

27th

ANNUAL REPORT
2021-2022



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

CORPORATE INFORMATION**BOARD OF DIRECTORS:**

| | | |
|-------------------------------|----------------------------------|-----------------|
| 1. Mr. K. Hari Krishna Reddy | - Chairman & Whole time Director | (DIN: 01302713) |
| 2. Mr. Srinivasa Rao Mandava | - Managing Director | (DIN: 03456187) |
| 3. Mr. D. Venkateswara Rao | - Whole time Director cum CFO | (DIN: 03616715) |
| 4. Mr. G. Rama Manohar Reddy | - Whole-time Director | (DIN: 00135900) |
| 5. Mr. Mahesh Ambalal Kuvadia | - Independent Director | (DIN: 07195042) |
| 6. Mr. Satish Kumar Maddineni | - Independent Director | (DIN: 03452107) |
| 7. Ms. Arpitha Reddy Mettu | - Independent Director | (DIN: 03553277) |
| 8. Mr. Bolla Sreekanth | - Independent Director | (DIN: 05306196) |

COMPANY SECRETARY AND COMPLIANCE OFFICER: Mr. Khush Mohammad

REGISTERED OFFICE:

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

CORPORATE IDENTITY NUMBER

L72200TG1995PLC020569

BANKERS:

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

ICICI Bank
1-11-251/19/A
Jaya Lakshmi Towers
Motilal Nehru Nagar
Prakash Nagar, Begumpet
Hyderabad- 500 016

Punjab National Bank
3-6-271, Sudheer Tapanj Towers
Opp: Telugu Academy
Hyderabad- 500029

AUDIT COMMITTEE:

| | | |
|----------------------------|---|----------|
| 1. Mr. B. Sreekanth | - | Chairman |
| 2. Ms. Arpitha Reddy Mettu | - | Member |
| 3. Mr. Mahesh A. Kuvadia | - | Member |

NOMINATION & REMUNERATION COMMITTEE:

| | | |
|----------------------------|---|----------|
| 1. Mr. B. Sreekanth | - | Chairman |
| 2. Ms. Arpitha Reddy Mettu | - | Member |
| 3. Mr. Mahesh A. Kuvadia | * | Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE:

1. Mr. B. Sreekanth - Chairman
2. Ms. Arpitha Reddy Mettu - Member
3. Mr. Mahesh A. Kuvadia - Member

REGISTRAR & SHARE TRANSFER AGENTS:

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

| | | |
|--------------------|---|--|
| LISTED AT | : | BSE Limited |
| BSE SCRIP CODE | : | 532975 |
| ISIN | : | INE778I01024 |
| WEBSITE | : | www.aishwaryatechtele.com |
| INVESTOR E-MAIL ID | : | accounting@aishwaryatechtele.com |

NOTICE

Notice is hereby given that the 27th Annual General Meeting of members of Aishwarya Technologies and Telecom Limited will be held on Friday, the 30th day of September, 2022 at 4.00 p.m. through Video Conferencing/ Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Report of Auditors and Directors thereon.
2. To appoint a Director in the place of Mr. Hari Krishna Reddy Kallam(DIN:01302713), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. P. Murali & Co, Chartered Accountants as Statutory Auditors of the company in place of M/s. CSV & Associates., as Statutory Auditors who are retiring after completing 5 years of their tenure at the ensuing 27th Annual General Meeting and to fix their remuneration

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

“RESOLVED THAT pursuant to the provisions of Section 139 and 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, and pursuant to recommendation of Audit Committee, M/s. P. Murali & Co , Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s. CSV & Associates., Retiring Auditors to hold the office for term of five(5) consecutive years, from the conclusion of this 27th Annual General Meeting till the conclusion of 32nd Annual General Meeting of the Company to be held in the financial year 2026-27, at the remuneration of Rs. 2,00,000/- (Rupees Two Lakhs only)per annum plus applicable taxes and reimbursement of out-of-pocket expenses incurred by them during the course of audit.

FURTHER RESOLVED THAT the Board is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

For Aishwarya Technologies and Telecom Limited

Sd/-

**Venkateswara Rao Devineni
Whole-time Director & CFO
(DIN:03616715)**

**Place: Hyderabad
Date: 02.09.2022**

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the 27th Annual General Meeting as set out in the Notice is annexed hereto.
2. In pursuance of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, details in respect of the Directors seeking appointment/ re-appointment at the AGM, form part of this Notice.
3. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid -19”, General Circular no. 20/2020 dated May 5, 2020, General Circular nos. 02/2021 and 21/2021 dated January 13, 2021 and December 14, 2021 Circular No. 03/2022 dated May 5, 2022, Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as “the Circulars”), in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM.
4. The Deemed Venue of the 27th AGM of the Company shall be its Registered Office.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to all members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
9. Pursuant to the provisions of the Act and other applicable Regulations, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on their behalf and the proxy need not be a Member of the Company. However since this AGM is being held pursuant to the MCA/SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will also not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
10. Corporate/institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG format) of the relevant Board Resolution/Authority Letter / Power of Attorney etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through e-mail at accounting@aishwaryatechtele.com.

11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.aishwaryatechtele.com>. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com).
12. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2022 to 30.09.2022 (Both days inclusive).
13. Recent circular requires submission of Aadhar/PAN number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card/PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their Aadhar card/PAN details to the Company/ Registrar and Share Transfer Agents (Bigshare Services Private Limited).
14. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to Bigshare Services Private Limited., Share Transfer Agents of the Company for their doing the needful.
15. Members are requested to send their queries at least 5 days before the date of meeting so that information can be made available at the meeting.
16. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the Company and correspond with them directly regarding share transfer/transmission /transposition, Demat/Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
17. In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the Company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
18. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
19. The company has appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries, as scrutinizer of the company to scrutinize the voting process.
20. Since securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, members holding shares in physical form are requested to get their shares dematerialized at the earliest.
21. In compliance with the MCA Circulars and SEBI Circular dated January 15, 2021 as aforesaid, Notice of the AGM along with the Annual Report 2021-2022 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
22. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
23. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
24. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
25. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AREAS UNDER:
 - (i) The voting period begins on 27.09.2022 at 09.00 A.M. and ends on 29.09.2022 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23.09.2022 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) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- (v) Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easy / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easy / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easy / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easy/Easiest, option to register is available at: https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers. |

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| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nSDL.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

(vi) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first time user follow the steps given below:

| | For Shareholders holding shares in Demat Form and other than individual and Physical Form |
|--|--|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | 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. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant < AISHWARYA TECHNOLOGIES AND TELECOM LIMITED > on which you choose to vote.
- (xi) 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.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xviii) Facility for Non – Individual Shareholders and Custodians –Remote Voting
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address accounting@aishwaryatechtele.com(designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

26. OTHER INSTRUCTIONS:

- (i) The voting rights of shareholders shall be in proportions to the shares held by them in the paid equity share capital of the Company as on the cut-off date i.e. 23.09.2022.
- (ii) The Scrutinizer shall after the conclusion of the Voting at the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him.
- (iii) Voting is provided to the members through e-voting and at the Annual General Meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.

- (iv) If a Member casts votes by both modes, then voting done through e-voting shall prevail.
- (v) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.aishwaryatechtele.com and on the website of CDSL and will be communicated to the BSE Limited.
- 27. Relevant documents referred to in the accompanying Notice, as well as Annual Report is open for inspection at the Registered Office of the Company, during the office hours, on all working days up to the date of Annual General Meeting.
- 28. SEBI has notified vide Notification No. SEBI/LAD-NRO/GN/2018/24 that securities of the listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.

For Aishwarya Technologies and Telecom Limited

Sd/-

**Venkateswara Rao Devineni
Whole-time Director & CFO
(DIN:03616715)**

**Place: Hyderabad
Date: 02.09.2022**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND SEBI (LODR) REGULATIONS, 2015

ITEM NO. 3 OF THE NOTICE

To appoint M/s. P.Murali & Co, Chartered Accountants as Statutory Auditors of the company:

Pursuant to the provisions of Section 139 of the Act read with applicable Rules framed thereunder, M/s. CSV R & Associates., Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 years in the AGM held on 29.09.2017 upto the conclusion of the forthcoming 27th Annual General Meeting and accordingly their term of 5 years has come to an end with the conclusion of 27th AGM of the Company. The Audit Committee and the Board of Directors have placed on record their appreciation for the professional services rendered by M/s. CSV R & Associates., Chartered Accountants during their association with the Company as its auditors.

The Audit Committee recommended M/s. P. Murali & Co, Chartered Accountants (Firm Registration No. 007257S), as the Company's new Statutory Auditor in place of retiring auditors. The proposed auditors have confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Thus, based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to appoint M/s. P. Murali & Co, Chartered Accountants, (Firm Registration no. 007257S), as the Statutory Auditors of the Company for a period of 5 years, commencing from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 32nd Annual General Meeting to be held in the year 2027, subject to the approval of the members at a statutory audit fee of Rs. 2,00,000/- (Rupees Two Lakhs Only) per annum plus taxes as applicable. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

BRIEF PROFILE OF M/S. P. MURALI & CO, CHARTERED ACCOUNTANTS

M/S. P. Murali & Co, Chartered Accountants, an accounting and consulting firm based in Hyderabad, Telangana, and having experience of more than 12 years in the industry.

Spectrum of Services: Statutory Audit, Management Audit, Risk Advisory, Due Diligence, Valuation, Accounting Manual, Corporate Restructuring, Agreed upon Procedures, Tax Audit, Planning, Compliance, Representation, Incentives/ Exemptions, Assessments, Certifications, Transfer Pricing Audit & Assurance Taxation, Tax Audit, Litigation, Planning, Compliance, Representation, Incentives/Exemptions, Certifications, Transfer Pricing, Registration, Filing of periodical Returns, Representation, Audit, Assessment, Appeals, Certifications, Formation of Company in India and all ROC Matters, Maintenance & Compliance of Statutory Records, Listing of Securities, Handling and Liasoning for matters related to Foreign Exchange Management Act, RBI, Import-Export etc., Certification required under various statutes.

The Board of Directors recommends the Ordinary Resolution for approval of the Members.

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

Disclosures made by the Company under Regulation 36(5) of SEBI (LODR) Regulations 2015, for seeking appointment of M/s. P. Murali & Co, Chartered Accountants:

| Sl. No. | Particulars | Details |
|---------|----------------------------------|---|
| 1 | Proposed fees | Rs. 2,00,000/- Per annum |
| 2. | Terms of Appointment | For a period of 5 years from conclusion of this 27th Annual General Meeting till the Conclusion of 32nd Annual General Meeting to be held for the FY 2026-27. |
| 3. | Basis of recommendation | Audit Committee and Board |
| 4. | Credentials of Statutory auditor | As mentioned above |

III. OTHER INFORMATION:

1. Reasons for inadequate profits: The Company is in the mode of expansion of the business which generally requires spending lot of money up front leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years.
2. Steps taken or proposed to be taken for improvement: Necessary efforts are being made to increase the operations which may take time depending upon the various circumstances.
3. Expected increase in productivity and profit in measurable terms: The Company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will improve considerably in the coming years.

Accordingly, the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 4 of the notice for appointment of Mr. Gangavaram Rama Manohar Reddy.

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

Annexure A – for Item no 2

As required under Regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under: -

| | |
|--|--|
| Name of the Director | Mr. K. Hari Krishna Reddy |
| Brief Resume | Chartered Accountant and Certified Public Accountant |
| Expertise in specific functional areas | Financial Advisor to many Indian and Foreign companies with a rich Experience over 3 decades In accounts, taxation, audit, entrepreneurship, portfolio management etc. |
| Qualification | Chartered Accountant and Certified Public Accountant |
| Names of the Listed entities in which the person is holding Directorships or Board Committee Memberships along with listed entities from which the person has resigned in the past three years | NIL |
| Inter se relationship among Directors | Nil |
| Number of shares held by them | 13,20,045 Equity Shares |

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

**Sd/-
Venkateswara Rao Devineni
Whole-time Director & CFO
(DIN:03616715)**

**Place: Hyderabad
Date: 02.09.2022**

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Directors' Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March 2022.

1. FINANCIAL SUMMARY/HIGHLIGHTS:

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

(Amount in Lakhs)

| Particulars | 2021-2022 | 2020-2021 |
|--|-----------------|------------------|
| Revenue from Operations | 647.71 | 1015.64 |
| Other Income (Including Exceptional Items) | 202.57 | 88.64 |
| Total Expenses | 1,188.24 | 1604.18 |
| Profit/Loss Before Tax | (337.96) | (499.90) |
| Less: Provision for Taxation | (57.28) | (46.81) |
| Profit / (Loss) After Tax | (280.69) | (453.09) |
| Other Comprehensive Income | (6.42) | (2.84) |
| Total Comprehensive Income | (274.27) | (450.25) |
| Earning per Equity Share- Basic & Diluted (in Rs.) | (1.15) & (1.15) | (1.88) & (1.88) |

2. REVIEW OF OPERATIONS:

Revenue

During the Year under the review, the Company has recorded an Income of Rs. 647.71 Lakhs and net loss of Rs.274.27 Lakhs as against the Income of Rs. 1015.64 Lakhs and net loss of Rs. 450.25 Lakhs in the previous financial year ending 31.03.2021.

3. BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS:

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis report, which has been prepared, inter-alia, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 and forms part of this Report.

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

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

5. BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS:

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis report, which has been prepared, inter-alia, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 and forms part of this Report.

6. RESERVES:

The Closing balance of reserves, including retained earnings, of the Company as at March 31st 2022 is Rs. (141,036,769).

7. DIVIDEND:

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

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

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report (i.e.02/09/2022).

However Mr Srinivasa Rao Mandava triggered the open offer by way of acquisition of 62,12,425 fully paid up equity shares of face value Rs. 5/- each, representing in aggregate 26% of the total Equity Share Capital.

9. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124 of the Companies Act, 2013 Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

During the Year, no amount of dividend was unpaid or unclaimed for a period of seven years and therefore no amount/share is required to be transferred to Investor Education and Provident Fund under the Section 125(1) and Section 125(2) of the Companies Act, 2013.

11. BOARD MEETINGS:

The Board of Directors duly met Five (05) times during the financial year from 1st April 2021 to 31st March 2022. The dates on which the meetings were held are 25.05.2021, 30.06.2021, 14.08.2021, 13.11.2021 and 19.02.2022.

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

There was no appointment and resignation of Directors during the financial year 2021-2022.

13. REVISION OF FINANCIAL STATEMENTS :

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

14. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from all the Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

15. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

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

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

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

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

We affirm that the remuneration paid to the Directors is as per the terms laid down in the Nomination and Remuneration Policy of the Company.

17. DIRECTORS' RESPONSIBILITY STATEMENT:

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

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

During the year under review Company does not have any subsidiary, joint venture or associate Company as on 31.03.2022.

19. ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an annual return is disclosed on the website: www.aishwaryatechtele.com.

20. AUDITORS:**a. Statutory Auditors**

At the 22nd Annual General Meeting held on 29.09.2017, the members of the company approved the appointment of M/s. CSV& Associates., Chartered Accountants as Statutory Auditors of the company for the term of five years from the conclusion of 22nd Annual General meeting upto conclusion of 27th Annual General meeting to be held for financial year 2021-22.

The Board in its meeting held on 02.09.2022 appointed M/s. P. Murali & Co, Chartered Accountants as Statutory Auditors for the period of 5 years in place of M/s. CSVR& Associates., Chartered Accountants from the conclusion of ensuing AGM for FY 2021-22 till the conclusion of Annual General Meeting to be held in the calendar year 2027, subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

Statutory Auditors Report

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2022 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the coming years.

b. Secretarial Auditor

Pursuant to the provisions of Section 204 & Section 134(3) (f) of the Companies Act, 2013, the Board has appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries as secretarial auditor to undertake Secretarial Audit of the Company for financial year ending 31.03.2022. The report of the Secretarial Auditor is enclosed herewith vide Annexure-I of this Report.

Secretarial Audit Report

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2022 on the Compliances according to the provisions of Section 204 of the Companies Act, 2013.

Annual Secretarial Compliance Report

The Company has filed the Annual Secretarial Compliance Report for the year 2021-2022 with the BSE Limited. The report was received from a Practicing Company Secretary and filed within the stipulated time as specified under Regulation 24A of the SEBI (LODR) Regulations.

c. Cost Auditor

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

d. Internal Auditor

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014; M/s. P Jitender Reddy & Co, Chartered Accountants were appointed as Internal Auditors of the Company for the Financial Year 2022-23.

Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board.

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

There have been no frauds reported by the auditor's u/s 143(12) of companies Act, 2013.

22. INTERNAL AUDIT AND FINANCIAL CONTROLS:

The Company has adequate internal controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loan, guarantees or made any investments attracting the provisions as prescribed in Section 186 of the Companies Act, 2013.

24. RELATED PARTY TRANSACTIONS:

Our Company has formulated a policy on related party transactions which is also available on Company's website at www.aishwaryatechtele.com. This policy deals with the review and approval of related party transactions.

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

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed Form AOC-2 is appended as Annexure II which forms part of this Report.

All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature. Members may refer Note No. 37 in the financial statement which sets out related party disclosures pursuant to INDAS-24.

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

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

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

The particulars as prescribed under Section 134(3) (m) of the Companies Act, 2013, are provided hereunder:

A. Conservation of Energy:

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

B. Research & Development and Technology Absorption:

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

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: Rs. 17.00 Lakhs

Foreign Exchange Out go: Rs. 33.00 Lakhs

27. COMMITTEES:

- (I). **AUDIT COMMITTEE:** The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of SEBI (LODR) Regulations read with Section 177 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.
- (II). **NOMINATION AND REMUNERATION COMMITTEE:** The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of SEBI (LODR) Regulations read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

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

28. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:

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

29. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Regulation 22 of SEBI (LODR) Regulations, 2015, a vigil Mechanism for Directors and employees to report genuine concerns has been established. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith. During the year under review, no employee was denied access to the Audit Committee.

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

30. PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review.

31. DETAILS OF DEPOSITS NOT IN COMPLIANCE WITH THE REQUIREMENTS OF THE ACT:

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2022, there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

The Company complied with this requirement within the prescribed timelines.

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

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

33. DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

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

During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

Further, details of internal financial control and its adequacy are included in the Management Discussion and Analysis Report which is appended as Annexure III and forms part of this Report.

34. INSURANCE:

The properties and assets of your Company are adequately insured.

35. CREDIT & GUARANTEE FACILITIES:

The Company has not availed credit and guarantee facilities.

36. RISK MANAGEMENT POLICY:

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks and also to identify business opportunities. As a process, the risks associated with the business are identified and prioritized based on severity, likelihood and effectiveness of current detection. Such risks are reviewed by the senior management on a periodical basis.

37. SHARE CAPITAL:

The authorised share capital of the Company stands at Rs.15,50,00,000/- divided into 3,10,00,000 equity shares of Rs.5/- each The paid up share capital of the Company stands at Rs. 11,94,69,710/- divided into 2,38,93,942 equity shares of Rs.5/- each.

38. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

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

39. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

The Management Discussion and Analysis Report, pursuant to the SEBI (LODR) Regulation provides an overview of the affairs of the Company, its legal status and autonomy, business environment, mission & objectives, sectorial and operational performance, strengths, opportunities, constraints, strategy and risks and concerns, as well as human resource and internal control systems is appended as Annexure III for information of the Members.

40. POLICIES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website www.aishwaryatechtele.com.

41. ENVIRONMENT AND HUMAN RESOURCE DEVELOPMENT:

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

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

42. STATUTORY COMPLIANCE:

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

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at workplace.

This is in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and

Redressal) Act, 2013 ('POSH Act') and the Rules made thereunder. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this Policy. The policy is available on the website at www.aishwaryatechtele.com.

All employees are covered under this policy. During the year 2021-22, there were no complaints received by the Committee.

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

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure V(a) to this Report.

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

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

45. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr. K.Harikrishna Reddy, Chairman & Whole Time Director, Mr. G.Rama Manohar Reddy, Whole Time Director and Mr. D.Venkateswara Rao, Whole time Director of the Company to the median remuneration of the employees is 11:1, 3:1 and 2:1 respectively.

46. CODE OF CONDUCT COMPLIANCE:

All Members of the Board and Senior Management have affirmed compliance to the Code of Conduct for the Financial Year 2021-22. A declaration signed by the Managing Director affirming compliance with the Company's Code of Conduct by the Board of Directors and Senior Management for the Financial Year 2021-22 as required under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in the Corporate Governance Report which is appended as Annexure VI and forms part of this Report.

47. BOARD EVALUATION:

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

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

The criteria for performance evaluation covers the are as relevant to the functioning of the Board and Board Committees such as its composition, oversight and effectiveness, performance, skills and structure etc.

The Board of Directors has carried out an annual evaluation of its own performance, board Committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company were evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

48. SECRETARIAL STANDARDS:

The Company is in compliance with the applicable secretarial standards.

49. EVENT BASED DISCLOSURES:

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

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

50. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, there were no applications made or proceedings pending in the name of the Company under Insolvency and Bankruptcy Code, 2016.

51. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of loans taken from banks and financial institutions.

52. CEO/ CFO CERTIFICATION:

The Managing Director and CFO certification of the financial statements for the year 2021-2022 is annexed in this Annual Report as Annexure VII.

53. DEVIATIONS, IF ANY OBSERVED ON FUNDS RAISED THROUGH PUBLIC ISSUE, PREFERENTIAL ISSUE ETC:

During the year under review, company has not raised any funds from public or through preferential allotment.

54. DECLARATION BY THE COMPANY:

The Company has issued a certificate to its Directors, confirming that it has not made any default under Section 164(2) of the Companies Act, 2013, as on March 31, 2022.

55. NON EXECUTIVE DIRECTORS COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors. No compensation was paid to the Independent and Non-Executive Directors.

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

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

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

57. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly. During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

Further, details of internal financial control and its adequacy are included in the Management Discussion and Analysis Report which is appended as Annexure III and forms part of this Report.

58. ACKNOWLEDGEMENTS:

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

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

**Sd/-
Venkateswara Rao Devineni
Whole-time Director & CFO
(DIN:03616715)**

**Place: Hyderabad
Date: 02.09.2022**

ANNEXURE I

FORM MR-3

SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

To,

The Members

Aishwarya Technologies and Telecom Limited

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2021 and ended 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, (documents) papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2022 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2021-22:-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Complied with yearly and event based disclosures, wherever applicable.
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. www.aishwaryatechtele.com.
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable as the company has not issued any shares during the year under review.
 - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021; Not Applicable as the Company has not issued any Employee Stock Options during the year under review.
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/ The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not Applicable as the Company has not issued any debt securities during the year under review.

- vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However the company has Bigshare Services Private Limited as its Share Transfer Agent.
- vii. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009/2021; Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.
- ix. Other applicable laws include the following:
 - Telecom Regulatory Authority of India (TRAI) Act, 1997
 - TRAI – Telecommunications Infrastructure Policy.
 - The Code on Wages, 2019
 - The Code on Social Security, 2020
 - Income Tax Act, 1961
 - Indian Stamp Act, 1899
 - Shops and Establishments Act, 1948

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

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

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

- a) During the year the Company has conducted 5 meetings of the Board of Directors, 4 meetings of the Audit committee, 2 meeting of Nomination and remuneration Committee, 1 Meeting of Stakeholder Relationship Committee and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
- b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
 - i. The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
 - External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
 - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
 - ii. As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- The Company has made delay in filing unaudited financial results for the quarter ended 31.12.2021 and accordingly BSE levied a penalty of Rs.29,500/-. The Company is yet to pay the penalty.

- The Company has a CFO, Mr. Venkateswara Rao Devineni and a Company Secretary and Compliance Officer, Mr. Khush Mohammad.
- The Company has internal auditors namely M/s. P Jitender Reddy & Co, Chartered Accountants.
- The website of the Company contains policies as specified by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman of the meeting, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

**For Vivek Surana & Associates
Practicing Company Secretaries**

Sd/-

**Vivek Surana
Proprietor**

**M. No.A24531, CP No: 12901
Peer Review Cer. No.: 1809/2022
UDIN: A024531D000902298**

**Place: Hyderabad
Date: 02.09.2022**

Annexure A

To

The Members of

Aishwarya Technologies and Telecom Limited

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

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

**For Vivek Surana & Associates
Practicing Company Secretaries**

Sd/-

**Vivek Surana
Proprietor**

**M. No.A24531, CP No: 12901
Peer Review Cer. No.: 1809/2022
UDIN: A024531D000902298**

**Place: Hyderabad
Date: 02.09.2022**

ANNEXURE II

Form No. AOC-2

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

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

Related Party Disclosures

a) Names of the related parties and nature of relationship (as per Ind AS 24):

| Nature of Relationship | Name of Related Party |
|--|--------------------------|
| Key Management Personnel (KMP): | Mr. K. Harikrishna Reddy |
| | Mr. M. Srinivasa Rao |
| | Mr. D. Venkateswara Rao |
| | Mr.G. Rama Manohar Reddy |
| | Mr. Khush Mohammad |
| Relatives of Key Management Personnel (KMP): | Ms. G. Amulya Reddy |

Transactions with related parties:

(Amt. in Rupees)

| Particulars | Nature | As at March 31,2022 | As at March 31, 2021 |
|--------------|--|---------------------|----------------------|
| Remuneration | Below KMPs Remuneration: | 99,60,000/- | 83,10,000/- |
| | Mr.K. Harikrishna Reddy | 66,00,000 | - |
| | Mr.M. Srinivasa Rao | - | - |
| | Mr.D. Venkateswara Rao | 13,20,000/- | - |
| | Mr.G. Rama Manohar Reddy | 18,00,000/- | - |
| | Mr. Khush Mohammad | - | - |
| Loans Taken | Mr.K. Harikrishna Reddy (KMP) | 29,00,000/- | 1,75,94,000/- |
| | Mr.G. Rama Manohar Reddy(KMP) | - | - |
| Loans Repaid | Mr.K. Harikrishna Reddy (KMP) | 18,75,000/- | 27,27,100/- |
| | Mr.G. Rama Manohar Reddy(KMP) | - | - |
| Salary | Ms.G. Amulya Reddy (Relative Of | 6,00,000/- | 6,00,000/- |
| | Mr.G. Rama Manohar Reddy one of the KMP) | - | - |

Related party balances: Amount due to related parties

(Amt. in Rupees)

| Particulars | As at March 31,2022 | As at March 31, 2021 |
|--------------------|------------------------------------|-------------------------------------|
| Remuneration | 69,11,548/- | 28,66,057/- |
| Loans Taken | 3,23,11,488/- | 3,12,86,488/- |
| Salary | 1,99,200/- | 1,49,400/- |

Amount due from related parties

(Amt. in Rupees)

| Particulars | As at March 31,2022 | As at March 31, 2021 |
|--------------------|------------------------------------|-------------------------------------|
| Nil | Nil | Nil |

ANNEXURE III**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****OVERVIEW OF FY 2021-22**

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

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Today's T&M instruments have more intelligence inside, making the measurement job easy and faster. Many T&M instruments support both legacy as well as the latest technologies in a single unit, which saves a lot of money as well as testing Time.

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

HIGH END TECHNOLOGIES

Today's T&M instruments have more intelligence inside, making the measurement job easy and faster. Many T&M instruments support both legacy as well as the latest technologies in a single unit, which saves a lot of money.

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

IPTV ANDROID BOX

The Indian smart TV and OTT market is expected to register a CAGR of 5% during the forecast period (2021 - 2026). As high-speed internet has become easily affordable, viewers/audiences that prefer good quality content are preferring smart TVs over other television systems. Also, the increasing admiration for OTT streaming in audio visual content is impacting the overall smart TV market in a positive manner in India. ATTL presently targeting on IPTV segment and promoting its own IPTV/Android Box for OTT and live stream TV channels, for all ISPs across the country and spreading its market in coming months.

ONU and ONT

The Optical network unit and optical line terminals are very much needed for data services. The broadband subscribers business is expanding with changing technologies for better services. The company has developed and introduced highbroad ONU which works for both optical and CATV lines. The ISP and cable tv operators are procuring the high bread ONUs and it has got more business due to change in the technology.

SFP.

A small form-factor pluggable are Hot-swappable interfaces used primarily in network and storage switches. The SFP ports on a switch and SFP modules enable the switch to connect to fiber and Ethernet cables of different types and speeds. These SFPs are required in large quantities due to upgraded ethernet Gigabit level switches.

Currently, ATTL manufacturers products for Telephone Service Providers, Defence Sector, Cable TV Operators and Railways and has added prestigious clients like HFCL, DRDO, ISRO, SAC, URRAO, LEOS, LASTEC, NPOL, AIRTEL, VTL, ACT Fibre, BHARAT FORGE, and Sterile Technologies in this financial year. We added a new product form ADAVA Germany, like Remote Fibre Monitoring System and Network Synchronization equipment for Optical fibre network solutions which supports 5G testing like Emdb (Enhanced Mobile Broad Band) and Multi machine type communications (MMTC).

OFC CABLE MAINTAINANCE CONTRACTS

ATTL now expanding its business in services of OFC cable maintenance contracts and presently taking orders from L&T, HFCL and other organisation for splicing works contracts.

INDUSTRY SCENARIO (Test & Measuring Instruments Sector)

Test and measurement (T&M) instruments are an important requirement in any technical field. T&M plays a key role right from product design and production to deployment or post-sales support (for repair and calibrations). T&M instruments are used by many industry segments like mobile/telecom operators, Internet service providers (ISPs), network equipment manufacturers, systems integrators, production/ manufacturing services, public utilities, educational institutes, R&D institutes, automotive electronics, consumer electronics, aerospace and defence communication, paramilitary, broadcast radio and television, etc.

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

SWOT ANALYSIS**STRENGTHS**

1. We are the biggest company in manufacturing of test equipment's in India having 20 TEC (Telecom Engineering Centre) approvals from DOT (Department of Telecommunications).
2. As our manufacturing costs are very less compared to competitors from US & Japan which is helping us to increase the market share in India YOY (Year on Year) without any price reduction.
3. We are giving turnkey solutions for the defence sector; the response is very encouraging which has better margins.
4. The segment, in which the company presently operated, is majorly dominated by MNC, whereas the company being a MSME company have certain privileges in getting the orders from Central Government, State Government and PSUs. In addition to this, as the company over-heads are much lower than the MNCs, bagging any tender is easily conceivable.

WEAKNESSES

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

OPPURTUNITIES

1. The coming 3-4 years the telecom sector will have great opportunity and there is a tender from Bharat Broad band Nigam Limited to provide Broad band connectivity for 4,50,000 villages which has 29000 crores project under National Optical Fiber Network (NOFN), we are anticipating an order of Rs. 20 crores from this project. All telecom operators are expanding their Fibre networks due to data demand and requirement for Testers is increasing. We are approved vendors for 6 products for ASCON a Defence Project and this order will give us business continuously for one year.
2. The biggest customer BSNL is presently regaining its financial capability with the help of Central Government. This will certainly help the company to increase top-line and bottom-line.
3. 5G is an upcoming technology where all the telecom operators, telecom network providers and maintenance companies shall gear up for new and updated technologies and this trend will give a boost for the company in getting new and increased business.

THREATS

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

Mitigating Factors:

We are trying to manufacture our own products, and trying to avoid Chinese as much as possible. This will also relieve the company from foreign exchange loss.

4. To circumvent Chinese import invasion we are redesigning technologies to produce products at lower cost indigenously.
5. Proposing to manufacture indigenously for competing the prices with other Non-Chinese imports, with at par with international technology.
6. The company is diversifying its range operations to Railways, Defence Labs, Army and other public and private sector requirements.

Segment-wise or product-wise performance

IPTV ANDROID BOX

The Indian smart TV and OTT market is expected to register a CAGR of 5% during the forecast period (2021 - 2026). As high-speed internet has become easily affordable, viewers/audiences that prefer good quality content are preferring smart TVs over other television systems. Also, the increasing admiration for OTT streaming in audio visual content is impacting the overall smart TV market in a positive manner in India. ATTL presently targeting on IPTV segment and promoting its own IPTV/Android Box for OTT and live stream TV channels, for all ISPs across the country and spreading its market in coming months.

ONU and ONT

The Optical network unit and optical line terminals are very much needed for data services. The broadband subscribers business is expanding with changing technologies for better services. The company has developed and introduced hybrid ONU which works for both optical and CATV lines. The ISP and cable tv operators are procuring the hybrid ONUs and it has got more business due to evolving high speed Internet technology.

SFP.

A small form-factor pluggable are Hot-swappable interfaces used primarily in network and storage switches. The SFP ports on a switch and SFP modules enable the switch to connect to fiber and Ethernet cables of different types and speeds. These SFPs are required in large quantities due to upgraded ethernet Gigabit level switches.

Internal control systems and their adequacy:

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

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

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

Discussion on financial performance with respect to operational performance:

During the year under review, the Company has recorded revenue of Rs.850.28 Lakhs and incurred a net loss of Rs. 274.27 Lakhs.

There were no operations in the subsidiary and therefore there is no change in revenue and negligible change in net loss.

Material developments in Human Resources / Industrial Relations front, including number of people employed.

There are no material developments in the Human Resources area. The Industrial relations have been considered to be satisfactory. The Company constantly reviews the manpower requirements and

effective steps are being taken to meet the requirements. The total number of people directly and indirectly employed by the Company is 40.

Details of significant changes in key financial ratios, along with detailed explanation thereof: There significant change in net profit margin owing to the factors as discussed above.

| Particulars | 2021-22 | 2020-21 | Remarks |
|-----------------------------|---------|---------|---------|
| Debtors turnover ratio | 1.10 | 1.15 | |
| Inventory turnover ratio | 1.20 | 1.46 | |
| Current Ratio | 0.41 | 0.52 | |
| Debt equity ratio | 2.38 | 2.37 | |
| Operating profit margin (%) | -41.21% | -43.11% | |
| Net profit margin (%) | -43.34% | -44.61% | |
| Return on Net worth | -1.30 | -7.73 | |

2.Details of any change in return on net worth as compared to the immediately previous financial year along with a detailed explanation thereof: There is -6.43 % change on return on net worth as compared to the immediately previous financial year.

Disclosure of Accounting Treatment:

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

Cautionary Statement

Statements in this Management Discussion and Analysis Report may be “forward looking statements: within the meaning of applicable securities laws and regulations. These statements are based on certain assumption and expectations of future events. Actual results could differ materially from those expressed or implied. Important facts that could make a difference at the Company's operations include economic conditions affecting domestic demand and supply conditions, finished goods prices, changes in government regulations and tax regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events.

ANNEXURE IV
CORPORATE GOVERNANCE REPORT

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

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

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

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

2. DATE OF REPORT:

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2022. The Report is updated as on the date of the report wherever applicable.

3. BOARD DIVERSITY:

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

1. BOARD OF DIRECTORS:

A. COMPOSITION OF THE BOARD:

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive and Independent Directors headed by the Chairman & Whole time Director. As on date of this report, the Board of Directors of the Company has 6 members including one woman director on the Board (including three Non-Executive Independent Directors) with vast experience and knowledge. None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he/she is a Director.

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

B. BOARD MEETINGS:

The Board of Directors duly met Five (05) times during the financial year from 1st April 2021 to 31st March 2022. The dates on which the meetings were held are 25.05.2021, 30.06.2021, 14.08.2021, 13.11.2021 and 19.02.2022.

| Name of Director | Relationsh ip with ano ther Direc tor | Category | No. of Meeti ngs Held | No. of Meeti ngs Atten ded | Whe ther Atte nde d Last AG M | No. of Outside Directorship of Companies and chairmanship | | No. of other Committee positions in other Companies (audit and stake holders committee) | |
|--------------------------------|---|--------------------------------------|-----------------------------------|--|--|--|--------------------------------|--|------------|
| | | | | | | Chair man | Director | Chairm an | Mem ber |
| 1. Mr. K. Hari Krishna Reddy | NA | Chairman & Whole-time Director | 5 | 5 | Yes | - | 4 | - | - |
| 2. Mr. G. Rama Manohar Reddy | NA | Promoter and Whole-Time Director | 5 | 5 | Yes | - | - | - | - |
| 3. Mr. Srinivasa Rao Mandava | NA | Managing Director | 5 | 5 | Yes | - | 3 | - | - |
| 4. Mr. D. Venkateswara Rao | NA | Whole-Time Director & CFO | 5 | 5 | Yes | - | 1 | - | - |
| 5. Mr. Mahesh Ambalal Kuvadiah | NA | Non-Executive Independent Director | 5 | 5 | Yes | - | 2 Kesar Enterprises Limited | 2 | 2 |
| 6. Mr. Satish Kumar Maddineni | NA | Non-Executive - Independent Director | 5 | 5 | Yes | - | 2 | - | - |
| 7. Mrs. Arpitha Reddy Mettu | NA | Non-Executive - Independent Director | 5 | 5 | Yes | - | - | - | - |
| 8. Mr. Sreekanth Bolla | NA | Non-Executive - Independent Director | 5 | 5 | Yes | - | 4 | - | - |

C. DETAILS OF SKILLS/EXPERTISE/COMPETENCE MATRIX OF THE BOARD OF DIRECTORS:

| S. No | Name of the Director | Skills/Expertise/Competence in specific functional areas |
|--------------|-----------------------------|---|
| 1. | Mr. K. Hari Krishna Reddy | Finance and Accounting |
| 2. | Mr. G. Rama Manohar Reddy | Technical |
| 3. | Mr. Srinivasa Rao Mandava | Technical |
| 4. | Mr. D. Venkateswara Rao | Administration and Management |
| 5. | Mr. Mahesh Ambalal Kuvadiah | Governance and law |
| 6. | Mr. Bolla Sreekanth | Technical |
| 7. | Mr. Satish Kumar Maddineni | Marketing and Management |
| 8. | Mrs. Arpitha Reddy Mettu | Finance and Accounting |

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

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

E. INDEPENDENT DIRECTORS:

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

It is also confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and are independent of the management.

During the year under review, no Independent Director of the Company has resigned before the expiry of his tenure from the Board of Directors of the Company.

F. INDEPENDENT DIRECTORS' MEETING:

As per Clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors) and Regulation 25(3) of SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015, a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 19.02.2022, and discussed the following:

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

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

G. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

As required under Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Schedule IV of the Companies Act, 2013, the Company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

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

The details of familiarization programme held in FY 2021-22 are also disclosed on the Company's website: <https://www.aishwaryatechtele.com>.

2. COMMITTEES OF THE BOARD:

The Company has three Board-level Committees - Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided in this report below.

1. AUDIT COMMITTEE: (Audit Committee constituted in terms of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).
 - A. BRIEF DESCRIPTION OF TERMS OF REFERENCE: - A qualified and independent Audit Committee has been set up by the Board and the role of the Audit Committee is as under:
 - i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;
 - iii. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
 - iv. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:
 - (a) Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - (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) in the draft audit report;
 - v. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
 - vi. Review of the quarterly and half yearly financial results with the management before submission to the board for approval;
 - vii. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- viii. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;
- xi. Approval or any subsequent modification of transactions with related parties;
- x. Scrutiny of inter-corporate loans and investments;
- xi. Review of valuation of undertakings or assets of the company wherever it is necessary;
- xii. Evaluation of internal financial controls and risk management systems;
- xiii. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;
- xiv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- xv. discussion with internal auditors of any significant findings and follow up there on;
- xvi. 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;
- xvii. 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;
- xviii. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- xix. Review the functioning of the whistle blower mechanism;
- xx. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
- xxi. Review of the following information:
 - (a) Management discussion and analysis of financial condition and results of operations;
 - (b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - (c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - (d) Internal audit reports relating to internal control weaknesses;
 - (e) The appointment, removal and terms of remuneration of the Chief Internal Auditor;
 - (f) Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus in terms of Regulation 32(7) of the Listing Regulations.
- xxii. Carrying out any other function as may be referred to the Committee by the Board.
- xxiii. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

B. COMPOSITION, MEETINGS & ATTENDANCE:

There were five (5) Audit Committee Meetings held during the year i.e., on 29.05.2021, 30.06.2021, 14.08.2021, 13.11.2021 and 19.02.2022

| Name | Designation | Category | No of Meetings held | No of Meetings attended |
|-------------------------|-------------|----------|---------------------|-------------------------|
| Mr. B. Srikanth | Chairman | NED(I) | 5 | 5 |
| Ms. Arpitha Reddy Mettu | Member | NED (I) | 5 | 5 |
| Mr. Mahesh A. Kuvadia | Member | NED (I) | 5 | 5 |

NED (I) :Non-Executive Independent Director

2. NOMINATION AND REMUNERATION COMMITTEE: (Nomination and Remuneration Committee constituted in terms of Section 178 of Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The Nomination and Remuneration Committee set up by the Board is responsible for:

- i. To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
 - b. To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
 - ii. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
 - iii. To carry out evaluation of every Director's performance.
 - iv. To formulate the criteria for determining qualifications, positive attributes and independence of a director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
 - v. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
 - vi. To formulate the criteria for evaluation of Independent Directors and the Board.
 - vii. To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
 - viii. Recommend to the board, all remuneration, in whatever form, payable to senior management.
 - ix. Devising a policy on diversity of board of directors;
 - x. 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.
 - xi. Recommend to the board, all remuneration, in whatever form, payable to senior management.

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

There was one (1) Nomination and Remuneration Committee Meeting held during the year i.e., on 14.08.2021

| Name | Designation | Category | No of Meetings held | No of Meetings attended |
|-------------------------|-------------|----------|---------------------|-------------------------|
| Mr. B. Srikanth | Chairman | NED(I) | 1 | 1 |
| Ms. Arpitha Reddy Mettu | Member | NED (I) | 1 | 1 |
| Mr. Mahesh A. Kuvadia | Member | NED (I) | 1 | 1 |

NED (I): Non-Executive Independent Director

C. REMUNERATION POLICY:

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

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

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

1. Scope:

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

2. Terms and References:

2.1 "Director" means a Director appointed to the Board of a Company.

2.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.3 "Independent Director" means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
- shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any prescribed, from time to time, under the companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

3.2 Criteria of Independence

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

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

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

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - b. (i) who is or was not a promoters of the Company or its holding, subsidiary or associate Company or member of the promoter group of the listed entity;
(ii) who is not related to promoters or Directors of the Company its holding, subsidiary or associate Company
 - c. who, apart from receiving director's remuneration, has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or Director, during the three immediately preceding financial year or during the current financial year;
 - d. none of whose relative
- (A) is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;
 - (B) is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
 - (C) has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
 - (D) has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:

Provided that the pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company or their promoters, or directors in relation to points (A) to (D) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower. e. who, neither himself nor any of his relative-

- (i) Holds or has held the position of a key managerial personnel or is or has been employee of the Company or holding, subsidiary or associate Company or any company belonging to the promoter group of the listed entity in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed; Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment
- (ii) Is or has been an employee or proprietor or a partner, in any of the three financial year immediately preceding the financial year in which he is proposed to be appointed of-
 - (A) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
 - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding subsidiary or associate Company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;
- (i) Holds together with his relatives two per cent or more of the total voting power of the Company; or
- (ii) is a chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the Company any of its promoters , Directors or its holding subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or
- (iii) is a material supplier, service provider or customer or a lesser or lessee of the Company.
- f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the Company's business.
- g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age
- i. Who is not a non-independent Director of another company on the Board of which any non-independent director of the listed entity is an independent director.

3.2.3 The independent Director shall abide by the "code for independent Directors" as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

- 3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.
- 3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.
- 3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

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

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

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

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

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

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

2. Terms and Reference:

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

- 2.1 "Director" means a Director appointed to the Board of the Company.
- 2.2 "key managerial personnel" means
- (i) The Chief Executive Officer or the managing Director or the manager;
 - (ii) The Company Secretary;
 - (iii) The Whole-time Director;
 - (iv) The Chief Financial Officer; and
 - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 "Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

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

(vi) Annual performance Bonus

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

3.2 Remuneration to Non – Executive Directors

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

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

3.3. Remuneration to other employees

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

D. MECHANISM FOR EVALUATION OF THE BOARD

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

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

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

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

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

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

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

E. REMUNERATION TO DIRECTORS

| Name of the Director | Remuneration (Rs) | Sitting Fee (Rs) | Total (Rs) | No. of Equity Shares held |
|------------------------------|-------------------|------------------|------------|---------------------------|
| Mr. K. Hari Krishna Reddy | 66,00,000/- | -- | -- | 66,00,000/- |
| Mr. Srinivasa Rao Mandava | -- | -- | -- | -- |
| Mr. G. Rama Manohar Reddy | 18,00,000/- | -- | -- | 18,00,000/- |
| Mr Devineni Venkateswara Rao | 13,20,000/- | -- | -- | 13,20,000/- |
| Mr. Satish Kumar Maddineni | -- | 25,000/- | -- | 25,000/- |
| Mr. Mahesh Ambalal Kuvadia | -- | 25,000/- | -- | 25,000/- |
| Mrs. Arpitha Reddy Mettu | -- | 25,000/- | -- | 25,000/- |
| Mr. Bolla Srikanth | -- | 25,000/- | -- | 25,000/- |

Except for the remuneration details mentioned above, there are is no other pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity in terms of salary, benefits, bonuses, stock options, pension, fixed component and performance linked incentives.

WEB LINK FOR CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:
<https://www.aishwaryatechtele.com>

3. STAKEHOLDER'S RELATIONSHIP COMMITTEE:(Stakeholders Relationship Committee constituted in terms of Section 178(5) of Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The Committee's role includes:

- i. Resolving the grievances of the security holders of the Company 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;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Such other matter as may be specified by the Board from time to time.
- vi. Authority to review / investigate into any matter covered by Section 178 of the Companies Act, 2013 and matters specified in Part D of Schedule II of the Listing Regulations.

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

There were one (1) Stake holders relationship Committee Meeting held during the year i.e., on 19.02.2022.

| Name | Designation | Category | No of Meetings held | No of Meetings attended |
|-------------------------|-------------|----------|---------------------|-------------------------|
| Mr. B. Srikanth | Chairman | NED(I) | 1 | 1 |
| Ms .Arpitha Reddy Mettu | Member | NED (I) | 1 | 1 |
| Mr. Mahesh A. Kuvadia | Member | NED (I) | 1 | 1 |

NED (I): Non-Executive Independent Director

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2021-22:

| Opening balance | Received during the year | Resolved during the year | Closing balance |
|-----------------|--------------------------|--------------------------|-----------------|
| - | - | - | - |

D. NAME AND DESIGNATION OF COMPLIANCE OFFICER:

Mr.Khush Mohammad, Company Secretary & Compliance Officer of the Company.

3. ANNUAL GENERAL MEETINGS:

A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL/ORDINARY RESOLUTIONS THERE AT AS UNDER:

| Year | Date | Time | Location | Special Resolution Passed |
|-----------|------------|------------|---|---------------------------|
| | | | AGM | |
| 2020-2021 | 30.09.2021 | 4.00 p.m. | Video Conferencing and Audio-Visual Means | No |
| 2019-20 | 19.10.2020 | 11:00 a.m. | Video Conferencing and Audio-Visual Means | Yes |
| 2018-19 | 28.09.2019 | 11:00a.m. | 1-3-1026 & 1027, Singadikunta, Kavadiguda, Hyderabad – 500080 Telangana | Yes |

B. NO EXTRA-ORDINARY GENERAL MEETINGS/ POSTAL BALLOT WAS HELD DURING THE YEAR 2021-22.

4. DISCLOSURES:

A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

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

The policy on related party transactions is available in the Company's website i.e. <https://www.aishwaryatechtele.com>

B. DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, STRICTURES IMPOSED ON THE LISTED ENTITY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS

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

| Sl. No | Particulars | Penalties Imposed by | Amount (in Rs.) |
|--------|--|----------------------|-----------------|
| 1. | Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015-(Delay in filing of unaudited financial results for the quarter 30.06.2020) | BSE Limited | 4,23,900/- |
| 2. | Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015-(Delay in filing of unaudited financial results for the quarter 31.12.2020) | BSE Limited | 23,600/- |
| 3. | Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 -(Delay in filing of unaudited financial results for the quarter 31.12.2021) | BSE Limited | 29,500/- |

C. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI (LODR) Regulations 2015 and in terms of Section 177 of the Companies Act, 2013 With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person has been denied access to the Chairman of the Audit Committee.

D. DISCLOSURE OF COMMODITY PRICE RISKS OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company doesn't consume large quantities of commodities in its production activities. Hence the Company is not materially exposed to commodity price risks or foreign exchange risk nor does the company do any commodity hedging.

E. DETAILS OF UTILIZATION OF FUNDS RAISED THOROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT

During the year under review, no issue of shares was made either by way of preferential allotment/Qualified Institutional Placement/Rights Issue or by any other ways.

F. CERTIFICATE FROM PRACTICING COMPANY SECRETARY

The Company has obtained certificate from Practicing Company Secretary that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority. And the Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

G. RECOMMENDATIONS OF COMMITTEES

The Board has accepted and acted upon all the recommendations by the Audit & Nomination and Remuneration Committees.

H. TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR.

The fees paid by the Company to its statutory Auditors is Rs. 5,25,000.

I. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

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

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

J. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT: Nil**K. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT**

The company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

L. ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II of SEBI (LODR) REGULATIONS, 2015.

The company has adopted discretionary requirements to the extent of Internal Auditors reporting to the Audit Committee.

M. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (b) TO (i) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:

| Regulation | Particulars | Compliance Status |
|------------------|--|-------------------|
| 17 | Board of Directors | Yes |
| 18 | Audit Committee | Yes |
| 19 | Nomination and Remuneration Committee | Yes |
| 20 | Stakeholders Relationship Committee | Yes |
| 21 | Risk Management Committee | NA |
| 22 | Vigil Mechanism | Yes |
| 23 | Related Party Transactions | Yes |
| 24. | Corporate Governance requirements with respect to subsidiary of Listed company | NA |
| 25 | Obligations with respect to Independent Directors | Yes |
| 26 | Obligations with respect to Directors and Senior Management | Yes |
| 27 | Other Corporate Governance Requirements | Yes |
| 46 (2)(b) to (i) | Website | Yes |

N. CODE OF CONDUCT

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

O. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2021-22.

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on March 31, 2022 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015

P. MD/ CFO Certification

The Managing Director / CFO certification of the financial statements as specified in Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the Financial Year 2021-2022 is provided as Annexure-VII.

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

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

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

The Financial Statements are free from any Audit Qualifications.

9. MEANS OF COMMUNICATION:

- i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Regulation 33 of SEBI (LODR), Regulations, 2015 within forty-five days/sixty days of the close of the respective period.
- ii. The approved financial results are forthwith sent to the Stock Exchange and are published in the newspapers within forty-eight hours of approval thereof.
- iii. As the Company's quarterly/half yearly financial results are uploaded on Company's website: <https://www.aishwaryatechtele.com>

5. GENERAL SHAREHOLDER INFORMATION:

| | | |
|----|--|--|
| 1. | Company Registration Details | The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is: L72200TG1995PLC020569 |
| 2. | Annual General Meeting date, time & Venue: | Date: 30.09.2022 Time: 04:00 P.M Venue: Video Conferencing & Other Audio Visual Means (OAVM) |
| 3. | Financial year | 1st April, 2021 to 31st March, 2022 |
| 4. | Dividend payment date | NA |
| 5. | Date of Book Closure | 24.09.2022 to 30.09.2022 (both days inclusive) |

| | | |
|-----|---|--|
| 6. | Tentative Schedule for considering Financial Results: | |
| | For the Quarter ending June,2022 | 18.08.2022 |
| | For the Quarter ending September, 2022 | October/ November, 2022 |
| | For the Quarter ending December,2022 | January/ February, 2023 |
| | For the Quarter/year ending March,2023 | April/ May, 2023 |
| 7. | Name and address of each stock exchange(s) at which the Company's securities are listed | BSE Limited PhirozeJeejeebhoy Towers Dalal Street, Mumbai 400 023 |
| 8. | Confirmation of Payment of annual listing fees to stock exchanges | Paid to BSE Limited, where the shares of the Company are listed |
| 9. | Scrip Code | 532975 |
| 10. | ISIN Number for NSDL & CDSL | INE778I01024 |
| 11. | In case the securities are suspended from trading, the directors report shall explain the reason thereof | The securities of the Company are not suspended from trading from BSE Limited. |
| 12. | Plant Locations/Branch Office | -- |
| 13. | Address for correspondence/ Investor Correspondence / Query on Annual Report, etc: | 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad, Telangana -500080. Ph.No: 040- 27531324/25/26, Fax: 040-27535423 Email: accounting@aishwaryatechtele.com/ accounts@aishwaryatechtele.com |
| 14. | List of all Credit Ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad. | Since the Company has not issued any Debt Instruments or Fixed Deposit Programme, therefore company has not obtained any Credit Ratings during the Financial Year. |

A. Registrars & Transfer Agents:

M/s. Bigshare Services Private Limited
Address: 306, Right Wing, 3rd Floor, Amrutha Ville,
Opp. Yashoda Hospital Somajiguda, Rajbhavan Road, Hyderabad
Telangana-500082.Email: bsshyd@bigshareonline.com

B. Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/transmission/ transposition of securities shall not be processed unless the securities are held in the dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

C. Market price data:

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

| Month | Open Price (inRs.) | High Price (in Rs.) | Low Price (in Rs.) | Close Price (in Rs.) | No. of Shares Traded |
|------------|-----------------------|------------------------|-----------------------|-------------------------|-------------------------|
| Mar 2022 | 4.09 | 4.09 | 3.05 | 3.05 | 39,257 |
| Feb 2022 | 4.27 | 4.30 | 4.00 | 4.09 | 36,496 |
| Jan 2022 | 5.21 | 5.21 | 4.48 | 4.48 | 69,681 |
| Dec 2021 | 3.18 | 5.21 | 3.03 | 5.21 | 3,73,741 |
| Nov 2021 | 2.90 | 3.70 | 2.90 | 3.04 | 2,74,093 |
| Oct 2021 | 3.00 | 3.50 | 2.78 | 3.05 | 2,64,888 |
| Sept 2021 | 2.80 | 3.20 | 2.22 | 2.91 | 1,26,732 |
| Aug 2021 | 2.64 | 3.46 | 2.53 | 2.68 | 1,84,409 |
| Jul 2021 | 2.81 | 2.81 | 2.11 | 2.54 | 1,21,017 |
| Jun 2021 | 2.95 | 3.28 | 2.86 | 2.86 | 1,64,989 |
| May 2021 | 1.59 | 3.06 | 1.54 | 3.00 | 1,87,002 |
| April 2021 | 1.95 | 1.95 | 1.40 | 1.54 | 48,340 |

D. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2022:

| S. No | Category | No. Shares held | % of shareholding |
|-------|---|-----------------|-------------------|
| A | Shareholding of Promoter and Promoter group | | |
| 1. | Indian | | |
| | Individual | 70,75,879 | 29.61 |
| | Body Corporate | - | - |
| 2. | Foreign | | |
| | Individual | - | - |
| | Sub -Total A | 70,75,879 | 29.61 |
| B. | Public Shareholding | | |
| 1. | Institutions | NIL | NIL |
| 2. | Non -Institutions | | |
| | a. Bodies Corporate | - | - |
| | b. Indian Public and Others | 1,68,18,063 | 70.39 |
| | Sub Total B | 1,68,18,063 | 70.39 |
| | Grand Total (A+B) | 2,38,93,942 | 100 |

E. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2022:

| SL. NO. | Category | Number of shareholders | % | Shares | % |
|---------|------------------|------------------------|---------|--------------------|------------|
| 1 | Upto - 5000 | 4256 | 74.7322 | 663156 | 2.7754 |
| 2 | 5001 - 10000 | 568 | 9.9737 | 466969 | 1.9543 |
| 3 | 10001 - 20000 | 317 | 5.5663 | 511078 | 2.1389 |
| 4 | 20001 - 30000 | 125 | 2.1949 | 319506 | 1.3372 |
| 5 | 30001 - 40000 | 71 | 1.2467 | 259816 | 1.0874 |
| 6 | 40001 - 50000 | 69 | 1.2116 | 329304 | 1.3782 |
| 7 | 50001 - 100000 | 106 | 1.8613. | 797200 | 3.3364 |
| 8 | 100001 and above | 183 | 3.2133 | 20546913 | 85.9921 |
| | TOTAL | 5695 | | 2,38,93,942 | 100 |

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

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

| Mode | No. of shares | % of total paid up |
|--------------|--------------------|--------------------|
| CDSL | 80,57,547 | 33.72 |
| NSDL | 1,57,55,930 | 65.94 |
| Physical | 80,465 | 0.34 |
| Total | 2,38,93,942 | 100.00 |

G. There are no outstanding global depository receipts or American Depository Receipts likely to impact on the Equity.

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

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

Place: Hyderabad
Date: 02.09.2022

CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF

AISHWARYA TECHNOLOGIES AND TELECOM LIMITED

We have examined the compliance of the conditions of Corporate Governance by Aishwarya Technologies and Telecom Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para-C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor 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, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

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

**For Vivek Surana & Associates
Practicing Company Secretaries**

Sd/-

Vivek Surana

Proprietor

M. No.A24531, CP No: 12901

Peer Review Cer. No.: 1809/2022

UDIN: A024531D000902309

Place: Hyderabad

Date: 02.09.2022

ANNEXURE V

STATEMENT SHOWING THE NAMES OF TOP TEN EMPLOYEES PURSUANT TO SEC. 197 READ WITH RULE 5 (1) (2) and (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

| | | | |
|----|--|---|------------------------------|
| 1. | The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year. (Amount in INR) | | |
| | Director | Total Remuneration | Ratio to median remuneration |
| | Mr. K.Harikrishna Reddy Mr. G. Rama Manohar Reddy Mr. D. Venkateswara Rao | 66,00,000/- 18,00,000/- 13,20,000/- | 11:1 3:1 2:1 |

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

(Amount in INR)

| Name | Designation | Remuneration | | Increase/(Decrease) % |
|---------------------------|--------------------------------|--------------|-------------|-----------------------|
| | | FY 2021-22 | FY 2020-21 | |
| Mr. K. Harikrishna Reddy | Chairman & Whole Time Director | 66,00,000/- | 49,50,000/- | 25% |
| Mr. G. Rama Manohar Reddy | Whole Time Director | 18,00,000/- | 18,00,000/- | - |
| Mr. D. Venkateswara Rao | Whole Time Director & CFO | 13,20,000/- | 13,20,000/- | - |
| Mr. Kush Mohammed | Company Secretary | 2,40,000/- | 2,40,000/- | - |

3. The percentage increase in the median remuneration of employees in the financial year

(Amount in INR)

| Particulars | Remuneration | | Increase/(Decrease)% |
|---|--------------|-------------|----------------------|
| | FY 2021-22 | FY 2020-21 | |
| Median Remuneration of all the employees per annum* | 3,53,33,014 | 3,28,19,722 | 7% |

*Employees who have served for whole of the respective financial years have been considered.

4.

| Particulars | Number |
|--|--------|
| The number of employees on the rolls of the company as on March 31, 2022 | 40 |

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

| Particulars | Increase/(Decrease) % |
|---|-----------------------|
| Average percentage increase in the remuneration of all Employees* (Other than Key Managerial Personnel) | 5% |
| Average Percentage increase in the Remuneration of Key Managerial Personnel | 16 % |
| <i>*Employees who have served for whole of the respective financial years have been considered.</i> | |

6. **Affirmation that the remuneration is as per the remuneration policy of the company.**

The Company is in compliance with its remuneration policy.

ANNEXURE VI

Declaration on Code of Conduct as required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Srinivasa Rao Mandava, Managing Director of the Company hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2021-22.

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

**Sd/-
Srinivasa Rao Mandava
Managing Director
(DIN: 03456187)**

**Place: Hyderabad
Date: 02.09.2022**

ANNEXURE VII**Certification in respect of Financial Statements and Cash Flow Statement**

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015
For the Financial Year ended March 31, 2022

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2022 and we hereby certify and confirm to the best of our knowledge and belief the following:

- a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
- c. There are no transactions entered in to by the Company during the year ended 31st March 2022 which are fraudulent, illegal or violative of Company's Code of Conduct.
- d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
- e. There have been no significant changes in the above mentioned internal controls over financial reporting during the relevant period.
- f. That there have been no significant changes in the accounting policies during the relevant period.
- g. We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

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

**Place: Hyderabad
Date: 02.09.2022**

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

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

ANNEXURE VIII

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Aishwarya Technologies & Telecom Limited

Hyderabad

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Aishwarya Technologies & Telecom Limited Hyderabad having CIN: L72200TG1995PLC020569 and having registered office situated at 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad-500080, Telangana, India (here in after referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have 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 other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of Appointment in Company |
|---------|----------------------------|----------|--------------------------------|
| 1. | Mr. K. Hari Krishna Reddy | 01302713 | 30.09.2021 |
| 2. | Mr. Srinivasa Rao Mandava | 03456187 | 06.05.2022 |
| 3. | Mr. D. Venkateswara Rao | 03616715 | 30.09.2021 |
| 4. | Mr. G. Rama Manohar Reddy | 00135900 | 01.04.2020 |
| 5. | Mr. Mahesh Ambalal Kuvadia | 07195042 | 30.11.2018 |
| 6. | Mr. Satish Kumar Maddineni | 03452107 | 28.09.2019 |
| 7. | Ms. Arpitha Reddy Mettu | 03553277 | 14.08.2019 |
| 8. | Mr. Bolla Sreekanth | 05306196 | 19.10.2020 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Vivek Surana & Associates
Practicing Company Secretaries**

Sd/-

**Vivek Surana
Proprietor**

**M. No. A24531, CP No: 12901
Peer Review Cer. No.: 1809/2022
UDIN: A024531D000902309**

**Place: Hyderabad
Date: 02.09.2022**

INDEPENDENT AUDITOR'S REPORT

To

The Members of

Aishwarya Technologies and Telecom Limited

Report on the Audit of IND AS Financial Statements

We have audited the accompanying Ind AS financial statements of Aishwarya Technologies and Telecom Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis for Opinion

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

Information other than the Financial Statements and the Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report but does not include the consolidated financial statements, financial statements and our auditor's thereon.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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 we conclude that there is a material misstatement therein, we are required to communicate the fact. We have nothing to report in this regard.

Management's Responsibility for the Separate Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, as amended:

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under (a) and (b) above contain any material mis-statement.
- v. The Company has not declared any dividend during the year.

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

**Sd/-
(CA.VENKATESH G.)
PARTNER
Membership No.239608
UDIN: 22239608AODRYP3490**

**Place: Hyderabad
Date : 08.06.2022**

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of Report on Other Legal and Regulatory

Requirements, of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant & equipment and intangible assets.
- (b) The fixed assets of the company have been physically verified by the management during the year as per a programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not holded any benami property and accordingly there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) The Company has not been sanctioned working capital limits from banks or financial institutions and hence reporting under 3(ii)(b) is not applicable to this company
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year and hence reporting under clause 3(iii)(a) is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not given any loans, investments, guarantees and security during the year as per the provisions of sections 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the company does not fall under the threshold limits prescribed for the maintenance of cost records under subsection (1) of section 148 of the Companies Act.
- (vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Services Tax (GST), custom duty, cess and other material statutory dues as applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods and Services Tax (GST), customs duty, cess and other material statutory dues wherever applicable were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable except the following.

| Particulars | Amount Rs. in Lakhs |
|--------------|---------------------|
| Vat & CST | 116.27 |
| Service Tax | 5.22 |
| TDS | 54.80 |
| PF & ESI | 66.93 |
| PT | 4.11 |
| GST | 7.10 |
| TOTAL | 254.43 |

- (b) According to the information and explanations given to us, there are no dues of income tax, Goods and Services Tax (GST), customs duty, cess or other statutory dues which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared as a wilful defaulter by any bank or financial institution or government or government authority during the year.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) Since no fraud has been noticed, there is no requirement to report under sub-section (12) of Section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

- (xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, clause 3 (xii) is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with related parties are in compliance with sections 177 and 188 of the Companies Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the Company issued till date for the period under audit
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has incurred a cash loss of Rs.3.09 Crores in the financial year as against the cash loss of Rs.4.59 crores in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of Corporate Social Responsibility (CSR) as referred u/s 135 of the Act are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

**Sd/-
(CA.VENKATESH G.)
PARTNER**

**Membership No.239608
UDIN: 22239608AODRYP3490**

**Place: Hyderabad
Date : 08.06.2022**

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Aishwarya Technologies and Telecom Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the criteria for internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Sd/-
(CA.VENKATESH G.)
PARTNER
Membership No.239608
UDIN: 22239608AODRYP3490**

**Place: Hyderabad
Date : 08.06.2022**

Balance Sheet as at March 31st, 2022

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

| Particulars | Notes | As at 31.03.2022 | As at 31.03.2021 |
|--|-------|----------------------|---------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 3 | 2,77,07,375 | 3,03,41,239 |
| Other Intangible Assets | 3 | 23,808 | 24,574 |
| Deferred Tax Assets (Net) | | 12,03,42,540 | 11,46,14,930 |
| Total Non - Current Assets | | 14,80,73,723 | 14,49,80,744 |
| Current Assets | | | |
| Inventories | 4 | 4,21,00,329 | 3,30,67,949 |
| Financial Assets | | | |
| (a) Trade Receivables | 5 | 4,76,21,740 | 7,02,22,927 |
| (b) Cash and Cash Equivalents | 6 | 4,67,370 | 57,18,342 |
| (c) Other Financial Assets | 7 | 1,90,14,189 | 2,64,30,163 |
| Current Tax Assets | | 16,13,138 | 15,10,969 |
| Other Current Assets | 8 | 36,81,604 | 72,16,328 |
| Total Current Assets | | 11,44,98,370 | 14,41,66,678 |
| Total Assets | | 26,25,72,093 | 28,91,47,422 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity Share Capital | 9 | 11,94,69,710 | 11,94,69,710 |
| Other Equity | 10 | (14,10,36,769) | (11,36,10,118) |
| Total Equity | | (2,15,67,059) | 58,59,592 |
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| (a) Borrowings | 11 | - | - |
| Employee benefit obligations | 12 | 46,90,855 | 66,16,445 |
| Total Non-current liabilities | | 46,90,855 | 66,16,445 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| (a) Borrowings | 13 | 3,23,11,488 | 3,60,95,781 |
| (b) Trade Payables | 14 | 14,50,53,641 | 14,54,42,340 |
| (c) Other Financial Liabilities | 15 | 6,68,85,863 | 6,38,83,767 |
| Employee Benefit Obligations | 12 | 17,44,533 | 2,90,787 |
| Other Current Liabilities | 16 | 3,34,52,772 | 3,09,58,710 |
| Total Current Liabilities | | 27,94,48,297 | 27,66,71,384 |
| Total Liabilities | | 28,41,39,152 | 28,32,87,829 |
| Total Equity and Liabilities | - | 26,25,72,093 | 28,91,47,422 |
| Corporate information and significant accounting policies | | | |

VIDE OUR REPORT OF EVEN DATE
For CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.012121S

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

Place : Hyderabad
Date : 08.06.2022

FOR AND ON BEHALF OF THE BOARD

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

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

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

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

Statement of Profit and Loss for the Quarter ended March 31, 2022

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

| Particulars | Notes | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|--|-------|-----------------------------------|-----------------------------------|
| INCOME | | | |
| Revenue from Operations | 17 | 6,47,71,450 | 10,15,64,407 |
| Other Income (Net) | 18 | 2,02,56,656 | 88,64,401 |
| Total Income | | 8,50,28,106 | 11,04,28,808 |
| EXPENSES | | | |
| Cost of Materials Consumed | 19 | 2,68,821 | 2,04,11,108 |
| Purchase of Stock in Trade | | 5,51,08,933 | 4,02,63,242 |
| Changes in Inventories of Finished Goods and Work-in-Progress | 20 | (86,32,810) | 1,85,66,028 |
| Employee Benefits Expense | 21 | 3,53,33,014 | 3,28,19,722 |
| Finance Costs | 22 | 71,02,161 | 62,04,232 |
| Depreciation and Amortisation Expense | 3 | 29,06,572 | 40,55,658 |
| Other Expenses | 23 | 2,67,38,062 | 3,80,98,337 |
| Total Expenses | | 11,88,24,753 | 16,04,18,326 |
| Profit Before Exceptional Items and Tax | | (3,37,96,647) | (4,99,89,519) |
| Exceptional Items (Net) | | - | - |
| Profit Before Tax | | (3,37,96,647) | (4,99,89,519) |
| Tax Expense | | | |
| Current Tax | | - | - |
| Deferred Tax | | (57,27,610) | (46,80,940) |
| Total Tax Expense | | (57,27,610) | (46,80,940) |
| Profit for the year | | (2,80,69,037) | (4,53,08,578) |
| Other comprehensive income | | | |
| A Items that will not be reclassified subsequently to profit or loss | | | |
| (a) Remeasurements of the defined benefit plans | | (6,42,386) | (3,83,222) |
| (b) Deferred tax relating to items that will not be reclassified to profit or loss | | - | 99,638 |
| Total other comprehensive income | | (6,42,386) | (2,83,584) |
| Total comprehensive income for the year | | (2,74,26,651) | (4,50,24,994) |
| Earnings per equity share | | | |
| (Equity shares, par value of ` 5 each) | | | |
| Basic | | (1.15) | (1.88) |
| Diluted | | (1.15) | (1.88) |
| Corporate information and significant accounting policies | | | |

VIDE OUR REPORT OF EVEN DATE
For CSVR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.012121S

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

Place : Hyderabad
Date : 08.06.2022

FOR AND ON BEHALF OF THE BOARD

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

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

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

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

Cash Flow statement for the year ended March, 2022

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

| Particulars | 31-03-2022 | 31-03-2021 |
|--|--------------------|----------------------|
| Cash flow from operating activities | | |
| Profit Before Tax | (3,37,96,647) | (4,99,89,519) |
| Adjustment for | | |
| Depreciation | 29,06,572 | 40,55,658 |
| (Increase)/Decrease in Inventories | (90,32,372) | 2,00,65,046 |
| (Increase)/Decrease in Trade receivables | 2,26,01,187 | 3,66,20,208 |
| (Increase)/Decrease in Other Financial Assets | 74,15,974 | 16,99,586 |
| (Increase)/Decrease in Other Assets | 34,32,555 | 32,74,846 |
| (Increase)/Decrease in Other Bank balances | - | 1,52,052 |
| Increase/(Decrease) in Trade Payables | (3,88,699) | 1,81,16,949 |
| Increase/(Decrease) in Other Financial Liabilities | 30,12,094 | 1,58,74,531 |
| Increase/(Decrease) in Provisions | 1,70,543 | (3,93,934) |
| Increase/(Decrease) in Other Liabilities | 24,94,062 | (19,25,809) |
| Cash flow from Operating Activities | (11,84,731) | 4,75,49,614 |
| Less: Tax Paid | - | - |
| Net Cash Flow From Operating Activities | (11,84,731) | 4,75,49,614 |
| Cash Flow From Investing Activities | | |
| Purchase of Fixed Assets | (2,71,948) | (2,16,449) |
| Sale of Fixed Assets | - | - |
| Sale of Fixed Investments | - | 15,00,000 |
| Net Cash Flow From Investing Activities | (2,71,948) | 12,83,551 |
| Cash Flow From Financing Activities | | |
| Short Term Loan | (37,84,293) | (4,10,73,811) |
| Current Maturities of Long Term Borrowings | (9,998) | (45,90,000) |
| Net Cash Flow From Financing Activities | (37,94,291) | (4,56,63,811) |
| Net Cash Flow During the Year | (52,50,970) | 31,69,354 |
| Cash & Cash Equivalent At the Beginning Of the Year | 57,18,342 | 25,48,988 |
| Cash & Cash Equivalent At the End Of the Year | 4,67,371 | 57,18,342 |

VIDE OUR REPORT OF EVEN DATE
For CSV & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.012121S

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

Place : Hyderabad
Date : 08.06.2022

FOR AND ON BEHALF OF THE BOARD

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

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

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

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

Statement of changes in equity for the year ended March 31, 2022

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

a. Equity

| Particulars | Number of Shares | Amount |
|---|--------------------|---------------------|
| Balance at March 31, 2021 | 2,38,93,942 | 11,94,69,710 |
| Changes in equity share capital during the year | - | - |
| Balance at March 31, 2022 | 2,38,93,942 | 11,94,69,710 |

b. Other Equity

| Particulars | Reserves and Surplus | | | |
|----------------------------------|----------------------------|--------------------|-----------------------|-----------------------|
| | Securities Premium Reserve | General Reserve | Retained Earnings | Total |
| Balance at March 31, 2020 | 11,86,08,770 | 1,46,63,500 | (20,18,57,393) | (6,85,85,123) |
| Profit for the year | - | - | (4,50,24,994) | (4,50,24,994) |
| Additions during the year | - | - | - | - |
| Balance at March 31, 2021 | 11,86,08,770 | 1,46,63,500 | (24,68,82,388) | (11,36,10,118) |
| Profit for the year | - | - | (2,74,26,651) | (2,74,26,651) |
| Shares Allotted | - | - | - | - |
| Balance at March 31, 2022 | 11,86,08,770 | 1,46,63,500 | (27,43,09,039) | (14,10,36,769) |

VIDE OUR REPORT OF EVEN DATE
For CSV & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.012121S

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

Place : Hyderabad
Date : 08.06.2022

FOR AND ON BEHALF OF THE BOARD

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

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

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

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

Notes forming part of the financial statements**NOTE 1. Background**

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

NOTE 2. Significant Accounting Policies

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

a) Basis of preparation

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

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

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

b) Segment reporting

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

The Board of directors are identified as chief operating decision makers. Refer note 36 for segment information presented.

c) Functional and Presentation Currency:

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

d) Revenue Recognition:

- Sale of Goods:

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

- Sales Returns:

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

- Interest Income:

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

- Dividend Income:

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

e) Income tax

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

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

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

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

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

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

f) Leases

At the commencement date of lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use of asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

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

g) Impairment of assets

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

h) Cash and cash equivalents

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

i) Trade receivables

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

j) Inventories

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

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

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

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

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

2) Measurement

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

Debt instruments:

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

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

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

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

Equity instruments

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

3) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 25 details how the Company determines whether there has been a significant increase in credit risk.

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

4) Derecognition of financial assets

A financial asset is derecognized only when

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

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

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

l) Impairment of non-financial assets:

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

m) Offsetting financial instruments

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

n) Property, plant and equipment

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

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

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

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

Transition to Ind AS

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

Depreciation/Amortisation methods, estimated useful lives and residual value

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

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

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

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

o) Intangible assets

Recognition:

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

Amortization methods and periods:

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

Transition to Ind AS

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

p) Trade and other payables

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

measured at amortized cost using the effective interest method.

q) Borrowings

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

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

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

r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

s) Provisions, contingent liabilities and contingent assets:

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

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

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

t) Employee benefits:

i) Short-term employee benefits:

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

ii) Other long-term employee benefit obligations:

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

iii) Post Employment Obligations:

The Company operates the following post-employment schemes:

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

Gratuity obligations

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

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

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

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

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

Defined contribution plans

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

Compensated Absences:

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

u) Dividends

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

v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

w) Use of Estimates and Judgements

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

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

x) Current and Non- Current classification:

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

y) Foreign Currencies:

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

Transactions and Balances:

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

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

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

| 3. Property, Plant and Equipment | Description of Assets | Tangible Assets | | | | | | | | | | Intangible Assets | | |
|----------------------------------|-------------------------------------|-----------------|-------------|-----------|------------------------|---------------|------------------------|------------------|-----------|--------------|-------------------|-------------------|--|--|
| | | Freehold Land | Buildings | Computers | Optical Test Equipment | R&D Equipment | Furniture and Fixtures | Office Equipment | Vehicles | Total | Computer Software | | | |
| | I. Cost or deemed cost | | | | | | | | | | | | | |
| | Balance as at April 1, 2020 | 1,97,14,537 | 1,51,10,663 | 51,11,957 | 5,59,79,123 | 5,24,56,332 | 13,82,555 | 28,51,959 | 23,45,007 | 15,49,52,133 | 59,21,750 | | | |
| | Additions | - | - | - | - | - | - | 2,16,449 | - | 2,16,449 | - | | | |
| | Disposals | - | - | - | - | - | - | - | - | - | - | | | |
| | Balance as at March 31, 2021 | 1,97,14,537 | 1,51,10,663 | 51,11,957 | 5,59,79,123 | 5,24,56,332 | 13,82,555 | 30,68,408 | 23,45,007 | 15,51,68,582 | 59,21,750 | | | |
| | Additions | - | - | - | 2,45,000 | - | - | 26,948 | - | 2,71,948 | - | | | |
| | Disposals | - | - | - | - | - | - | - | - | - | - | | | |
| | Balance as at March 31, 2022 | 1,97,14,537 | 1,51,10,663 | 51,11,957 | 5,62,24,123 | 5,24,56,332 | 13,82,555 | 30,95,356 | 23,45,007 | 15,54,40,530 | 59,21,750 | | | |
| | II. Accumulated depreciation | | | | | | | | | | | | | |
| | Balance as at April 1, 2020 | - | 1,18,08,755 | 50,92,824 | 5,21,23,064 | 4,55,91,016 | 12,34,608 | 27,01,741 | 22,20,446 | 12,07,72,456 | 58,96,410 | | | |
| | Depreciation expense for the year | - | 6,29,016 | 23,908 | 12,64,140 | 18,61,802 | 45,403 | 1,81,413 | 49,212 | 40,54,893 | 766 | | | |
| | Eliminated on disposal of assets | - | - | - | - | - | - | - | - | - | - | | | |
| | Balance as at March 31, 2021 | - | 1,24,37,771 | 51,16,733 | 5,33,87,204 | 4,74,52,818 | 12,80,011 | 28,83,154 | 22,69,657 | 12,48,27,348 | 58,97,176 | | | |
| | Depreciation expense for the year | - | 5,09,188 | (4,776) | 8,48,087 | 13,48,980 | 30,732 | 1,24,383 | 49,212 | 29,05,806 | 766 | | | |
| | Eliminated on disposal of assets | - | - | - | - | - | - | - | - | - | - | | | |
| | Balance as at March 31, 2022 | - | 1,29,46,959 | 51,11,957 | 5,42,35,291 | 4,88,01,798 | 13,10,743 | 30,07,537 | 23,18,869 | 12,77,33,154 | 58,97,942 | | | |
| | III. Carrying Amount | | | | | | | | | | | | | |
| | Balance as at March 31, 2021 | 1,97,14,537 | 26,72,892 | (4,776) | 25,91,919 | 50,03,514 | 1,02,544 | 1,85,254 | 75,350 | 3,03,41,233 | 24,574 | | | |
| | Balance as at March 31, 2022 | 1,97,14,537 | 21,63,704 | 0 | 19,88,832 | 36,54,534 | 71,812 | 87,819 | 26,138 | 2,77,07,375 | 23,808 | | | |

4. Investments

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|---|------------------|------------------|
| A. Non-current investments | | |
| Investment carried at cost | | |
| (i) Equity instruments of Subsidiaries (unquoted) | - | - |
| Total | - | - |

5. Inventories

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|--|--------------------|--------------------|
| Current | | |
| Inventories (lower of cost and net realisable value) | | |
| Raw materials | 23,91,316 | 19,91,746 |
| Stock in trade (including Finished goods) | 3,97,09,013 | 3,10,76,203 |
| Total | 4,21,00,329 | 3,30,67,949 |

6. Trade receivables

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|---|--------------------|--------------------|
| Trade receivables - Current | | |
| Unsecured, considered good | 7,66,47,520 | 10,38,81,557 |
| Doubtful | - | - |
| Less: Allowance for doubtful debts (expected credit loss allowance) | (2,90,25,780) | (3,36,58,630) |
| Total | 4,76,21,740 | 7,02,22,927 |

Trade receivables ageing schedule
As at March 31, 2022

| | Outstanding for following periods from due date of payment | | | | | Total |
|---|--|-------------------|-----------|-----------|-------------------|----------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed trade receivables - considered good | - | - | - | - | - | - |
| (ii) Undisputed trade receivables - considered doubtful | - | - | - | - | - | - |
| (iii) Disputed trade receivables - considered good | - | - | - | - | - | - |
| (iv) Disputed trade receivables considered doubtful | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

Trade receivables ageing schedule
As at March 31, 2021

| | Outstanding for following periods from due date of payment | | | | | Total |
|---|--|-------------------|-----------|-----------|-------------------|----------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed trade receivables - considered good | - | - | - | - | - | - |
| (ii) Undisputed trade receivables - considered doubtful | - | - | - | - | - | - |
| (iii) Disputed trade receivables - considered good | - | - | - | - | - | - |
| (iv) Disputed trade receivables considered doubtful | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

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

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|--|------------------|------------------|
| Balances with Banks in current accounts | 1,94,192 | 51,90,818 |
| Cash on hand | 2,73,178 | 5,27,525 |
| Total Cash and cash equivalents | 4,67,370 | 57,18,342 |

8. Other financial assets

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|---|--------------------|--------------------|
| Current | | |
| Interest accrued on deposits | 56,35,107 | 60,92,498 |
| Security deposits | 1,33,79,082 | 2,03,37,665 |
| Total current other financial assets | 1,90,14,189 | 2,64,30,163 |

9. Other assets

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|------------------------------|------------------|------------------|
| Current: | | |
| Prepaid expenses | 1,41,315 | 75,252 |
| Advances to suppliers | 83,615 | 13,79,362 |
| Other advances | | |
| - Unsecured, considered good | 26,86,784 | 49,91,824 |
| Other receivables | 7,69,890 | 7,69,890 |
| Total current assets | 36,81,604 | 72,16,328 |

10. Equity share capital

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|---|---------------------|---------------------|
| Authorised share capital: | | |
| 3,10,00,000 fully paid up equity shares of Rs. 5/- each | 15,50,00,000 | 15,50,00,000 |
| Issued and subscribed capital: | | |
| 2,38,93,942 Equity Shares of Rs.5/- each fully paid up | 11,94,69,710 | 11,94,69,710 |
| Total | 11,94,69,710 | 11,94,69,710 |

Notes:

(A) Reconciliation of the number of shares outstanding:

| Particulars | Number of shares | Amount |
|----------------------------------|---------------------|---------------------|
| Balance at April 1, 2020 | 2,38,93,942 | 11,10,69,710 |
| Issue of Shares | | 84,00,000 |
| Balance at March 31, 2021 | 2,38,93,942 | 11,94,69,710 |
| Issue of shares | - | - |
| Balance at March 31, 2022 | 2,38,93,942 | 11,94,69,710 |

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

| | As at 31.03.2022 | | As at 31.03.2021 | |
|---------------------------------|--------------------------|-------------------------------|--------------------------|----------------------------------|
| | Number of shares held | % holding of equity shares | Number of shares held | % holding of equity shares |
| Fully paid equity shares | | | | |
| G.Rama Manohar Reddy | 59,01,990 | 24.70 | 59,00,990 | 24.70 |
| K.Hari Krishna Reddy | 13,20,045 | 5.52 | 13,20,045 | 5.52 |

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

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

d) Shareholding of promoter

The details of the shares held by promoters as at March 31, 2022 are as follows:

| Promoter name | No. of shares at the end of the year | % of total shares | % of change during the year |
|--|--|----------------------|-----------------------------------|
| Equity shares of Rs. 10 each fully paid | | | |
| Rama Manohar Reddy Gangavaram | 59,01,990 | 24.70 | 0.02 |
| Amulya Reddy Gangavaram | 6,05,608 | 2.53 | - |
| Chilakapati Peda Bapulu | 2,24,329 | 0.94 | - |
| G. Shailaja | 1,50,167 | 0.63 | - |
| K. Prashanthi Reddy | 54,668 | 0.23 | - |
| Veera Baba Reddy Pendru | 45,117 | 0.19 | - |
| Venkata Rami Reddy Gorla | 39,636 | 0.17 | - |
| Nayansukh Reddy Baddam | 17,369 | 0.07 | - |
| Rahul Katpally | 12,457 | 0.05 | - |
| K V Ramana Reddy | 6,738 | 0.03 | - |
| Pidugu Ganga Reddy | 6,000 | 0.03 | - |
| Venkata Sundara Ramagopal Achanta | 6,000 | 0.03 | - |
| Binu Bhansali | 4,800 | 0.02 | - |
| Yemula Pavani | 1,000 | 0.00 | - |
| Total | 70,75,879 | 29.61 | 0.02 |

11. Other equity

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|-------------------------------|-------------------------|-------------------------|
| General Reserve | 1,46,63,500 | 1,46,63,500 |
| Securities Premium Account | 11,86,08,770 | 11,86,08,770 |
| Retained Earnings | (27,43,09,039) | (24,68,82,388) |
| Balance at end of year | (14,10,36,769) | (11,36,10,118) |
| 11.1 General Reserve | | |
| Balance at beginning of year | 1,46,63,500 | 1,46,63,500 |
| Balance at end of year | 1,46,63,500 | 1,46,63,500 |

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

| | | |
|--|---------------------|---------------------|
| 11.2 Securities premium reserve | | |
| Balance at beginning of year | 11,86,08,770 | 11,86,08,770 |
| Balance at end of year | 11,86,08,770 | 11,86,08,770 |

| | | |
|-------------------------------|-----------------------|-----------------------|
| 11.3 Retained earnings | | |
| Balance at beginning of year | (24,68,82,388) | (20,18,57,393) |
| Net profit for the year | (2,74,26,651) | (4,50,24,994) |
| Balance at end of year | (27,43,09,039) | (24,68,82,388) |

12. Non-current borrowings

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|--------------------------------------|---------------------|---------------------|
| Unsecured - at amortised cost | | |
| Term loans from banks | - | - |
| Total non-current borrowings | - | - |

13. Employee benefit obligations

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|-----------------------------|---------------------|---------------------|
| <u>Non - Current</u> | | |
| - Leave encashment | 4,20,511 | 10,47,259 |
| - Gratuity | 42,70,344 | 55,69,186 |
| | 46,90,855 | 66,16,445 |
| <u>Current</u> | | |
| - Leave encashment | - | 48,086 |
| - Gratuity | 17,44,533 | 2,42,701 |
| | 17,44,533 | 2,90,787 |
| Total | 64,35,388 | 69,07,232 |

14. Current borrowings

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|--|---------------------|---------------------|
| Unsecured - at amortised cost | | |
| Loans from Related Parties | 3,23,11,488 | 3,12,86,488 |
| Secured - at amortised cost | | |
| Loans repayable on demand from banks (bank overdraft) | - | 48,09,293 |
| Total | 3,23,11,488 | 3,60,95,781 |

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

| | | |
|----------------------|--------------------|--------------------|
| G Rama Manohar Reddy | 1,72,56,500 | 1,74,56,500 |
| D.Venkateswara Rao | 1,50,54,988 | 1,38,29,988 |
| | 3,23,11,488 | 3,12,86,488 |

ii) Loan from banks

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

15. Trade Payables

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|--|---------------------|---------------------|
| Trade Payables - Current | | |
| Dues to micro enterprises and small enterprises (Refer Note 27) | - | - |
| Dues to creditors other than micro enterprises and small enterprises | 14,50,53,641 | 14,54,42,340 |
| Total | 14,50,53,641 | 14,54,42,340 |

Trade payables aging schedule:

As at March 31, 2022:

| | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--|--------------------|--------------------|----------------------|---------------------|
| | less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 5,41,27,757 | 2,14,73,574 | 5,57,01,558 | 1,37,47,954 | 14,50,50,843 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| Total | 5,41,27,757 | 2,14,73,574 | 5,57,01,558 | 1,37,47,954 | 14,50,50,843 |

Trade payables aging schedule:

As at March 31, 2021

| | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--|--------------------|------------------|----------------------|---------------------|
| | less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 5,87,64,623 | 7,52,63,412 | 96,31,713 | 17,82,591 | 14,54,42,339 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| Total | 5,87,64,623 | 7,52,63,412 | 96,31,713 | 17,82,591 | 14,54,42,339 |

16. Other financial liabilities

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|--|---------------------|---------------------|
| Current | | |
| Current maturities of long term borrowings | - | 9,998 |
| Creditors for expenses | 6,68,85,863 | 6,38,73,769 |
| Total | 6,68,85,863 | 6,38,83,767 |

17. Other liabilities

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|---|---------------------|---------------------|
| Current | | |
| Advance received against sale of property | 24,99,906 | 0 |
| Advance from customers | 3,09,52,866 | 3,09,58,710 |
| Total | 3,34,52,772 | 3,09,58,710 |

18. Revenue from operations

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|------------------|--------------------------------------|---|
| Sale of Services | 9,53,139 | 8,95,675 |
| Sale of Products | | |
| Manufacturing | 34,53,350 | 4,66,77,308 |
| Trading | 6,03,64,961 | 5,39,91,423 |
| Total | 6,47,71,450 | 10,15,64,407 |

19. Other income (net)

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--------------------------------------|---|
| Interest income on financial assets carried at amortised cost | | |
| Bank deposits | 5,37,168 | 7,65,546 |
| | 5,37,168 | 7,65,546 |
| Other non-operating income | | |
| Dividend from Chit Investment | 22,99,350 | 40,20,250 |
| Commission Received | 24,63,873 | 87,898 |
| Bad Debts Recovered | 2,63,455 | 3,50,000 |
| Foreign Exchange Fluctuation Income | - | 14,55,510 |
| Excess provision for Leave Encashment | 6,74,834 | 12,41,070 |
| Provision for Bad Debts Reversed | 82,31,925 | 9,44,127 |
| Bank Liability Waiver | 57,80,465 | - |
| Other Misc. Income | 5,587 | - |
| | 1,97,19,488 | 80,98,855 |
| Total | 2,02,56,656 | 88,64,401 |

20. Cost of materials consumed

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--------------------------|--------------------------------------|---|
| Opening stock | 19,91,746 | 34,90,767 |
| Add: Purchases | 6,68,391 | 1,89,12,087 |
| Less: Closing stock | 23,91,316 | 19,91,746 |
| Material Consumed | 2,68,821 | 2,04,11,108 |

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

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|----------------------------------|--------------------------------------|---|
| Opening Stock: | | |
| Finished Goods | 3,10,76,203 | 4,96,42,231 |
| Closing Stock: | | |
| Finished Goods | 3,97,09,013 | 3,10,76,203 |
| Net (increase) / decrease | (86,32,810) | 1,85,66,028 |

22. Employee Benefits Expense

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|-------------------------------------|--------------------------------------|---|
| Salaries and Wages, including Bonus | 3,39,97,839 | 3,16,70,519 |
| Leave Encashment | - | - |
| Gratuity | 9,63,896 | 8,47,136 |
| Staff Welfare Expenses | 3,71,279 | 3,02,067 |
| Total | 3,53,33,014 | 3,28,19,722 |

23. Finance costs

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|----------------------------------|--------------------------------------|---|
| Interest expense | | |
| - Finance Cost on Chit Liability | 63,64,884 | 60,68,798 |
| - Interest Others | 7,37,277 | 1,35,433 |
| Total | 71,02,161 | 62,04,232 |

24. Other expenses

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--------------------------------------|---|
| - Rent | 7,65,600 | 7,65,600 |
| - Rates & Taxes | 82,697 | 78,564 |
| - Office Electricity & Maintenance | 4,79,945 | 6,99,873 |
| - Conveyance | 7,72,284 | 7,59,828 |
| - Subscription, Books & Periodicals | - | 54,113 |
| - Postage & Telegrams | 48,696 | 82,788 |
| - Printing & Stationery | 1,86,472 | 1,83,307 |
| - Regn. Licence & Filing Fees | 5,09,820 | 7,36,192 |
| - Advertisement Expenses | 2,66,253 | 1,54,507 |
| - Agency Commission | 15,000 | 1,15,279 |
| - Auditors Remmuration | 5,25,000 | 5,25,000 |
| - Bank Charges | 36,703 | 1,82,993 |
| - Business Promotion Expenses | 3,44,410 | 1,38,601 |
| - Carriage Outwards | 6,05,198 | 6,44,669 |
| - Donations | 8,000 | - |
| - Foreign Exchange Fluctuation Loss | 17,29,609 | - |
| - Insurance | 1,16,983 | 1,37,129 |
| - Liquidated Damges | 32,15,947 | 6,750 |
| - Professional & Consultancy Charges Including Legal Charges | 40,37,482 | 13,91,505 |
| - Provision for Doubtful debts | 35,99,075 | 2,56,30,453 |
| - Bad debts written off | 80,05,325 | - |
| - Other Advances (Non Recoverable) | - | 44,29,758 |
| - Repairs & Maintenance | 7,04,091 | 3,52,937 |
| - Telephone & Fax Expenses | 1,71,874 | 1,65,486 |
| - Tender Expenses | 10,000 | 7,224 |
| - Testing & Calibration Expenses | 7,500 | 4,38,300 |
| - Tour & Travelling Expenses | | |
| a) Directors | - | - |
| b) Others | 4,94,098 | 4,17,480 |
| Total | 2,67,38,062 | 3,80,98,337 |

25 Capital and Financial risk management objectives and policies

A. Capital management and Gearing Ratio

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

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

B. Financial Risk Management Framework

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

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

Interest rate risk

"Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings."

Interest rate sensitivity

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

| Particulars | Impact on Profit before tax | |
|---------------------------------|-----------------------------|-----------|
| | 31-Mar-22 | 31-Mar-21 |
| Interest rates-increase by 0.5% | - | - |
| Interest rates-decrease by 0.5% | - | - |

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

Credit Risk

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

(i) Year ended 31 March, 2022:

(a) Expected credit loss for financial assets where general model is applied

| Particulars | Asset group | Estimated gross carrying amount at default | Expected credit loss (Impairment) | Carrying amount net of provision |
|--|------------------------|--|-----------------------------------|----------------------------------|
| Financial assets for which credit risk has not increased significantly since initial recognition | | | | |
| Loss allowance measured at 12 month expected credit losses | Other financial assets | 6,71,03,299 | - | 6,71,03,299 |
| Loss allowance measured at Life time expected credit losses | | | | - |

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

| Particulars | Asset group | Estimated gross carrying amount at default | Expected credit loss (Impairment) | Carrying amount net of provision |
|---|-------------------|--|-----------------------------------|----------------------------------|
| Loss allowance measured at Life time expected credit losses | Trade Receivables | 7,66,47,520 | 2,90,25,780 | 4,76,21,740 |

(ii) Year ended 31 March, 2021:

(a) Expected credit loss for financial assets where general model is applied

| Particulars | Asset group | Estimated gross carrying amount at default | Expected credit loss (Impairment) | Carrying amount net of provision |
|--|---------------------------------|--|-----------------------------------|----------------------------------|
| Financial assets for which credit risk has not increased significantly since initial recognition | | | | |
| Loss allowance measured at 12 month expected credit losses | Other financial assets Loans | 10,23,71,432 | | 10,23,71,432 |
| Loss allowance measured at Life time expected credit losses | | - | - | - |

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

| Particulars | Asset group | Estimated gross carrying amount at default | Expected credit loss (Impairment) | Carrying amount net of provision |
|---|-------------------|--|-----------------------------------|----------------------------------|
| Loss allowance measured at Life time expected credit losses | Trade Receivables | 10,38,81,557 | - | 10,38,81,557 |

(iv) Reconciliation of Loss allowance provision

| Particulars | Provision on Trade Receivables | Allowance for bad & doubtful deposits | Allowance for bad & doubtful loans |
|--|--------------------------------|---------------------------------------|------------------------------------|
| Loss allowance as at March 31, 2021 | 3,36,58,360 | - | - |
| Add/(Less): | - | - | - |
| Provision made during the period | 2,90,25,780 | - | - |
| Provision reversed during the period | - | - | - |
| Loss allowance as at March 31, 2022 | 6,26,84,140 | - | - |

Significant estimates and judgements

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

Liquidity Risk

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

| Particulars | On Demand | in next 12 months | >1 year | Total |
|----------------------------------|-----------|-------------------|--------------|---------------------|
| Year ended March 31, 2022 | | | | |
| Borrowings | | 3,23,11,488 | - | 3,23,11,488 |
| Trade and other payables | | 14,50,53,641 | - | 14,50,53,641 |
| Other financial liabilities | | 6,68,85,863 | - | 6,68,85,863 |
| | | - | 24,42,50,992 | - |
| | | | | 24,42,50,992 |
| Year ended March 31, 2021 | | | | |
| Borrowings | | 3,60,95,781 | - | 3,60,95,781 |
| Trade and other payables | | 14,54,42,340 | - | 14,54,42,340 |
| Other financial liabilities | | 6,38,83,767 | - | 6,38,83,767 |
| | | - | 24,54,21,887 | - |
| | | | | 24,54,21,887 |

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

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

| Particulars | Impact on Profit and loss account | |
|------------------------------|-------------------------------------|-------------------------------------|
| | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
| EUR Sensitivity | | |
| Increase of USD by Rs. 1/- | - | (6,74,620) |
| Decrease of USD by Rs. 1/- | - | 6,74,620 |
| EUR Sensitivity | | |
| Increase of EUR by Rs. 1/- | - | (7,663) |
| Decrease of EUR by Rs. 1/- | - | 7,663 |
| Pound sensitivity | | |
| Increase of Pound by Rs. 1/- | - | - |
| Decrease of Pound by Rs. 1/- | - | - |
| JPY Sensitivity | | |
| Increase of JPY by Rs. 1/- | - | - |
| Decrease of JPY by Rs. 1/- | - | - |

26 Financial Instruments

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

| Particulars | Fair value hierarchy | Carrying Values | | Fair value | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Assets: | | | | | |
| Current | | | | | |
| i) Trade receivables | Level 3 | 4,76,21,740 | 7,02,22,927 | 4,76,21,740 | 7,02,22,927 |
| ii) Cash and cash equivalents | Level 3 | 4,67,370 | 57,18,342 | 4,67,370 | 57,18,342 |
| iii) Other balances with banks | Level 3 | - | - | - | - |
| iv) Other financial assets | Level 3 | 1,90,14,189 | 2,64,30,163 | 1,90,14,189 | 2,64,30,163 |
| Liabilities: | | | | | |
| Non-Current | | | | | |
| (i) Borrowings | Level 3 | - | - | - | - |
| Current | | | | | |
| i) Borrowings | Level 3 | 3,23,11,488 | 3,60,95,781 | 3,23,11,488 | 3,60,95,781 |
| ii) Trade payables | Level 3 | 14,50,53,641 | 14,54,42,340 | 14,50,53,641 | 14,54,42,340 |
| iii) Other current financial liabilities | Level 3 | 6,68,85,863 | 6,38,83,767 | 6,68,85,863 | 6,38,83,767 |

Fair value hierarchy

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

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

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

- i) The Carrying values of Current financial liabilities and current financial assets are taken as their fair value because of their short term nature.
- ii) The Carrying values of Non-Current financial liabilities and Non-current financial assets are taken as their fair value based on their discounted cash flows.
- iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realised or paid in sale transactions as of respective dates. as such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- iv) There have been no transfers between level 1 , level 2 and level 3 for the years ended March 31, 2022 and March 31, 2021.

Significant estimate:

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

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

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | - | - |
| (iv) The amount of interest due and payable for the year | - | - |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |

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

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

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

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

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

| Particulars | For the year ended | |
|--|--------------------|---------------|
| | 31-Mar-22 | 31-Mar-21 |
| Profit after tax | (2,74,26,651) | (4,50.24,994) |
| Basic & Diluted: | | |
| Number of shares outstanding at the year end | 2,38,93,942 | 2,38,93,942 |
| Weighted average number of equity shares | 2,38,93,942 | 2,38,93,942 |
| Earnings per share | -1.15 | -1.88 |

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

NOTE NO.29

Post-Employment Benefit Plans

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for every completed year of service.

The following tables summarize the components of net benefit expenses recognized in the statement of profit and loss and the amounts recognized in the balance sheet for the respective plans.

a) Reconciliation of Defined Benefit Obligation:

| Particulars | 31-Mar-22 | 31-Mar-21 |
|---|------------|------------|
| Liability at the beginning of the period / year | 58,11,887 | 53,48,213 |
| Current Services Cost | 4,50,489 | 4,83,474, |
| Interest Cost | 3,95,487 | 3,63,662 |
| Benefits Cost | - | - |
| Actuarial (gain)/Loss | (6,42,986) | (3,83,222) |
| Liability at the end of the period / year | 60,14,877 | 58,11,887 |

b) Amount recognized in the Balance Sheet

| Particulars | 31-Mar-22 | 31-Mar-21 |
|---|-----------|-----------|
| Liability at the end of the Period / Year | 60,14,877 | 58,11,887 |
| Amount to be recognised in Balance Sheet | 60,14,877 | 58,11,887 |

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

| Particulars | 31-Mar-22 | 31-Mar-21 |
|--|-----------------|-----------------|
| Current Service Cost | 4,50,489 | 4,83,474 |
| Interest Cost | 3,95,487 | 3,63,662 |
| Expense recognized in Statement of Profit and Loss | 8,44,976 | 8,47,136 |

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

| Particulars | 31-Mar-22 | 31-Mar-21 |
|---|------------|------------|
| Experience (gain)/Loss on plan liabilities | (6,42,986) | (3,83,222) |
| Demographic (gain)/Loss on plan liabilities | - | - |

e) Principal assumptions used in determining gratuity:

| Particulars | 2021-22 | 2020-21 |
|-------------------|---------|---------|
| Salary Escalation | 5% | 5% |
| Discount Rate | 6.80% | 6.80% |
| Employee Turnover | 4% | 4% |

f) Sensitivity Analysis

| Assumptions | As at 31.03.2022 | As at 31.03.2021 |
|----------------|---------------------|---------------------|
| Discount Rate | | |
| 1% Increase | (3,25,129) | (3,48,893) |
| 1% Decrease | 3,70,489 | 3,97,936 |
| Salary Rate | | 8,00,143 |
| 1% Increase | 7,50,345 | (6,57,839) |
| 1% Decrease | (6,17,332) | |
| Attrition Rate | | |
| 1% Increase | 2,47,545 | 2,45,114 |
| 1% Decrease | (2,93,889) | (2,72,362) |

NOTE NO. 30

Pursuant to the provisions of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee or director, who was in receipt of remuneration for the year under consideration exceeding one crore two lakh rupees, the information of which could form part of the Director's Report for the year ended 31st March 2022.

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

| Particulars | Current Year | Previous Year |
|---------------------------|--------------|---------------|
| Foreign Exchange Earnings | 2,31,840 | 87,898 |
| Foreign Exchange Outflow | 1,47,15,391 | 22,487 |

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

| Particulars | Current Year | Previous Year |
|------------------|--------------|---------------|
| Bank Guarantee | 51,34,504 | 1,35,39,129 |
| Letter of Credit | - | - |

NOTE NO. 33**Deferred Tax:**

In compliance with the Accounting Standard "INDAS-12 Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company has recognised Rs.57,27,610/- towards deferred tax deferred tax asset in P&L in the year 2021-22. The major components of deferred tax asset / liability are on account of timing differences in depreciation.

NOTE NO.34

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

NOTE NO. 35**Segment Reporting:**

Information about primary business segments:

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

Information about secondary business segment:

The Company operates in one geographical segment i.e., India

NOTE NO. 36**Closure of SBI Loan:**

The company has paid amounts and closed the Loan with SBI which is an NPA. This loan has been settled through OTS and waiver amount has been offered for income during the year. There are no pending filings of registration of charges or satisfaction of charges with Registrar of Companies.

NOTE NO. 37**Transactions with the related parties pursuant to Accounting Standard 18:****List of Related Parties**

| | |
|---|---|
| Key managerial personnel and Relatives of KMP | <ul style="list-style-type: none"> - K.Harikrishna Reddy (Chairman) - M. Srinivasa Rao(Managing Director) - D. Venkateswara Rao (CFO) - G. Rama Manohar Reddy - Khush Mohammad - Amulya Reddy (Relative of KMP) |
|---|---|

Transaction with the Related Parties:

| Particulars | Key Management personnel | |
|--------------|--------------------------|-------------|
| | 2021-22 | 2020-21 |
| Remuneration | 99,60,000 | 83,10,000 |
| Salary | 6,00,000 | 6,00,000 |
| Loans Taken | 29,00,000 | 1,75,94,000 |
| Loans Repaid | 18,75,000 | 27,27,000 |

Balance as at 31st March

| Particulars | Key Management Personnel | |
|--------------|--------------------------|-------------|
| | 2021-22 | 2020-21 |
| Remuneration | 69,11,484 | 28,66,048 |
| Salary | 20,000 | 1,49,000 |
| Loans Taken | 3,23,11,488 | 3,12,86,488 |

NOTE NO. 38

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

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

SIGNATURES TO NOTE “1” TO “38”

VIDE OUR REPORT OF EVEN DATE
For CSV & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No.012121S

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

Place : Hyderabad
Date : 08.06.2022

FOR AND ON BEHALF OF THE BOARD

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

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

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

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

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