement relating to recognition revenue, discount, rebate and	***Our Audit procedure included:*** • Assessing the appropriateness of the revenue recognition accounting policies, including those relating to discount, rebate and waivers by comparing with applicable accounting standards. • Testing the design, implementation and operating effectiveness of the Company's general IT controls over the Company's systems and manual controls, which govern recording of revenue and discount, rebates and waiver in the general ledger accounting system. • Performing substantive testing (including year-end cut off testing) by selecting samples of revenue transactions recorded during the year

	waiver, this is considered a key audit matter.	(and before and after the financial year-end) by verifying the underlying documents and approval procedure. • Comparing the historical trend of discount, rebate and waiver. • Assessing the manual journal posted to revenue. • Considered the adequacy of the Company's disclosure in respect of revenue.
2.	***Evaluation of Provision and Contingent Liabilities:*** As at the Balance Sheet date, the Company has significant open litigation and other contingent liabilities as disclosed in note no. 39. The assessment of the existence of the present legal or constructive obligation, analysis of the probability or possibility of the related payment require the management to make judgement and estimates in relation to the issues of each matter. The management with the help of opinion and advise of its experts have made such judgements and estimates relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. Due to the inherent complexity and level of judgement relating to recognition, valuation and presentation of provision and contingent liabilities, this is considered a key audit matter.	***Our Audit procedure included:*** • We have reviewed and held discussions with the management to understand their processes to identify new possible obligations and changes in existing obligations for compliance with the requirements of Ind-AS 37 on Provisions, Contingent Liabilities and Contingent Assets. • We have also discussed with the management significant changes from prior periods and obtained a detailed understanding of these items and assumptions applied. We have held regular meetings with the management and key legal personnel responsible for handling legal matters. In addition, we have reviewed: • the details of the proceedings before the relevant authorities including communication from the advocates / experts; • legal advises / opinions obtained by the management, if any, from experts in the field of law on the legal cases; • status of each of the material matters as on the date of the balance sheet. • We have assessed the appropriateness of provisioning based on assumptions made by the management and presentation of the significant contingent liabilities in the financial statements.

5. Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, Management Discussion and Analysis, Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

6. Responsibilities Of Management's for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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

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

7. **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

8. **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 Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

   a) we have sought and obtained, *except for the matter described in the Basis for qualified Opinion in paragraph 2 above,* all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) *except for the matter described in the Basis for qualified Opinion in paragraph 2 above,* in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 39 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 39 to the financial statements;

iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For KHANDELWAL JAIN & Co
Chartered Accountants
Firm's Registration No. 105049W

Naveen Jain
Partner
Membership No. 511596

Place: Gurugram
Date: May 24, 2019

Annexure - A to the Auditors' Report

Annexure referred to in paragraph 8 (1) of the Independent Auditors' Report of even date to the members of **Quadrant Televentures Limited** on the financial statements for the year ended 31 March 2019, we report that:

I. (a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the management during the year physically verified certain fixed assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.

II. As per the information furnished, the management at reasonable intervals during the period has physically verified the Inventories. In our opinion, having regard to the nature and location of stocks, the frequency of physical verification is reasonable and the discrepancies noticed on physical verification of stocks were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.

III. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) (a) and (b) of the Order are not applicable.

IV. In our opinion and according to the information and explanations given to us, the Company has, in respect of loans, investments, guarantees, and security, complied with the provisions of section 185 and 186 of the Companies Act, 2013, wherever applicable.

V. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.

VI. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

VII. (a) According to the information and explanations given to us and records examined by us, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, no dues are outstanding, which have not been deposited on account of disputes.

VIII. *According to the information and explanations given to us and records examined by us, the Company has defaulted in repayment of dues to banks / debenture holders as follows:*

A. Amount Outstanding as at 31st March, 2019 and not paid till date	Amount of Default as on March 31, 2019		Delay/Default (In days)	
	Principle	Interest	Principle	Interest
IDBI Bank	352,334,416	368,101,164	30-607 Days	30-607 Days
Kotak Mahindra Bank	7,934,705	10,693,693	30-181 Days	30-181 Days
Life Insurance Corporation of India	79,246,620	89,016,744	30-729 Days	30-788 Days
State Bank of India	26,416,720	29,673,579	30-729 Days	30-788 Days
Oriental Bank of Commerce	79,250,160	89,020,733	30-729 Days	30-788 Days
Total	**545,182,621**	**586,505,912**		

Further, amount defaulted during the year and paid before the Balance Sheet date are as under:

B. Amount paid before the year end	Amounts		Delay/Default (In days)	
	Principle	Interest	Principle	Interest
Kotak Mahindra Bank	10,562,700	10,552,455	85-89 Days	85-89 Days
Total	**10,562,700**	**10,552,455**		

IX. As per information given to us, no money was raised by way of initial public offer or further public offer (including debt instruments) and the Company has not taken any term loan during the year.

X. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

XI. In our opinion and according to the information and explanation given to us and the books of accounts verified by us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with the Schedule V to the Companies Act.

XII. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order 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 the related parties are in compliance with Sections 177 and 188 of Companies Act 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

XIV. According to information and explanations given to us, the Company during the year has not made any preferential allotment as private placement of shares or fully or partly convertible debentures. Accordingly, paragraph 3(xiv) is not applicable.

XV. According to the information and explanation given to us and certified by the management the company has not entered into any non-cash transaction with directors or persons connected with him.

XVI. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For KHANDELWAL JAIN & Co
Chartered Accountants
Firm's Registration No. 105049W

Naveen Jain
Partner
Membership No. 511596

Place: Gurugram
Date: May 24, 2019

Annexure – B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

TO THE MEMBERS OF
QUADRANT TELEVENTURES LIMITED

We have audited the internal financial controls over financial reporting of **Quadrant Televentures Limited** ("the Company") as of 31 March 2019 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KHANDELWAL JAIN & Co
Chartered Accountants
Firm's Registration No. 105049W

Naveen Jain
Partner
Membership No. 511596

Place: Gurugram
Date: May 24, 2019

BALANCE SHEET AS AT MARCH 31, 2019
(All amount are in Rupees)

Particulars	Notes	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-current Assets			
(a) Property Plant & Equipment	4	1,466,571,405	1,774,826,724
(b) Capital Work in Progress	4	247,655	1,052,016
(c) Intangible Assets	5	37,075,990	51,713,098
(d) Financial assets			
(i) Deposits	6	100,000	100,000
(e) Other Non-Current Assets	7	1,804,729	2,829,787
Total Non-Current Assets		**1,505,799,779**	**1,830,521,625**
Current Assets			
(a) Inventories	8	160,512,894	212,531,186
(b) Financial Assets			
(i) Trade Receivables	9	369,841,357	296,582,063
(ii) Cash and Cash Equivalents	10	6,234,164	40,673,522
(iii) Bank Balance other than (ii) above	11	153,768,851	138,929,195
(iv) Others	12	96,565,967	92,903,435
(c) Current Tax Assets (net)	13	59,571,455	75,319,007
(d) Other Current Assets	14	238,853,508	224,037,901
(e) Assets held for Sale	15	40,180,459	58,775,081
Total Current Assets		**1,125,528,655**	**1,139,751,390**
Total Assets		**2,631,328,434**	**2,970,273,015**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	612,260,268	612,260,268
(b) Other Equity	17	(18,823,032,267)	(17,534,444,999)
Total Equity		**(18,210,771,999)**	**(16,922,184,731)**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	10,726,186,299	10,117,483,602
(ii) Others	19	2,248,454,300	2,248,454,300
(b) Provisions	20	30,132,197	46,604,826
(c) Other Non-Current Liabilities	21	67,557,221	85,197,825
Total Non-Current Liabilities		**13,072,330,017**	**12,497,740,553**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	3,265,225,899	3,273,386,957
(ii) Trade Payables	23		
(A) total outstanding dues of micro enterprises and small enterprises ; and		1,723,857	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		615,697,199	396,002,163
(iii) Others	24	3,832,004,408	3,637,113,096
(b) Provisions	25	3,205,784	4,087,334
(c) Other Current Liabilities	26	51,913,269	84,127,643
Total Current Liabilities		**7,769,770,416**	**7,394,717,193**
Total Liabilities		**20,842,100,433**	**19,892,457,746**
Total Equity and Liabilities		**2,631,328,434**	**2,970,273,015**

The accompanying notes form an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

Mitu Mehrotra Goel
Director
(DIN : 05188846)

Babu Mohanlal Panchal
Director
(DIN : 01806193)

Naveen Jain
Partner
Membership No. 511596

Gourav Kapoor
Company Secretary & Manager

Munish Bansal
Chief Financial Officer

Place: Gurugram
Date : 24th May, 2019

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2019

(All amount are in Rupees)

Sr. No.	Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
	INCOME			
I	Revenue from Operations	27	3,977,191,177	3,442,000,970
II	Other Income	28	75,929,314	411,252,313
III	**Total Income (I+II)**		**4,053,120,491**	**3,853,253,283**
IV	**EXPENSE**			
	Network Operating expenses	29	3,067,109,097	2,547,409,003
	Employee Benefits Expenses	30	421,668,707	502,197,211
	Sales and Marketing Expenses	31	159,706,338	159,861,328
	Finance Costs	32	1,019,511,768	949,412,490
	Depreciation and Amortization	4, 5	291,839,781	565,052,274
	Other Expenses	33	370,462,348	502,873,528
	Total Expenses (IV)		**5,330,298,039**	**5,226,805,834**
V	**Profit / (Loss) from operating activities before exceptional items and tax (III-IV)**		**(1,277,177,548)**	**(1,373,552,551)**
VI	**Exceptional Items**	34	-	1,626,100,783
VII	**Profit / (loss) before income tax (V-VI)**		**(1,277,177,548)**	**(2,999,653,334)**
VIII	**Income tax expense**			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	**Profit / (Loss) for the year (VII-VIII)**		**(1,277,177,548)**	**(2,999,653,334)**
X	**Other Comprehensive Income ('OCI')**			
	(A) Items that will not be reclassified to profit or loss Re-measurement gain/(loss) on Defined Benefits Plans		(11,409,720)	(3,578,250)
	(B) Items that will be reclassified to profit or loss		-	-
	Other Comprehensive Income ('OCI') (After Tax)		(11,409,720)	(3,578,250)
XI	**Total Comprehensive Income for the year (IX+X)**		**(1,288,587,268)**	**(3,003,231,584)**
	Earnings per equity share			
	(Basic & Diluted)	35	**(2.10)**	**(4.91)**

The accompanying notes form an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

Mitu Mehrotra Goel
Director
(DIN : 05188846)

Babu Mohanlal Panchal
Director
(DIN : 01806193)

Naveen Jain
Partner
Membership No. 511596

Gourav Kapoor
Company Secretary & Manager

Munish Bansal
Chief Financial Officer

Place: Gurugram
Date : 24th May, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(All amount are in Rupees)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Cash Flows from operating activities		
(Loss)/Profit before Tax	**(1,277,177,548)**	**(2,999,653,334)**
Adjustments for :		
Depreciation and amortisation	291,839,781	565,052,274
Finance Costs	1,019,511,768	949,412,490
Finance Income	(8,990,934)	(10,747,025)
Exceptional Items	-	1,626,100,783
Loss/(Gain) on sale/Discard of Asset, CWIP & Inventory	36,343,079	(10,461,197)
Bad Debts Written off	8,112,693	63,946,811
Provision for Doubtful debts	-	17,358,461
Other Comprehensive Income	(11,409,720)	(3,578,250)
Operating cash flow before changes in working capital	**58,229,119**	**197,431,015**
Changes in working capital		
Trade receivables	(81,371,987)	(171,888,826)
Trade payables	221,418,893	(110,525,707)
Inventories	52,018,293	454,084,812
Provisions	(17,354,179)	(25,179,988)
Other financial and non-financial liabilities	444,650,615	952,531,452
Other financial and non-financial assets	(12,970,938)	122,082,197
Net cash generated from operations before tax	**664,619,815**	**1,418,534,955**
Income tax paid	15,747,552	(9,217,808)
Net cash generated from operating activities (a)	**680,367,367**	**1,409,317,147**
Cash flows from investing activities		
Purchase of Assets & CWIP	(297,572)	(515,600,864)
Proceeds from sale of property, plant and equipment & CWIP	14,406,124	2,394,982
Sale of intangible assets	-	-
Interest received	4,508,791	5,969,207
Net cash used in investing activities (b)	**18,617,343**	**(507,236,675)**
Cash flows from financing activities		
Increase (Repayment) of borrowings	(10,562,700)	(83,636,436)
Increase (Repayment) of Working Capital	2,401,642	(5,502,061)
Interest and other finance charges paid	(710,423,354)	(811,614,851)
Fixed Deposits	(14,839,656)	(14,647,473)
Dividend paid (including tax)	-	-
Net cash generated from financing activities (c)	**(733,424,068)**	**(915,400,821)**
Net increase / (decrease) in cash and cash equivalents during the year (a+b+c)	**(34,439,358)**	**(13,320,349)**
Add: Cash and cash equivalents as at the beginning of the year	40,673,522	53,993,871
Cash and cash equivalents as at the end of the year (refer Note 10)	**6,234,164**	**40,673,522**
Cash in Hand	602,166	2,330,126
Cheques in Hand	2,089,570	3,422,635
In Current Accounts	3,542,428	34,920,761
Cash & Cash Equivalents	**6,234,164**	**40,673,522**

The accompanying notes form an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

Mitu Mehrotra Goel
Director
(DIN : 05188846)

Babu Mohanlal Panchal
Director
(DIN : 01806193)

Naveen Jain
Partner
Membership No. 511596

Gourav Kapoor
Company Secretary & Manager

Munish Bansal
Chief Financial Officer

Place: Gurugram
Date : 24th May, 2019

STATEMENT OF CHANGES IN EQUITY

Particulars	Share Capital		Reserves and Surplus				Other Comprehensive Income	Total Equity
	No. of Shares	Amount	Securities Premium	Statutory Reserve	Capital Reserve	Retained Earnings	Remeasurement of defined benefit plans - Other Comprehensive Income	
As at April 01, 2017	**612,260,268**	**612,260,268**	**22,633,732**	**11,900,000**	**34,032,776**	**(14,606,585,999)**	**6,806,076**	**(13,918,953,147)**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
Total Comprehensive Loss for the year	-	-	-	-	-	(2,999,653,334)		(2,999,653,334)
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
Any other change (to be specified)	-							
Other Comprehensive Income	-	-	-	-	-	-	(3,578,250)	(3,578,250)
Total Comprehensive Loss for the year			**-**	**-**	**-**	**(2,999,653,334)**	**(3,578,250)**	**(3,003,231,584)**
As at March 31, 2018	**612,260,268**	**612,260,268**	**22,633,732**	**11,900,000**	**34,032,776**	**(17,606,239,333)**	**3,227,826**	**(16,922,184,731)**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
Total Comprehensive Loss for the year	-	-	-	-	-	(1,277,177,548)		(1,277,177,548)
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	(11,409,720)	(11,409,720)
Total Comprehensive Loss for the year			**-**	**-**	**-**	**(1,277,177,548)**	**(11,409,720)**	**(1,288,587,268)**
As at March 31, 2019	**612,260,268**	**612,260,268**	**22,633,732**	**11,900,000**	**34,032,776**	**(18,883,416,881)**	**(8,181,894)**	**(18,210,771,999)**

The accompanying notes form an integral part of these financial statements

As per our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

Naveen Jain
Partner
Membership No. 511596

Place: Gurugram
Date : 24th May, 2019

For and on behalf of the Board of Directors

Mitu Mehrotra Goel
Director
(DIN : 05188846)

Babu Mohanlal Panchal
Director
(DIN : 01806193)

Gourav Kapoor
Company Secretary & Manager

Munish Bansal
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. **BACKGROUND**

(a) Corporate Information

Quadrant Televentures Limited (Formerly known as HFCL Infotel Limited) ('the Company' or 'QTL'), Unified Access Services Licensee for Punjab Telecom Circle (including Chandigarh and Panchkula), is providing complete telecommunication services, which includes voice telephony, internet services, broadband data services and a wide range of value added services viz. Centrex, Leased Lines, VPNs, Voicemail, etc. The services were commercially launched in October 2000. As at 31.03.2019, the Company had a total subscriber base of 221,854.

The Company was incorporated on August 2, 1946 with the name of The Investment Trust of India Limited (ITI) which was subsequently changed to HFCL Infotel Limited on May 12, 2003. This was done pursuant to a Scheme of amalgamation (the Scheme), approved by the Hon' ble High Court of the Punjab and Haryana at Chandigarh and Hon'ble High Court of the State of Tamil Nadu at Chennai on March 6, 2003 and March 20, 2003, respectively, whereby the *erstwhile* HFCL Infotel Limited (name earlier allotted to the transferor Company) ('*erstwhile* HFCL Infotel') was merged with the Company with effect from September 1, 2002. As per the Scheme envisaged, the Company's existing business of hire purchase, leasing and securities trading was transferred by way of slump sales to its wholly owned subsidiary, Rajam Finance & Investments Company (India) Limited ('Rajam Finance') with effect from September 1, 2002. Rajam Finance was renamed as The Investment Trust of India Limited with effect from June 17, 2003 and it ceased to be the subsidiary of the Company with effect from September 30, 2003, due to allotment of fresh equity by Rajam Finance to other investors.

The Company, during the year ended March 31, 2004, surrendered its license granted by Reserve Bank of India ('RBI') to carry out NBFC business. RBI confirmed the cancellation of the NBFC license as per their letter dated May 24, 2004.

On September 24, 2010, the name of Company was changed from HFCL Infotel Limited to Quadrant Televentures Limited.

The Company had surrender the CDMA Spectrum on May 30, 2016 and Microwave Spectrum for CDMA Services for Punjab Service Area and had shut down its GSM Services w.e.f. February 15'2017. At present, the Company is running its Wireline and ISP Services in Punjab Circle (including Chandigarh and Panchkula).

The Company's voice calling services (Wireline) was covered under UASL License and the same was valid upto 29th September, 2017. To continue Voice Calling Services (Wireline) for Punjab Circle, the Company had filed an application with DoT for migration of existing UASL Licence under UL guidelines. Application has been approved by DoT in September, 2017 and same is now valid till the period of existing ISP licence i.e. January 2035.

(b) License Fees

The Company has obtained license for Basic Telephony Service for the Punjab Telecom Circle (including Chandigarh and Panchkula) by way of amalgamation of the *erstwhile* HFCL Infotel with the Company. *Erstwhile* HFCL Infotel had obtained this license under fixed license fee regime under National Telecom Policy ('NTP') 1994, valid for a period of 20 years from the effective date, and subsequently migrated from the fixed license fee regime to revenue sharing regime upon implementation of NTP 1999. Further to the Telecom Regulatory Authority of India ('TRAI') recommendations of October 27, 2003 and the Department of Telecommunications ('DoT') guidelines on Unified Access (Basic & Cellular) Services License ('UASL') dated November 11, 2003, the Company migrated its license to the UASL regime with effect from November 14, 2003.

A fresh License Agreement was signed on May 31, 2004. Pursuant to this migration, the Company became additionally entitled to provide full mobility services. Quadrant Televentures Limited also entered into Unified Licence Agreement No. 821-125/2014-DS dated January 6, 2015, and amendments thereto, with DoT to establish, maintain and operate internet services on all India basis (PAN India).

As per the new ISP License agreement no. 821-125/2014-DS dated January 6, 2015, the revenue share from ISP services was set at 8 per cent of AGR and is required to be paid on income from Internet revenue except revenue from pure internet service ('AGR' under Internet Service License).

2. **APPLICATION OF NEW AND REVISED IND -AS**

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 to the extent applicable have been considered in preparing these financial statements.

Standards issued but not yet effective

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

  Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

  - ➢ Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or.
  - ➢ An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The Company is currently evaluating the effect of this amendment on the financial statements.

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

3.1 Basis of preparation of Financial Statements

3.1.1.Compliance with Ind AS

These financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statements are authorized for issue by the Company's Board of Directors on May 24, 2019.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said financial statements. The preparation of the said financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 36.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013.

Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required. All the amounts included in the financial statements are reported in Indian Rupees ('Rupees') and are rounded to the nearest rupee, except per share data and unless stated otherwise.

3.1.2.Historical Cost Convention

The financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value for the followings:

- ➢ certain financial assets and liabilities and contingent consideration that is measured at fair value;
- ➢ assets held for sale measured at fair value less cost to sell;
- ➢ defined benefit plans for plan assets measured at fair value; and

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3.2. **Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle, or

b) Held primarily for the purpose of trading, or

c) Expected to be realised within twelve months after the reporting period other than for (a) above, or

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

a) It is expected to be settled in normal operating cycle, or

b) It is held primarily for the purpose of trading, or

c) It is due to be settled within twelve months after the reporting period other than for (a) above, or

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

All other liabilities are classified as non-current.

Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

- Level 1 — Quoted (unadjusted): This hierarchy includes financial instruments measured using quoted prices.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

3.3. **Non-Current Assets Held for Sale**

Non-Current Assets are classified as assets-held-for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell.

Assets classified as held for sale are presented separately in the balance sheet.

Loss is recognised for any initial or subsequent written down value of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative loss previously recognised.

3.4. **Property Plant and Equipment**

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are stated at actual cost less accumulated depreciation and impairment loss, if any. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of tax credit, if any) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and borrowing costs for qualifying assets.

Property, Plant and Equipment (PPE) and intangible assets are not depreciated or amortized once classified as held for sale.

Significant Parts of an item of PPE (including major inspections) having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready for their intended use. The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively. Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation is provided pro-rata to the period of use on the straight-line method based on the estimated useful life of the assets. The useful life of

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

property, plant and equipment are as follows: -

Asset Class	Useful Life
Leasehold Land	Over the lease term
Buildings - Office Building - Others	 30 years 60 years
Leasehold Improvement	10 years or over the lease term, whichever is lower
Network Equipment (other than batteries) Batteries (a)	9.67 years 5 years
Testing Equipment (included in Network Equipment) (a)	5 years
Optical Fibre Cable and Copper Cable (a)	15 years
Computers	3 years
Software	5 years
Office Equipment	5 years
Furniture and Fixture	10 years, except in case issued to employees, where asset is depreciated in 5 years
Vehicles - Motor Cars (a)	4 years
PPE costing less than Rs 5,000	Fully depreciated when they are ready for use.

Note:

a. For these classes of assets based on internal assessment and technical evaluation, the management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of Companies Act 2013.

b. Depreciation on the amount capitalized on up-gradation of the existing assets is provided over the balance life of the original asset.

c. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or over the shorter of the assets useful life and the lease term if there is an uncertainty that the company will obtain ownership at the end of the lease term.

d. An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

e. Due to changes in technology and pattern of use of respective items and also in the view of industry scenario, the Company has changed its accounting policy in respect of accounting of Telephone Instruments, Router, Wi-Fi Instruments i.e. Customer Premises Equipments. Hitherto, such items were treated as PPE, however from 01.04.2017 the same are treated as consumable items instead of PPE for better presentation of financial statements of the Company.

3.5. Intangible Assets

All expenditure on intangible items are expensed as incurred unless it qualifies as intangible assets. The carrying value of intangible assets is assessed for recoverability by reference to the estimated future discounted net cash flows that are expected to be generated by the asset. Where this assessment indicates a deficit, the assets are written down to the market value or fair value as computed above.

Recognition of Intangible Assets

a. **Computer Software**

Purchase of computer software used for the purpose of operations is capitalized. However, any expenses on software support, maintenance, upgrade etc. payable periodically is charged to the Statement of Profit & Loss.

b. **Telecom License & Internet Service Provider License**

Acquired licenses and spectrum are amortised commencing from the date when the related network is available for intended use in the relevant jurisdiction.

The revenue-share based fee on licenses / spectrum is charged to the statement of profit and loss in the period such cost is incurred.

➢ **De-Recognition of Intangible Assets**

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

3.6. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The financial instruments are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial instruments at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

3.6.1.Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

i. Financial Assets Measured at Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in finance income.

ii. Financial Assets at Fair Value through Profit or Loss ('FVTPL')

All financial assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest (basis EIR method) income from financial assets at fair value through profit or loss is recognised in the statement of profit and loss within finance income/ finance costs separately from the other gains/ losses arising from changes in the fair value.

Equity Investments

All equity investments are measured at fair value and for equity instruments, the Company may make an irrevocable election to present in Other Comprehensive Income (OCI) with subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. This amount is not recycled from OCI to Profit & Loss account, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit & Loss account.

De-Recognition

A financial asset is de-recognized only when

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

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

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

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of Impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance.

b) Financial assets that are debt instruments and are measured as at FVTOCI.

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

d) Loan commitments which are not measured as at FVTPL.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss account (P&L).

3.6.2 Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial Recognition and Measurement

Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Trade and Other Payables

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

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

De-Recognition

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

3.7. Inventory

Inventory is valued at cost or net realisable value whichever is low. Cost is calculated on FIFO basis.

3.8. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.9. Impairment of Non-Financial Assets

PPE and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash-generating-unit ('CGU') level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro rata basis. Impairment losses, if any, are recognised in statement of profit and loss.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

3.11. License Fees

License Entry Fee

The License Entry Fee has been recognised as an intangible asset and is amortised equally over the remaining period of licence from the date of commencement of commercial operations. License entry fees includes interest on funding of license entry fees, foreign exchange fluctuations on the loan taken upto the date of commencement of commercial operations.

The carrying value of license entry fees are assessed for recoverability by reference to the estimated future discounted net cash flows that are expected to be generated by the asset. Where this assessment indicates a deficit, the assets are written down to the market value or fair value as computed above.

Revenue Sharing Fee

Revenue Sharing Fee is currently computed at the prescribed rate of Adjusted Gross Revenue ('AGR') which is expensed in the Statement of Profit and Loss in the year in which the related income from providing Unified Access Services and Internet Services are recognised.

3.12. Revenue Recognition

Revenue is recognised when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be measured reliably. Revenue is recognised at the fair value of the consideration received or receivable, which is generally the transaction price, net of any

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

taxes / duties, discounts and process waivers.

In order to determine if it is acting as a principal or as an agent, the Company assesses whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services.

a. Service Revenue

Service Revenue mainly pertains to usage subscription and activation charges for voice, data, messaging and value added services. It also includes revenue towards interconnection charges for usage of the Company's network by other operators for voice, data, messaging and signalling services.

Revenue from Unified Access services are recognised on services rendered and is net of rebates, discounts and Goods & Services Tax. Unbilled revenues resulting from Unified Access Services provided from the billing cycle date to the end of each month are estimated and recorded. Revenues from Unified Access Services rendered through prepaid cards are recognised based on actual usage by the customers. Billings made but not expected to be collected, if any, are estimated by the management and not recognised as revenues.

Revenue on account of internet services and revenue from infrastructure services are recognised as services are rendered, in accordance with the terms of the related contracts.

The billing and collection in excess of revenue recognised is presented as deferred revenue in the balance sheet whereas unbilled revenue is recognised within other current financial assets.

b. Equipment Sales

Equipment sales mainly pertain to sale of telecommunication equipment and related accessories. Such transactions are recognised when the significant risks and rewards of ownership are transferred to the customer. However, in case of equipment sale forming part of multiple-element revenue arrangements which is not separately identifiable component, revenue is recognised over the customer relationship period.

c. Capacity Swaps

The exchange of network capacity is recognised at fair value unless the transaction lacks commercial substance or the fair value of neither the capacity received nor the capacity given is reliably measurable.

d. Interest Income

All debt instruments are measured either at amortized cost or at fair value through Other Comprehensive Income and interest income is recorded using the effective interest rate (EIR).

e. Rental Income

Rental income arising from operating leases or investment properties is account for on a straight-line basis over the lease terms and is included in other non-operating income in the statement of profit and loss.

f. Insurance Claims

Insurance claims are accounted for as and when admitted by the concerned authority.

3.13. Foreign Currency Transactions

The functional currency of the Company is Indian Rupees which represents the currency of the economic environment in which it operates.

Transactions in currencies other than the Company's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date.

Any income or expense on account of exchange difference between the date of transaction and on settlement or on translation is recognized in the profit and loss account as income or expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on such assets and liabilities carried at fair value are reported as part of fair value gain or loss.

In case of forward exchange contracts, the premium or discount arising at the inception of such contracts is amortized as income or expense over the life of the contract. Further exchange difference on such contracts i.e. difference between the exchange rate at the reporting /settlement date and the exchange rate on the date of inception of contract/the last reporting date, is recognized as income/expense for the period.

Effective April 1, 2018 the Company has adopted Appendix B to Ind AS 21-Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

3.14. Employee Benefits

Short Term Employee Benefits: -

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Long-Term Employee Benefits

Compensated expenses which are not expected to occur within twelve months after the end of period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Post-Employment Obligations

Defined Contribution Plans

Provident Fund and Employees' State Insurance Schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the employees' state insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India.

The Company's contributions to both these schemes are expensed in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.

Defined Benefit Plans

Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Indian Accounting Standard 19 (revised), "Employee Benefits". The Company makes annual contributions to the LIC for the Gratuity Plan in respect of employees. The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Defined retirement benefit plans comprising of gratuity, un-availed leave, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Leave Encashment

The Company has provided for the liability at period end on account of un-availed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

Actuarial gains and losses are recognized in OCI as and when incurred.

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

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognized in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The retirement benefit obligation recognized in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Termination Benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

3.15.Taxation

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statement. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

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

3.16. Operating Leases

Where the Company is the Lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

Where the Company is the Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

3.17. Earning Per Share (‘EPS’)

The Company presents the Basic and Diluted EPS data. Basic Earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.18. Segment Reporting

Identification of Segments:

The primary reporting of the Company has been performed on the basis of business segments. The analysis of geographical segments is based on the areas in which the Company’s products are sold or services are rendered.

Allocation of Common Costs:

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

Unallocated Items:

The Corporate and other segment include general corporate income and expense items, which are not allocated to any business segment.

3.19. Cash & Cash Equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.20. Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

ARO are recognised for those operating lease arrangements where the Company has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.21.Exceptional Items

Exceptional items refers to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

4 Property, Plant and Equipment ('PPE')

Costs	Land - Freehold	Land - Leasehold	Building	Leasehold Improvements	Network Equipment	Optical Fibre Cable and Copper Cable	Telephone Instruments at Customers Premises	Computers	Office Equipment	Furniture & Fixture	Vehicles	Total	Capital Work in Progress
As at April 1, 2017 (Gross Carrying Value)	**16,142,623**	**8,896,419**	**190,919,098**	**86,037,703**	**7,439,120,950**	**5,061,341,665**	**629,468,322**	**326,859,021**	**52,398,441**	**51,579,408**	**15,717,392**	**13,878,481,042**	217,397,964
Additions	-	-	-	1,250,416	81,476,338	49,127,877	-	1,923,084	865,653	487,323	-	135,130,691	441,364,216
Less : Disposals / Adjustments	-	-	-	725,407	3,355,614,869	12,098,327	16,108,269	182	868,517	1,469	10,509,499	3,395,926,539	-
Less : Capitalisation/Re-classification	-	-	-	-		-	-	-	-	-	-	-	657,710,164
Ind AS adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**16,142,623**	**8,896,419**	**190,919,098**	**86,562,712**	**4,164,982,419**	**5,098,371,215**	**613,360,053**	**328,781,923**	**52,395,577**	**52,065,262**	**5,207,893**	**10,617,685,194**	**1,052,016**
Additions	-	-	-	-	-	-	-	178,438	96,160	22,974	-	297,572	-
Less : Disposals / Adjustments	-	-	-	451,524	413,759,227	16,604,038	53,507,204	9,190,796	3,406,164	433,336	-	497,352,289	-
As at March 31, 2019	**16,142,623**	**8,896,419**	**190,919,098**	**86,111,188**	**3,751,223,192**	**5,081,767,177**	**559,852,849**	**319,769,565**	**49,085,573**	**51,654,900**	**5,207,893**	**10,120,630,477**	**247,655**

Accumulated depreciation and impairment	Land - Freehold	Land - Leasehold	Building	Leasehold Improvements	Network Equipment	Optical Fibre Cable and Copper Cable	Telephone Instruments at Customers Premises	Computers	Office Equipment	Furniture & Fixture	Vehicles	Total	Capital Work in Progress
As at April 1, 2017 (Gross Carrying Value)	-	**1,661,949**	**58,168,021**	**79,471,528**	**4,573,646,130**	**4,595,117,878**	**457,341,802**	**315,899,645**	**50,578,031**	**44,112,145**	**15,447,762**	**10,191,444,891**	-
Depreciation for the year	-	92,160	3,754,505	1,438,424	216,367,291	78,069,922	63,511,034	9,593,155	1,342,012	1,254,309	269,630	375,692,442	-
Additional Depreciation *							108,459,174					108,459,174	-
Impairment during the year	-	-	-	-	1,502,074,542	-	-	-	-	-	-	1,502,074,542	-
Less : Disposals / Adjustments	-	-	-	724,029	3,296,296,110	10,581,929	15,951,957	181	747,405	1,469	10,509,499	3,334,812,579	-
As at March 31, 2018	-	**1,754,109**	**61,922,526**	**80,185,923**	**2,995,791,853**	**4,662,605,871**	**613,360,053**	**325,492,619**	**51,172,638**	**45,364,985**	**5,207,893**	**8,842,858,470**	-
Depreciation for the year	-	92,160	3,754,505	1,182,399	200,695,185	66,520,868	-	2,663,695	1,027,837	1,266,024	-	277,202,673	-
Disposals / Adjustments	-	-	-	449,704	384,995,722	14,159,548	53,507,204	9,190,796	3,346,538	352,559	-	466,002,071	-
As at March 31, 2019	-	**1,846,269**	**65,677,031**	**80,918,618**	**2,811,491,316**	**4,714,967,191**	**559,852,849**	**318,965,518**	**48,853,937**	**46,278,450**	**5,207,893**	**8,654,059,072**	-

Net Book Value	Land - Freehold	Land - Leasehold	Building	Leasehold Improvements	Network Equipment	Optical Fibre Cable and Copper Cable	Telephone Instruments at Customers Premises	Computers	Office Equipment	Furniture & Fixture	Vehicles	Total	Capital Work in Progress
As at April 1, 2017 (Gross Carrying Value)	16,142,623	7,234,470	132,751,077	6,566,175	2,865,474,820	466,223,787	172,126,520	10,959,376	1,820,410	7,467,263	269,630	3,687,036,151	217,397,964
As at March 31, 2018	16,142,623	7,142,310	128,996,572	6,376,789	1,169,190,566	435,765,344	-	3,289,304	1,222,939	6,700,277	-	1,774,826,724	1,052,016
As at March 31, 2019	16,142,623	7,050,150	125,242,067	5,192,570	939,731,876	366,799,986	-	804,047	231,636	5,376,450	-	1,466,571,405	247,655

* During the year ended March 31, 2018, the Company has charged additional depreciation on fixed assets - "Telephone Instruments at Customer Premises" amounting to Rs. 108,459,174 due to reassessment of it's useful life. (Refer Note 3.5 and Note 34)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

5 Intangible Assets

Costs	Computer Software	License Fee (including Spectrum)	Total
As at April 1, 2017 (Gross Carrying Value)	**344,809,624**	**3,873,158,603**	**4,217,968,227**
Additions	25,932,454	10,000,000	35,932,454
Less : Disposals / Adjustments	49,750,936	-	49,750,936
As at Apr 01, 2018	**320,991,142**	**3,883,158,603**	**4,204,149,745**
Additions	-	-	-
Less : Disposals / Adjustments	1,318,000	-	1,318,000
As at Mar 31, 2019	**319,673,142**	**3,883,158,603**	**4,202,831,745**

Accumulated depreciation and impairment	Computer Software	License Fee (including Spectrum)	Total
As at April 1, 2017 (Gross Carrying Value)	**295,520,678**	**3,701,740,005**	**3,997,260,683**
Amortisation for the year	20,181,752	169,178,080	189,359,832
Less : Disposals / Adjustments	49,750,935	-	49,750,935
Impairment Loss	15,567,067	-	15,567,067
As at Apr 01, 2018	**281,518,562**	**3,870,918,085**	**4,152,436,647**
Amortisation for the year	13,907,077	730,031	14,637,108
Less : Disposals / Adjustments	1,318,000	-	1,318,000
Impairment Loss	-	-	-
As at Mar 31, 2019	**294,107,639**	**3,871,648,116**	**4,165,755,755**

Net Book Value	Computer Software	License Fee	Total
As at April 1, 2017 (Gross Carrying Value)	49,288,946	171,418,598	220,707,544
As at Mar 31, 2018	39,472,580	12,240,518	51,713,098
As at Mar 31, 2019	25,565,503	11,510,487	37,075,990

6 Financial Non-Current Assets

Particulars	As at 31st March 2019	As at 31st March 2018
Fixed Deposits		
- Maturity more than 12 months	100,000	100,000
Total	**100,000**	**100,000**

7 Other Non-Current Assets

Particulars	As at 31st March 2019	As at 31st March 2018
Prepaid Expense	1,804,729	2,829,787
Total	**1,804,729**	**2,829,787**

8 Inventories

Particulars	As at 31st March 2019	As at 31st March 2018
(As taken, valued and certified by the Management)		
Inventory held for maintenance of network	160,512,894	212,531,186
(including Telephone/Customer Premises Equipments)		
Total	**160,512,894**	**212,531,186**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

9 Trade Receivables

Particulars	As at 31st March 2019	As at 31st March 2018
Trade Receivables	540,124,414	523,809,993
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	540,124,414	**523,809,993**
Less : Provisions for Doubtful Receivables	170,283,057	227,227,930
Total	**369,841,357**	**296,582,063**
Break-up of security details		
Secured, considered good*;	3,336,772	3,553,258
Unsecured, considered good**;	366,504,585	293,028,805
Doubtful	170,283,057	227,227,930
	540,124,414	**523,809,993**
Less : Provisions for Doubtful Receivables	170,283,057	227,227,930
Total	**369,841,357**	**296,582,063**

* Trade Receivables are secured to the extent of deposit received from the subscribers.

** Includes Rs 92,980,261 (March 31, 2018 - Rs 108,915,782) of unbilled revenues, the invoices for which have been raised subsequent to March 31, 2019 [Refer Note 3.12].

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

The movement in allowances for doubtful debts is as under: -

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Opening Balance	227,227,930	216,034,537
Additions	-	17,358,461
Write Back/Off (net of recovery)	(56,944,873)	(6,165,068)
Closing balance	**170,283,057**	**227,227,930**

10 Cash and Cash Equivalents (“C & CE’”)

Particulars	As at 31st March 2019	As at 31st March 2018
Balances with banks	3,542,428	34,920,761
Cheques in Hand	2,089,570	3,422,635
Cash in Hand	602,166	2,330,126
Total	**6,234,164**	**40,673,522**

11 Other Bank Balances

Particulars	As at 31st March 2019	As at 31st March 2018
Balances with banks (account freezed by respective bank) *	33,773,137	-
Fixed Deposits (held as margin money for credit facilities) **		
- Maturity more than 3 months and up to 12 months	119,995,714	138,929,195
Total	**153,768,851**	**138,929,195**

* During the year, HDFC Bank Limited freezed five bank accounts of the Company due to default in payment of working capital facility. The Company is in process to rectify the defaults.

**Balances with banks to the extent held as margin money are of Rs. 119,729,214 (March 31, 2018 Rs. 138,704,195).

12 Current Financial Assets - Others

Particulars		As at 31st March 2019	As at 31st March 2018
Security Deposits, Unsecured, Considered Good;		82,981,624	83,801,235
Advances - Doubtful	24,621,078		
Less : Provision for Doubtful Advances	24,621,078	-	-
Interest Accrued on Fixed Deposits		13,584,343	9,102,200
Total		**96,565,967**	**92,903,435**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

13 Current Tax Assets (net)

Particulars	As at 31st March 2019	As at 31st March 2018
TDS Recoverable	59,571,455	75,319,007
Total	**59,571,455**	**75,319,007**

14 Other Current Assets

Particulars	As at 31st March 2019	As at 31st March 2018
Prepaid Expenses	35,401,687	29,892,196
Advances to Employees	3,707,278	4,305,338
License Fee paid under Protest (ISP)	69,113,451	69,113,451
Balance with Government Authorities	48,140,094	13,170,765
License Fee Recoverable	82,490,998	107,556,151
Total	**238,853,508**	**224,037,901**

15 Assets Held for Sale

Particulars	As at 31st March 2019	As at 31st March 2018
Assets held for Sales (Opening - Book Value)	58,775,081	1,576,416,690
Less: Impairment of Assets	-	1,517,641,609
Less: Reduction in Expected Realisable value	18,594,622	-
Net Assets held for sale	**40,180,459**	**58,775,081**
Liabilities directly associated with assets classified as held for sale	-	-
Assets held for sale (Closing Value)	**40,180,459**	**58,775,081**

GSM business of the Company was in continuous losses which were increased further due to launch of 4G services by leading competitors in the market who are offering free talk time and data. In order to curtail the losses and sustain the business, the Company has decided to discontinue its GSM Services/ Business w.e.f. the midnight of 15-Feb'2017.

Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations" requires disposal business to be identified as held for sale if the carrying amount will recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. Based on assessment performed by the management, it has been determined that the assets and liabilities of GSM Business should be presented as held for sale under Ind AS. Consequently, the assets and liabilities of disposal business held for sale have been shown separately from the other assets and other liabilities respectively in the Balance Sheet.

16 Share Capital

Particulars	As at 31st March, 2019	As at 31st March 2018
Authorised Shares		
12,000,000,000 (March 31, 2018 -12,000,000,000) equity shares of Re. 1/- each*	12,000,000,000	12,000,000,000
Issued, Subscribed and fully paid-up shares		
612,260,268 (March 31, 2018 -612,260,268) equity shares of Re. 1/- each	612,260,268	612,260,268
Total	**612,260,268**	**612,260,268**

*Due to IND-AS requirement, Preference Share Capital has been grouped under Financial Liabilities and accordingly not included in the above.

a) Terms/rights attached to Equity Shares

The Company has only one class of equity shares having par value of Re. 1 per share. Each holder of equity shares is entitled to cast one vote per share.

b) Shareholders holding more than 5 percent of Equity Shares in the Company

Name of Shareholder	As at 31st March, 2019	As at 31st March 2018
Quadrant Enterprises Pvt Ltd.	302,905,169	302,905,169
% of Holding	49.47%	49.47%
IDBI Bank Ltd.	117,853,844	117,909,604
% of Holding	19.25%	19.26%
Oriental Bank of Commerce	33,496,611	33,541,111
% of Holding	5.47%	5.48%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

c) Others

(i) 83,070,088 equity shares of Rs. 10/- each (now Re. 1/- each) were allotted on October 16, 2004, pursuant to the Corporate Debt Restructuring ('CDR') Scheme. Out of these, 63,373,110 equity shares were issued by the Company to Industrial Development Bank of India ('IDBI'), at par and the balance of 12,171,778 and 7,525,200 equity shares to Oriental Bank of Commerce ('OBC') and Kotak Mahindra Bank (formerly ING Vysya Bank Limited ('ING')), respectively, at a premium of Re. 0.50 per equity share as per provisions of applicable law.

(ii) 86,743,116 equity shares of Rs. 10/- each (now Re. 1/- each) were issued on July 08, 2009, consequent to the conversion of Optionally Fully Convertible Debentures (OFCDs) pursuant to the Corporate Debt Restructuring (CDR) Cell.

17 Other Equity

	As at 31st March, 2019	As at 31st March 2018
Securities Premium	22,633,732	22,633,732
Statutory Reserve	11,900,000	11,900,000
Capital Reserve	34,032,776	34,032,776
Retained Earnings	(18,891,598,775)	(17,603,011,507)
Total	**(18,823,032,267)**	**(17,534,444,999)**

(i) Securities Premium

Particulars	As at 31st March, 2019	As at 31st March 2018
Opening Balance	22,633,732	22,633,732
Increase/(Decrease) during the year	-	-
Closing Balance	22,633,732	22,633,732

(ii) Statutory Reserve

Particulars	As at 31st March, 2019	As at 31st March 2018
Opening Balance	11,900,000	11,900,000
Increase/(Decrease) during the year	-	-
Closing Balance	11,900,000	11,900,000

(iii) Capital Reserve

Particulars	As at 31st March, 2019	As at 31st March 2018
Opening Balance	34,032,776	34,032,776
Increase/(Decrease) during the year	-	-
Closing Balance	34,032,776	34,032,776

(iv) Retained Earnings

	As at 31st March, 2019	As at March 31, 2018
Opening Balance	**(17,603,011,507)**	**(14,599,779,923)**
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the reporting period	-	-
Net profit/(loss) for the period	(1,277,177,548)	(2,999,653,334)
Items of Other Comprehensive Income		
Remeasurement of Defined Benefit Plans	(11,409,720)	(3,578,250)
Equity Instruments measured at Fair value	-	-
Equity Instruments through OCI	-	-
Closing Balance	**(18,891,598,775)**	**(17,603,011,507)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

18 Non-Current - Borrowings

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured		
(a) Bonds and Debentures		
(i) Zero Percent Non Convertible Debentures ('NCDs') (Erstwhile OFCDs) *	113,505,011	105,097,233
(ii) Zero Percent Compulsory Convertible Debentures ('CCDs') Convertible into 2% NCRPS (refer note no. 43 (e) & (f))	8,103,981,402	7,503,686,483
(b) Loans		
(i) From Banks	-	-
(ii) From Other Parties (refer note no. 43 (b) & (c)	2,508,699,886	2,508,699,886
Total	**10,726,186,299**	**10,117,483,602**

* On October 16, 2004, the Company had issued 1,667,761 zero percent Non-Convertible Debentures ('NCDs') of Rs. 100 each in lieu of interest accrued on term loans from a financial institution and a bank for the period April 1, 2003 to December 31, 2003. The 'NCD's earlier redeemable at par on March 31, 2014, then at par on March 31, 2016, are now redeemable at par on March 31, 2024 after repayment of the term loans as per CDR Schemes. (Also refer note no. 43 (a))

19 Non-Current - Others

Particulars	As at 31st March 2019	As at 31st March 2018
Preference Shares		
(i) 6,500,000 2% Cumulative Redeemable Preference Shares ('CRPS') of Rs 100 each fully paid.	650,000,000	650,000,000
(ii) 15,984,543 2% Cumulative Redeemable Preference Shares ('CRPS') of Rs 100 each fully paid.	1,598,454,300	1,598,454,300
Total	**2,248,454,300**	**2,248,454,300**

(i) "6,500,000, 7.5 percent CRPS were allotted on October 16, 2004, pursuant to the CDR Scheme, where under the specified part of the amount due to CRPS Holder by the Company was converted into 7.5 percent CRPS redeemable after the repayment of Rupee Term Loan (in Financial Year 2016-17). As per the CDR Scheme, prior approval of the lenders would be required to declare dividend on 7.5 percent CRPS and all the voting rights attached to the CRPS to be assigned in favour of the term lenders. On June 24, 2005 as per revised CDR Scheme, the dividend percentage was reduced to 2 percent from 7.5 percent with effect from date of issuance of CRPS. The CDR dated August 13, 2009 does not stipulate any reference to aforesaid CRPS. Accordingly the CRPS shall be redeemable after the full settlement of dues to term lenders i.e. in Financial Year 2024-25 as against earlier stipulated repayment in Financial Year 2016-17. (with reference to CDR dated June 24,2005). The Shareholder of aforesaid CRPS, Shree Dhoot Trading and Agencies Limited was Amalgamated with Electroparts (India) Pvt. Ltd. w.e.f. July 19, 2017 vide order of The National Company Law Tribunal.

(ii) 15,984,543, 2% Cumulative Redeemable Preference Shares of Rs. 100/- fully paid up, aggregating up to Rs. 1,598,454,300 were allotted on November 9, 2010 to the Banks and Financial Institution, namely, IDBI Bank Limited, Life Insurance Corporation of India, Oriental Bank of Commerce, Kotak Mahindra Bank (formerly ING Vysya Bank) and State Bank of India (formerly State Bank of Patiala) in terms of the Corporate Debt Restructuring Package (CDR Package) approved by the Corporate Debt Restructuring Cell (CDR Cell) vide their letter dated August 13, 2009, in conversion of 25% of their outstanding loans; the CRPSs shall be redeemed (yearly) over a period of four years commencing from March 31, 2021 at a premium of 34% p.a.

20 Non-Current Liabilities - Provision

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Employee Benefits *		
Gratuity	22,809,772	26,750,920
Compensated Absences	7,322,425	19,853,906
Total	**30,132,197**	**46,604,826**

*Refer Note No. 37 for movement of provision towards employee benefits

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

21 Non-Current Liabilities - Others

Particulars	As at 31st March 2019	As at 31st March 2018
Security Deposits	2,007,135	-
Advance from Customers and Unaccrued Income	65,550,086	85,197,825
Total	**67,557,221**	**85,197,825**

22 Current Financial Liabilities - Borrowings

Particulars	As at 31st March 2019	As at 31st March 2018
Secured		
Loans repayable on demands from Banks*	162,516,235	160,114,593
Current Maturities of Non Convertible Debentures (NCDs) (refer note no. 42(a))	3,102,709,664	3,113,272,364
Total	**3,265,225,899**	**3,273,386,957**

* Working capital loan is secured by first charge on entire receivables, current assets and fixed assets of the Company on pari passu basis with other member banks with rate of interest ranging from 13.50% to 17.80%.

23 Trade Payables

Particulars	As at 31st March 2019	As at 31st March 2018
total outstanding dues of micro enterprises and small enterprises ; and	1,723,857	-
total outstanding dues of creditors other than micro enterprises and small enterprises.	615,697,199	396,002,163
Total	**617,421,056**	**396,002,163**

24 Current Financial Liabilities - Others

Particulars	As at 31st March 2019	As at 31st March 2018
Book Overdraft	15,965,232	5,907,637
Interest Accrued and due	586,505,912	277,417,498
Interest Accrued but not due on Borrowings	706,905,507	770,843,681
Provision for Preference Dividend & Premium on Redemption of Preference Shares	1,278,763,440	1,150,887,096
Security Deposits	39,872,283	47,987,114
Other Payables		
- For Salary	60,741,812	70,030,173
- For Expenses	372,609,025	634,765,607
- For Capital Goods	39,721,190	47,238,389
- For License Fees	730,920,007	584,251,212
- To Distributors/Retailers	-	47,784,689
Total	**3,832,004,408**	**3,637,113,096**

25 Current Liabilities - Provision

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Employee Benefits		
Gratuity	2,629,813	2,711,257
Compensated Absences	575,971	1,376,077
Total	**3,205,784**	**4,087,334**

26 Current Liabilities - Others

Particulars	As at 31st March 2019	As at 31st March 2018
Advances from Customers and Unaccrued Income	21,329,788	41,069,498
Statutory Dues Payable	30,583,481	43,058,145
Total	**51,913,269**	**84,127,643**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

27 Revenue from Operations

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Sale of Services		
From Unified Access Services	365,646,648	448,031,147
From Interconnection Usage Services	1,720,738,849	807,466,407
From Infrastructure Services	8,680,916	66,882,974
From Internet Services	1,882,124,764	2,119,620,442
Total	**3,977,191,177**	**3,442,000,970**

28 Other Income

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Income		
on FDR	8,990,934	10,747,024
on Income Tax Refund	3,492,852	-
on Others *	742,865	369,066,058
Other Non Operating Income	62,702,663	31,439,231
Total	**75,929,314**	**411,252,313**

* As per Ind-AS 109 “Financial Instruments”, Unsecured Zero Coupon Compulsory Convertible Debentures (CCDs) of Rs. 86,00,00,000 (Eighty Six Crores) had been fair valued through profit and loss (FVTPL) at 8% discounted rate. Accordingly, financial income of Rs. 369,066,058 had accrued during the financial year ended March 31, 2018.

29 Network Operating Expenses

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Interconnect Usage Charges	1,755,364,184	851,991,220
Other Value Added Service charges	32,271,690	19,945,144
Port Charges	24,115,945	23,709,387
Licence Fees on Revenue Share Basis	171,734,008	194,625,283
Stores and Spares Consumed	72,909,613	74,739,583
Rent Node site	80,628,113	84,685,368
Infrastructure Sharing Rent	98,859,276	90,292,407
Electricity and Water -Network	121,224,062	130,649,475
Security Charges	704,520	759,833
Repair & Maintenance - Network	522,394,898	952,504,533
Bandwidth Charges	186,902,788	123,506,770
Total	**3,067,109,097**	**2,547,409,003**

30 Employee Benefits Expenses

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Salaries and Bonus	395,298,150	470,184,608
Contribution to Provident and other funds	14,551,734	18,457,036
Staff Welfare Expenses	11,818,823	13,555,567
Total	**421,668,707**	**502,197,211**

31 Sales and Marketing Expenses

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Sales and Business Promotion	32,789,547	34,461,412
Advertisement Expenses	7,620,822	23,078,090
Customers Acquisition Costs	119,295,969	102,321,826
Total	**159,706,338**	**159,861,328**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

32 Finance Costs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest to Banks		
- on Working Capital	24,223,108	23,873,742
- on Non Convertible Debentures	255,752,704	255,752,724
Interest to Others *	611,659,612	541,909,680
Other Finance Charges **	127,876,344	127,876,344
Total	**1,019,511,768**	**949,412,490**

* Interest to other includes unwinding of finance cost on 1,667,761 zero percent Non-Convertible Debentures ('NCDs') and 12,860,000 Unsecured Zero Coupon Compulsory Convertible Debentures ('CCDs') amounting to Rs. 8,407,778/- (P.Y. Rs. 7,784,980/- and Rs. 600,294,918 (P.Y. Rs. 5,29,525,927/-) respectively.

** Other Finance charges are for provision for dividend and redemption premium of Preference Share @ 8% p.a. (i.e. yield) is amounting to Rs. 127,876,344/- (P.Y. Rs. 127,876,344/-)

33 Other Expenses

Particulars		For the year ended 31st March 2019	For the year ended 31st March 2018
Payment to the Auditors			
- Audit Fees		1,750,000	1,750,000
- Tax Audit Fees		480,000	480,000
- Other Services		225,000	225,000
- Reimbursement of Expenses		137,351	104,721
Loss/(Gain) on Foreign Currency Translation (net)		418,245	-
Legal & Professional Charges		27,966,182	18,104,713
Travelling & Conveyance Expenses		59,480,796	70,169,144
Communication Expenses		5,979,527	7,393,100
Rent		17,245,452	29,995,732
Security Charges		7,381,380	8,589,113
Repair & Maintenance		14,570,965	20,515,770
Electricity Expenses		21,823,422	16,051,340
Insurance Expenses		3,531,456	6,170,844
Rates & Taxes		2,651,826	3,162,407
Freight & Cartage		7,149,184	9,257,452
Recruitment & Training Expenses		145,602	1,638,589
Printing & Stationary		1,621,966	2,145,893
Billing & Collection Expenses		143,890,694	190,646,419
Loss on Sale/Discard of Asset		36,343,079	-
Bad Debts Written off	9,470,324		
Less: Provision for Doubtful Debts	(1,357,631)	8,112,693	63,946,811
Provision for Doubtful debts		-	17,358,461
Provision for Doubtful Advances		-	24,621,078
Miscellaneous Expenses		9,557,528	10,546,941
Total		**370,462,348**	**502,873,528**

34 Exceptional Items

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Impairment on Non Current Assets*	-	1,517,641,609
Accelerated Depreciation on Telephone Instruments**	-	108,459,174
Total	**-**	**1,626,100,783**

*During the year ended March 31, 2018 the Company had provided Rs. 1,517,641,609 for impairment loss in respect of certain class of fixed assets related to Discontinued Business in terms of Ind AS 36 - "Impairment of Assets".

**During the year ended March 31, 2018, the Company had charged additional depreciation on fixed assets - "Telephone Instruments at Customer Premises" amounting to Rs. 108,459,174 due to reassessment of it's useful life. (Refer Note 3.5 and Note 4)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

35 Earning per Share (EPS) - In accordance with the Indian Accounting Standard (Ind AS-33)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Basic & Diluted Earning Per share		
Profit / (Loss) after tax	(1,288,587,268)	(3,003,231,584)
Profit attributable to ordinary shareholders	(1,288,587,268)	(3,003,231,584)
Weighted average number of ordinary shares (used as denominator for calculating Basic and Diluted EPS)	612,260,268	612,260,268
Nominal value of ordinary share	Rs. 1/-	Rs. 1/-
Earnings Per Share Basic & Diluted	(2.10)	(4.91)

36 Critical accounting estimates, assumptions and judgments

The estimates and judgements used in the preparation of the said financial statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although the Company regularly assesses these estimates, actual results could differ materially from these estimates – even if the assumptions under-lying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the financial statements in the period in which they become known.

The areas involving critical estimates, assumptions or judgments are:

1. Estimation of useful life of tangible asset **Note 3.4**
2. Estimation of useful life of intangible asset **Note 3.5**
3. Estimation of Assets Retirement Obligation **Note 3.20**
4. Estimation of allowance for trade receivables **Note 9**
5. Estimation of defined benefit obligation **Note 37**
6. Estimation of contingent liabilities refer **Note 39**

37 During the year, Company has recognised the following amounts in the financial statements as per Ind AS - 19 “Employee Benefits”

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised are charged off for the year as under :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Employer's Contribution to Provident Fund	**14,426,079**	**18,073,414**
Employer's Contribution to ESI	**21,507**	**262,822**

b) Defined Benefit Plan

The employees’ gratuity fund scheme is partially managed by Life Insurance Corporation of India and ICICI Lombard General Insurance Company Limited which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation and the obligation for leave encashment is recognised in the same manner as gratuity.

Actuarial Assumptions	In Rupees Gratuity (Funded)		In Rupees Leave Encashment	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Mortality Table Life Insurance Corporation of India and ICICI Lombard General Insurance Company Limited (Cash accumulation) Policy				
Discount rate (per annum)	**7.65%**	8%	**7.47%**	8%
Rate of increase in Compensation levels	**6%**	6%	**6%**	6%
Rate of Return on plan assets	**8%**	8%	**8%**	8%
Average remaining working lives of employees (Years)	**20.12**	7.76	**20.12**	7.76

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Table showing changes in present value of obligations :

Present value of the obligation as at the beginning of the year	**31,271,029**	32,433,827	**21,229,983**	27,366,470
Acquisition adjustments	**Nil**	Nil	**Nil**	Nil
Interest Cost	**1,989,138**	2,220,093	**947,992**	2,050,620
Past Service Cost (Vested Benefit)	**Nil**	Nil	**Nil**	Nil
Current Service Cost	**3,354,966**	6,034,660	**2,739,340**	6,619,715
Curtailment Cost / (Credit)	**Nil**	Nil	**Nil**	Nil
Settlement Cost /(Credit)	**Nil**	Nil	**Nil**	Nil
Benefits Paid	**(22,026,863)**	(12,995,801)	**(3,873,773)**	(8,056,600)
Actuarial (gain)/ loss on obligations	**11,409,720**	3,578,250	**(4,387,027)**	(6,750,222)
Present value of obligation as at the end of the period	**25,997,990**	31,271,029	**20,530,288**	21,229,983

Table showing changes in the fair value of plan assets :

Fair value of plan assets at beginning of the year	**1,808,852**	977,828	**Nil**	Nil
Acquisition adjustments	**Nil**	Nil	**Nil**	Nil
Expected return of plan assets	**47,126**	81,765	**Nil**	Nil
Employer contribution	**-**	11,923,100	**Nil**	Nil
Benefits paid	**(1,280,725)**	(10,798,948)	**Nil**	Nil
Actuarial gain/ (loss) on obligations	**Nil**	Nil	**Nil**	Nil
Changes deducted	**(3,128)**	(374,893)	**Nil**	Nil
Fair value of plan assets at year end	**572,125**	1,808,852	**Nil**	Nil

Table showing actuarial gain /loss - plan assets :

Actual return of plan assets	**Nil**	Nil	**Nil**	Nil
Expected return on plan assets	**47,126**	81,765	**Nil**	Nil
Excess of actual over estimated return on plan assets	**Nil**	Nil	**Nil**	Nil
Actuarial (gain)/ loss-plan assets	**47,126**	81,765	**Nil**	Nil

Other Comprehensive Income

Actuarial (gain) / loss for the period - Obligation	**11,409,720**	3,578,250	**Nil**	Nil
Actuarial (gain) / loss for the period - Plan assets	**47,126**	81,765	**Nil**	Nil
Total (gain) / loss for the period	**11,456,846**	3,660,015	**Nil**	Nil
Actuarial (gain) / loss recognized in the period	**11,409,720**	3,578,250	**Nil**	Nil
Unrecognised actuarial (gains) / losses at the end of the period	**Nil**	Nil	**Nil**	Nil

The amounts to be recognized in Balance Sheet :

Present value of obligation as at the end of the period	**25,997,990**	31,271,029	**30,108,231**	21,229,983
Fair value of plan assets as at the end of the period	**572,125**	1,808,852	**1,808,852**	Nil
Unrecognised actuarial (gains) / losses	**Nil**	Nil	**Nil**	Nil
Net asset / (liability) recognised in Balance Sheet	**25,425,865**	29,462,177	**28,299,379**	21,229,983

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Expenses recognised in Statement of Profit and Loss :

Current Service Cost	**3,354,966**	6,034,660	**6,034,660**	6,619,715
Past Service Cost (Vested Benefit)	**Nil**	Nil	**Nil**	Nil
Interest Cost	**1,989,138**	2,220,093	**2,220,093**	2,050,620
Expected return on plan assets	**Nil**	Nil	**Nil**	Nil
Curtailment and settlement cost / (credit)	**Nil**	Nil	**Nil**	Nil
Expenses recognised in the Statement of Profit and Loss	**5,344,104**	8,254,753	**8,254,753**	8,670,335

Expected future undiscounted Cash Flows*

1st Year	**2,629,813**	4,808,251	**575,971**	1,376,077
2nd Year	**2,180,081**	5,127,204	**752,939**	1,311,553
3rd Year	**2,043,916**	6,152,951	**718,119**	2,697,169
4th Year	**1,882,092**	4,949,217	**651,060**	1,020,089
5th Year	**1,993,369**	5,143,224	**590,194**	972,634
6th Year onward	**1,602,030**	29,459,342	**499,569**	4,506,113

*Based on the accrued liability as at the valuation date and on the assumption that the actual or experienced cash flows will closely follow the expected or theoretical cash flows. Vesting criterion has been ignored.

Investment Details

Life Insurance Corporation of India and ICICI Lombard General Insurance Company Limited (Cash Accumulation) Policy.

Note - The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.

38 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 are given as follows :

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount due	**1,723,857**	Nil
(ii) Interest due on above	**Nil**	Nil
(iii) Interest paid during the period beyond the appointed day	**Nil**	Nil
(iv) Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	**Nil**	Nil
(v) Amount of interest accrued and remaining unpaid at the end of the period	**Nil**	Nil
(vi) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	**Nil**	Nil

Note: The above information has been determined on the basis of information available with the Company and has been relied upon by the auditors.

39 Capital Commitments and Contingent Liabilities not provided for in respect of

Particulars	As at March 31, 2019 (Rs)	As at March 31, 2018 (Rs)
(i) Bank Guarantees given against Bid Bonds/Performance/Advance		
Financial Bank Guarantees	**98,131,902**	96,217,000
Performance Bank Guarantees	**120,410,812**	121,156,973
(ii) Claims against the Company not acknowledged as debts	**22,137,949**	21,427,572
(iii) Others (Refer **Note 39 (a to p)**)	**5,327,109,427**	4,021,319,237

a. The Wireless Finance Division of Department of Telecommunications has claimed an outstanding of Rs. 29,585,211 towards the Spectrum Charges dues from year 2001 to year 2005 vide their letter 1020/48/2005-WFD dated October 7, 2005. The Company has submitted its reply to the department on October 25, 2005 confirming the total due of Rs. 29,472 only and paid the said amount. The Wireless Finance Division of Department of Telecommunications has subsequently claimed Rs 39,310,176 vide letter number 1020/48/2005-WFD dated September 13, 2006 towards the Spectrum Charges dues from year 2001 to year 2006. The Company has submitted a detailed reply on October 31, 2006. During the year ended March 31, 2008, out of the above demand, the Company has deposited Rs. 1,801,241 under protest towards the interest due till August 31, 2006. Wireless Finance Division of Department of Telecommunications has updated their claim to Rs. 70,604,092 towards Spectrum Charges dues from January 1, 2000 to September 30, 2008 vide letter number 1020/29/

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

WR/07-08 dated October 24, 2008. The Company has once again made a written representation vide its letter dated December 8, 2008 and August 12, 2009. Subsequently, DoT has revised their demand to Rs 70,528,239 vide Letter No 1020/48/WFD/2005-06/ Dated September 6, 2010 to which the Company has made representations vide letter dated September 23, 2010, February 3, 2011 and March 17, 2011. Further, DoT has revised their demand to Rs. 149,960,749 vide Letter No 1020/48/WFD/2005-06/ dated January 3, 2013 to which the Company has made representations vide letter dated January 18, 2013. The reply of which has not been received. Based on the legal opinion, the Company is confident that no liability would accrue regarding the same in future.

b During the year ended March 31, 2007, Bharat Sanchar Nigam Limited ('BSNL') has raised supplementary bill dated August 10, 2006 for Rs. 167,614,241 towards Inter-connect Usage Charges ('IUC') and Access Deficit Charges ('ADC') for the period November 14, 2004 to August 31, 2005 on the Company. BSNL further raised invoices to the tune of Rs 99,346,533 on similar grounds for the period September 1, 2005 to February 28, 2006. These charges are on account of unilateral declaration of the Company's Fixed Wireless and Wireline Phone services as Limited Mobility Services by BSNL. The Company has submitted its reply to BSNL on August 23, 2006 asking for the calculation/basis for the additional amount raised towards IUC and ADC by BSNL for Rs 167,614,241. Subsequently, BSNL issued a disconnection notice on August 26, 2006 which required the payment of Rs. 208,236,569 (including Rs. 167,614,241). The Company has submitted details to BSNL for payments already made for Rs. 40,622,328. The Company has approached Hon'ble TDSAT on the subject matter and a stay order was granted on Company's petition no 232 of 2006 against the disconnection notice on September 21, 2006. BSNL Jalandhar Office subsequently raised a supplementary bill dated March 20, 2007 for Rs. 5,206,780, to which the Company has submitted its reply on March 23, 2007 intimating that the matter being sub-judice and pending decision by the Hon'ble TDSAT, no coercive action be taken against the Company. The hearing on the matter has been completed and the Hon'ble TDSAT has pronounced the judgment on May 21, 2010 in Company's favour and has directed that BSNL and the Company should exchange relevant information and reconcile the differences. BSNL went for appeal in Hon'ble Supreme Court vide CA No-7435 of 2010. The matter is yet to be listed in SC for hearing. In the absence of information from BSNL, the Company is not in a position to determine the liability with respect to this matter. The Company, based on expert legal opinion, believes that there would be no financial liability against such bills and accordingly, has not recorded any liability towards the IUC and ADC supplementary bills during the period ended March 31, 2019.

c The Company was in receipt of a demand of Rs. 433,158,340 from Bharat Sanchar Nigam Limited ('BSNL') on December 20, 2008 on account of unilateral revision of access charges vide its letter dated April 28, 2001 for the period from June 2001 to May 2003, in contravention of the Interconnect Agreement and TRAI Regulations. The Company, Association of Unified Service Providers of India 'AUSPI' (erstwhile Association of Basic Telephone Operators 'ABTO') and other Basic Service Operators contested aforesaid revision in the rates of access charges before Telecom Dispute Settlement Appellate Tribunal ('TDSAT'). TDSAT vide its reasoned and detailed judgement dated April 27, 2005 allowed the refund claims and struck down the unilateral revision in the rates of access charges by BSNL and held that Telecom Regulatory Authority of India ('TRAI') is the final authority for fixing of access charges and access charges would be payable as rates prescribed by the TRAI and as per the Interconnect agreements. BSNL preferred an appeal in Hon'ble Supreme Court against the order of TDSAT and an interim stay was granted on October 19, 2006 Therefore aggrieved by such unilateral action on the part of BSNL by raising aforesaid demand and disturbing the status-quo, applications were moved by the Company, AUSPI and other Operators in the Hon'ble Supreme Court vide C.A No.5834-5836 of 2005 that was listed for hearing on February 9, 2009 and Hon'ble Supreme Court passed an order clarifying its previous order of October 19, 2006 and stayed the refunds claim against the BSNL there by upholding the TDSAT order dated April 27, 2005 whereby BSNL is refrained from raising the access charges demand. The BSNL went for appeal in Hon'ble Supreme Court vide C.A No 5834-5836 of 2005 BSNL Vs ABTO & Others. The matter was Tagged with CA-5253 of 2010 to decide the preliminary objection raised by TRAI on the TDSAT"s jurisdiction. Next date of hearing is awaited. The Company based on the legal opinion believes that there would be no financial liability against this demand and has accordingly not recorded any liability towards access charges during the period ended March 31, 2019.

d The Company was in receipt of demand of Rs. 7,000,000 from Department of Telecommunications ('DoT'), Licensing Group (Access Services) vide their letter dated October 21, 2009 for issuance of SIM cards on fake ID in Punjab Service Area, where in the Licensee was required to ensure adequate verification of each and every customer before enrolling him as a subscriber. The Company has replied to DoT vide letter dated November 14, 2009 that the levy of penalty imposed by DoT was based on verification done by an agency other than the DoT – TERM Cell and the exercise was carried out suo moto and in complete disregard of the established procedures and guidelines laid by DoT. Accordingly the Company has requested DoT to have this validation done by the DoT – TERM Cell. The Company believes that there would be no financial liability against this demand and has accordingly not recorded any liability towards penalty during the period ended March 31, 2019.

e As per The Telecommunication Interconnect Usage Charges Regulations 2003, intra circle carriage charges payable per minute for all intra circle calls irrespective of the distance between originating and terminating points. However, Bharat Sanchar Nigam Limited ('BSNL') was charging additional amounts based on distance for the period October 2007 to March 2009 which was against the Telecommunication Interconnect Usage Charges Regulations 2003 of TRAI. The matter was raised to Hon'ble TDSAT by service providers to which Hon'ble TDSAT vide it's order dated May 21, 2010 upheld the demand of BSNL. The liability of the Company on basis of BSNL demand amounted to Rs. 4,110,959. Subsequently TRAI appealed against the order of TDSAT in the Hon'ble Supreme Court vide C,A No 271-281 of 2011. The matter is sub-judice and the final decision of the Hon'ble Supreme Court in the matter is still awaited.

f The Company was in receipt of a Show Cause Notice amounting to Rs. 1,020,00,000 dated May 17, 2013 from Department of Telecommunications ('DoT') purportedly for the non-compliance with Electro Magnetic Frequency Radiation Norms ('EMF Radiation Norms') prescribed by DOT. The Company on May 21, 2013 has represented to DoT that the Company is fully compliant with the specified limits of the EMF Radiation Norms and the Company has also submitted the 'Self Certifications' in respect of all the 204 Base Transceiver Station ('BTS') set up in the Punjab Telecom Circle as mentioned in the Show Cause Notice well within the stipulated last

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

date of March 31, 2011 as prescribed by DoT. Company filled petition in TDSAT vide petition No. 294 of 2013. The matter tagged with Petition No 271 of 2013 and vide TDSAT judgment dated March 29, 2016 impugned penalty demands are set aside and Directed to DoT frame a fresh scheme in light of recommendations.

g The DoT (Term Cell) Punjab has issued another Show Cause Notice to the Company making a demand for Rs. 3,23,500,000 DOT vide letter number 8-8/EMR-QTL/TERM-PB/2013/15C dated December 30,2013, wherein the TERM Cell, Punjab has imposed a penalty for alleged non-compliance for Emission Magnetic Frequency ("EMF') radiation norms (share site) with respect to 647 Base Transreceiver Stations ('BTS') as per list attached with said letter, in terms of the Unified Access Services ('UAS') License granted to the company. The Company has since submitted its response to the TERM Cell vide letter dated January 8, 2014, in reply to above, the Term Cell had issued an amended Show Cause Notice vide letter no. 8-8/EMR-QTL/TERM-PB/2013/24C dated August 7, 2014 superseding its earlier Show Cause Notice and revising the amount of penalty to Rs. 2,670,00,000 for 534 BTS sites (in place of earlier show cause demanding Rs. 32,35,00,000 for 647 BTS sites). We filed a case in TDSAT and the matter is listed vide Petition No. 423 of 2014 and pending for hearing.

h The Company had received a Show Cause Notice/Demand Letter dated 11-08-2015 pertaining to the SAF non-compliance of about 5317 SAFs for the year 2013 with CAF Penalty of Rs. 18,46,25,000/-. We have got examined all the SAFs pointed out by DoT/TERM and the number of non-compliant SAFs reduced to 4564. In the meantime we have represented the case with DDG (TERM) to re-examine all the referred cases. The non-compliances had been occurred due to one of the distributor in Punjab who manipulated the large numbers of ID which were beyond the control of operators. In the present case, all the SAFs of one of the distributors of all the operators in Punjab are non-complied due to the ID problem. The matter is being re-examined by TERM and other departments to assess as how to protect the TSPs interest in case of such non-compliance is done by the Distributors. Industry is working on it by taking appropriate checking mechanisms in place to avoid such non-compliance happening henceforth in any manner. Also, industry is taking appropriate legal action against the defaulting distributors without affecting the normal business of the Company. DoT Term reduced the penalty CAF to Rs. 154,225,000 for 3956 no. of CAFs in default. So QTL has filed petition in TDSAT vide petition No.13 of 2016 and pending for final arguments.

i BSNL has raised demand for Infra charges levied and Point of Interconnection (POI) augmentation. QTL had filled petition vide petition No. 503 of 2014 dated November 24, 2014. The matter was admitted and stay was granted and POI augmentation was allowed. Further there was two weeks' time given to BSNL and BSNL revised Demand note for Rs. 1,600,000 for infra charges from 2009 onwards. But it was not paid and challenged in TDSAT. Further the case has been disposed off on May 20, 2015 and the Company is confident that no liability would accrue regarding the same in future.

j The Company was in receipt demand for Rs. 1,40,000,000 by Show Cause Notice dated September12, 2016 from Department of Telecommunications ('DoT') for non fulfilment of First and Second phase roll-out obligations of Unified Access Service License ('UASL') (CDMA) Agreement for Punjab Service Area, where in the licensee as per the terms of the license agreement was required to ensure that at least 10% of the District Headquarter / Towns are covered in the first year and 50% of the District Headquarter will be covered with in the three years of effective dated of License. The date of migration to UASL which commences from the date of Test Certificate issued by Telecom Engineering Centre ('TEC') as stated by DoT in the Show Cause Notice issued, the Company has violated the conditions of UASL and accordingly Liquidated Damages of Rs. 1,40,000,000 has been imposed and Company submitted its representation on November 24, 2016. The Company believes that there would be no financial liability against this demand and has accordingly not recorded any liability towards penalty during the year ended March 31, 2019.

k The Company was in receipt of demand notice for Rs. 70,000,000 by Show Cause Notice dated 13th June, 2016 from Department of Telecommunication ("DoT") for Levy of Liquidated Damages (LD) on provisional Basis for default in Compliance of first phase as well as second phase of rollout obligation in respect of dual Technology (Second) spectrum (GSM). AS per NTP -99 was amended introducing two new categories of License and UASL 2007. Principle approval to use GSM Technology (Second Technology) in addition to CDMA technology under the existing UASL (S) was granted to the licensee vide letter No.20-100/2007/Spectrum/AS-I/3 dated 18.10.2007. The Company shall meet the roll-out obligation and other stipulation of the UAS license. As the Company had not fulfilled the first phase Roll out obligation. As per directed to show-cause notice within 21 days from the date of issue of this notice liquidated damages amounting to total Rs. 70,000,000 on provisional basis. Company filed reply letter against show cause notice on legal ground on 31.08.2016. The Company believes that there would be no financial liability against this demand and has accordingly not recorded any liability towards penalty during the year ended March 31, 2019.

l The Company was in receipt of a Show Cause Notice for assessment of License Fee from Department of Telecommunications ('DoT') purportedly for disallowance of deductions claimed in audited AGR for the year 2007-08 amounting to Rs. 341,569,613 vide letter dated August 3, 2018, for the year 2008-09 amounting to Rs. 359,418,084 vide letter dated August 06, 2018, for the year 2009-10 amounting to Rs. 16,143,764 vide letter dated August 24, 2018, for the year 2010-11 amounting to Rs. 9,062,721 vide letter dated September 28, 2018, for the year 2011-12 amounting to Rs. 25,852,198 vide letter dated September 28, 2018 for the year 2012-13 amounting to Rs. 27,166,372 vide letter dated September 28, 2018, for the year 2013-14 amounting to Rs. 98,875,896 vide letter dated September 28, 2018, for the year 2014-15 amounting to Rs. 46,229,046 vide letter dated September 28, 2018, for the year 2015-16 amounting to Rs. 5,482,188 vide letter dated August 29, 2017 and for the year 2016-17 amounting to Rs. 187,400,000 vide letter no. dated March 08, 2019. The Company had made a written representation all above mentioned disallowances and the Company is confident that no liability would accrue regarding the same in future.

The Company was also in receipt of demand of Spectrum Charges of the year 2007-08 in respect of CDMA service amounting to Rs. 105,574,574 vide letter dated December 31, 2018 and of the year 2008-09 in respect of CDMA service amounting to Rs. 111,067,441 vide letter dated February 13, 2019, for the year 2009-10 in respect of CDMA Service amounting to Rs. 13,935,464 vide letter dated February

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

13, 2019 and GSM services amounting to Rs. 1,127 vide letter dated February 13, 2019, for the year 2010-11 in respect of CDMA Service amounting to Rs. 16,174,115 vide letter dated February 13, 2019, for the year 2011-12 in respect of GSM service amounting to Rs. 18,849,738 vide letter dated February 18, 2019, of the year 2012-13 in respect of CDMA service amounting to Rs. 141,203 vide letter dated February 22, 2019, of the year 2012-13 in respect of GSM service amounting to Rs. 37,387,844 vide letter dated February 22, 2019, of the year 2013-14 in respect of GSM service amounting to Rs. 62,289,403 vide letter dated February 22, 2019, of the year 2013-14 in respect of CDMA service amounting to Rs. 141,020 vide letter dated February 22, 2019, of the year 2014-15 in respect of GSM service amounting to Rs. 21,862,748 vide letter dated February 25, 2019, of the year 2014-15 in respect of CDMA service amounting to Rs. 63,543 vide letter dated February 25, 2019, of the year 2015-16 in respect of CDMA service amounting to Rs. 31,205 vide letter dated March 16, 2018, of the year 2015-16 in respect of GSM service amounting to Rs. 38,654,440 vide letter dated March 16, 2018, of the year 2016-17 in respect of CDMA service amounting to Rs. 1,836 vide letter dated December 10, 2018 and of the year 2016-17 in respect of GSM service amounting to Rs. 59,419,104 vide letter dated December 26, 2018. The Company had made a written representation all above mentioned disallowances and the Company is confident that no liability would accrue regarding the same in future.

m The Company has received a demand of Rs. 52,76,26,826/- vide letter dated 04-April'2018 from IDEA Cellular Limited (ICL) on account of International SMS Termination Charges for the period from Nov-17 to Feb-18. ICL has billed the Domestic SMS Traffic again to the Company in the pretext of International SMS Traffic, by citing reference to a paragraph of Interim Order of TDSAT vide dated October 13, 2017 towards petition No. 99 of 2017, which is reproduced as " if any International SMS Traffic is terminated from the Company to IDEA Network in terms of A2P & P2P based on CLI / GTs or as well as on content, such SMS Traffic shall be charged at the rate of Rs. 5/- per SMS, the CDR reports furnished by IDEA shall be considered final & conclusive''. Whereas, the Company terminates only Domestic SMS Traffic at the network of ICL. The Company has replied suitably to the above demand letter of ICL vide its letter dated 06.04.2018 but the matter is not yet concluded. However, the Company is confident that no liability would accrue in future regarding the same.

n The Company and Indus Towers Ltd (Indus) had entered into an arrangement/ agreement for Passive Telecom Infrastructure Services, where under Indus was required to provide Passive Telecom Infrastructure Services under the said agreement. Dispute aroused between the Parties as the Company has closed its GSM operation w. e. f. February 15, 2017.

Therefore, Indus has filed a Petition under section 9 of the Arbitration and Conciliation Act, 1996 ("the Act") seeking security i.e. Total Claim Amount of Rs. 69,70,32,866/- towards Exit Penalty of Rs. 48,85,84,087/- and Unpaid Invoices of Rs. 20,84,48,779/- . Consequently, Delhi High Court has passed an order that the Company shall secure Indus either by means of a bank guarantee or by offering an appropriate movable property encumbrance free to the extent of Rs. 14,00,00,000/-. Next hearing date is fixed on 19-Sep'2019 for arguments before Delhi High Court and Oral arguments pending in Arbitration.

o The Company and ATC Telecom Infrastructure Ltd (ATC) (formerly VIOM) had entered into an arrangement/ agreement for Passive Telecom Infrastructure Services, where under ATC was required to provide Passive Telecom Infrastructure Services under the said agreement. Dispute aroused between the Parties as the Company has closed its GSM operations w. e. f. February 15, 2017.

Therefore, ATC has filed a case under section 9 of the Arbitration and Conciliation Act, 1996 ("the Act") at Delhi High Court on May 11, 2017 for a total claim of Rs. 87,87,00,000 towards Exit Penalty of Rs. 66,83,00,00 and Unpaid Invoices of Rs. 21,00,00,000. It is pertinent to mention herein that as per Clause No 2.4 of supplementary Agreement dated September 12, 2013, if the Company does not pay the dues, Videocon Telecommunications Limited (VTL) has to pay the same on behalf of the Company. Consequently, Delhi High Court has passed an order directing VTL not to withdraw the sum to the extent of Rs. 17,57,00,000 from the Escrow Account. The matter has been disposed off on 07-Mar'2018 and award also reserved.

p TCL VS QTL Petition no. 95 of 2017 filled on 20.09.2017 in Hon'ble TDSAT amounting of Rs. 2,29,00,000/- is respect of downgrade of services i.e. bandwidth. The next hearing of case was held on 22.05.2018. and after that the PO No. 6700000006 dated 08.07.2016 was issued to paramount for the conditions superseding the terms of the COF, there by the terms and conditions of said PO shall prevail, the 12 month contract was applicable only from the date of the implementation of bandwidth up to 5000 E1 and an additional bandwidth was enhanced to 7020 E1, but thereafter upon revision of price the same was downgraded by the Company and Terminated to 3020 E1. The PO did not state any contract period for the up-gradation thereafter. So in lieu of the same, the TCL had filed the case before the TDSAT for recovery of outstanding amount claiming to have lock-in-period of another one year till April 2018 as per the agreement executed. Next hearing date is fixed on 11-July'2019 for filing evidence Affidavit by TCL.

q The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities / Statutory Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements.

r The Company periodically reviews all its long-term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, the Company has made adequate provisions for these long-term contracts in the books of account as required under any applicable law/accounting standard.

s As at March 31, 2019 the Company did not have any outstanding for long-term derivative contracts.

40 The Company is in process of reconciliations / adjustments, if any, on its balances of some of the trade payables, trade receivables, other liabilities, advances and security deposits. The requisite accounting effect, if any, will be given upon such reconciliation.

41 During the year ended March 31, 2019, the Company has incurred losses of Rs. 1,288,587,268 resulting into accumulated loss of Rs. 18,891,598,775 as at March 31, 2019, which has completely eroded its net worth and has current liabilities in excess of current assets by Rs. 6,644,241,761. The ability of the Company to continue as a going concern is substantially dependent on its ability to generate the funds form its continuing business and the management in view of its business plans and support from significant shareholders is confident of generating cash flows to fund the operating and capital requirements of the Company. Accordingly, these statements have been prepared on a going concern basis.

42 Secured Loans

a As per the CDR Scheme approved on March 10, 2004 and subsequently approved on June 4, 2005, the Lenders had signed Master Restructuring Agreement ('MRA') for restructuring of their Debts and Security Trusteeship Agreement, whereby the Lenders had entered into an agreement and appointed IDBI Trusteeship Services Limited (herein after referred as "ITSL") as their custodian of security. On November 11, 2005, the charges were registered in favour of the ITSL for Rupee Term Loans, for providing Specific Credit Facility, for Working Capital Assistance and Zero percent Secured OFCDs. The same are secured by first pari passu charge on immovable properties of the Company situated at Kandivali (East), Mumbai and properties situated at Mohali & Jalandhar under equitable mortgage, first pari passu charge of hypothecation of movable properties of the Company including movable plant & machinery, machinery spares, tools & accessories and other movables including book debts by way of hypothecation, both present and future. Further, the same are also secured by assignment of all rights, title, benefits, claims and interest in, under the project documents, insurance policies, all statutory, government and regulatory approvals, permissions, exemptions and waivers on pari passu basis. Subsequently, pursuant to the reworked restructuring scheme approved under CDR mechanism on June 24, 2005, the Company had entered into amendatory Master Restructuring Agreement and amendatory Security Trusteeship Agreement ('STA') on March 9, 2006, whereby Centurion Bank of Punjab had also joined as one of the lenders and has agreed to appoint ITSL as their custodian for security and signed the STA in line with other lenders in consortium.

On the request of the Company, Corporate Debt Restructuring Cell ('CDR') vide their letter no CDR (JCP) No. 138 / 2009-10 ('CDR Letter') dated May 20, 2009 had approved the interim revised restructuring package. The revised restructuring package inter alia includes funding of interest from July 1, 2008 to October 31, 2009 on simple interest basis. Funded Interest on Term Loan ('FITL') would not carry any interest and the FITL shall be repaid in 16 equal monthly installments commencing from December 1, 2009, and has rescheduled the principle installments from August 1, 2008 to November 1, 2009 so as to be repayable from December 1, 2009 to March 1, 2011. Corporate Debt Restructuring ('CDR') cell vide their letter no. CDR (JCP) No. 563 / 2009-10 dated August 13, 2009 had approved a new restructuring scheme, which includes the induction of strategic investor / change of management and settlement proposal for Term Lenders. All the term lenders had given their acceptance to the new restructuring scheme. The new restructuring scheme was made effective from April 1, 2009 and accordingly an amount of Rs. 373,097,077 towards FITL from July 1, 2008 to March 31, 2009 has been considered as term loan.

In pursuant to the new restructuring scheme vide letter no. CDR (JCP) No 563 / 2009-10 dated August 13, 2009, The Company had allotted 15,984,543, 2 % Cumulative Redeemable Preference Shares of Rs. 100/- each aggregating to Rs. 1,598,454,300 on November 9, 2010 to Financial Institution / Banks in conversion of 25% of their outstanding loans as on April 01, 2009.

In compliance with the aforesaid new restructuring scheme dated August 13, 2009 the Company had repaid on July 06, 2010 and July 07, 2010 an amount of Rs. 1,598,454,522 being 25% of their outstanding loans as on April 01, 2009.

In compliance with the aforesaid new restructuring scheme dated August 13, 2009, the Company had allotted 31,969,088 Redeemable Secured Non-Convertible Debenture ('NCD') of Rs. 100 each aggregating to Rs. 3,196,908,800 on January 21, 2013 to Financial Institution/Banks in conversion of 50% of their outstanding loans as on April 01, 2009.

In terms of CDR Package dated August 13, 2009 stipulating the reduction of paid up capital and pursuant to the Order of the Hon'ble Bombay High Court dated July 4, 2014 under Section 100 to 105 of Companies Act, 1956, which was duly registered by the Registrar of Companies, Mumbai on Sept 3, 2014, the paid-up value of the 61,22,60,268 equity shares stood reduced from Rs. 10/- per share to Re. 1/- per share w.e.f. Sept 3, 2014; Consequently, paid up equity share capital also stood reduced from Rs. 612.26 Crore to Rs. 61.22 Crore and the Accumulated Losses were written-off to the extent of Rs. 551.03 Crore on Sept 3, 2014. The trading of Equity Shares with reduced face value of Re. 1/- per share has commenced on December 29, 2014 at BSE Ltd.

b The above-mentioned security has been further extended to the amount of secured loans and working capital assistance, together with the interest, compound interest, additional interest, default interest, costs, charges, expenses and any other amount payable by the Company in relation thereto and in terms with MRA and STA entered into between the lenders and ITSL.

The Company has complied with all the terms and conditions of Corporate Debt Restructuring Scheme as approved by the CDR Cell letter dated August 13, 2009.

43 Unsecured Loans

a On October 16, 2004, the Company issued 1,667,761 Zero Percent Non-Convertible Debentures ('NCDs') of Rs. 100/- each in lieu of interest accrued on term loans from a financial institution and a bank for the period April 1, 2003 to December 31, 2003. The 'NCD's earlier redeemable at par on March 31, 2014, then at par on March 31, 2016, and now redeemable at par on March 31, 2024 after repayment of the term loans as per CDR Schemes.

b The Company under the terms of the agreement dated May 1, 2007 had taken convertible loan to facilitate expansion and development of businesses amounting to Rs. 499,499,886 from Infotel Digicomm Private Limited ('IDPL'). The convertible loan was repayable on demand with an option to convert the Loan into Equity Shares, subject to getting necessary approvals and subject to applicable pricing guidelines as per SEBI and other laws and regulations. On September 16, 2009 Infotel Digicomm Private Limited ('IDPL') had entered into an assignment agreement with Domebell Electronics India Private Limited ('DEIPL'), wherein IDPL had assigned the above

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

convertible loan of Rs. 499,499,886 to DEIPL. On May, 2018 Domebell Electronics India Private Limited ('DEIPL') had entered into an Novation agreement with Hyundai Electronics India Limited ('HEIL'), wherein DEIPL had assigned the above convertible loan of Rs. 499,499,886 to HEIL. All the terms and conditions relating to the convertible loan remained the same. HEIL have agreed to waive off the interest from April 1, 2018 till March 31, 2019, therefore no provision for such interest has been made by the Company. Consequent to the addendum to the Novation agreement, the convertible loan from HEIL is now repayable after 14 years from the date of assignment agreement dated September 16, 2009.

c The Company under the terms of the agreement dated May 1, 2007 had taken buyer's credit facility to facilitate funding of the telecom project amounting to Rs. 410,740,832 from Infotel Business Solutions Limited ('IBSL'). IBSL had the option to convert the loan including interest accrued into equity shares, subject to applicable pricing guidelines as per SEBI and other laws and regulations. On September 16, 2009 IBSL had entered into an assignment agreement with Domebell Electronics India Private Limited ('DEIPL'), wherein IBSL had assigned the above buyer's credit facility of Rs. 410,700,000 to DEIPL. On May, 2018 Domebell Electronics India Private Limited ('DEIPL') had entered into an Novation agreement with Hyundai Electronics India Limited ('HEIL'), wherein DEIPL had assigned the above convertible loan of Rs. 410,700,000 to HEIL. All the terms and conditions relating to the convertible loan remained the same. HEIL have agreed to waive off the interest from April 1, 2018 till March 31, 2019, therefore no provision for such interest has been made by the Company. Consequent to the addendum to the assignment agreement, the convertible loan from DEIPL is now repayable after 14 years from the date of assignment agreement dated September 16, 2009.

d The Company had taken an unsecured loan from Dombell Electronics India Private Limited on July 06, 2010 of Rs. 1,598,500,000 @ 8% per annum, the interest accrues at the end of each quarter. On May, 2018 Domebell Electronics India Private Limited ('DEIPL') had entered into an Novation agreement with Akai Consumer Electronics India Limited (ACEIL), wherein DEIPL had assigned the above unsecured loan to ACEIL.The lender has agreed to waive off the interest from April 1, 2018 to March 31, 2019, therefore no provision for said interest has been made by the Company. The aforesaid unsecured loan is repayable on demand after 13 years from the commencement of the unsecured loan.

e During the FY 2016-17, the Company has issued 1,20,00,000 Unsecured Zero Coupon Compulsory Convertible Debentures of face value of Rs. 1,000/- each convertible into 12,00,00,000 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of face value of Rs. 100/- each against advance of Rs. 12,193,974,935/- received from M/s Videocon Telecommunications Limited to fund the entry fee for using GSM Technology and to support business operations for Punjab Service Area on the following terms and conditions:

- Zero Coupon CCDs shall be converted into 2% NCRPS at par, after settlement of entire obligations under CDR. Since the entire obligations under CDR is to be settled/cleared by the year 2024 as per CDR letter dated August 13, 2009, accordingly, the conversion of Zero Coupon CCDs into 2% NCRPS shall not happen before the Settlement Date (hereinafter referred as "Settlement Date") i.e. April 1, 2025.
- 2% NCRPS shall be redeemed in 5 yearly equal instalments payable on 31st March of each year, at par, as mutually agreed between parties and as approved by the Board and, subject to necessary approvals as may be required in accordance with the provisions of Section 55 of the Act, out of profits available or out of proceeds of fresh issue of shares made for the purpose of redemption or combination of both.

f During the year 2017-18, the Company has issued 8,60,000 Unsecured Zero Coupon Compulsory Convertible Debentures of face value of Rs. 1,000/- each convertible into 86,00,000 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of face value of Rs. 100/- each against outstanding balance of M/s Videocon Telecommunications Limited on the following terms and conditions:

- Zero Coupon CCDs shall be converted into 2% NCRPS at par, after settlement of entire obligations under CDR. Since the entire obligations under CDR is to be settled/cleared by the year 2024 as per CDR letter dated August 13, 2009, accordingly, the conversion of Zero Coupon CCDs into 2% NCRPS shall not happen before the Settlement Date (hereinafter referred as "Settlement Date") i.e. April 1, 2025.
- 2% NCRPS shall be redeemed in 5 yearly equal instalments payable on 31st March of each year, at par, as mutually agreed between parties and as approved by the Board and, subject to necessary approvals as may be required in accordance with the provisions of Section 55 of the Act, out of profits available or out of proceeds of fresh issue of shares made for the purpose of redemption or combination of both.

44 Related Party Disclosures

As required under IND-AS 24 on "Related Party Disclosures", the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

a) Name of Related Parties and its relationship:

Name	Relationship
Quadrant Enterprises Private Limited	Associate Company
Company Secretary & Manager- Mr. Amit Verma ceased on February 23, 2018.	Key Management Personnel (KMPs)
Company Secretary (CS) & Manager- Mr. Gourav Kapoor w.e.f. February 23, 2018.	
Chief Financial Officer (CFO) -Mr. Munish Bansal	

Note : Related party relationship is as identified by the Company and relied upon by the auditors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

b) Transactions / Outstanding balances with Related Parties

Particulars	2018-19 CFO KMP	2018-19 CS KMP	2017-18 CFO KMP	2017-18 CS KMP
Short-term employee benefits	1,201,546	657,348	1,251,641	883,100
Performance linked incentive ('PLI')#	300,464	54,326	53,447	52,619
Post-employment benefit	Nil	Nil	Nil	Nil
Share-based payment	Nil	Nil	Nil	Nil
Dividend paid	Nil	Nil	Nil	Nil
Commission paid	Nil	Nil	Nil	Nil
Consideration received on exercise of options	Nil	Nil	Nil	Nil

Value of PLI considered above represents incentive at 100% performance level. However, same will be paid on the basis of actual performance parameters in next year. Additional provision of Rs. 286,484 and Rs. 106,066 has been recorded in the books towards PLI for the year ended March 31, 2019 and March 31, 2018 respectively. During the year ended March 31, 2019 and 2018, PLI of Rs. 354,790 and Rs. 106,066 respectively, pertaining to previous year has been paid.

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

45 Financial Risk Management Objectives and Policies

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

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risk and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

Particulars	Notes Nos.	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2019					
Borrowings	18,22	13,991,412,198	3,265,225,899	15,535,475,986	18,800,701,885
Cumulative Redeemable Preference Shares	19	2,248,454,300	-	2,248,454,300	2,248,454,300
Trade payables	23	617,421,056	617,421,056	-	617,421,056
Other liabilities	24	3,832,004,408	3,832,004,408	-	3,832,004,408
As at March 31, 2018					
Borrowings	18,22	13,390,870,559	3,273,386,957	15,535,475,986	18,808,862,943
Cumulative Redeemable Preference Shares	19	2,248,454,300	-	2,248,454,300	2,248,454,300
Trade payables	23	396,002,163	396,002,163	-	396,002,163
Other liabilities	24	3,637,113,096	3,637,113,096	-	3,637,113,098

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

The sensitivity analyses in the following sections relate to the position as at 31st March 2019 and 31st March 2018.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. INTEREST RATE RISK		
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. a) Company has Fixed deposits with Banks amounting to Rs. 120,095,714 as at March 31st, 2019 (Rs. 139,029,195 as at March 31st, 2018). Interest Income earned on fixed deposit for year ended March 31st, 2019 is Rs. 8,990,934 (Rs. 10,747,024 for the year ended March 31st, 2018). b) Company has Borrowing from Banks amounting to Rs. 3,265,225,899 as at March 31st, 2019 (Rs. 3,273,386,957 as at March 31st, 2018). Interest Expenses on such borrwings for the year ended March 31st, 2019 is Rs. 279,975,812 (Rs. 279,626,466 for the year ended March 31st, 2018).	In order to manage its interest rate risk, Company diversifies its portfolio in accordance with the risk management policies.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates. a) A 1% increase in interest rates would have led to approximately an additional Rs. 0.12 Cr gain for year ended March 31st, 2019 (Rs. 0.14 Cr gain for year ended March 31st 2018) in Interest income. A 1% decrease in interest rates would have led to an equal but opposite effect. b) A 1% increase in interest rates would have led to approximately an additional Rs. 3.26 Cr loss for year ended March 31st, 2019 (Rs. 3.27 Cr loss for year ended March 31st 2018) in Interest expense. A 1% decrease in interest rates would have led to an equal but opposite effect.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits which are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at 31st March 2019, the Company had top10 customers (As at 31st March 2018: top 10 customers) that owed the Company more than INR 40.24 Cr (As at 31st March 2018: 35.72 Cr) and accounted for approximately 74.49 % (As at 31st March 2018: 68.19%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31st March 2019 and 31st March 2018 is the carrying amounts as illustrated in Note 10.

Capital Management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value.

Particulars	31-Mar-19 INR	31-Mar-18 INR
Borrowings (Note No. 18 & 22)	13,991,412,198	13,390,870,559
Cumulative Redeemable Preference Shares (Note No. 19)	2,248,454,300	2,248,454,300
Less : Cash and Cash Equivalents (Note No. 10)	(6,234,164)	(40,673,522)
Total Debt	**16,233,632,333**	**15,598,651,337**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	31-Mar-19 INR	31-Mar-18 INR
Equity	(18,210,771,999)	(16,922,184,731)
Total Capital	(18,210,771,999)	(16,922,184,731)
Capital and Total Debt	(1,977,139,665)	(1,323,533,395)
Gearing ratio	-821.07%	-1178.56%

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

46 Financial Instruments by Category

Particulars	Level	Mar-19			Mar-18		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
1) Financial Assets							
I) Trade Receivables (Note No. 9)	2	-	-	369,841,357	-	-	296,582,063
II) Cash and Cash Equivalents (Note No. 10)	1	-	-	6,234,164	-	-	40,673,522
III) Other Bank Balances (Note No. 11)	2	-	-	153,768,851	-	-	139,029,195
IV) Security Deposit and Advances (Note No. 12)	2	-	-	96,565,967	-	-	92,903,435
1) Total Financial Assets		**-**	**-**	**626,410,339**	**-**	**-**	**569,188,215**
2) Financial liabilities							
I) Borrowings							
A) From Banks (Note No. 22)	1	-	-	162,516,235	-	-	160,114,593
B) From Bonds & Debentures (Note No. 18 & 22)	2	8,217,486,413	-	3,102,709,664	7,608,783,716	-	3,113,272,364
C) Preference Shares (Note No. 19)	2	-	-	2,248,454,300	-	-	2,248,454,300
D) Others (Note No. 18)	2			2,508,699,886			2,508,699,886
II) Trade Payables (Note No. 23)	2	-	-	617,421,056	-	-	396,002,163
III) Other Liabilities (Note No. 24)	2	-	-	3,832,004,408	-	-	3,637,113,096
Total Financial Liabilities		**8,217,486,413**	**-**	**12,471,805,549**	**7,608,783,716**	**-**	**12,063,656,403**

1. Fair Value Measurement

   Fair Value Hierarchy and valuation technique used to determine fair value.

   The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1 , Level 2 and Level 3 inputs.

47 Foreign Currency Exposure

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations will arise.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy, which provides principles on the use of such forward contracts consistent with Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	As at 31.03.2019		As at 31.03.2018	
		Foreign Currency	Equivalent Rs.	Foreign Currency	Equivalent Rs.
Trade Payables	US$	64,353	4,465,403	75,256	4,928,990
Advances given to Suppliers	US$	396,417	27,507,363	45,058	2,951,324
Total		**460,770**	**31,972,766**	**120,314**	**7,880,314**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Foreign currency sensitivity analysis

The following details are demonstrate the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans. A positive number below indicates an increase in profit or equity and vice-versa.

Impact on profit or loss for the year	As at 31.03.2019		As at 31.03.2018	
	INR strengthens by 5%	INR weakens by 5%	INR strengthens by 5%	INR weakens by 5%
USD	223,273	(223,273)	246,463	(246,463)

48 **Segmental Reporting**

The primary reporting of the Company has been performed on the basis of business segments. The Company has only one business segment, which is provision of unified telephony services. Accordingly, the amounts appearing in these financial statements relate to this primary business segment. Further, the Company provides services only in the State of Punjab (including Chandigarh and Panchkula) and, accordingly, no disclosures are required under secondary segment reporting.

49 As per master circular on Import of Goods and Services vide ref no. RBI/2015-16/82 Master Circular No.13/2015-16, Dated July 01, 2015(Amended up to November 27, 2015) remittances against imports should be completed not later than six months from the date of shipment. Non payment against import from nine parties beyond stipulated time amounting to Rs. 45.23 Lakhs as at March 31, 2019.

50 In absence of any taxable income, no provision for the current tax has been made. Also, in view of losses and unabsorbed depreciation, considering the grounds of prudence, deferred tax assets is recognized to the extent of deferred tax liabilities and balance deferred tax assets have not been recognized in the books of accounts.

51 The Company had filed application for Compounding in respect offences under various sections of the Companies Act, 1956 before the Hon'ble Company Law Board.

The Company was not able to file the particulars of satisfaction of charge due to non-receipt of NOC for the purpose of satisfaction of charge, hence, the offence was not compounded by the Honb'le Company Law Board Bench in its hearing held on 17th May, 2016 and dismissed the Compounding Application filed by the Company, its present and former Directors for Compounding of Offence under Section 138(1) of the Companies Act, 1956 vide its order dated 18th May, 2016. The Company is in process of obtaining NOC from the respective lender for the satisfaction of charge and will file the compounding application again after the registration of satisfaction of the charge.

52 **Debenture Redemption Reserve**

Pursuant to the CDR scheme on October 16, 2004, the Company had issued unsecured Zero Percent Non-Convertible Debentures ('NCD') (Erstwhile OFCDs) aggregating to Rs. 166,776,100. Pursuant to the new restructuring scheme dated August 13th, 2009 the Company had allotted secured Non-Convertible Debentures ('NCD') for Rs. 3,196,909,043 to Financial institution and Banks on January 21st, 2013, equivalent to 50% of their outstanding loans as on April 01st,2009. As per section 71(4) of the Companies Act, 2013, a Debenture Redemption Reserve ('DRR') is to be created to which adequate amounts are to be credited out of the profits of each year until such debentures are redeemed.

During the year ended March 31st, 2019, the Company has incurred loss of Rs. 1,288,587,268/- due to which the Company has not created the 'DRR'.

53 GSM business of the Company was in continuous losses which increased further due to launch of 4G services by leading competitors in the market who are offering free talk time and data. The Company has decided to discontinue its GSM Services/ Business w.e.f. the midnight of 15-Feb'2017. During the year 2017-18, Rs. 1,517,641,609 has been provided for impairment loss in respect of certain class of fixed assets i.e. Network equipments and Software related to Discontinued operations in terms of Ind AS 36 - "Impairment of Assets".

The Company has carried out Impairment Test on its Fixed Assets as on March 31, 2019 and the Management is of the opinion that there is no asset for which impairment is required to be made as per Ind AS 36 - "Impairment of Assets" issued by ICAI.

54 Figures for the previous year has been regrouped/rearranged wherever necessary to confirm current year classification / presentation

As per our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

Naveen Jain
Partner
Membership No. 511596

Place: Gurugram
Date : 24th May, 2019

For and on behalf of the Board of Directors

Mitu Mehrotra Goel
Director
(DIN: 05188846)

Babu Mohanlal Panchal
Director
(DIN: 01806193)

Gourav Kapoor
Company Secretary & Manager

Munish Bansal
Chief Financial Officer

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

QUADRANT TELEVENTURES LIMITED

CIN: L00000MH1946PLC197474

Regd. Office: Autocars Compound, Adalat Road, Aurangabad – 431005 (Maharashtra)

Phone No. 91-240-2320750-51, **E-mail:** secretarial@infotelconnect.com, **Website:** www.connectzone.in

72nd Annual General Meeting – 20th September, 2019

Name of the Member(s)

Registered address

Email ID

Folio No. / Client ID

DP ID

I/We, being the Member(s) of ………………………………………………… shares of the above named company, hereby appoint

Name : ……………………………………………………………………… Email ID : ……………………………………………

Address : ……

…………………………………………………………………………Signature: ……………………………………….

Or failing him/her

Name : ……………………………………………………………………… Email ID : ……………………………………………

Address : ……

…………………………………………………………………………Signature: ……………………………………….

Or failing him/her

Name : ……………………………………………………………………… Email ID : ……………………………………………

Address : ……

…………………………………………………………………………Signature: ……………………………………….

(contd…….)

As my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 72nd Annual General Meeting of the Company scheduled to be held on Friday, September 20, 2019 at 1:00 P.M. at the Registered Office of the Company at Autocars Compound, Adalat Road, Aurangabad – 431 005 Maharashtra at any adjournments thereof in respect of such resolution as are indicated below: -

Resolution Number	**Resolution**
Ordinary Business:	
1.	To adopt the Standalone Audited Financial Statements of the Company for the financial year ended on March 31, 2019 together with the Reports of the Directors and Auditors thereon.
2.	To appoint a Director in place of Ms. Mitu Mehrotra Goel (DIN 05188846), who retires by rotation at the ensuing Annual General Meeting, and being eligible, offers herself for re-appointment.
3.	To consider and approve the appointment of Statutory Auditors and to fix their remuneration.
Special Business:	
4.	To consider and approve the Appointment of Mr. Dinesh A. Kadam as Independent Director of the Company.
5.	To ratify and confirm the payment of remuneration to Cost Auditors of the Company.

Signed this…………………………….. day of 2019

Affix
Revenue
Stamp
Re. 1

…………………………………
Signature of the shareholder

…....………………………………
Signature of the Proxy Holder

Notes:

1. 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.
2. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
3. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated

ATTENDANCE SLIP

QUADRANT TELEVENTURES LIMITED

CIN: L00000MH1946PLC197474

Regd. Office: Autocars Compound, Adalat Road, Aurangabad – 431005 (Maharashtra)
Phone No. 91-240-2320750-51 **E-mail:** secretarial@infotelconnect.com**, Website:** www.connectzone.in

72nd Annual General Meeting – 20th September, 2019

Regd.Folio No. / Client ID No

DP ID No.

No of shares held

I certify that I am a registered shareholder / proxy for the registered Shareholder of the Company.

I hereby record my presence at the 72nd Annual General Meeting of the Company held on Friday, September 20, 2019 at 1:00 P.M. at the Registered Office of the Company at Autocars Compound, Adalat Road, Aurangabad – 431005 Maharashtra.

Member's/proxy's Name in Block Letters

Member's/Proxy signature

Note: Please fill in this attendance slip and had it over at the ENTRANCE OF THE HALL

Registered Post / Speed Post / Courier

If undelivered, please return to

Quadrant Televentures Limited
Regd. Office : Autocars Compound, Adalat Road, Aurangabad - 431005, Maharashtra

www.westernpress.in