



# **ANNUAL REPORT**

## **2016-2017**



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

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

**22nd  
ANNUAL REPORT**

**2016-2017**



**CORPORATE INFORMATION****BOARD OF DIRECTORS**

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

**COMPANY SECRETARY**

Mrs. Parul Agarwal

**REGISTERED OFFICE**

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

**CORPORATE IDENTITY NUMBER**

L72200TG1995PLC020569

**AUDITORS**

M/s. Ramana Reddy & Associates  
Chartered Accountants,  
Unit No.406, 4th Floor, Ashoka Capitol,  
Opp: KBR Park, Road No.2, Banjara Hills,  
Hyderabad – 500 034.

**INTERNAL AUDITOR**

Mr. CA B. Samba Siva Rao

Chartered Accountants  
Flat No.301, H.No.8-2-317/M/19,  
Road No # 14, Banjara Hills,  
Hyderabad, Telangana – 500 034  
Email: [sams4ca@gmail.com](mailto:sams4ca@gmail.com)

**BANKERS**

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

**AUDIT COMMITTEE:**

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

**NOMINATION & REMUNERATION COMMITTEE:**

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

**STAKEHOLDER RELATIONSHIP COMMITTEE:**

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

**INDEPENDENT DIRECTORS COMMITTEE:**

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

**RISK MANAGEMENT COMMITTEE:**

1. Mr. K. Rajender Reddy	-	Chairman
2. Mr. G. Rama Manohar Reddy	-	Member
3. Mr. G. Rama Krishna Reddy	-	Member

**REGISTRAR & SHARE TRANSFER AGENTS**

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

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

**NOTICE**

Notice is hereby given that the Twenty Second Annual General Meeting of the Shareholders of M/s. Aishwarya Technologies and Telecom Limited will be held on Friday, 29<sup>th</sup> day of September, 2017 at 10:30 a.m. at the Registered Office of the Company at 1-3-1026 & 1027, Singadikunta, Kawadiguda, Hyderabad - 500080, Telangana to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, the Statement of Profit & Loss and Cash Flow Statement (including the consolidated financial statements) for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mrs. G. Amulya Reddy (DIN: 00136428) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s. CSV & Associates., as Statutory Auditors in place of retiring auditors and to fix their remuneration and for the purpose to consider and if, thought fit, to pass with or without modification(s), the following Ordinary Resolution thereof:

“RESOLVED THAT pursuant to the provisions of Section 139 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 CSV & Associates., Statutory Auditors, be and are hereby appointed as the Statutory Auditors of the Company in place of retiring auditor M/s. Ramana Reddy & Associates and to hold the office for term of five(5) consecutive years, **from the conclusion of this 22<sup>nd</sup> Annual General Meeting till the conclusion of 27<sup>th</sup> Annual General Meeting of the Company**, subject to ratification as to the said appointment at every Annual General Meeting, and that the Board of Directors be and is hereby authorized to fix the remuneration plus applicable taxes and reimbursement of out-of-pocket expenses incurred by them during the course of audit, as Board of Directors/Audit Committee may fix in this behalf.”

**SPECIAL BUSINESS:****4. REAPPOINTMENT OF MR G. RAMA MANOHAR REDDY AS MANAGING DIRECTOR OF THE COMPANY:**

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

“RESOLVED THAT pursuant to the provisions of Section 196,197,198,203 read with Schedule V and any other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or reenactment thereof for the time being in force and Articles of Association of the Company and in supersession of the earlier resolution/s passed by the shareholders in earlier general meeting/s, and subject to the approval of Members in Annual General Meeting, Mr. G. Rama Manohar Reddy is re-appointed as Managing Director of the Company for a period of three years with effect from 01.04.2017 with a remuneration of Rs.4,00,000/- per month.

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and is hereby authorized to vary or increase the remuneration including Basic Salary, Commission, Perquisites, and Allowances etc. within such prescribed limits.”

**Adequate Profits:**

Where in any Financial Year, during the tenure of Mr. G. Rama Manohar Reddy, the Company has adequate profits; the Company shall pay to Mr. G. Rama Manohar Reddy, remuneration by way of Basic Salary, Commission, Perquisites and Allowance exceeding the amount approved by the Central Government and Which shall not exceed the limits prescribed from time to time under sections 196, 197, 203 read with Schedule V to the Companies Act 2013 for the time being in force.

“RESOLVED FURTHER THAT the any of the Director be and 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.”

##### 5. REAPPOINTMENT AND CONTINUATION OF MRS G. AMULYA REDDY AS WHOLE-TIME DIRECTOR AND CFO OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Section 196,197,198,203 read with Schedule V and any other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or reenactment thereof for the time being in force and Articles of Association of the Company and in supersession of the earlier resolution/s passed by the shareholders in earlier general meeting/s, and subject to the approval of Members in Annual General Meeting, Mrs. G. Amulya Reddy is re-appointed as Whole-time Director cum CFO of the Company for a period of three years with effect from 01.04.2017 with a remuneration of Rs.2,50,000/- per month.

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and is hereby authorized to vary or increase the remuneration including Basic Salary, Commission, Perquisites, and Allowances etc. within such prescribed limits.”

##### Adequate Profits:

Where in any Financial Year, during the tenure of Mrs. G. Amulya Reddy, the Company has adequate profits; the Company shall pay to Mrs. G. Amulya Reddy, remuneration by way of Basic Salary, Commission, Perquisites and Allowance exceeding the amount approved by the Central Government and Which shall not exceed the limits prescribed from time to time under sections 196, 197, 203 read with Schedule V to the Companies Act 2013 for the time being in force.

“RESOLVED FURTHER THAT the any of the Director be and 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.”

##### 6. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED (ATTL) EMPLOYEES STOCK OPTION SCHEME 2017

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

**“RESOLVED THAT** pursuant to section 62(1)(b) of the Companies Act, 2013 read with rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, including any statutory modification or re-enactment thereof, for the time being in force and subject to SEBI (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as “SEBI (SBEB) Regulations” and subject to such approvals, permissions, sanctions and subject to such conditions and modifications as may be prescribed or imposed by the above authorities while granting such approval, permissions and sanctions, and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include Nomination and Remuneration Committee of the Board herein after referred to as “the Committee”) approval of the members be and is hereby accorded to the Board/Committee of Directors to grant, offer and issue, in one or more tranches, to such permanent employees (including joining employees) of the Company whether working in India or out of India and directors of the company whether whole-time directors or otherwise excluding Independent Directors (hereinafter collectively referred as the “Employees”) who are eligible to participate as per the Regulations and as may be decided by the Board/Committee, under a plan titled **“ATTL- ESOP Scheme 2017”** (hereinafter referred to as “the Scheme”) the salient features of which are detailed in the explanatory statement, such number of options which could rise to the issue of equity shares of the Company not exceeding **20,00,000 (Twenty Lakhs)** equity shares at such price and on such terms and conditions as may be determined by the Board/Committee in accordance with the ESOP Guidelines or any other applicable provisions as may be prevailing at that time, if any”

**"RESOLVED FURTHER THAT** the options or equity shares shall be allotted in accordance with the Scheme directly to eligible employees of Aishwarya Technologies and Telecom Limited."

**"RESOLVED FURTHER THAT** the Board and/ Committee be and is hereby authorized to formulate, evolve, decide upon and bring into effect the Scheme on such terms and conditions as contained in the Explanatory Statement to this item in the notice and to make any modification(s), change(s), variation(s), alternation(s) or revision(s) in the terms and conditions of Scheme from time to time including but not limited to, amendment(s) with respect to vesting period and schedule, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the Plan."

**"RESOLVED FURTHER THAT** any new equity shares to be issued and allotted as aforesaid shall rank pari-passu inter se with the then existing equity shares of the Company in all respects including payment of dividend."

**"RESOLVED FURTHER THAT** in case Aishwarya Technologies and Telecom Limited's equity share capital or its valuation is affected due to any corporate action like issue of bonus shares/rights issue, stock split, merger, restructuring or any such event happening subsequent to the grant of option, the Board / Nomination & Remuneration Committee shall have the discretion to make appropriate amendments to the scheme, including changes in the number of options, the Exercise Price or floating a new Scheme / extending the applications of the existing scheme or any other fair and just mechanism including acceleration of Option, if deemed necessary, in accordance with Law, as deems fit, while striving to ensure that the rights of the employees are not adversely affected".

**"RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI (SBEB regulations) and any other applicable laws and regulations to the extent relevant and applicable to the **"ATTL- ESOP Scheme 2017"**.

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted under **"ATTL- ESOP Scheme 2017"** on the Stock Exchanges where the shares of the Company are listed as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Guidelines and other applicable laws and regulations."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board/ Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper including to appoint Merchant Bankers, Solicitors, Registrars and other advisors, Consultants or Representatives, being incidental to the effective implementation and administration of **"ATTL- ESOP Scheme 2017"** and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**"RESOLVED FURTHER THAT** the Board be and is hereby also authorized to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorized to do for the purpose of giving effect to this resolution."

## **7. AISHWARYA TECHNOLOGIES AND TELECOM LIMITED (ATTL) EMPLOYEES STOCK OPTION SCHEME- 2017 TO THE EMPLOYEES OF SUBSIDIARY COMPANIES:**

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

**"RESOLVED THAT** pursuant to section 62(1)(b) of the Companies Act, 2013 read with rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, including any statutory modification or re-enactment thereof, for the time being in force and subject to SEBI (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as "SEBI (SBEB Regulations)") and subject to such approvals, permissions, sanctions and subject to such conditions and modifications as may be prescribed or imposed by the above authorities while granting such approval, permissions and sanctions,



and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include Nomination and Remuneration Committee of the Board herein after referred to as "the Committee") approval of the members be and is hereby accorded to the Board/Committee of Directors to extend the benefits of the **"ATTL- ESOP Scheme 2017"** referred to in the resolution under item No.6 in this Notice and duly passed at this meeting, also to such permanent employees (including joining employees) of the subsidiary companies including future step down subsidiary companies whether working in India or out of India and directors of the company whether whole-time directors or otherwise excluding Independent Directors, as may be decided by the Board and / or Committee or such other persons, as may from time to time, be allowed under prevailing laws and regulations on such terms and conditions at such price as may be decided by the Board and/or Committee".

**"RESOLVED FURTHER THAT** in case Aishwarya Technologies and Telecom Limited's equity share capital or its valuation is affected due to any corporate action like issue of bonus shares/rights issue, stock split, merger, restructuring or any such event happening subsequent to the Grant of option, the Board / Compensation Committee shall have the discretion to make appropriate amendments to the scheme, including changes in the number of options, the Exercise Price or floating a new Scheme / extending the applications of the existing scheme or any other fair and just mechanism including acceleration of Option, if deemed necessary, in accordance with Law, as deems fit, while striving to ensure that the rights of the employees are not adversely affected".

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board/ Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

#### **8. ALLOTMENT OF EQUITY SHARES EXCEEDING 1% OF THE PAID UP CAPITAL OF AISHWARYA TECHNOLOGIES AND TELECOM LIMITED (ATTL) UNDER ESOP SCHEME – 2017:**

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

**"RESOLVED THAT** in accordance with the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made there under or any statutory modification(s) or re-enactment of the Act or the Guidelines, the provisions of any other applicable laws and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s) and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include Compensation Committee of the Board) approval of the members be and is hereby accorded to the Board/Committee of Directors to grant, offer and issue of options or equity shares equal to or exceeding 1% of the paid up capital including outstanding warrants and conversions) of the Company, in one or more tranches, the benefits of the Employees Stock Option Scheme-2017 referred to in the Resolutions under item nos. 6 and 7 in this notice and duly passed at this meeting, to such key permanent employees (including joining employees) of the Company as may be identified by the Compensation Committee / Nomination and Remuneration Committee for their outstanding performance / contribution at the time of grant of options whether working in India or out of India and Directors of the company whether whole-time directors or otherwise (hereinafter collectively as the "Employees"), options exercisable by the Employees under a plan titled **"ATTL- ESOP Scheme 2017"**, as may from time to time, be allowed under prevailing laws and regulations on such terms and conditions as may be decided by the Board (hereinafter referred to as "the scheme") the salient features of which are detailed in the explanatory statement.

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board/Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

#### **9. ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS TO THE PROMOTERS:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:  
**"RESOLVED THAT** in terms of Sections 42 and 62(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and

Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulation 2009, as may be applicable to the preferential issue of Equity shares and other applicable regulations of SEBI, if any and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any committee thereof for the time being to which all or any of the powers hereby conferred on the Board by this resolution, have been delegated) and subject to such, consents and approvals of SEBI, Stock Exchanges, Government of India, or such other bodies or authorities as may be required by law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals and which may be agreed to by or any other authorities as may be necessary for that purpose, the consent of the members of the company be and is hereby accorded to the Board to offer, issue, and allot in one or more tranches up to 50,00,000 convertible warrants to the promoters (whose names shall be recorded by the company in the manner set out in Sec 42(7) of the Companies Act, 2013 read with the respective Rules) and the warrants shall be convertible into equal number of Equity Shares with in a period not exceeding 18 months from the date of allotment of warrants, in such manner and on such price, terms and conditions in accordance with the Securities & Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations 2009 (including any amendments thereto or re-enactment thereof) or other provisions of Law as may be prevailing at the time, provided that the price (inclusive of premium) of the convertible warrants so issued shall not be less than the minimum price to be arrived in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations."

**"RESOLVED FURTHER THAT** the pricing of the Warrants to be allotted will be in accordance with the SEBI (ICDR) Regulations with reference to the 'Relevant Date.'" The "relevant date" for the purpose of pricing of convertible warrants is August 30, 2017 i.e., thirty days prior to the date on which this Annual General meeting is held in terms of Section 42 and Section 62 1(c) of the Companies Act, 2013" (AGM to be held on September 29, 2017).

**"RESOLVED FURTHER THAT** the resultant equity shares shall rank pari-passu with the existing Equity of the Company in all respects and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any, declared including other corporate benefits, if any, for which the book closure or the Record Date falls subsequent to the allotment of Equity Shares."

**"RESOLVED FURTHER THAT** the aforesaid convertible warrants allotted in terms of this resolution shall be subject to lock-in requirements as per the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009 and any amendment thereto from time to time."

**"RESOLVED FURTHER THAT** the aforesaid warrants shall be in accordance with the following terms and conditions:

- A warrant by itself shall not give to a warrant holder thereof, any rights of the shareholder of the company.
- In the event, the equity shares of the company are either sub-divided or consolidated before the conversion of the warrants into equity shares of the company, then the face value, the number of equity shares to be acquired on conversion of the warrants and the warrant issue price shall automatically stand adjusted in the same proportion, as the present value of the equity shares of the company bears, to the newly sub-divided / consolidated equity shares without affecting any right or obligation of the said warrant holders: and
- In the event the company's equity capital is affected or changed due to any other corporate actions such as a merger, demerger, consolidation of business, or other reorganization of the company, tender offer for equity shares of sale of undertaking, necessary adjustments with respect to the terms of the aforesaid warrants shall be made by the company and such other action as may be deemed necessary or appropriate by the Board shall be taken to reflect such corporate actions, including but without limitation, suitable adjustment of the warrant issue price, subject to necessary approvals.

**"RESOLVED FURTHER THAT** the Company does apply for listing of the resultant equity shares and does make an application to the Depositories for admission of the said new equity shares."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to such modification(s) and to resolve and settle all questions, difficulties or doubts that may arise in this regard to implementation of this Resolution, issue and allotment of convertible warrants and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."