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**SHYAM**  
TELECOM LTD

**Dated: 03<sup>rd</sup> October, 2017**

**Bombay Stock Exchange Ltd.**

Phiroz Jeejeebhoy Towers  
Dalal Street, Mumbai-400 001

**The National Stock Exchange of India Ltd.**

"Exchange Plaza", Bandra- Kurla Complex  
Bandra (E), Mumbai-400 051

Dear Sir(s),

**Sub: Annual Report for the financial year 2016-17**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the annual report of the company for the financial year 2016-17

Thanking You,

Yours Sincerely

For **SHYAM TELECOM LIMITED**  
**FOR SHYAM TELECOM LIMITED**

**SAURAY GOEL** COMPANY SECRETARY  
**COMPANY SECRETARY**

**Encl.: As above**

# SHYAM



**Shyam Telecom Limited**  
24th Annual Report 2017

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## DIRECTORS' REPORT

### Dear Members,

Your Directors have pleasure in presenting their Twenty Fourth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

### FINANCIAL SUMMARY

The Company's financial performance for the year under review alongwith previous year figures are given hereunder:

### FINANCIAL PERFORMANCE

(Rupees in Lakhs)

PARTICULARS	Financial Year	Financial Year
	2016-2017	2015-2016
Sales and Services	4,719.84	24,416.40
Profit/(Loss) before Tax and Exceptional Items	(215.76)	(842.08)
Exceptional Items	-	-
Profit/(Loss) Before Tax	(215.76)	(842.08)
Provisions for Income Tax		
- Current tax	-	-
- Deferred tax	7.92	(0.17)
Income tax/ Deferred Tax for earlier year	-	(42.59)
Profit/(Loss) After Tax	(223.68)	(799.32)

### OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

During the year under review your company has on standalone basis registered a turnover of Rs. 4,719.84 Lakhs. A net loss of Rs. 223.68 Lakhs has been made during this year as compared to net loss of Rs 799.32 Lakhs in the previous year. The year to year decrease in the turnover is 80.67%. The losses incurred are due to lower turnover causing insufficient margins to service the fixed cost.

Your Company is exploring other avenues for business and is in discussions/negotiations with various vendors including Binatone Electronics Private Limited being the prominent seller of various telecom products and equipments.

No other material changes and commitments affecting the financial position of the Company has occurred between April 1, 2017 and the date of signing of this Report.

### DIVIDEND

No Dividend was declared for the current financial year due to consistent losses incurred by the Company.

### SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANY

The Company had no Subsidiary, Associate or Joint Venture Company during the reporting period.

### PUBLIC DEPOSIT

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

### DIRECTORS AND KEY MANAGERIAL PERSONS

Mr. Rajiv Mehrotra, Director of the Company retires by rotation at the forthcoming Annual General Meeting. He is eligible for reappointment. In accordance with Section 152 of the Companies Act, 2013 and Regulation 36(3) of the SEBI (LODR) Regulations, 2015, the particulars of the Director are given in the annexure to the Notice convening the Annual General Meeting. The Directors recommend the reappointment of Mr. Rajiv Mehrotra as a Director on the Board.

All the Directors of the Company have confirmed that they are not disqualified from being staying on the Board of directors in terms of Section 164(2) of the Companies Act, 2013 and they have also submitted declaration to that effect.

The Company has received declaration from all the Independent Directors that they meet the criteria of Independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Independent Directors of the Company have submitted a declaration under Section 149(7) of the Companies Act, 2013 that each of them meet the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year.

## **BOARD ANNUAL EVALUATION**

In accordance with the applicable provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after circulating the drafts forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process. Performance Evaluation Policy is also posted on Company's Website.

## **FAMILIARISATION PROGRAMME MODULE**

The Familiarization Program Module for Independent Directors of the Company has been adopted by the Board of Directors. The Independent Directors were intimated and informed about the operational, financial, legal and secretarial aspects of the Company. The Familiarization Programme has been posted on the Company's Website.

## **VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The Company has established a Vigil Mechanism Programme for overseeing the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the employees.

Your Company believes in the conduct of the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. To develop a culture where it is safe for all Directors and Employees to raise genuine concerns or grievances, the Company established vigil mechanism for Directors and Employees in pursuance of Regulation 22 of SEBI (LODR) Regulations, 2015 and Section 177(9) of the Companies Act,

2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.

## **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Your Company has adopted under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. Details of constitution of the committee forms part of the policy and has been given in Corporate Governance Report.

The Company is committed to uphold and maintain the dignity of woman employees and it has in place a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. During the year no such complaints were received.

## **RISK MANAGEMENT POLICY AND RISK FACTORS & MITIGATION**

As per the requirements of Regulation 21 of SEBI (LODR) Regulations, 2015, your Company has constituted a Risk Management Committee to oversee the risk management efforts in the Company under the Chairmanship of Mr. Narendra Kumbhat, Independent Director. The details of the Committee along with its charter are set out in the Corporate Governance Report forming part of the Annual Report.

The Company has adopted the procedures in its Risk Management policy concerning the development and implementation of a Risk Management after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself.

To ensure that all current and future material risk exposure of company is identified and mitigated, the company has formulated the Risk Management Policy. The policy explains the risk pertaining to financing activities, dependence on distribution network, and their mitigation. The policy is available on the company website ([www.shyamtelecom.com](http://www.shyamtelecom.com)) and can be read from there.

The risks associated with the Company were mostly related to expansion/modernization plan along with utilizing distribution network with current financing activities. The Company is trying to create more avenues for sale of handsets to various other buyers. The company also follows conservative finance and

accounting policy and keeps regular check on various financial health parameter. Every quarter the risk analysis is reviewed by the Board of Directors.

### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the provision of Section 134(3)(c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief, confirm that:

- i) in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March 2017, the applicable Accounting Standards have been followed and there is no material departure from the same.
- ii) 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 the affairs of the Company at the end of financial year 2016-2017 and of the profit/ loss of the company for the year ended as on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in the accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the annual accounts have been prepared on a going concern basis.
- v) the directors had laid down internal financial controls which are followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

### **AUDITORS**

M/s. MEHRA GOEL & COMPANY, Chartered Accountants, the present statutory auditors, retire at the conclusion of the ensuing AGM. Pursuant to Section 139 of the Companies Act, 2013, the Company shall appoint / reappoint Statutory Auditors firm for 2 consecutive terms of 5 years each. M/s. MEHRA GOEL & COMPANY, Chartered Accountants, have been Statutory Auditors of the Company for more than 10 years and that the Company has to replace them post the ensuing AGM of the Company. The Board of Directors of the Company at its meeting

held on May 27, 2017 has recommended the appointment of M/s.V G M & Co. as the statutory auditors of the Company for a period of 5 years from the conclusion of ensuing 24th AGM till the conclusion of 29th AGM to be held in the year 2022, subject to approval of the Members of the Company. M/s V G M & Co. have confirmed their willingness and eligibility for appointment in accordance with Section 139 read with Section 141 of the Companies Act, 2013. Members are requested to consider the appointment of M/s V G M & Co. and authorize the Board of Directors to fix their remuneration.

### **AUDITORS REPORT**

The Auditor's Report presented by M/s. MEHRA GOEL & COMPANY, Chartered Accountants, the Statutory Auditors on the accounts of the Company for the financial year ended 31st March, 2017 is unqualified.

### **COST AUDITOR**

Your Board in view of the cessation of Manufacturing activity of the Company resolved and noted that non-applicability of Cost Audit provisions of the Company and hence decided not to recommend the appointment of cost auditor for the Financial year 2017-18.

### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as "Annexure – I" to this Report.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s A.N. Kukreja, a Practicing Company Secretary to conduct the Secretarial Audit of your Company. The Secretarial Audit Report in Form MR-3 is annexed herewith as "Annexure - II". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark..

### **PARTICULARS OF EMPLOYEES**

The Statement of Disclosure of Remuneration under Section 197(12) read with Section 134 of the Companies Act, 2013 and

Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules'), is appended as **Annexure III** to the Report..

### **RELATED PARTY TRANSACTIONS**

The details of the related party transactions as required under Accounting Standard - 18 are set out in Notes to the standalone financial statements forming part of this Annual Report. The Form AOC- 2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "**Annexure-IV**" to this Report.

### **PARTICULARS OF CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information relating to conservation of energy, as required under section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8 of The Companies (Accounts) Rules, 2014, is enclosed as **Annexure – V** and forms part of this Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report as **Annexure - VI**.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has set up CSR committee to facilitate its CSR related operations in compliance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014. The Company made various donations during the year.

### **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

Your Company has established and maintained adequate internal financial controls with respect to financial statements. Such controls have been designed to provide reasonable assurance with regard to providing reliable financial and operational information. During the year, such controls were operating effectively and no material weaknesses were observed.

### **SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS**

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

### **INDUSTRIAL RELATIONS**

The Company remains regularly in touch with each employee for the redressal of their grievances and maintains high quality standards for them. The industrial relations of your Company are normal.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)**

The Company has proper composition of the Board as mentioned below:

Mr. Rajiv Mehrotra	-	Chairman and Director
Mr. Ajay Khanna	-	Managing Director
Mr. Alok Tandon	-	Director
Mr. Arun Kumar Khanna	-	Director
Mr. Achintya Karati	-	Independent Director
Mr. Narendra Kumbhat	-	Independent Director
Mr. Vinod Juneja	-	Independent Director
Mr. C.S. Malhotra	-	Independent Director
Mrs. Nishi Sabharwal	-	Independent Women Director

The Company has following KMPs

Mr. Ajay Khanna	-	Managing Director
Mr. Gursharan Singh	-	Chief Executive Officer
Mr. Vinod Raina	-	Chief Financial Officer
Mr. Saurav Goel	-	Company Secretary & Compliance Officer

### **DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES**

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 19 of SEBI (LODR) 2015, the Company is having Nomination and Remuneration Policy framed on the recommendations of the Nomination and Remuneration

Committee for determining qualifications, positive attributes, independence of a director etc.

The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters have been outlined in the Corporate Governance Report which forms part of this Report.

### **NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE**

The details of the number of Board and Audit Committee meetings of your company are set out in the Corporate Governance Report which forms part of this Report.

### **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by the Securities and Exchange Board of India (SEBI). The Company has also implemented several best corporate governance practices as prevalent, globally. The Corporate Governance Report as stipulated under the Listing Regulations forms an integral part of this Report.

The requisite certificate from the Company's auditors confirming compliance with the conditions of corporate governance is attached to the Corporate Governance Report.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the

Companies (Meetings of Board and its Powers) Rules, 2014, for the financial year 2016-17 form part of the notes to the financial statements provided in this Annual Report.

### **COMPOSITION OF AUDIT COMMITTEE**

The composition of the Audit Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The information in respect of composition, scope, terms of reference, meetings etc. of Audit Committee forms part of the Corporate Governance Report.

The Board has accepted all recommendations made by the Audit Committee during the year.

### **ACKNOWLEDGEMENT**

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

On Behalf of the Board of Directors of  
**SHYAM TELECOM LIMITED**

Sd/-  
**AJAY KHANNA**  
Managing Director

Sd/-  
**NARENDRA KUMBHAT**  
Director

**PLACE:** NEW DELHI  
**DATE:** 4<sup>th</sup> August, 2017



# SHYAM TELECOM LIMITED

**Regd. Office:** MTS Tower, 3, Amrapali Circle, Vaishali Nagar,  
Jaipur 302021, Rajasthan, India

Ph.: 91-141-5100343, Fax: 91-141-5100310

CIN: L32202RJ1992PLC017750

e-mail id: investors@shyamtelecom.com, website: www.shyamtelecom.com

## FORM A

(Pursuant to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015)

1.	Name of the Company	Shyam Telecom Limited
2.	Annual Financial Statements for the year ended 31.03.2017	March 31,2017
3.	Type of Audit Observation	Matter of Emphasis
4.	Frequency of Observation	One observation repeated since 2014

For **SHYAM TELECOM LIMITED**

Sd/-  
**AJAY KHANNA**  
MANAGING DIRECTOR

For **SHYAM TELECOM LIMITED**

Sd/-  
**ACHINTYA KARATI**  
CHAIRMAN OF AUDIT COMMITTEE

For **SHYAM TELECOM LIMITED**

Sd/-  
**VINOD RAINA**  
CFO

For **MEHRA GOEL & COMPANY**  
CHARTERED ACCOUNTANTS  
REGN NO.000517N

Sd/-  
**AUDITOR**

## ANNEXURE-I TO THE DIRECTOR REPORT

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017  
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L32202RJ1992PLC017750
2.	Registration Date	03/07/1992
3.	Name of the Company	Shyam Telecom Limited
4.	Category/Sub-category of the Company	Public Company having Share Capital Limited by Shares
5.	Address of the Registered office & contact details	MTS Towers, 3, Amrapali Circle, Vaishali Nagar, Jaipur Rajasthan - 302021 Telephone with STD Area Code Number – 91-141-5100343 Fax No. – 91-141-5100310 Email address – <a href="mailto:investors@shyamtelecom.com">investors@shyamtelecom.com</a> / <a href="mailto:shyamtel1992@gmail.com">shyamtel1992@gmail.com</a> Website – <a href="http://www.shyamtelecom.com">www.shyamtelecom.com</a>
6.	Whether listed company	Yes Bombay Stock Exchange (BSE) (517411) The National Stock Exchange of India Limited (NSE) (SHYAMTEL)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Indus Portfolio Pvt. Ltd. G-65, Bali Nagar New Delhi-110015, India Email: <a href="mailto:rnt@indusinvest.com">rnt@indusinvest.com</a> / <a href="mailto:cs.anamika@indusinvest.com">cs.anamika@indusinvest.com</a> Ph.: 91-11-47671200, 47671214 Web: <a href="http://www.indusinvest.com">www.indusinvest.com</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
1.	Electricals or Electronic Machinery – Telecom	8517	100

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% shares held	Applicable Section
1.	No Subsidiary				

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	106,706	-	106,706	0.95%	106,706	-	106,706	0.95%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	7,152,482	-	7,152,482	63.46%	7,152,482	-	7,152,482	63.46%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>7,259,188</b>	-	<b>7,259,188</b>	<b>64.41%</b>	<b>7,259,188</b>	-	<b>7,259,188</b>	<b>64.41%</b>	<b>0.00%</b>
(2) <b>Foreign</b>									
a) NRI Individuals	204,295	-	204,295	1.81%	204,295	-	204,295	1.81%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	<b>204,295</b>	-	<b>204,295</b>	<b>1.81%</b>	<b>204,295</b>	-	<b>204,295</b>	<b>1.81%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	<b>7,463,483</b>	-	<b>7,463,483</b>	<b>66.22%</b>	<b>7,463,483</b>	-	<b>7,463,483</b>	<b>66.22%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	70	70	0.00%	-	70	70	0.00%	0.00%
b) Banks / FI	35	350	385	0.00%	35	350	385	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	35	-	35	0.00%	35	-	35	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	35	-	35	0.00%	35	-	35	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>105</b>	<b>420</b>	<b>525</b>	<b>0.00%</b>	<b>105</b>	<b>420</b>	<b>525</b>	<b>0.00%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	300,048	1,785	301,833	2.68%	210,719	1,785	212,504	1.89%	-29.60%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,184,401	27,926	2,212,327	19.63%	2,212,846	27,471	2,240,317	19.88%	1.27%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	630,607	-	630,607	5.60%	657,953	-	657,953	5.84%	4.34%
c) Others (specify)	14,105	-	14,105	0.13%	14,105	-	14,105	0.13%	0.00%
Non-Resident Indians	595,582	-	595,582	5.28%	586,879	-	586,879	5.21%	-1.46%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	7,533	-	7,533	0.07%	42,216	-	42,216	0.37%	460.41%
Clearing Houses	40,769	-	40,769	0.36%	48,706	-	48,706	0.43%	19.47%
Trusts	3,236	-	3,236	0.03%	3,312	-	3,312	0.03%	2.35%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>3,776,281</b>	<b>29,711</b>	<b>3,805,992</b>	<b>33.77%</b>	<b>3,776,736</b>	<b>29,256</b>	<b>3,805,992</b>	<b>33.77%</b>	<b>0.00%</b>
<b>Total Public (B)</b>	<b>3,776,386</b>	<b>30,131</b>	<b>3,806,517</b>	<b>33.78%</b>	<b>3,776,841</b>	<b>29,676</b>	<b>3,806,517</b>	<b>33.78%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00%			0.00%	0.00%	
<b>Grand Total (A+B+C)</b>	<b>11,239,869</b>	<b>30,131</b>	<b>11,270,000</b>	<b>100.00%</b>	<b>11,240,324</b>	<b>29,676</b>	<b>11,270,000</b>	<b>100.00%</b>	<b>0.00%</b>

**(b) Shareholding of Promoter**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Mehrotra Invofin India Private Limited	1,560,877	13.85%		1,560,877	13.85%		0.00%
2	Cellphone Credit & Securities India Private Limited	760,165	6.75%		760,165	6.75%		0.00%
3	Shyam Antenna Electronic Limited	700,000	6.21%		700,000	6.21%		0.00%
4	Intell Invofin India Private Limited	1,697,807	15.06%	94.24%	1,697,807	15.06%		0.00%
5	A T Invofin India Private Limited	809,890	7.19%	98.78%	809,890	7.19%		0.00%
6	Teletec Finsec India Private Limited	803,913	7.13%		803,913	7.13%		0.00%
7	Cellcap Invofin India Private Limited	818,081	7.26%	97.79%	818,081	7.26%		0.00%
8	Intercity Cables Systems Private Limited	1,749	0.02%		1,749	0.02%		0.00%
9	Mr. Arush Tandon	1,295	0.01%		1,295	0.01%		0.00%
10	Mr. Rajiv Mehrotra	52,605	0.47%		53,130	0.47%		1.00%
11	Mr. S S Puri	17,608	0.16%		17,608	0.16%		0.00%
12	Mr. Alok Tandon	17,570	0.16%		-	0.00%		-100.00%
13	Mrs. Tanu Arora	8,750	0.08%		8,750	0.08%		0.00%
14	Mr. Ajay Khanna	4,553	0.04%		4,553	0.04%		0.00%
15	Mr. K N Mehrotra	525	0.00%		-	0.00%		-100.00%
16	Mr. Arun Kumar Khanna	490	0.00%		490	0.00%		0.00%
17	Mrs. Renu Mehrotra	35	0.00%		35	0.00%		0.00%
18	Mr. Rakesh Kanwar	185,500	1.65%		185,500	1.65%		0.00%
19	Mrs. Shammi Khanna	17,500	0.16%		17,500	0.16%		0.00%
20	Mr. Akash Khanna	35	0.00%		35	0.00%		0.00%
21	Mr. Udit Mehrotra	35	0.00%		35	0.00%		0.00%
22	Mr. Ashish Paul	4,500	0.04%		4,500	0.04%		0.00%
23	Mrs. Swapna Tandon	-	0.00%		17,570	0.16%		100.00%
	Total	7,463,483	66.22%		7,463,483	66.22%		0.00%

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

S. No.	Particulars	Shareholding at the beginning of the Year (01.04.2016)		Date of change	Reason	Increase / Decrease in Shareholding Year		Cumulative Shareholding during the	
		No. of Shares	% of total shares			No. of Shares	% of total shares	No. of Shares	% of total shares
	At the beginning of the year from 01.04.2016	7,463,483	66.22%		-	-	0.00%	7,463,483	66.22%
	Date wise increase/ decrease in Promoters' Shareholding during the year specifying the reasons for increase / decrease								
1	Mr. K N Mehrotra	525	0.005%	12.05.2016	Due to Death of Promoter	(525.00)	-0.005%	-	0.000%
2	Mr. Rajiv Mehrotra	52,605	0.467%	12.05.2016	Due to Transmission of Shares owing to Death of Mr. KN Mehrotra	525.00	0.005%	53,130	0.471%
3	Mr. Alok Tandon	17,570	0.156%	29.03.2017	Transfer by way of gift to his wife Mrs. Swapna Tandon	(17,570.00)	-0.156%	-	0.000%
4	Mrs. Swapna Tandon	-	0.000%	29.03.2017	Acquisition by way of gift given by his Husband Mr. Alok Tandon	17,570.00	0.156%	17,570	0.156%

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

S. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Renu Ashok Bablani	215,080	1.91%	-	0.00%	215,080	1.91%
2	Mr. Sandeep Sharma	139,328	1.24%	(866)	-0.01%	138,462	1.23%
3	Mr. Madhvi Sharma	187,332	1.66%	-	0.00%	187,332	1.66%
4	Mr. Vrit Pal Sindhu	50,000	0.44%	-	0.00%	50,000	0.44%
5	Mr. Rajendra Malve	50,000	0.44%	(13,582)	-0.12%	36,418	0.32%
6	Mr. Rajesh Agrawal	45,982	0.41%	-	0.00%	45,982	0.41%
7	Mr. Sampatlal Jain	46,450	0.41%	-	0.00%	46,450	0.41%
8	Mr. Girish Kumar Sharda	44,000	0.39%	5,000	0.04%	49,000	0.43%
9	Mr. Girdhar Lal Sharda	30,700	0.27%	-	0.00%	30,700	0.27%
10	Ms. Vimladevi R Udernani	27,512	0.24%	-	0.00%	27,512	0.24%

**(e) Shareholding of Directors and Key Managerial Personnel:**

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2016)		Increase / Decrease in Shareholding		Shareholding at the end of the year (31.03.2017)	
		No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Rajiv Mehrotra	52,605	0.47%	525	0.00%	53,130	0.47%
2	Mr. Alok Tandon	17,570	0.16%	(17,570)	-0.16%	-	0.00%
3	Mr. Ajay Khanna	4,553	0.04%	-	0.00%	4,553	0.04%
4	Mr. Arun Kumar Khanna	490	0.00%	-	0.00%	490	0.00%
5	Mr. Achintya Karati	-	0.00%	-	0.00%	-	0.00%
6	Mr. Narendra Kumbhat	-	0.00%	-	0.00%	-	0.00%
7	Mr. Vinod Kumar Anand Juneja	402	0.00%	-	0.00%	402	0.00%
8	Mr. Chander Sain Malhotra	-	0.00%	-	0.00%	-	0.00%
9	Mrs. Nishi Arora Sabharwal	35	0.00%	-	0.00%	35	0.00%
10	Mr. Gursharan Singh	-	0.00%	-	0.00%	-	0.00%
11	Mr. Vinod Raina	-	0.00%	-	0.00%	-	0.00%
12	Mr. Dharmender Dhingra	-	0.00%	-	0.00%	-	0.00%

**V. INDEBTEDNESS** Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	25.23	-	-	25.23
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.18	-	-	0.18
<b>Total (i+ii+iii)</b>	<b>25.41</b>	<b>-</b>	<b>-</b>	<b>25.41</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	7.16	-	-	7.16
Net Change	(7.16)	-	-	(7.16)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	18.12	-	-	18.12
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.13	-	-	0.13
<b>Total (i+ii+iii)</b> (Mentioned in Note No. 4 and 7 of the Financial Statements)	<b>18.25</b>	<b>-</b>	<b>-</b>	<b>18.25</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakhs)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Mr. Ajay Khanna		
	Designation	Managing Director		
1	Gross salary	-	13.15	13.15
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	13.15	13.15
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify (PF Contribution)	-	1.44	1.44
	<b>Total (A)</b>		-	<b>14.59</b>
	Ceiling as per the Act			

B. Remuneration to other Directors

(Rs. in Lakhs)

S. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Achintya Karati	Mr. Narendra Kumbhat	Mr. C S Malhotra	Mr. Vinod Juneja	Mrs. Nishi Sabharwal	
1	Independent Directors						
	Fee for attending Board / Committee meetings	0.46	0.46	0.46	0.33	0.31	2.02
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	0.46	0.46	0.46	0.33	0.31	2.02
2	Other Non-Executive Directors						-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>	<b>0.33</b>	<b>0.31</b>	<b>2.02</b>
	Total Managerial Remuneration						2.02
	Overall Ceiling as per the Act						

**Note:** Fees for attending Board/Committee meetings includes fees for attending both Board Meetings & Committee Meetings.

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs. in Lakhs)

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Mr. Gursharan Singh	Mr. Vinod Raina	Mr. Dharmendra Dhingra	
	Name	Mr. Gursharan Singh	Mr. Vinod Raina	Mr. Dharmendra Dhingra	
	Designation	CEO	CFO	CS	
1	Gross salary	11.28	18.05	12.00	41.33
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.28	18.05	12.00	41.33
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify (PF Contribution)	0.72	1.15	0.77	2.64
	Total	12.00	19.20	12.77	43.97

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
Penalty					
Punishment					
Compounding					

No penalties/punishment/compounding of offences were levied under the Companies Act, 2013.

On Behalf of the Board of Directors of  
**SHYAM TELECOM LIMITED**

Sd/-  
**AJAY KHANNA**  
Managing Director

Sd/-  
**NARENDRA KUMBHAT**  
Director

PLACE: NEW DELHI

DATE: 4<sup>th</sup> August, 2017



## ANNEXURE II TO THE DIRECTORS' REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

To,  
**The Members of  
Shyam Telecom Limited.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shyam Telecom Limited (CIN: L32202RJ2002PLC017750)** (hereinafter called the Company). Secretarial 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 Shyam Telecom Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended on 31<sup>st</sup> March, 2017** complied with 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.

- I. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Shyam Telecom Limited for the financial year ended on **31<sup>st</sup> March, 2017** 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, Overseas Direct Investment and External Commercial Borrowings.\*
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
    - (d) 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;
    - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009\*;
    - (f) The Securities Exchange Board of India (Share Based Employee Benefits) Regulations) 2014\*;
    - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008\*;
    - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009\*; and

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998\*:

\*The Foreign Exchange Management Act, 1999 listed at sub-para (iv) and SEBI Regulations listed at sub-para (v) Serial Nos. (e), (f), (g), (h) and (i) are not applicable for 2016-17 as there were no corporate decisions/actions attracting these regulations.

- vi. The Other Laws applicable specifically to the Company are:

- (a) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- (b) Employees Provident Funds and Miscellaneous Provisions Act, 1952; and other applicable labour and general laws;

- 2. We have also examined the compliances with the applicable Regulations/Standards of the following:

- i. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the listing agreements with the Bombay Stock Exchange Limited and the National Stock Exchange of India Ltd.
- ii. The Secretarial Standards issued by the Institute of Company Secretaries of India

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

- 4. We further report that:

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, a Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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 for meaningful participation at the meeting.
- iii. Majority decision is carried through while dissenting members' views are captured and recorded as part of the minutes.

- 5. 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.

- 6. We further report that during the audit period, no major decisions having a bearing on Company's affairs in pursuance of the above referred laws, rules/regulations were taken by the members.

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

**For A.N. Kukreja & Co  
Company Secretaries**

**Sd/-  
(A.N. Kukreja)  
Proprietor  
FCS 1070; CP 2318**

Place: New Delhi  
Date: 8<sup>th</sup> June, 2017

**To,  
The Members of  
Shyam Telecom Limited**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted practices in India, we have neither come across any instance of fraud on or by the Company, nor the Company has noticed and reported any such case during the year and accordingly the Company has not informed us of any such case.

**For A.N. Kukreja & Co.  
Company Secretaries**

**Sd/-  
A.N. Kukreja  
(Proprietor)  
FCS 1070; CP 2318**

Place: New Delhi  
Date: 8<sup>th</sup> June, 2017

## ANNEXURE III TO DIRECTORS' REPORT

### PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

**1. Ratio of remuneration of each Director to the Median remuneration of all the employees of your Company for the Financial Year 2016-17.**

Median remuneration of all the employees of your Company for the Financial Year 2016-17.	1,76,222
Percentage increase in the median remuneration of all employees in the financial year 2016-17	NA
Number of permanent employees on the rolls of the company as on 31 <sup>st</sup> March, 2017	40
Ratio of remuneration of Mr. Ajay Khanna, Managing Director to the Median remuneration of all the employees of your Company for the Financial Year 2016-17.	8.28:1

**Notes:**

- The aforesaid details are calculated on the basis of remuneration for the financial year 2016-17.
- The remuneration to Director includes sitting fees, if any, paid to him for the financial year 2016-17

**2. Details of percentage increase in the remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO) & Company Secretary in the financial year 2016-17 - Nil**

There has been no increase in the remuneration of any Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO) & Company Secretary.

**3. Number of permanent employees on the rolls of the company as on 31st March, 2017: 40**

**4. Comparison of the remuneration of the key managerial personnel against the performance of your company:**

The Company has incurred losses as the turnover of the company has also reduced by 80.67 % in comparison to the last year. The Company is paying the same remuneration as paid in the preceding year.

**5. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: 1:1.32**

**6. Affirmation** - Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

**7. Key parameters for the variable component of remuneration paid to the Directors:** The variable component depends on the performance parameters as approved by the Nomination and Remuneration Committee of the Board.

**For and on Behalf of the Board of Directors**

Place: Delhi  
Date: 4<sup>th</sup> August, 2017

Sd/-  
**AJAY KHANNA**  
Managing Director

Sd/-  
**NARENDRA KUMBHAT**  
Director

## ANNEXURE IV TO DIRECTORS' REPORT

### FORM NO.AOC -2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Sistema Shyam Teleservices Limited	Sale of Goods and Services	2016-17	1,157.48 Lakhs	28.05.2016	NIL
Think of Us India Private Limited	Sale of Goods and Services	2016-17	23.14 Lakhs	28.05.2016	NIL
Think of Technologies Private Limited	Sale of Goods and Services	2016-17	70.08 Lakhs	-	NIL
Vihaan Networks Limited	Sale of Goods and Services	2016-17	155.55 Lakhs	28.05.2016	NIL
Shyam Communications Systems	Rent	2016-17	13.00 Lakhs	28.05.2016	NIL

(Note - Figures taken from Note No. 30 under the head "Other Notes to Accounts" in the Financial Statements given with this Annual Report)

For and on Behalf of the Board of Directors

Place: Delhi  
Date: 4<sup>th</sup> August, 2017

Sd/-  
**AJAY KHANNA**  
Managing Director

Sd/-  
**NARENDRA KUMBHAT**  
Director

## ANNEXURE V TO DIRECTORS' REPORT

**STATEMENT OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO IN ACCORDANCE WITH THE COMPANIES (ACCOUNTS) RULES, 2014 ARE GIVEN HEREIN BELOW:**

### CONSERVATION OF ENERGY

- The Company ensures that the use of water is effective via prevention of wastage, water efficient appliances, low-flow toilets, and high-efficiency urinals.
- All the management personnel's and employees support our these endeavours by unplugging switches and putting them in off mode at the end of the day.

### TECHNOLOGY ABSORPTION

- Smart metering and Internet technologies to provide real-time data on energy use for the purposes of lighting company uses effective bulbs/tubelights which save energy and are put to off mode when not in use.
- Computer systems are updated on continuous basis as they consume far less energy than an old desktop. Regular Meetings are held with the employees to educate them in saving the power.

We strive for that blend of high volume manufacturing and technical expertise while ensuring use of highly qualified and experienced personnel

### TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

Efforts toward technology absorption.	The Company has in-house manufacturing facility which results in technology absorption..
Benefits derived as result of the above efforts, e.g. product improvement, cost of reduction, product development, import substitution, etc.	As the trading volume has been steady company has been able to keep the benefits derived in previous years in continuation form.
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) The details of technology imported. (b) the year of import (c) whether the technology been fully absorbed? (d) if not fully absorbed, areas where absorption has not taken place, and the reason thereof.	NIL

### FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year 2016-17, your Company's foreign exchange earnings were Rs. 145.06 lakhs as against Rs. 117.02 lakhs during the financial year 2015-16 depicting an increase in the Foreign Exchange earnings which is also mentioned in Note No. 36A under the head "Other Notes to Accounts" in the Financial Statements given with this Annual Report.

**For and on Behalf of the Board of Directors**

Place: Delhi  
Date: 4<sup>th</sup> August, 2017

Sd/-  
**AJAY KHANNA**  
Managing Director

Sd/-  
**NARENDRA KUMBHAT**  
Director

## ANNEXURE VI TO DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is as under:

#### INDUSTRY AND INDIAN TELECOM SECTOR

Telecom Sector has assumed the position of an essential infrastructure for socioeconomic development in an increasingly knowledge-intensive world. The reach of telecom services to all regions of the country has become an integral part of an innovative and technologically-driven society. Studies have shown a positive correlation of the Internet and Mobile Services on growth of the GDP of a country. As a result of sustainable measures taken by the Government over the years, the Indian Telecom Sector has grown exponentially and has become the second largest network in the world, next only to China.

According to a report by leading research firm Market Research Store, the Indian telecommunication services market will likely grow by 10.3 per cent year-on-year to reach US\$ 103.9 billion by 2020.

According to the Ericsson Mobility Report India, smartphone subscriptions in India is expected to increase four-fold to 810 million users by 2021, while the total smartphone traffic is expected to grow seventeen-fold to 4.2 Exabytes (EB) per month by 2021.

Swedish telecom equipment maker Ericsson has announced the introduction of a new radio system in the Indian market, which will provide the necessary infrastructure required by mobile companies in order to provide Fifth-Generation (5G) services in future.

American Tower Corporation, a New York Stock Exchange-listed mobile infrastructure firm, has acquired 51 per cent stake in telecom tower company Viom Networks in a deal worth Rs 7,635 crore (US\$ 1.14 billion).

With daily increasing subscriber base, there have been a lot of investments and developments in the sector. The industry has attracted FDI worth US\$ 23.92 billion during the period April 2000 to December 2016, according to the data released by Department of Industrial Policy and Promotion (DIPP).

India's telecommunications market is expected to experience further growth, fuelled by increased non-voice revenues and higher penetration in rural market. The emergence of an affluent middle class is triggering demand for the mobile and internet segments. Strong policy support from the government has been crucial to the sector's development. Foreign Direct Investment (FDI) cap in the telecom sector has been increased to 100 per cent from 74 per cent.

#### GOVERNMENT INITIATIVES

- The Ministry of Communications & Information Technology has launched Twitter Sewa, an online communications platform for registration and resolution of user complaints in the telecommunications and postal sectors.
- The Ministry of Skill Development and Entrepreneurship (MSDE) signed a Memorandum of Understanding (MoU) with DoT to develop and implement National Action Plan for Skill Development in Telecom Sector, with an objective of fulfilling skilled manpower requirement and providing employment and entrepreneurship opportunities in the sector.
- The Government of India has liberalised the payment terms for spectrum auctions by allowing two options of payments to telecom companies for acquiring the right to use spectrum, which include upfront payment and payment in instalments.

#### PERFORMANCE

Your Company was an Authorised Dealer to buy and sell Telecom Devices which are compatible with the Telecom service provided by the Operator. Further your Company had been providing support services to Telecom Operator including Sistema Shyam Teleservices Limited. The Company is trying to create more avenues to increase the revenues of the Company. However, the Company suffered a negative impact due to demerger of service business of Sistema Shyam Teleservices Limited and merging the same with Reliance Communications Limited.

#### OPPORTUNITIES AND THREATS

The opportunities observed are based on the trends noticed in the past couple of years, which continues to be relevant: Some of the key ones are mentioned below:

Opportunities	Threats
Digitization	Growing Competition
Regional Markets	Constant Upgradation of Technology
Fast Growing Asian Market	Foreign Exchange Rate Changes

## ROAD AHEAD

India will emerge as a leading player in the virtual world by having 700 million internet users of the 4.7 billion global users by 2025, as per a Microsoft report. With the government's favourable regulation policies and 4G services hitting the market, the Indian telecommunication sector is expected to witness fast growth in the next few years. The Government of India also plans to auction the 5G spectrum in bands like 3,300 MHz and 3,400 MHz to promote initiatives like Internet of Things (IoT), machine-to-machine communications, instant high definition video transfer as well as its Smart Cities initiative. From the company's perspective Shyam Telecom Limited is in discussion with various vendors including Binatone Electronic International Limited, being the major player of the market. The Company is hoping for better future prospects.

## RISKS AND CONCERNS

Shyam Telecom Limited actively stimulates entrepreneurship throughout the organization and encourages its people to identify and seize opportunities. The current economic environment, in combination with significant growth ambitions, carries with it an evolving set of risks. We recognize that these risks need to be managed to protect customers, employees, shareholders and other stakeholders, to achieve business objectives and enable sustainable growth. Risk and opportunity management is therefore a key element of the overall strategy. This section provides an overview of the key strategic risks, risk and control framework, and its approach to risk management.

The Company has adopted the procedures in its Risk Management policy concerning the development and implementation of a Risk Management after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself.

To ensure that all current and future material risk exposure of company is identified and mitigated the company has formulated Risk Management Policy. The policy explains the risk pertaining to financing activities, dependence on distribution network, and their mitigation. The policy is available on the company website and can be read from there.

## RISK FACTORS & MITIGATION

The risks associated with the Company were mostly related to expansion/modernization plan along with utilizing distribution network with current financing activities. The Company is trying to create more avenues for sale of telecom equipments/devices to various other buyers so that dependence on one buyer could be reduced. The company also follows conservative finance and accounting policy and keeps regular check on various financial health parameters.

## SNAPSHOT OF KEY RISKS AND ITS MITIGATION STRATEGY

S. NO.	KEY RISK	MITIGATION STRATEGY
1	Technology Risks – The world of technology is fast changing with disruptions across industries. Any material change in components can make its business less preferred	Our Company is well focused on modernization and technology upgradation.
2	Foreign Exchange Risks – The Company is exposed to Foreign Exchange Rates and Interest Rates	Our Company is well established to service financial risk and facilitates its growth objectives.
3	Product Risks - Lack of understanding of parameters leads to delay and/or improper launching of product resulting in delay	The Company has planned schedules for launching of new products in the market which is an ongoing process
4	Human Resources Risks – the Company has many operations which require skilled Human Resources. Non-availability of the talent may impact Business	The Company has an internal assessment and training program for developing the skills of the existing workforce. Also, the Company does recruitment and training on regular basis.

## HUMAN RESOURCES

Every Company is dependent on the quality of workforce. The Board places on record its appreciation for the dedicated services rendered by the employees for the smooth functioning of the Company. During the year under review, Company continued with its focus on training and development of its employees. The Company believes in retaining the best talent, clearly defining their roles and responsibilities



## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company is following a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorized use of disposition. Further all transactions entered into by the company are duly authorized and recorded correctly. M/s. Padam Dinesh & Company, Chartered Accountants were working as the Internal Auditors of the Company till 2016-17 and has been reappointed for the financial year 2017-18.

## INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year such controls were tested and no reportable material weakness in the design or operations were observed. The company has policies and procedures 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 timely preparation of reliable financial information.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The details of the financial performance of your Company are reflected in the Balance Sheet, Profit & Loss Account and other Financial Statements, appearing separately. Highlights are provided below:

PARTICULARS	(Rs. in Lakhs)	
	Financial Year 2016-2017	Financial Year 2015-2016
Sales and Services	4,719.84	24,416.40
Profit before Tax and Exceptional Items	(215.76)	(842.08)
Exceptional Items	-	-
Profit Before Tax	(215.76)	(842.08)
Provisions for Income Tax		
- Current tax	-	-
- Deferred tax	7.92	(0.17)
Income tax/ Deferred Tax for earlier year	-	(42.59)
Profit After Tax	(223.68)	(799.32)

During the year under review your company has on standalone basis registered a turnover of Rs. 4,719.84 Lakhs. A net loss of Rs. 223.68 Lakhs has been made during this year as compared to net loss of Rs 799.32 Lakhs in the previous year. The year to year decrease in the turnover is 80.67%.

## CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw material costs and availability, changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other factors.

**For and on Behalf of the Board of Directors**

Place: Delhi  
Date: 4<sup>th</sup> August, 2017

**Sd/-**  
**AJAY KHANNA**  
Managing Director

**Sd/-**  
**NARENDRA KUMBHAT**  
Director

## CORPORATE GOVERNANCE REPORT

### I. OVERVIEW

#### a) Company's Philosophy on Corporate Governance

Corporate Governance philosophy at Shyam Telecom Limited is to comply not only with the statutory requirements, but also voluntarily formulate and adhere to a set of strong Corporate Governance practices. We believe that sound Corporate Governance is critical to enhance stakeholder's trust. The responsibility for putting the recommendations into practice lies directly with the Board of Directors and the Management of the Company. Our Corporate Governance is a reflection of the policies and culture of the Company. Your Company has followed the highest standards of Corporate Governance as an ethical requisite rather than a regulatory necessity.

The Company's goal is to find proactive and productive ways of keeping its stakeholders/investors informed, while fulfilling the role of a responsible corporate committed to best practices. A majority of the Board (five out of nine) are Independent Directors. The Board independence and the transparency has been part of Company's commitment towards transparency. The Board's actions and decisions are aligned with the Company's best interests. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness.

#### b) Corporate Governance Fact Sheet

Size of Board (members)	9
Number of Independent Directors	5
Board Performance Appraisal	Yes
Separate Chairman and CEO	Yes
Fully Independent Audit Committee	Yes
Nomination & Remuneration Committee	Yes
Number of Board Meetings Held in FY 2016-17	4
Secretarial Audit	Yes
Code of Conduct for Directors & Senior Management	Yes

#### c) Role of the Company Secretary in overall Governance Process

The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

#### d) Rights of Shareholders

The Corporate Governance framework of the company protects and facilitates the exercise of shareholders rights. The company ensures equitable treatment of all shareholders, including minority and foreign shareholders. Corporate governance framework is cognizant of the economic peculiarities of the sector, promotes market integrity and growth, and underscores market transparency and efficiency and serves the public interest. Corporate governance practices are based on the rule of law.

#### **Basic rights of the Shareholders of the Company include the following:**

- a. Freely convey or transfer shares subject to applicable law;
- b. Obtain relevant and material information about the company on a timely and regular basis, subject to any laws or principles of confidentiality;
- c. Participate and vote in general meetings of shareholders;

- d. Elect and remove members of the Board; and many others unstated rights which they have acquired through their association with the Company;
- e. Right to participate in, and to be sufficiently informed on, decisions concerning fundamental/material corporate changes;
- f. Amendments to the statutes and/or articles of incorporation or other governing documents of the company;
- g. To make their views known on the remuneration policy for Board members and key executives and the equity component of compensation schemes for Board members and employees and many others unstated rights which they have acquired through their association with the Company;

**e) Disclosure and Transparency**

Members of the Board and key executives are required to disclose to the Board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the company. All material information in relation to the company is to be disclosed subject to considerations of confidentiality.

**Disclosure includes but is not limited to the following:**

- The financial and operating results of the company;
- Company objectives;
- Major share ownership and voting rights;
- Remuneration policy for members of the Board and key executives;
- Information about members of the Board and the KMP, including qualifications, shareholding in the company, other company directorships and whether they are regarded as independent by the Board;
- Related party transactions;
- The necessary approvals are sought from the appropriate authority and transactions are carried out as per the set rules as approved.

**Responsibilities of the Board**

The Company is headed by an effective Board whose principal focus is on optimizing shareholder value. The Board is the focal point of the corporate governance system and is ultimately accountable and responsible for the performance and affairs of the company. The Board of Directors of the company meet regularly else they act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company and the stakeholders. The Board decisions reflect that they treat all shareholders fairly. Board training and certification is always encouraged by the Company. The Board fulfills following key functions, including

- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans;
- Setting performance objectives; monitoring implementation and corporate performance; developing and approving management policies and overseeing major capital expenditures, acquisitions and divestitures;
- Monitoring the effectiveness of the company's governance practices and making changes as needed;

**2. BOARD OF DIRECTORS**

**a. Composition of Board of Directors**

The Board comprises of an Executive Director and eight Non-Executive Directors of whom five are Independent Directors. The Chairman of the Board is a Non-Executive Director. In compliance with the Listing Agreement more than half of the Board comprises of Independent Directors. All the members of the Board are highly experienced professionals drawn from the field of Business, Finance and Public Enterprises. Necessary resolutions for the appointment/re-appointment of the aforesaid directors have been included in the notice convening the ensuing AGM and details of the proposal for appointment/re-appointment are mentioned in the explanatory statement of the notice.

S. No.	Name of the Director	Category	Number of outside Directorships held as on 31.03.2017	Number of Outside Committee Positions held	
				Member	Chairman
1	Mr. Rajiv Mehrotra	Chairman & Director	10	-	-
2	Mr. Ajay Khanna	Managing Director	9	2	-
3	Mr. Alok Tandon	Director	9	1	-
4	Mr. Achintya Karati	Independent Director	10	9	1
5	Mr. Vinod Juneja	Independent Director	6	3	-
6	Mr. C.S. Malhotra	Independent Director	-	-	-
7	Mr. Narendra Khumbat	Independent Director	8	-	2
8	Mrs. Nishi Arora Sabharwal	Independent Director	4	3	-
9	Mr. Arun Khanna	Director	1	-	-

**Notes:**

- As per the requirement of SEBI (LODR) Regulations, 2015, the above disclosure includes membership/chairpersonship of the Audit Committee and Stakeholder's Relationship Committee of Public (Both Listed and Unlisted) Company.
- "Number of outside Directorships held" includes both Public as well as Private Limited Companies
- None of the Directors is a member of more than ten committees or acts as a Chairman of more than five committees across all companies in which he is a Director.
- Mr. Ajay Khanna & Mr. Arun Khanna are related to each other as brothers

**b. Shareholding of Directors (Including Non-Executive Directors) as on 31st March, 2017**

Name of Director	No. of Shares held
Mr. Rajiv Mehrotra	53,130
Mr. Ajay Khanna	4,553
Mr. Alok Tandon	NIL
Mr. Achintya Karati	NIL
Mr. Vinod Juneja	402
Mr. C.S. Malhotra	NIL
Mr. Narendra Kumbhat	NIL
Mr. Arun Khanna	490
Mrs. Nishi Sabharwal	35

**c. Non-Executive Directors' - Compensation and Disclosures**

Only sitting fees has been paid to the Independent Non-Executive Directors for attending Board/Committees Meetings. The Company does not pay any other remuneration to them besides sitting fees. Appropriate records are maintained in respect of the payment made to them.

**d. Attendance of each Director at the Board Meetings and at the last Annual General Meeting**

During the financial year 2016-2017, 4 (four) meetings of the Board of Directors were held on the following dates:

- 28<sup>th</sup> May, 2016
- 9<sup>th</sup> August, 2016
- 9<sup>th</sup> November, 2016
- 7<sup>th</sup> February, 2017

The attendance of each Director at Board Meeting and at the last Annual General Meeting is as under:

S. No.	Name of the Director	Number of Board Meeting attended	Attended AGM
1	Mr. Rajiv Mehrotra	1	N
2	Mr. Ajay Khanna	4	Y
3	Mr. Alok Tandon	1	Y
4	Mr. Achintya Karati	4	Y
5	Mr. Vinod Juneja	3	N
6	Mr. C.S. Malhotra	4	Y
7	Mr. Narendra Kumbhat	4	Y
8	Mrs Nishi Arora Sabharwal	4	Y
9	Mr. Arun Khanna	4	Y

#### e. Independent Directors

The Companies Act 2013 and the rules thereunder and SEBI (LODR) Regulation 2015 prescribes an 'independent director' as a person who is not a promoter or employee or any of the key managerial personnel of the company or its subsidiaries not having any material pecuniary relationship or transactions with the company or its subsidiaries apart from receiving remuneration only by way of sitting fees for participation in the Board.

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

#### Meeting of Independent Director

The Independent Directors of the Company held a meeting on 7<sup>th</sup> February, 2017 without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- Reviewed the performance of Non-Independent Directors and the Board as a whole.
- Reviewed the performance of the Chairperson of the Company.
- Assessed the quality, quantity and timeliness of flow of information between the company management and board of directors that is necessary for the board to effectively and reasonably perform its duties

#### 3. COMMITTEES OF THE BOARD

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and SEBI (LODR) Regulation 2015. The minutes of Committee meetings are tabled at the Board meetings and the Chairperson of each Committee briefs the members of the Board on the important deliberations and decisions of the respective Committees. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013.

In compliance with SEBI (LODR), 2015, the Board has constituted the following committees:

- Audit Committee
- Stakeholder Relationship Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- Corporate Social Responsibility Committee
- Internal Complaints Committee

#### a. Audit Committee

##### Composition of Committee

The Committee comprises of five Non-Executive Directors of whom four are Independent Directors. The Chairman of the Committee is an Independent Director. The Company Secretary, acts as the Secretary of the Committee. All the members are well versed with Accounting and Financial Knowledge.

Name of the Member	Category	Designation
Mr. Achintya Karati	Independent Director	Chairman
Mr. Vinod Juneja	Independent Director	Member
Mr. C.S. Malhotra	Independent Director	Member
Mr. Narendra Kumbhat	Independent Director	Member
Mr. Arun Khanna	Non-Executive Director	Member

##### Audit Committee Meetings

During the financial year 2016-2017, the Committee met four times on the following dates:

- 28<sup>th</sup> May, 2016
- 9<sup>th</sup> August, 2016
- 9<sup>th</sup> November, 2016
- 7<sup>th</sup> February, 2017

Attendance of each member at the Audit Committee Meeting Held during the Year 2016-2017

Name of the Member	Number of Meetings Attended
Mr. Achintya Karati	4
Mr. Vinod Juneja	3
Mr. C.S. Malhotra	4
Mr. Narendra Kumbhat	4
Mr. Arun Khanna	4

The Chairman of Audit Committee Mr. Achintya Karati was present in the meeting to answer the queries of Shareholders.

##### Role and Powers of the Audit Committee

The role and powers of the Audit Committee are as per provisions of Section 177 of the Companies Act, 2013 and guidelines set out in the listing Agreement.

The Audit Committee shall have powers, which should include the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee shall play the following role:

- Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of Auditors of the company and the fixation of audit fees and tenure of appointment.
- Examining the annual financial statements and Auditors report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (5) of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Qualifications in the draft audit report.
  - g. Disclosure of any Related Party Transactions.
- Approval or any subsequent modified of transactions of the company with related parties.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing and monitoring 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- Review and monitor the Auditor's independence and performance, and effectiveness of Audit process
- 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.
- Discussion with internal auditors regarding any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Scrutiny of inter-corporate loans and investments,
- Valuation of undertakings or assets of the Company, wherever it is necessary,
- Valuation of internal financial controls and risk management systems
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### **Brief Description of the Terms of Reference-**

- Ensuring compliance with accounting standards. Scrutiny of inter-Corporate Loans and Investments,
- Valuation of undertakings or assets of the Company, wherever it is necessary,
- Valuation of internal financial controls and risk management systems
- The integrity of the company's statements;
- The company's compliance with legal and statutory requirements;
- The Independent Auditor's qualifications and independence;

- The performance of the company's Internal Audit function and Independent Auditors and
- The appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.

#### Review of Information by Audit Committee

The "Audit Committee" shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit & Finance Committee) submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal auditor/Internal Auditor shall be subject to review by the Audit & Finance Committee.

#### b. Stakeholder Relationship Committee

##### Composition of Committee

The Company has constituted Stakeholder's relationship committee as per the requirement of SEBI (LODR) Regulation, 2015. The Committee has two members i.e. Mr. Arun Khanna, Non-Executive Director is the Chairman of the committee, Mr. Narendra Kumbhat, member of the committee and Mr. Dharmender Dhingra, Vice President (Legal) & Company Secretary Acts as the compliance officer of the committee:

Name of the Member	Category	Designation
Mr. Arun Khanna	Non-Executive Director	Chairman
Mr. Narendra Kumbhat	Independent Director	Member
*Mr. Dharmender Dhingra	Vice President (Legal) & Company Secretary	Compliance Officer

**\* Mr. Dharmender Dhingra, the Vice President (Legal) and Company Secretary of the Company was expired on 29<sup>th</sup> March, 2017 and Mr. Saurav Goel has been appointed as a Company Secretary (Compliance Officer) as well as member of the Stakeholder Relationship Committee w.e.f. 10<sup>th</sup> May, 2017.**

The name of 'Shareholders'/Investors' Grievance Committee' was changed to 'Stakeholders Relationship Committee' vide its Board Meeting held on 13th November, 2013. The Stakeholder Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and

compliance with the Company's Code of Conduct for prohibition of Insider Trading.

During the Financial year 2016-2017, the committee met 14 times.

#### Brief Description of Terms of Reference

The committee looks after the following matters:

- To approve applications for transfer, transmission, transposition of shares and mutation of share certificates including issue of duplicate certificates, split, sub-division or consolidation of certificates and to deal with all related matters.
- To look into and redress the Shareholders / investors grievances relating to:
  - Transfer of shares;
  - Non-receipt of dividends;
  - Non-receipt of annual reports;
  - Any other complaint concerning the Shareholders / investors; and
  - Oversee the performance of the Registrars and Share Transfer Agents of the Company.
- Such other matters as may from time to time be required by any statutory or regulatory authority to be attended by the committee;

#### Details of Queries/ Complaints Received and Solved during the Financial Year 2016-2017

Name of Queries/ Complaints	Solved (No.'s)	Received (No.'s)	Pending (No.'s)
Non- receipt of Share Certificates	Nil	Nil	Nil
Number of request for change of address	Nil	Nil	Nil
Number of request for Transfer	Nil	Nil	Nil
Issue of Duplicate Share Certificates	Nil	Nil	Nil
Non-receipt of Dividend Warrants	1	1	Nil
Revalidation of Dividend Warrants	Nil	Nil	Nil
Non-receipt of Annual Report	1	1	Nil
Others	Nil	Nil	Nil
	<b>02</b>	<b>02</b>	<b>Nil</b>

All complaints, suggestions and grievances are addressed expeditiously and sent/ issues resolved as a rule within 15 days.

The company has complied with submissions of its response to the queries/ clarification sought by the Stock Exchanges on various market related information like for updating their records, etc. from time to time. These responses have not been included in the above list.

Registrar and Transfer Agent does Share Transfer Works and as on 31st March, 2017, no complaints were pending.

### c. Nomination and Remuneration Committee

#### Composition of Committee

The committee comprises of three Independent Directors, the details are as follows:

Name of the Member	Category	Designation
Mr. Achintya Karati	Independent Director	Chairman
Mr. C.S. Malhotra	Independent Director	Member
Mr. Narendra Kumbhat	Independent Director	Member

The name of Remuneration Committee was changed to 'Nomination and Remuneration Committee' (NR Committee) vide its Board Meeting held on 13th November, 2013. The NR Committee is primarily responsible to review all matters connected with the Remuneration. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The Nomination Remuneration policy formulated by the Committee provides level and composition of remuneration to be paid to the Managing Director, Whole-Time Director(s), Non-Executive Director(s), KMP's, Senior Management Personnel and other employees which shall be reasonable and sufficient to attract, retain and motivate directors, KMP's, Senior Management and other employees of the company. The remuneration also involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The Committee also reviewed the performance of the Board on the basis of criteria as provided in the performance evaluation policy.

There was one meeting held on 07.02.2017 during the year.

#### TERMS OF REFERENCE

The Committee looks after the following matters:

- Identify persons who are qualified to become Director and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Directors' performance.
- 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.
- Determine/ review on behalf of Board of Directors of the Company the compensation package, service agreements and other employment conditions for Managing/Whole Time Director(s).
- Determine on behalf of the Board of Directors of the Company the quantum of annual increments/incentives on the basis of performance of the Key Managerial Personnel.
- Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company.

- Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.
- Consider other matters, as from time to time be referred to it by the Board.

#### Details of Remuneration to all Directors

##### Remuneration to Executive/ Non-Executive Directors

As per Section 197 of the Companies Act, 2013 if in any financial year, a company has no profits, the company shall not pay its directors, including any managing or whole-time director or manager, by way of remuneration any sum except in compliance of schedule V of Companies Act, 2013. The Company is paying the remuneration in compliance of the schedule V of Companies Act, 2013.

The remuneration to following Directors is as per the details set out below:

Name of Director	Designation	Salary	(Rs. in Lakhs)	
			Other Perquisites*	Total **
Mr. Ajay Khanna	Managing Director	12.00	1.15	13.15.

(\* all benefits as per Company rules)

(\*\* Does not include PF Contribution)

##### Details of remuneration to Non- Executive Independent Directors

Non-Executive Independent Directors are entitled to sitting fees only for attending the Board and Committees Meeting. The Company does not pay any other remuneration to them besides sitting fees. Appropriate records are maintained in respect of the payment made to them.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters are provided in the Nomination Remuneration Policy

Sitting fee paid to Independent Directors:

S. No.	Name of Director	Designation	Amount
1	Mr. Achintya Karati	Independent Director	46,000
2	Mr. Narendra Kumbhat	Independent Director	46,000
3	Mr. C S Malhotra	Independent Director	46,000
4	Mr. Vinod Juneja	Independent Director	33,000
5	Mrs. Nishi Sabharwal	Independent Director	31,000
		<b>Total</b>	<b>2,02,000</b>

All the pecuniary relationship or transaction of the Non-Executive Directors vis-a-vis the Company, if any, have been disclosed in the Financial Statements of the Company for the year ended 31st March, 2017. The copy of such disclosure is also forms part of this report.



#### d. Risk Management Committee

##### Composition of Committee

The committee comprises of three members, the details are as follows:

Name of the Member	Category	Designation
Mr. Narendra Kumbhat	Independent Director	Chairman
Mr. C.S. Malhotra	Independent Director	Member
Mr. Achintya Karati	Independent Director	Member

The Company has adopted the procedures for mitigating Risk in its Risk Management policy concerning the development and implementation of Risk Management after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself.

The Committee is charged with the responsibility to ensure that all current and future material risk exposure of company are identified and mitigated through the Risk Management Policy.

There was one meeting held on 07.02.2017 during the year.

#### e. Corporate Social Responsibility Committee

The Company has always been a Good Corporate Citizen and has always supported noble causes to help the people of the Country and its neighbors'. We have philanthropy activities running through tie ups with NGO have contributed during the time of National Disasters. We have constituted a "Corporate Social Responsibility Committee" (CSR) of the Board.

##### Composition of Committee

The committee comprises of three Independent Directors, the details are as follows:

Name of the Member	Category	Designation
Mr. Achintya Karati	Independent Director	Chairman
Mr. C.S. Malhotra	Independent Director	Member
Mr. Narendra Kumbhat	Independent Director	Member

##### Power and Functions:

- To formulate and update the vision, strategy and execution of Corporate Social Responsibility (CSR) programs for the Company
- To oversee the Company's integrated CSR program.
- To ensure that the CSR program is integrated and applied consistently throughout the organization
- To identify and recommend program enhancements that will increase effectiveness and overall improvement in company performance and image.
- To apprise the Board/President regularly of the accomplishments and issues/concerns related to the integrated CSR program.

- To undertake special projects or activities which the Board/Chairman or the Committee considers necessary, and perform other tasks or duties as may be requested or delegated by the Board or the President

There was one meeting held on 07.02.2017 during the year.

#### f. Internal Complaints Committee

Your Company recognizes its responsibility and continues to provide a safe working environment for Women free from sexual harassment and discrimination. Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the Internal Committee had been which is given below:

Name of Member	Designation
Mrs. Yogita Mathur	Chairman
Mrs. Ranjana Raina	Member
Mrs. Nishi Sabharwal	Member

There was one meeting held on 07.02.2017 during the year.

### 4. General Body Meetings

#### a. Details of last three Annual General Meetings

AGM	Year	Day & Date	Time	Venue	Special Resolution Passed
23 <sup>rd</sup> Annual General	2016	Thursday 29th September, 2016	11.30 A. M.	Hotel Hilton, Plot No. 42, Geejgarh House, Hawa Sadak Road, Jaipur – 302006	<ul style="list-style-type: none"> <li>● To approve the Borrowing Powers to the Board under section 180 (1) (c).</li> <li>● To approve transactions with Sistema Shyam Teleservices Ltd, Vihaan Networks Ltd and Think of Us private limited</li> </ul>
22 <sup>nd</sup> Annual General Meeting	2015	Tuesday 29th September, 2015	11.30 A. M.	Hotel Hilton, Plot No. 42, Geejgarh House, Hawa Sadak Road, Jaipur – 302006	<ul style="list-style-type: none"> <li>● To approve the Borrowing Powers to the Board under section 180 (1) (c).</li> <li>● To approve transactions with Sistema Shyam Teleservices Ltd, Vihaan Networks Ltd and Think of Us Private Ltd.</li> </ul>
21 <sup>st</sup> Annual General Meeting 2014	2014	Tuesday 30th September, 2014	11.00 A. M.	Hotel Hilton, Plot No. 42, Geejgarh House, Hawa Sadak Road, Jaipur – 302006	<ul style="list-style-type: none"> <li>● Adoption of new Article of Associations of the Company in conformity with Companies Act, 2013</li> <li>● Authorization to the Board to Mortgage/ Creation of charge on properties of the Company for securing loan and financial assistance.</li> </ul>

**b. POSTAL BALLOT**

There has been no resolution passed through Postal Ballot during the year 2016-2017.

**5. DISCLOSURES**

**a. Materially Significant Related Party Transactions -**

All the disclosure in the related party transactions are made in other Notes to the Accounts No. 30 to the Balance Sheet.

**b. Whistle Blower Policy** – Pursuant to Section 177(9) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 the Company has formulated the whistle blower policy for vigil mechanism for directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against the victimization of employees and directors who uses such mechanism and makes provision to direct access to the chairperson of the audit committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

**c. Disclosure of Accounting Treatment** - All the financial statements made are as per the Accounting Standards, given by the Institute of Chartered Accountants of India (ICAI). The financial statements present true and fair view of underlying business transactions.

**d. Risk Management** - The Company has laid down the various procedures to inform Board members about the risk involved in the business, its assessment and its minimization.

**e. Prevention of Insider Trading** - The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. All Directors and the designated employees have confirmed compliance with the Code. The certification is provided below:

**TO WHOMSOEVER IT MAY CONCERN**

It is hereby affirmed that there has been due compliance of SEBI (Prohibition of Insider Trading) Amendment Regulation 1992 by all the Directors of the Board and Senior Management Executives for the period commencing 1st April, 2016 to 31st March, 2017.

On Behalf of the Board of Directors of

**Sd/-**

**Gursharan Singh**  
Chief Executive Officer  
Delhi, August 04, 2017

**f. Proceeds from public issue, right issue, preferential issue etc.** - No proceeds has been made through public, right or preferential issue.

**g. Details of non-compliance by the company, penalties, etc.** - The Company has complied with the requirement of regulatory authorities of capital markets and no penalties/strictures have been imposed against it in the last three years.

**h. Subsidiary Company** - The Company had no subsidiary during the reporting period.

**6. MEANS OF COMMUNICATION**

**a. Quarterly Results**

Quarterly Results along with the notes are normally published in one English newspaper (Business Standard) and one vernacular language newspaper (Jalte Deep) and also informed to all Stock Exchanges where the shares of the Company are listed.

**b. Website/ Investors Grievance ID**

The results and official news are displayed on the company's website viz. [www.shyamtelecom.com](http://www.shyamtelecom.com). Further the investor Grievance ID as per Listing Agreement for investor's queries has been generated on the company's website which is [investors@shyamtelecom.com](mailto:investors@shyamtelecom.com). The Annual Report is also posted on the website.

The weblink of the policies is as such:

<http://www.shyamtelecom.com/about/investor-relations/>

Following policies have been posted on the website:

- Code of Ethics
- Code of Conduct- Insider Trading
- Familiarization Programme Module
- Nomination Remuneration Policy
- Performance Evaluation Policy
- Related Party Transaction Policy
- Risk Management Policy
- Sexual Harassment Policy
- Preservation of Records Policy
- Determining Materiality and Archival of Disclosures Policy

**c. Chairman's Communique:**

The printed copy of the Chairman's speech shall be distributed to the Shareholders at the ensuing Annual General Meetings. The document shall also be placed on the Company's website.

**d. NSE Electronic Application Processing System (NEAPS) & BSE Online Portal:**

The Company submits to NSE all disclosures and intimations through NEAPS portal. Similar filings are made to BSE on their online Portal - BSE Corporate Compliance & Listing Centre.

**e. SEBI Complaints Redress System (SCORES)**

It is a centralized web – based complaints redress system processed for investors complaints. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the Company.

**7. GENERAL SHAREHOLDERS INFORMATION**

**a. 24<sup>th</sup> Annual General Meeting**

Date	29 <sup>th</sup> September, 2017, Friday
Time	12.00 Noon
Venue	Hotel Sarovar Portico, Plot No. 90, Prince Road, Queens Road, Vaishali Nagar, Jaipur-302021, Rajasthan (INDIA)

**b. Financial Calendar/Year**

The Company follows financial year from 1st April to 31st March each year.

Financial Reporting for	Tentative Board Meeting Schedule (subject to change)
Quarter ending June 30, 2017	First Fortnight of August, 2017
Half Year ending Sep. 30, 2017	First Fortnight of Nov. 2017
Quarter ending Dec.31, 2017	First Fortnight of Feb. 2018
Year ending March 31, 2018	Second Fortnight of May, 2018

**c. Date of Book Closure/Record Date**

The Books shall be closed from 26.09.2017 to 29.09.2017 (both days inclusive)

**d. Dividend Payment Date**

The Company has not declared dividend for the financial year ending 31st March 2017.

**e. Listing on Stock Exchanges**

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

Name & Address of the Stock Exchanges	Stock Code/ Scrip Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	517411
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	SHYAMTEL
<b>ISIN Number(Dematerialized share)</b>	INE635A01023

**f. Market Price Data**

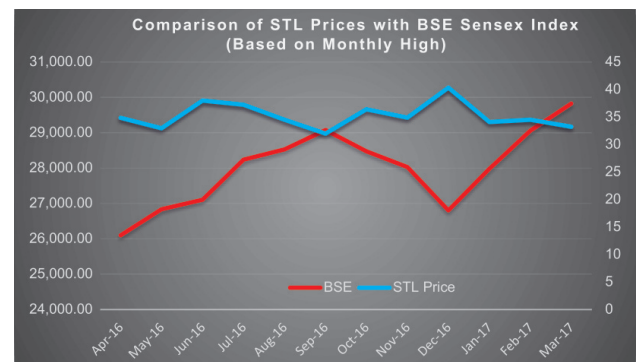
High, Low for each month during the financial year 2016-2017 signifying the performance of the company's equity shares is given in the chart below:

Month	BSE		Month	NSE	
	High	Low		High	Low
Apr 16	34.85	30.70	Apr 16	33.90	30.10
May 16	32.95	28.00	May 16	32.90	28.00
June 16	38.00	27.20	June 16	37.70	28.15
July 16	37.25	29.00	July 16	36.35	30.45
Aug 16	34.50	29.80	Aug 16	33.70	29.25
Sept 16	32.00	27.55	Sept 16	32.90	28.50
Oct 16	36.40	29.50	Oct 16	36.40	29.50
Nov 16	34.90	26.05	Nov 16	33.00	26.25
Dec 16	40.35	28.15	Dec 16	40.25	28.15
Jan 17	34.10	31.00	Jan 17	33.95	30.80
Feb 17	34.50	30.20	Feb 17	34.25	29.80
Mar 17	33.25	26.55	Mar 17	33.00	29.30

(Source - This information is compiled from the data available on the website of BSE and NSE)

**g. Performance in comparison to broad based indices such as BSE Sensex Index etc.**

The performance of the Company's Share Price with BSE Sensex Index is given in the Chart below:



**h. Details of Share Price and Market Capitalization:**

The details of variation in the market capitalization and price earnings ratio as at the closing date of the current and previous financial years are as follows:

	BSE			NSE		
	As on 31st March, 2017	As on 31st March, 2016	Increase/ (Decrease) (%)	As on 31st March, 2017	As on 31st March, 2016	Increase/ (Decrease) (%)
Market Price (High)	29.35	32.00	(8.28) %	29.40	32.90	(10.64) %
Market Capitalization (in Cr)	33.07745	36.064	(8.28) %	33.1338	37.0783	(10.64) %

(Source - This information is compiled from the data available on the website of BSE and NSE)

**i. Comparison of Share Price at the time of first public offer and market price of the share of 31st March, 2017:**

Market Price as on 31st March, 2017 (BSE High)	Rs. 29.35
Price at the time of initial public offer in (converted to price of each share for face value of 1 each)	Rs. 10.00
% increase of Market price over the price at the time of initial public offer	193.50%

**j. Registrar and Transfer Agents**

Share transfer work in Physical as well as Demat mode is done by the company's Registrar and Transfer Agent: Indus Portfolio Private Limited  
G-65, Bali Nagar, New Delhi- 110015.  
Ph.: 91-11-47671200, 47671214  
Fax: 91-11-25449863  
Email: [rnt@indusinvest.com](mailto:rnt@indusinvest.com) / [cs.anamika@indusinvest.com](mailto:cs.anamika@indusinvest.com)  
Web: [www.indusinvest.com](http://www.indusinvest.com)

**k. Share Transfer System**

Physical Share Transfer is registered and returned within a period of 15 days of receipt, if the documents are correct and valid in all respects. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under SEBI (LODR) Regulations, 2015 and files a copy of the said certificate with Stock Exchanges.

**l. Distribution of Shareholding:**

Distribution of shareholding as on 31st March, 2017 is as follows:

Number of Shares	No. of Shareholders	% of Total Shareholders	No. of Shares held	% of Total Equity
Up to 100	9075	72.55	366706	3.25
101-500	2527	20.20	623895	5.54
501-1000	450	3.60	367562	3.26
1001-5000	345	2.76	739920	6.57
5001-10000	52	0.42	384035	3.41
10001-20000	36	0.29	523275	4.64
20001-30000	4	0.03	98603	0.87
30001-40000	2	0.02	67118	0.60
40001-50000	4	0.03	191432	1.70
50001-100000	3	0.02	240197	2.13
100001-500000	3	0.02	516524	4.58
500001 and above	7	0.06	7150733	63.45
<b>Total</b>	<b>12508</b>	<b>100.00</b>	<b>11270000</b>	<b>100.00</b>

**m. Categories of Shareholders as on 31st March, 2017**

Shareholder's Category	Holding	Percentage of Holding
Promoter's Relatives and Association	7463483	66.224
Bodies Corporate (Domestic)	212539	01.886
Banks & Financial Institutions	385	00.003
Mutual Funds	70	00.001
Foreign Institutional Investors	NIL	00.000
Non-Resident Indians & overseas	586914	05.208
Corporate Bodies		
Resident Individuals	2898270	25.717
Any Other (Clearing House, Clearing Member, Trust, unclaimed)	108339	00.961
<b>Total</b>	<b>11270000</b>	<b>100.00</b>

**n. Shareholding with more than One Percent Holding as on 31st March, 2017**

Shareholder's Category	Shares	%
Intell InvoFin India Private Limited	16,97,807	15.06
Mehrotra InvoFin India Private Limited	15,60,877	13.85
Cellcap InvoFin India Private Limited	8,18,081	7.26
A T InvoFin Private limited	8,09,890	7.19
Teletec Finsec India Private Limited	8,03,913	7.13
Cellphone Credit & Securities India Pvt. Limited	7,60,165	6.75
Shyam Antenna Electronic Limited	7,00,000	6.21
Renu Ashok Bablani	2,15,080	1.91
Madhvi Sharma	1,87,332	1.66
Rakesh Kanwar	1,85,500	1.65
Sandeep Sharma	1,38,462	1.23

**o. Dematerialization of Shares and Liquidity**

The Securities and Exchange Board of India (SEBI) mandated compulsory trading in shares of the Company by all investors in electronic form. As on 31st March 2017, 1,12,40,324 shares of the company held by shareholders are in dematerialized form, aggregating to 99.74 % of the equity share capital. With this the problem associated with the physical delivery will now be reduced to a large extent

**p. Outstanding ADRs/GDRs/Warrants/ any Convertible Instruments which have likely impact on equity**

The company has no outstanding ADRs/ GDRs/ Warrants/ any convertible instruments which have likely impact on its equity.

**q. Investor Query/ Address for correspondence**

The Company Secretary  
Shyam Telecom Limited,  
A-60, Naraina Industrial Area,  
Phase-I, New Delhi-110028 INDIA  
Telephone No: +91 11 4141 1070-72  
Fax No: +91 11 2579 2194

**r. Brief Resume of the Director proposed to be re-appointed: Mr. Rajiv Mehrotra**

Date of Birth	5 <sup>th</sup> August, 1954
Date of Appointment	03 <sup>rd</sup> July, 1992
Qualification	Electronics Engineer

**Mr. Rajiv Mehrotra is the Chairman & Director of the Company.** "Mr. Rajiv Mehrotra, a telecom industry veteran and serial entrepreneur, is the founder and Chairman of the Company, India's leading diversified telecommunications group. In a career spanning over 40 years, he has many firsts to his credit. In 1974, as a young electronics engineer, he pioneered the manufacture of satellite TVRO systems that brought cable TV to millions in India. He then launched Shyam Telecom Private Limited - a global name in mobile coverage solutions, Hexacom (GSM services) and Shyam Telelink (now Sistema Shyam

Teleservices Limited), His efforts established Essel Shyam as the leading name in VSAT services in India. In 2004, he launched Vihaan Networks Ltd. (VNL) with the dream of connecting the billions of unconnected across the world using sustainable technology to deliver affordable mobile and broadband services. Under his guidance, VNL has won extensive international acclaim for innovation and is the only Indian company today that manufactures and exports its own end-to-end mobile infrastructure solutions to countries in Asia, Africa and Latin America. An active industry spokesperson, he is a passionate advocate for India's indigenous telecom R&D and manufacturing."

#### Other Directorships (Public Companies)

S.No.	Name of the Company
1.	Vihaan Networks Ltd.
2.	Shyam Antenna Electronic Ltd.
3.	Sistema Shyam Teleservices Ltd.
4.	Shyam Networks Ltd.

#### s. Disclosure with respect to Demat Suspense Account / Unclaimed Suspense Account

Particulars	No. of Shareholders	Shares
In the Beginning of the Year	256	14,105
No. of shareholder appeared during the year	Nil	Nil
No. of Shareholders to whom shares transfer	Nil	Nil
Balance at the end of the Year	256	14,105

**Remarks:** All the voting rights in shares held in the unclaimed Suspense Account are frozen till the rightful owner of such shares claim the shares.

#### 8. CEO & CFO CERTIFICATION

The Chief Executive Officer and Chief Financial Officer of the Company give annual certification of financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The annual certificate given by the Chief Executive Officer and Chief Financial Officer is published in this Report.

**Date: 27.05.2017**

To,  
The Board of Directors  
Shyam Telecom Limited

**CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) ON THE FINANCIAL STATEMENT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

We, Gursharan Singh, CEO, & Vinod Raina, CFO, of the Company honestly and ethically, hereby certify and affirm that as on & up to the date of this certificate, there has been due compliance of Accounting Standards and other related provisions as laid down by the company, in pursuance to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

We, heading & discharging the finance function, hereby certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2017 and that to the best of our knowledge and belief:
  1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. They have indicated to the auditors and the Audit committee
  1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**Sd/-  
GURSHARAN SINGH  
(CEO)**

**Sd/-  
VINOD RAINA  
(CFO)**

**9. ANNUAL DECLARATION BY CEO ON ADHERENCE TO THE STL CODE OF CONDUCT**

**DECLARATION IN TERMS OF SCHEDULE V (D) OF SEBI (LODR) REGULATIONS, 2015 – CODE OF CONDUCT**

**TO WHOMSOEVER IT MAY CONCERN**

It is hereby affirmed that the Company has adopted a comprehensive Code of Conduct for its Board Members and Senior Management Executives and the said Code is available on the Company's Website.

**For and on behalf of the Board of Directors**

**Sd/-  
Gursharan Singh  
Chief Executive Officer  
Delhi**

**10. ACKNOWLEDGEMENT**

The Board wishes to place on records its-sincere appreciation for the continued assistance and support extended to the Company by its Bankers, Vendors, Government Authorities and Employees.

Your directors acknowledge with gratitude the encouragement and support extended by our valued Shareholders.

On Behalf of the Board of Directors of

**SHYAM TELECOM LIMITED**

**Sd/-  
AJAY KHANNA  
Managing Director**

**Sd/-  
NARENDRA KUMBHAT  
Director**

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members  
**Shyam Telecom Limited**

### INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement with Shyam Telecom Limited ('the Company').
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### MANAGEMENTS' RESPONSIBILITY

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Mehra Goel & Co.**  
**Chartered Accountants**  
**FRN – 000517N**

**Sd/-**  
**Nitish Kumar Chugh**  
**(Partner)**  
**M. No. 512742**

Place: New Delhi  
**Date: 04/08/2017**



*Padam Dinesh & Co.*  
Chartered Accountants  
11/6-B, IInd Floor, Shanti Chambers,  
Pusa Road, New Delhi - 110 005

No'1560/2017-18  
The Board of Directors  
Shyam Telecom Ltd  
A -60 Naraina Industrial Area, Phase - I  
New Delhi – 110028

Dated: 25.05.2017

Dear Sirs,

**Subject: Internal Auditor's Report for the year ended on 31<sup>st</sup> March, 2017**

1. We have carried out internal audit of the company for the year ended mentioned in the subject. Internal audit has been done in terms of our appointment made by the Board of Directors of the company.
2. We have audited the systems, processes and internal controls of the company wrt various line items of its financial statements. The operation of these systems processes and controls are the responsibility of the company's management. Our responsibility is to express an opinion on the weaknesses in internal controls, risk management and governance framework, highlighting any exceptions and cases of non compliance, and suggest improvements in the design and operation of controls based on our internal audit.
3. Internal audit was conducted in accordance with generally accepted audit procedures as applicable in India. It was planned and performed to obtain reasonable assurance whether the systems, procedures and controls operate efficiently and effectively and financial information is free of material misstatement.
4. Internal audit includes a) examining on test basis, evidences to support the amounts and disclosures in financial statements; b) assessing the strength, design and operating effectiveness of internal controls at process level and identifying areas of control weakness, and vulnerability in the system and procedures adopted by the entity; c) assessing the accounting principles and estimates used in the preparation of the financial statements; and d) evaluating the overall entity-wide risk management and governance framework.



5. We have applied sampling method to test the controls and details. The depth and sample size is ascertained based on risk assessment using our professional judgment. The method of sample selection is based on systematic selection. We have also applied risk assessment procedures and analytical Procedures at the planning and overall review stages of internal audit.
6. Risk assessment procedures are performed to obtain an understanding of the entity and its environment including its internal control, to identify and assess the risk of material misstatement. Analytical procedures are the analysis of significant ratios and trends including the resulting investigation of fluctuations, and relationships in both the financial and non financial data. The choice of procedures, methods and level of application is a matter of internal auditor's professional judgment which do not include complex analyses using advanced statistical techniques.
7. **Significant observations and findings during the period**  
- NIL -
8. The internal auditor's report is intended for use by the Board of Directors including the audit committee of the Board and may also be required and referred by the statutory auditors of the company. This report is not intended to be used for any other purpose or distributed to any other parties.

**For Padam Dinesh & Co  
Chartered Accountants**

**Sd/-  
CA Rakesh Aggarwal  
Partner  
M'No. -084226**

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF SHYAM TELECOM LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SHYAM TELECOM LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

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

### Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit/(loss) and its cash flows for the year ended on that date.

### EMPHASIS OF MATTER

We draw attention to the note no. 24, which describe the uncertainty to the matter mentioned:

The Department of Telecommunications, Ministry of Communication, Government of India, had invited the tenders from the Indian Companies to provide basic telephony services. The Company Shyam Telelink Networks Ltd. (India) (STNL) along with ARM Ltd. and other parties entered into an MOU to jointly participate in the tenders through STNL. The parties entered into an agreement from which ARM Ltd. withdrew and the parties agreed for buying the shares of ARM Ltd. for a consideration of Rs 10 Crores. The same was partly effected but STNL did not pay the balance amount alleging fraud by ARM Ltd. The matter which was under arbitration by a sole arbitrator who was replaced by the Hon'ble Supreme Court of India (which was approached by the Company by way of an SLP), which vide its order dated 29th Aug, 2012 appointed a different Sole arbitrator.

The arbitrator vide his order dated 24th Jan, 2014 has directed the company to pay ARM Ltd. Rs 11.50 Crores along with interest of Rs 17.41 Crores totaling Rs. 28.91 Crores on account of payout. The interest shall be payable upto the date of payment. In addition to the

above he has further awarded USD 5,00,000 at the conversion rate prevailing on 24.01.2014 plus interest @ 9% p.a. from the date of award till the date of payment which comes to Rs. 4.00 crore and Rs 20 Lakhs payable to ARM Ltd as arbitration Cost.

The company has filed an application under section 34 of the Arbitration and Conciliation Act, 1996 against the said order before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court has issued notice in the said application (which has the effect of stay on the award), and the matter is presently sub-judice before the Hon'ble Delhi High Court. As per the legal opinion produced to us by the Company, the company expects to win the case and hence no provision for the liability has been considered in the accounts. The outstanding amount has been included under Contingent Liabilities.

Our opinion is not qualified in respect of the above matter.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account ;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such control ,refer to our separate report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 has disclosed the impact of pending litigations on its financial position in its financial statements — Refer Note 24 to the financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses. Refer Note 26 to the financial statements..
    - iii. There was no amount which was required to be transferred to Investor Education and Protection Fund by the Company.
    - iv. The company has provided requisite disclosures in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8<sup>th</sup> November,2016 to 30<sup>th</sup> December 2016 and based on audit procedures and relying on the management representation we report that the disclosures as Referred in note no 34 to the financial statement, are in accordance with the books of account maintained by the Company and as produced by the management.

For **MEHRA GOEL & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 000517N

Sd/-  
**R.K.MEHRA**  
PARTNER  
M.No. 6102

**PLACE:** NEW DELHI  
**DATED:** 27<sup>th</sup> May, 2017

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of fixed assets:
  - a. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The fixed assets covering significant value have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. On the basis of the information and explanations given by the management, no material discrepancies have been noticed on such verification
  - c. The title deeds of immovable properties are held in the name of the company
- ii. In respect of inventory:
  - a. The inventory of the Company in its possession has been physically verified by the management at reasonable intervals. Stocks in the possession and custody of third parties and stocks-in-transit as on March 31, 2017, have been verified by the management with reference to confirmations or statements of account or correspondence of the third parties or subsequent receipt of goods. In our opinion the frequency of verification is reasonable.
  - b. The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has generally maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and these have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion and according to information and explanations given to us, the Company has not given any loan, made any investment, given any guarantee, or provided and securities covered under section 185 and 186 of the Companies Act, 2013 during the year.
- v. In our opinion and according to information and explanation given to us, the Company has not accepted any deposits covered under Section 73 or any other provisions of the Companies Act, 2013.
- vi. As per information and explanations given to us, the company is not required to maintain cost records as prescribed under Companies Act, 2013 Accordingly the provisions of the Clause vi of the order are not applicable to the Company.
- vii.
  - a. According to records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2017 for a period more than six months from the date of becoming payable.
  - b. According to the information and explanations given to us, there were no dues in respect of Income Tax, Duty of Excise, Duty of Customs, Cess, Sales Tax, Service Tax, Value Added Tax and Wealth Tax which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of the Dues	Period to which the amount pertains	Amount (Rs. in lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Assessment Year 2007-2008	44.87	ITAT
Income Tax Act, 1961	Income Tax	Assessment Year 2008-2009	23.17	ITAT
Income Tax Act, 1961	Income Tax	Assessment Year 2009-2010	30.73	ITAT
Income Tax Act, 1961	Income Tax	Assessment Year 2011-2012	74.41	CIT(Appeals)
Income Tax Act, 1961	Income Tax	Assessment Year 2012-2013	93.51	CIT(Appeals)
Income Tax Act, 1961	Income Tax	Assessment Year 2013-2014	113.07	CIT(Appeals)
Income Tax Act, 1961	Income Tax	Assessment Year 2014-2015	96.41	CIT(Appeals)
UPVAT Act	VAT	FY 2011-12 FY 2012-13	57.59 16.62	Assistant Commissioner Grade 2 (Appeals)
Karnataka VAT	VAT	FY 2010-11	192.78	Jt. Commissioner of Commercial Tax Appeals (5)
Maharashtra VAT	VAT	FY 2012-13	33.27	Jt. Commissioner of sales tax Appeals, Raigad Div., Navi Mumbai
Uttarakhand VAT	VAT	FY 2012-13	6.12	Jt. Commissioner (appeals) Commercial Tax, Dehradun.

- viii. The Company has not issued any debentures and has not borrowed any fund from financial institutions. The company has not defaulted in repayment of dues to the bank.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The company is primarily engaged in manufacturing and Trading of Telecommunication equipment and accessories. Debtors and advances to suppliers balances are related to the telecommunication business. So the company is not required to be registered under Section 145-IA of the Reserve Bank Of India Act, 1934.

## **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of Shyam Telecom Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MEHRA GOEL & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 000517N

**PLACE:** NEW DELHI  
**DATED:** 27<sup>th</sup> May, 2017

Sd/-  
**R.K.MEHRA**  
PARTNER  
M.No. 6102

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2017

	NOTE	AS AT 31-Mar-2017 (Rs. In Lacs)	AS AT 31-Mar-2016 (Rs. In Lacs)
<b>I EQUITY AND LIABILITIES</b>			
<b>1) SHAREHOLDER'S FUNDS</b>			
a) Share Capital	2	1,127.00	1,127.00
b) Reserves and Surplus	3	(734.77)	(511.09)
<b>2) NON-CURRENT LIABILITIES</b>			
a) Long Term Borrowings	4	10.75	18.12
b) Long Term Provisions	5	12.97	20.55
<b>3) CURRENT LIABILITIES</b>			
a) Trade Payables	6	1,093.16	4,771.21
b) Other Current Liabilities	7	3,707.58	3,981.55
c) Short Term Provisions	8	4.59	14.57
<b>TOTAL</b>		<b>5,221.28</b>	<b>9,421.91</b>
<b>II ASSETS</b>			
<b>1) NON-CURRENT ASSETS</b>			
a) <b>FIXED ASSETS</b>	9		
i) Tangible Assets		341.83	421.92
<b>NET BLOCK</b>		<b>341.83</b>	<b>421.92</b>
b) Non-Current Investment	10	0.33	0.33
c) Deferred Tax Assests (Net)	11	6.15	14.07
d) Long-Term Loans and Advances	12	285.63	306.05
e) Other non-Current Assets	13	57.03	42.86
<b>2) CURRENT ASSETS</b>			
a) Inventories	14	161.47	3,403.55
b) Current Investment	15	548.86	345.83
c) Trade Receivables	16	54.82	764.37
d) Cash & Bank Balances	17	411.09	670.59
e) Short-Term Loans and Advances	18	3,354.07	3,452.34
<b>TOTAL</b>		<b>5,221.28</b>	<b>9,421.91</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	I		
<b>OTHER NOTES TO ACCOUNTS</b>	24 To 36		

As per our report of even date attached  
For **MEHRA GOEL & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No.000517N

**R.K. MEHRA**  
Partner  
M.No. 6102

**RAJIV MEHROTRA**  
Chairman & Director

**AJAY KHANNA**  
Managing Director

**DATED** : 27th May, 2017  
**PLACE** : New Delhi

**GURSHARAN SINGH**  
Chief Executive Officer

**VINOD RAINA**  
Chief Financial Officer

**SAURAV GOEL**  
Company Secretary

## STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017

	NOTE	YEAR ENDED 31-Mar-2017 (Rs. In Lacs)	YEAR ENDED 31-Mar-2016 (Rs. In Lacs)
<b>Revenue From Operations</b>			
Sale of Goods		4,035.32	23,212.75
Repair & Maintenance Service (Income)		21.25	-
Sale of Services		335.70	1,012.15
<b>Gross Revenue From Operations</b>		<b>4,392.27</b>	<b>24,224.90</b>
Other Income	19	327.57	60.99
<b>TOTAL REVENUE</b>		<b>4,719.84</b>	<b>24,285.89</b>
<b>EXPENSES</b>			
Purchases of Traded Goods		790.82	19,009.04
Changes in Inventory of Stock in Trade	20	3,242.08	4,179.34
Employee Benefits	21	253.99	362.57
Finance Cost	22	2.21	3.33
Other Expenses	23	553.90	1,023.19
		<b>4,843.00</b>	<b>24,577.47</b>
<b>PROFIT/(LOSS) BEFORE DEPRECIATION, EXTRA ORDINARY ITEMS &amp; TAX</b>		<b>(123.16)</b>	<b>(291.58)</b>
Less : Depreciation		35.71	41.10
<b>PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS &amp; TAX</b>		<b>(158.87)</b>	<b>(332.68)</b>
Exceptional Items		-	-
Prior Period Expenses		-	-
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(158.87)</b>	<b>(332.68)</b>
Tax Expenses:			
- Current Tax		-	-
- Deferred Tax		7.92	(0.17)
Income Tax/ Deferred Tax For Earlier Year		-	(42.59)
<b>LOSS AFTER TAX FOR THE YEAR FROM CONTINUING OPERATION (A)</b>		<b>(166.79)</b>	<b>(289.92)</b>
<b>DISCONTINUING OPERATION</b>	28		
LOSS BEFORE TAX FROM DISCONTINUING OPERATION		(56.89)	(509.40)
<b>LOSS AFTER TAX FOR THE YEAR FROM DISCONTINUING OPERATION (B)</b>		<b>(56.89)</b>	<b>(509.40)</b>
<b>LOSS FOR THE YEAR</b>	<b>A+B</b>	<b>(223.68)</b>	<b>(799.32)</b>
No. of Equity Shares (No.)		1,12,70,000	1,12,70,000
<b>Earnings per share (Nominal Value of each equity share Rs.10 (Previous year. Rs.10))</b>			
<b>Basic and Diluted</b>			
Computed on the basis of Loss from Continuing operation		(1.48)	(2.57)
Computed on the basis of total Loss for the year		(1.98)	(7.09)

### SIGNIFICANT ACCOUNTING POLICIES OTHER NOTES TO ACCOUNTS

I  
24 To 36

As per our report of even date attached  
For **MEHRA GOEL & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No.000517N

**R.K. MEHRA**  
Partner  
M. No. 6102

**RAJIV MEHROTRA**  
Chairman & Director

**AJAY KHANNA**  
Managing Director

**DATED** : 27th May, 2017  
**PLACE** : New Delhi

**GURSHARAN SINGH**  
Chief Executive Officer

**VINOD RAINA**  
Chief Financial Officer

**SAURAV GOEL**  
Company Secretary



## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

	(Rs. in lacs) Current Year	(Rs. in lacs) Previous Year
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit/(Loss) before Tax of Continuing Operation	(158.86)	(332.68)
Net Profit/(Loss) before Tax of Discontinuing Operation	(56.89)	(509.40)
	<b>(215.75)</b>	<b>(842.08)</b>
<b>Adjustments for :</b>		
Depreciation of Continuing Operation	35.71	41.10
Depreciation of Discontinuing Operation	5.14	23.57
Interest and Financial Charges	8.31	12.84
Bad Debts Written Off / Liabilities written back	(153.74)	0.11
Provision for Doubtful Debts/ Advances (Net)	(42.36)	233.28
Provision ( Leave Encashment & Retirement Benefit )	(17.56)	(16.61)
Profit / Loss on Sale Of Fixed Assets	21.91	358.07
Exchange Fluctuation	(24.02)	72.42
Interest Income	(34.19)	(32.69)
<b>Operating Profit before working capital change</b>		<b>(149.99)</b>
<b>Adjustments for :</b>		
Trade & Other Receivables	1,083.61	2,205.57
Inventories	2,854.69	4,830.23
Trade & Other Payables	(3,952.97)	(6,893.71)
Fixed deposit	85.25	(37.68)
<b>Cash Generated from Operations</b>	<b>70.58</b>	<b>(45.58)</b>
Direct Taxes Paid	21.25	(77.89)
<b>Cash flow before exceptional items</b>	<b>91.83</b>	<b>(123.47)</b>
<b>Net Cash Flow from Operating Activities (A)</b>	<b>91.83</b>	<b>(123.47)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Aseets (including Capital Work in Progress)	(7.81)	(8.97)
Sale of Fixed assets	21.91	6.41
Investment/Mutual Fund	(203.03)	163.37
<b>Net cash Used In / from Investing Activities (B)</b>	<b>(188.93)</b>	<b>160.81</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Borrowings (net)	(20.42)	(7.11)
Interest and financial charges paid	(8.36)	(12.89)
<b>Net cash (used in ) / from Financing Activities (C)</b>	<b>(28.78)</b>	<b>(20.00)</b>
<b>Net increase(decrease ) in Cash and Cash Equivalentsc(A+B+C)</b>	<b>(125.88)</b>	<b>17.34</b>
Cash and Cash Equivalents at beginning of the year	262.30	244.96
Cash and Cash Equivalents at the end of the year	136.42	262.30

### Notes :

1. Cash flow statement has been prepared following the " indirect method " as set out in the Accounting Standard-3 on cash flow statement.
2. Cash and cash equivalents represent cash and bank balance.

As per our report of even date attached  
For **MEHRA GOEL & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No.000517N

**R.K. MEHRA**  
Partner  
M.No. 6102

**RAJIV MEHROTRA**  
Chairman & Director

**AJAY KHANNA**  
Managing Director

**DATED :** 27th May, 2017  
**PLACE :** New Delhi

**GURSHARAN SINGH**  
Chief Executive Officer

**VINOD RAINA**  
Chief Financial Officer

**SAURAV GOEL**  
Company Secretary

## NOTES TO THE ACCOUNTS

### NOTE-I SIGNIFICANT ACCOUNTING POLICIES

#### 1. BASIS FOR PREPARATION OF ACCOUNTS

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

#### 2. USE OF ESTIMATES

The presentation of financial statements in conformity with the Indian GAAP requires the management to make estimates and assumptions to be made that may affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of incomes and expenses during the reporting period. Although these estimates are based upon management best knowledge of current events and actions, actual results could differ from those estimated.

#### 3. FIXED ASSETS

Fixed Assets are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, borrowing costs, if capitalization criteria are met, and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebate are deducted in arriving at the purchase price. Subsequent expenditure related to an item of fixed asset is added to its book value, only if it increases the future benefit of the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognized.

#### 4. INTANGIBLE ASSETS

In accordance with the Accounting Standard (AS) 26 relating to intangible assets, all costs incurred on technical know-how / license fee relating to production process are charged to revenue in the year of incurrence. Costs incurred on technical know-how / license fee relating to process design/ plants/ facilities are capitalized, at the time of capitalization of the said plant/ facility and amortized on pro-rata basis over a period of five years. Computer software is capitalized on the date of installation and is amortized on pro-rata basis over a period of three years.

#### 5. IMPAIRMENT OF ASSETS

Carrying amount of cash generating units/ assets is reviewed for impairment. Impairment, if any, is recognized where the carrying amount exceeds the recoverable amount being the higher of net realizable price and value in use.

#### 6. EXPENDITURE INCURRED DURING CONSTRUCTION PERIOD

Expenditure directly relating to construction activity including trial run production expenses (net of income, if any) is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto, is charged to the Statement of Profit & Loss.

#### 7. INVESTMENTS

Investments are classified into current and long-term investments. Current investments are stated at the lower of cost and quoted/ fair value. Long term investments are stated at cost less any provision for diminution in value other than temporary.

#### 8. REVENUE RECOGNITION

Sales are inclusive of, excise duty and net of sales tax, service tax and discount. Export sales include ocean freight and insurance.

Revenue in respect of long-term turnkey works contracts is recognized under percentage of completion method, subject to such contracts having progressed to a reasonable extent. Revenue in respect of installation services is recognized on completion of services for which ascertained amount is more likely to be recovered than not.

#### 9. INVENTORY VALUATION

Inventories are valued at lower of cost or net realizable value except scrap which is valued at net realizable value. The cost is determined by using first-in-first-out (FIFO) method. Finished goods and work-in progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Excise duty on closing stock of finished goods and scrap are accounted for on the basis of payments made in respect of goods cleared and also provision is made for goods lying in the factory and included in the value of such stocks.

## 10. DEPRECIATION ON TANGIBLE FIXED ASSETS:

Depreciation on assets held for own use of the Company is provided on Straight-line method as per the useful years of life of the assets and in the manner prescribed under Schedule II of the Companies Act, 2013, and in accordance with revised Accounting Standard 10: Property, Plant and Equipment issued by the Ministry of Corporate Affairs on 30 March 2016. Individual assets costing Rs.5000 or less are depreciated in Full in the year of Purchase. Leasehold land for lease period below 90 years is amortized over the period of lease from the date of commencement of commercial operations.

The Company has adopted the following as the useful years of life to provide depreciation on its tangible assets

	<u>Useful Life(in years)</u>
Building	30
Plant and Machinery	15
Furniture and fixtures	10
Vehicles : a) Motor cars	8
b) Scooters & Bikes	10
Office Equipment	5
Computer	3

## 11. PRODUCT WARRANTY EXPENSES

Liability for Warranties is recognized at the time the claim is accepted. The necessary provisions are made with respect to warranties claimed and accepted up to the end of one month from the close of the year.

## 12. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of the transaction. Monetary items denominated in foreign currencies outstanding at the year-end are translated at exchange rate applicable as on that date. Non monetary items are valued at the exchange rate prevailing on the date of transaction. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit & Loss.

## 13. BORROWING COST

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

## 14. INCOME ON INVESTMENTS

Dividend on shares is accounted for, as and when the right to receive the same is established.

## 15. CLAIMS

Claims receivables are accounted for depending on the certainty of receipt and claims payables are accounted at the time of acceptance.

## 16. EMPLOYEE'S BENEFITS

- i. Short term employee benefit are recognized as an expenses at the undiscounted amount in the Statement of Profit & Loss of the year in which related service is rendered.
- ii. The company has defined contribution plans for post-retirement benefit, namely Employee Provident Fund Scheme administered through Provident Fund Commissioner and company contribution is charged to revenue every year.
- iii. Company contribution to state plans namely Employees State Insurance Fund & Employee Welfare Fund are charged to revenue every year.
- iv. The company has defined benefit plan namely Leave Encashment / Compensated absence and Gratuity, the liability for which is determined on the basis of an actuarial valuation at the end of the year. Gratuity Trust is administered through Life Insurance Corporation of India (LIC).
- v. Termination benefits are recognized as expense immediately.
- vi. Gain or Loss arising out of actuarial valuation is recognized in the Statement of Profit & Loss as income or expense.

## 17. DERIVATIVES

In case of forward contracts, the difference between the forward rate and the exchange rate, being the premium or discount, at the inception of a forward exchange contract is recognized as income/expense over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit & Loss in the reporting period in which the rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the period.

## **18. TAXATION**

Provision for current income tax is made after taking credit for allowances and exemptions. In case of matters under appeal, due to disallowance or otherwise, provision is made when the said liabilities are accepted by the company.

In accordance with the Accounting Standard 22-Accounting for Taxes on income, the deferred tax for timing differences between the book & tax profit for the period is accounted for using the tax rates and the tax laws that have been enacted or substantively enacted as of the balance sheet date.

Deferred tax assets arising from temporary timing difference are recognized to the extent there is virtual certainty that the asset will be realized in future.

Minimum alternative tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified period.

## **19. GOVERNMENT GRANTS**

Government grant in the nature of promoter's contribution is treated as capital receipt and credited to investment subsidy account.

Grant in the nature of revenue subsidy is treated as revenue receipt and credited to profit and loss account.

## **20. PROVISION AND CONTINGENT LIABILITIES**

Show cause notices issued by various government authorities are not considered as obligation. When the demand notice are raised against such show cause notice and are disputed by the company then these are classified as possible obligations.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in notes.

## **21. LEASES**

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Annual lease payments are recognized as an expense on straight-line basis and in accordance with the respective lease agreements.

Assets acquired under leases where company has substantially all the risks and rewards of ownership are classified as finance lease. Assets acquired under the finance lease are capitalized and corresponding lease liability is recorded at an amount equal to the fair value of the leased asset at the inception of the lease or present value of minimum lease payment, whichever is lower.

## **22. PROPOSED DIVIDEND**

The final dividend on shares is recorded as liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board Of Directors.

## **23. CENVAT/VAT**

CENVAT /VAT claimed on capital assets are credited to assets/ capital work in progress account. CENVAT /VAT on purchase of raw materials and other materials are deducted from the cost of such material.

## **24. CASH AND CASH EQUIVALENT**

Cash and cash equivalents for the purpose of cash flow statement comprise cash and bank balance.

## **25. EARNING PER SHARE**

The earnings considered in ascertaining the company's Earnings per Share ('EPS') comprise the profit/ (loss) for the year. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for event of bonus element in a rights issue to existing shareholders.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of shares, if any which would have been used in the conversion of all dilutive potential equity shares.

## NOTES FORMING PART OF THE ACCOUNTS

<b>NOTE - 2 SHARE CAPITAL</b>	<b>AS AT 31-Mar-2017 (Rs. In Lacs)</b>	<b>AS AT 31-Mar-2016 (Rs. In Lacs)</b>
<b>AUTHORISED</b>		
50,000,000 Equity Shares of Rs. 10/- each	5,000.00	5,000.00
2,500,000 Preference Shares of Rs 100/- each.	2,500.00	2,500.00
	<b>7,500.00</b>	<b>7,500.00</b>
<b>ISSUED , SUBSCRIBED AND PAID UP</b>		
11,270,000 Equity Shares of Rs 10/- each, fully paid up	1,127.00	1,127.00
	<b>1,127.00</b>	<b>1,127.00</b>

The Company has only one class of Equity Share having par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of Equity share will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by each Share holder.

### Detail of Shareholder's holding more than 5% shares

Name of Share Holders	31.03.2017		31.03.2016	
	No. of shares	% Held	No. of shares	% Held
Cellphone Credit & Securities India Pvt Ltd	760165	6.75	760165	6.75
Mehrotra Invofin India Pvt Ltd.	1560877	13.85	1560877	13.85
Shyam Antenna Electronics Ltd	700000	6.21	700000	6.21
Intell Invofin India Pvt Ltd	1697807	15.06	1697807	15.07
AT Invofin India Pvt Ltd	809890	7.19	809890	7.19
Teletec Finsec India Pvt Ltd	803913	7.13	803913	7.13
Cellcap Invofin India Pvt Ltd	818081	7.26	818081	7.26

### NOTE - 3 RESERVE & SURPLUS

<b>Investment Subsidy</b> (Acquired under the scheme of Arrangement)	15.00	15.00
<b>Surplus</b>		
As per last Balance Sheet	(526.09)	273.23
Add: Balance transferred from Profit & Loss account	(223.68)	(799.32)
	(749.77)	(526.09)
Less: Impact of adjustment for depreciation	-	-
	<b>(749.77)</b>	<b>(526.09)</b>
	<b>(734.77)</b>	<b>(511.09)</b>

### NOTE - 4 LONG-TERM BORROWINGS

<b>Secured Loan</b>		
Vehicle Loans*		
- From Bank	3.94	6.47
- From Others	14.18	18.76
	<b>18.12</b>	<b>25.23</b>
Less: Current Maturities of Long Term borrowings	7.37	7.11
	<b>10.75</b>	<b>18.12</b>

\*Secured by hypothecation of Specific Vehicle and are repayable in 60 equal instalments from the date of disbursement.

## NOTES FORMING PART OF THE ACCOUNTS

### Detail Of Repayment Of Vehicle Loans

TERM LOAN	ROI	UPTO 1 YEAR	2-3 YEARS	TOTAL
ICICI	10.50%	0.87	1.02	1.89
ICICI	10.80%	1.94	0.11	2.05
KOTAK	10.00%	4.56	9.62	14.18
<b>TOTAL</b>		<b>7.37</b>	<b>10.75</b>	<b>18.12</b>

### NOTE - 5 LONG TERM PROVISIONS

#### Provision for employee benefits

Leave Encashment

**Total**

**AS AT  
31-Mar-2017  
(Rs. In Lacs)**

12.97

**12.97**

**AS AT  
31-Mar-2016  
(Rs. In Lacs)**

20.55

**20.55**

### NOTE - 6 TRADE PAYABLES

#### CURRENT LIABILITIES

Trade Payable

Due to Micro,Small Enterprises & others

1,093.16

**1,093.16**

4,771.21

**4,771.21**

(The Company has not received any intimation from "suppliers" regarding their status under the Micro, small and medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished)

### NOTE - 7 OTHER CURRENT LIABILITIES

Current maturity of Long Term Borrowings

Interest Accrued but not due on Loans

Advance From Customers & Others

Statutory Liabilities

Employees related Liabilities

Other Payable

7.37

0.13

3,634.33

7.64

37.15

20.96

**3,707.58**

7.11

0.18

3,713.04

47.15

50.71

163.36

**3,981.55**

### NOTE - 8 SHORT-TERM PROVISIONS

Provision for employee benefits

Leave Encashment

Retirement Benefit

4.59

-

**4.59**

9.06

5.51

**14.57**

## NOTES FORMING PART OF THE ACCOUNTS

### NOTE - 9 FIXED ASSETS

(Rs. In Lacs)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK
	AS AT 01-Apr-2016 (Rs.)	ADDITIONS / ADJUSTMENT DURING THE YEAR (Rs.)	DELETIONS/ ADJUSTMENTS DURING (Rs.)	AS AT 31-Mar-2017 (Rs.)	AS AT 01-Apr-2016 (Rs.)	DURING THE PERIOD (Rs.)	WRITTEN BACK (Rs.)	UPTO 31-Mar-2017 (Rs.)	AS AT 31-Mar-2017 (Rs.)
<b>Tangible Assets</b>									
Land Free Hold	1.77	-	-	1.77	-	-	-	-	1.77
Land Lease Hold	83.52	-	-	83.52	-	-	-	-	83.52
Building	376.32	-	68.31	308.00	157.01	12.50	24.62	144.89	163.11
Plant & Equipment	7.41	-	-	7.41	7.04	-	-	7.04	0.37
Furniture & Fixture	20.30	0.22	1.56	18.97	18.62	0.16	0.66	18.12	0.85
Vehicles	240.55	-	31.90	208.65	155.06	18.38	30.31	143.13	65.53
Office Equipment	78.49	7.59	1.94	84.14	54.85	7.60	1.51	60.94	23.21
Computer	44.51	-	7.34	37.17	38.39	2.21	6.91	33.70	3.47
<b>TOTAL</b>	<b>852.89</b>	<b>7.81</b>	<b>111.05</b>	<b>749.65</b>	<b>430.97</b>	<b>40.85</b>	<b>64.01</b>	<b>407.82</b>	<b>341.83</b>
<b>Intangible Assets</b>									
Software	228.58	-	-	228.58	228.58	-	-	228.58	-
<b>TOTAL</b>	<b>228.58</b>	<b>-</b>	<b>-</b>	<b>228.58</b>	<b>228.58</b>	<b>-</b>	<b>-</b>	<b>228.58</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>1,081.47</b>	<b>7.81</b>	<b>111.05</b>	<b>978.22</b>	<b>659.55</b>	<b>40.85</b>	<b>64.01</b>	<b>636.40</b>	<b>341.83</b>
Previous Year	2,129.98	8.98	1,057.49	1,081.47	1,287.89	66.67	693.01	659.55	421.92

### NOTE - 10 NON CURRENT INVESTMENTS

#### NON TRADE

#### QUOTED - Fully Paid-up(\*)

##### Long - Term ( At Cost )

3,300 Equity Shares of Rs 10/- each of Intec Capital Limited

1,41,426 Equity Shares of Rs10/- each of Spanco Limited

Provision of Value Diminution of 141426 shares of Spanco Limited @ Rs.37/-

#### TRADE INVESTMENTS

#### UNQUOTED - Fully Paid-up (Valued at Cost)

##### IN SUBSIDIARY COMPANIES

100 Common stock of \$ 1.00 each of Shyam Telecom Inc.USA

##### IN OTHERS

3,80,307 (P.Y. 3,80,307) Equity Shares of Rs. 10/- each of Sistema Shyam Teleservices Ltd.

Provision of Value Diminution of 380307 shares of Sistema Shyam teleservices Limited @ Rs 7.13.

(\*) Aggregate Amount of Quoted Investment

Aggregate Amount of Unquoted Investment

Aggregate Provision for diminution in value of Investment

Market Value of Quoted Investment

	AS AT 31-Mar-2017 (Rs. In Lacs)	AS AT 31-Mar-2016 (Rs. In Lacs)
3,300 Equity Shares of Rs 10/- each of Intec Capital Limited	0.33	0.33
1,41,426 Equity Shares of Rs10/- each of Spanco Limited	52.33	52.33
Provision of Value Diminution of 141426 shares of Spanco Limited @ Rs.37/-	52.66	52.66
	52.33	52.33
	0.33	0.33
100 Common stock of \$ 1.00 each of Shyam Telecom Inc.USA	-	-
	0.33	0.33
3,80,307 (P.Y. 3,80,307) Equity Shares of Rs. 10/- each of Sistema Shyam Teleservices Ltd.	27.12	27.12
	27.45	27.45
Provision of Value Diminution of 380307 shares of Sistema Shyam teleservices Limited @ Rs 7.13.	27.12	27.12
	0.33	0.33
	<b>0.33</b>	<b>0.33</b>
Aggregate Amount of Quoted Investment	52.66	52.66
Aggregate Amount of Unquoted Investment	27.12	27.12
Aggregate Provision for diminution in value of Investment	79.45	79.45
Market Value of Quoted Investment	1.63	2.23

## NOTES FORMING PART OF THE ACCOUNTS

### NOTE - 11 DEFERRED TAX ASSETS (NET)

Deferred Tax Assets  
- Disallowance under Section 43B of the Income tax Act 1961.

#### Total (A)

Deferred Tax Liabilities  
- Related to Fixed Assets

#### Total (B)

#### Total (A-B)

### NOTE - 12 LONG TERM LOANS & ADVANCES

#### ADVANCE FOR INVESTMENT

Unsecured considered good, unless otherwise stated

#### IN SUBSIDIARY COMPANY

#### ADVANCE FOR INVESTMENT

#### IN SUBSIDIARY COMPANY

Shyam Telecom Inc, USA

Considered Good

Doubtful

Less : Provision for Doubtful Debt (Ref Note no. 15)

Loan to STI - USA

Considered Good

Doubtful

Less : Provision for Doubtful Debt

#### Others

#### Security Deposits

Considered Good

Considered Doubtful

Less: Provision for doubtful securities

#### (Unsecured, Considered Doubtful)

Advances recoverable in cash or in kind or for value to be received

Doubtful Advances

Less : Provision for Doubtful Advances

Cenvat/VAT Recoverable

Advance Tax

Prepaid Expense

\*Advances include recoverable from Employees

### NOTE - 13 OTHER NON CURRENT ASSETS

Other Non Current fixed

### NOTE - 14 INVENTORIES

(As taken, valued and certified by the Management)

Stock in Trade \*

(The cost is determined by using "FIFO" method)

	AS AT 31-Mar-2017 (Rs. In Lacs)	AS AT 31-Mar-2016 (Rs. In Lacs)
	6.15	14.07
<b>Total (A)</b>	<b>6.15</b>	<b>14.07</b>
	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Total (A-B)</b>	<b>6.15</b>	<b>14.07</b>
	-	-
	-	-
	16.24	16.61
	16.24	16.61
	16.24	16.61
	-	-
	-	-
	2,184.65	2,234.72
	2,184.65	2,234.72
	2,184.65	2,234.72
	-	-
	16.95	91.34
	1.32	1.32
	18.27	92.66
	1.32	1.32
	16.95	91.34
	15.32	16.31
	-	7.00
	15.32	23.31
	-	7.00
	15.32	16.31
	6.98	6.85
	245.75	189.10
	0.63	2.45
	253.36	198.40
	<b>285.63</b>	<b>306.05</b>
	57.03	42.86
	<b>57.03</b>	<b>42.86</b>
	161.47	3,403.55
	<b>161.47</b>	<b>3,403.55</b>



## NOTES FORMING PART OF THE ACCOUNTS

	AS AT 31-Mar-2017 (Rs. In Lacs)	AS AT 31-Mar-2016 (Rs. In Lacs)
<b>NOTE - 15 CURRENT INVESTMENTS</b>		
<b>In Mutual Fund - Quoted</b>		
<b>BirlaSun Life Cash Plus -Daily Dividend Regular Plan</b>	291.61	345.83
<i>291038.754 (Previous year 345356.173) units Of Rs 100.1950 each</i>		
<b>Birla Sun Life Cash Manager-Daily Dividend</b>	257.25	-
<i>255646.844 (Previous year NIL) units of Rs 100.6257 each</i>	<b>548.86</b>	<b>345.83</b>
<b>NOTE - 16 TRADE RECEIVABLES</b>		
(Unsecured, Considered Good unless otherwise stated)		
Debts Outstanding for over 6 months		
- Considered Good	-	123.98
- Considered Doubtful	837.84	830.65
	837.84	954.63
Less: Provision for Doubtful debt.	808.42	830.65
	29.42	123.98
Others - Considered Good	25.40	640.39
	<b>54.82</b>	<b>764.37</b>
<b>NOTE - 17 Cash &amp; Cash Equivalents</b>		
Cash on Hand	2.18	15.51
Balance With Scheduled Banks in :		
- Current Account	-	-
Considered Good	134.24	246.79
Considered Doubtful	-	-
	134.24	246.79
Less : Provision for Doubtful Advances	-	-
	134.24	246.79
<b>OTHER BANK BALANCES</b>		
- Fixed Deposits (*)	331.71	451.15
	-	-
Less: Non-current Fixed Deposits-More than 12 months	57.04	42.86
	274.67	408.29
	<b>411.09</b>	<b>670.59</b>
(*) Rs. 318.39 Lacs (Previous Year Rs. 451.15 Lacs) under lien with Bank as Margin Money		
<b>NOTE - 18 SHORT TERM LOANS &amp; ADVANCES</b>		
(Unsecured, Considered Good)		
Advances recoverable in cash or in kind or for value to be received	114.40	58.65
Considered doubtful	97.18	97.18
	211.58	155.83
Less: Provision for doubtful advances	97.18	97.18
	114.40	58.65
Prepaid Expenses	7.91	9.31

## NOTES FORMING PART OF THE ACCOUNTS

	ASAT 31-Mar-2017 (Rs. In Lacs)	ASAT 31-Mar-2016 (Rs. In Lacs)
<b>Advance to Supplier</b>		
Considered Good	3,193.06	3,265.87
Considered Doubtful	38.62	13.16
	3,231.68	3,279.03
Less : Provision for Doubtful Advances	38.62	13.16
	<u>3,193.06</u>	<u>3,265.87</u>
<b>Cenvat/VAT Receivable</b>		
Considered Good	20.53	81.87
Considered Doubtful	-	-
	20.53	81.87
Less : Provision for Doubtful Advances	-	-
	<u>20.53</u>	<u>81.87</u>
<b>Security Deposits</b>		
Considered Good	1.00	5.07
Doubtful	7.90	7.90
	8.90	12.97
Less : Provision for Doubtful Debt	7.90	7.90
	1.00	5.07
Advance Tax (TDS 2016-17)	10.32	31.57
Gratuity recoverable	6.85	-
	<u><b>3,354.07</b></u>	<u><b>3,452.34</b></u>
*Advances includes recoverable from employees		
<b>NOTE - 19 OTHER INCOME</b>		
Interest On Deposits (*)	37.27	32.69
Dividend received	23.03	21.63
Excess provision written off	-	6.38
Exchange Rate Variation	78.51	-
Liability Written Back	185.36	0.01
Miscellaneous Income	2.78	0.28
Profit on Sale of Assets (Net)	0.62	-
	<u><b>327.57</b></u>	<u><b>60.99</b></u>
(*) Tax deducted at source Rs.3.36 lacs (Previous Year Rs3.21 Lacs)		
<b>NOTE - 20 (INCREASE)/DECREASE OF INVENTORY OF FG,WIP &amp; STOCK IN TRADE</b>		
<b>Add : Opening Stock</b>		
Stock in trade	3,403.55	7,582.89
	3,403.55	7,582.89
<b>Less : Closing Stock :</b>		
Stock in trade	161.47	3,403.55
	161.47	3,403.55
	<u><b>3,242.08</b></u>	<u><b>4,179.34</b></u>
<b>NOTE - 21 EMPLOYEE BENEFITS</b>		
Salary, Wages & Bonus	192.16	267.70
Employer's Contribution to P.F. & Other Fund	21.60	23.24
Staff Welfare	40.23	71.63
	<u><b>253.99</b></u>	<u><b>362.57</b></u>

## NOTES FORMING PART OF THE ACCOUNTS

	AS AT 31-Mar-2017 (Rs. In Lacs)	AS AT 31-Mar-2016 (Rs. In Lacs)
<b>NOTE - 22 FINANCIAL COST</b>		
Interest on		
- Vehicle Loans	2.15	2.88
- Interest Others *	0.06	0.45
	-	-
	<b>2.21</b>	<b>3.33</b>
(*) Includes interest on late deposit of TDS		
<b>NOTE - 23 OTHER EXPENSES</b>		
Stores & Spares Consumed	29.23	43.96
Power & Fuel	17.25	26.79
<b>Repair to:</b>		
Generator	4.88	7.36
Office	37.61	26.29
Vehicles	32.87	34.77
Directors Remuneration	12.00	12.00
<b>Auditor's Remuneration :</b>		
Audit Fee	8.91	8.91
Tax Audit Fee	2.00	2.01
Other Services	2.88	2.88
Diminution of Investment	-	4.41
Exchange rate Fluctuation	-	210.63
Bank Charges	3.63	4.92
Communication Expenses	25.60	44.39
Printing & Stationery	5.89	10.96
Travelling & Conveyance	30.05	53.27
Insurance	7.08	12.43
Rent	26.10	110.84
Director Sitting Fees	2.02	1.96
Advertisement & Publicity	25.40	18.89
Packing & Forwarding	43.37	161.65
Provision for Doubtful Debts	16.46	9.20
Legal & Professional Charges	98.53	124.54
Listing Fee	6.01	4.92
Business/Sales Promotion	32.58	19.35
Membership & Subscription	4.26	10.57
Security Expenses	19.91	25.68
Job Charges	19.22	0.83
Rates & Taxes	2.27	1.29
Bad Debts Written Off	0.90	0.11
Loss on Sale of Assets	21.91	0.36
Donation & Charity	11.97	10.93
Other Administrative Expenses	3.11	16.09
	<b>553.90</b>	<b>1,023.19</b>

## OTHER NOTES TO ACCOUNTS

24	<b>Contingent liabilities :</b>	<b>Current Year (Rs in Lacs)</b>	<b>Previous Year (Rs in Lacs)</b>
	-Income Tax	476.19	266.71
	-Claims of ARM Ltd *	3,311.31	3,180.00
	-VAT	306.38	74.21

\*The Department of Telecommunications, Ministry of Communication, Government of India, had invited the tenders from the Indian Companies to provide basic telephony services. The Company Shyam Telelink Networks Ltd. (India) (STNL) along with ARM Ltd. and other parties entered into an MOU to jointly participate in the tenders through STNL. The parties entered into an agreement from which ARM Ltd. withdrew and the parties agreed for buying the shares of ARM Ltd. for a consideration of Rs 10 Crores. The same was partly effected but STNL did not pay the balance amount alleging fraud by ARM Ltd. The matter which was under arbitration by a sole arbitrator who was replaced by the Hon'ble Supreme Court of India (which was approached by the Company by way of an SLP), which vide its order dated 29th Aug, 2012 appointed a different Sole arbitrator. The arbitrator vide his order dated 24th Jan, 2014 has directed the company to pay ARM Ltd. Rs 11.50 Crores along with interest of Rs 17.41 Crores totaling Rs. 28.91 Crores on account of payout. The interest shall be payable upto the date of payment. In addition to the above he has further awarded USD 5,00,000 at the conversion rate prevailing on 24.01.2014 plus interest @ 9% p.a. from the date of award till the date of payment which comes to Rs. 4.00 Crore and Rs 20 Lakhs payable to ARM Ltd as arbitration Cost. The company has filed an application under section 34 of the Arbitration and Conciliation Act, 1996 against the said order before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court has issued notice in the said application (which has the effect of stay on the award), and the matter is presently sub-judice before the Hon'ble Delhi High Court. As per the legal opinion produced to us by the Company, the company expects to win the case and hence no provision for the liability has been considered in the accounts. The outstanding amount has been included under Contingent Liabilities

25 As on 31.03.2017, an amount of Rs 3808.94 Lacs payable to (Aquarius Technology Pte Ltd. Rs 3354.01 and Nisshoiwai Corporation Rs 454.93 Lacs ) in Foreign Currency remains outstanding for a period exceeding three years .

26 Company had in the previous year(s) given advance against share capital and extended long term loans to WOS STI which as on 31-03-2015 amounted to Rs. 15.68 lacs (US\$ 25,050) and Rs. 2108.94 lacs (US\$33,69,294) respectively. The Subsidiary company had liquidated all assets and had Accumulated losses amounted to Rs 2124.63 lacs(US\$ 33,94,371) . Shyam Telecom Inc. (Corporation) ,erstwhile subsidiary of the company has been dissolved as per the certificate issued by State Of Delaware (USA) pursuant to Section 275 and 391 (a) (b) ( C) with effect from 22nd December,2015. The company had given advances against share capital and granted long term loans amounting to US\$ 3394344 for which the company had made provision in the previous financial year. An application to write-off the same post dissolution shall be made subject to approval from Reserve Bank of India. Since the corporation has been dissolved w .e.f 22nd December,2015 , the same will be written off after taking necessary approval from RBI however provision for the same is made.

27 **Foreign currency exposures that have not been hedged by derivative instruments are given below:**

Particulars of Unhedged Foreign Currency Exposure		Foreign Currency ( in Lacs)		(Rs In Lacs)	
		Amount as on 31.03.2017	Outstanding as on 31.03.2016	Amount Outstanding in INR as on 31.03.2017	Amount Outstanding in INR as on 31.03.2016
a) Debtors	USD	6.55	6.24	424.12	413.83
	Euro	0.21	0.21	14.36	15.57
	CHF	2.48	2.48	161.27	170.28
b) Creditors	USD	10.91	11.00	7.07	729.73
	Euro	0.07	0.07	4.65	5.05
c) Advance to Suppliers	USD	0.31	0.31	20.21	20.68
d) Advance Received	USD	52.56	53.04	3,569.73	3,518.09

28 **Discontinuing Operations**

The company initiated the process of Discontinuing/outsourcing the manufacturing operations in pursuance to the resolution passed in the meeting of Board of Directors held on 9th February, 2015, there by vacated the premises by 15th April, 2015, disposed off all tangible assets except vehicles, discharged/provided for contractual obligations of manpower/worker and resolved to outsource the operations henceforth. Consequently there is only one reportable segment as on 31st March, 2017.

The following statement shows the revenue and expenses of discontinuing operations:

	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>(Rs in Lacs)</b>	<b>(Rs in Lacs)</b>
Revenue	0	130.51
Expenses		
Loss on sale/discard of assets	0	357.71
Others	49.28	257.41
<b>(Loss)/Profit from discontinued operations</b>	<b>(49.28)</b>	<b>(484.61)</b>
Finance Cost	2.47	1.22
Depreciation and amortisation	5.14	23.57
<b>(Loss)/Profit Before Tax</b>	<b>(56.89)</b>	<b>(509.40)</b>
Tax	0	0
<b>(Loss)/Profit after Tax</b>	<b>(56.89)</b>	<b>(509.40)</b>

Note: The above statement does not include common expenses that are not allocable to any segment.

The separately identifiable carrying amounts of total assets and liabilities of discontinuing operation are as follows:

	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>(Rs in Lacs)</b>	<b>(Rs in Lacs)</b>
Total Assets	98.05	247.80
Total Liabilities	517.03	751.71

Note: The above statement includes carrying value of assets, pending disposal/realisation and liabilities, pending payout which is expected to be completed within a year.

The net cash flows attributable to the discontinued operations are stated below:

	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>(Rs in Lacs)</b>	<b>(Rs in Lacs)</b>
Operating activities	(6.35)	(10.40)
Investing activities	-	-
Financing activities	(2.47)	(1.22)
Net Cash inflows/(outflows)	(8.82)	(11.62)

**29** The Foreign debtors amounting to Rs. 408.26 lacs and creditors of Rs. 236.69 lacs relating to the discontinued business are yet to be settled.

**30 Related Party Information:**

**Relationship**

a) Subsidiary :

- Shyam Telecom Inc. up to 22 December, 2015

b) Key Management Personnel and relative of Key Management personal :

Mr. Rajiv Mehrotra, Mr. Alok Tondon, Mr. Arun Khanna, Mr. Ajay Khanna, Mr. Gursharan Singh, Mr. Vinod Raina, Mr. Saurav Goel and Late Sh. Dharmender Dhingra (till 29th March, 2017)

c) Enterprises over which Key Management Personnel and relatives are able to exercise significant influence:

Shyam Antenna Electronics Ltd., Intercity Cable System Pvt. Ltd, Shyam Communication Systems, Shyam Networks Ltd. (formerly Shyam Telecom Systems Pvt. Ltd.), Shyam Digital Communications Pvt Ltd, Sistema Shyam Teleservices Ltd., Ubico Networks Pvt.Ltd., RMS Automation Systems Ltd., Spectranet Pvt Ltd., Shyam infratel Pvt Ltd and Vihaan Networks Ltd, Think of us. Pvt Ltd.

**Note;** Related party relationship is as identified by the Company and relied upon by the auditors.

Transactions with the above related parties are as follows:

(Rs. in Lacs)

PARTICULARS	31.03.2017				31.03.2016			
	Subsidiaries	Enterprises over which key management personnel & their relatives are able to exercise significant influence	Key Management Personnel and their relatives	Total	Subsidiaries	Enterprises over which key management personnel & their relatives are able to exercise significant influence	Key Management Personnel and their relatives	Total
a) <b>Sale of Goods &amp; Services</b>								
Sistema Shyam Teleservices Ltd.		1157.48		1,157.48		4604.39		4,604.39
Shyam Digital Communication Ltd				-				-
Think of us Pvt. Ltd		3.07		3.07		157.94		157.94
Think of Technologies p ltd		70.08		70.08				
<b>Sub Total</b>	-	<b>1,230.63</b>	-	<b>1,230.63</b>	-	<b>4,762.33</b>	-	<b>4,762.33</b>
b) <b>Purchase of the goods</b>								
Vihaan Networks Ltd.		155.55		155.55		111.96		111.96
Spectranet ISP Pvt Ltd.				-				-
Shyam Networks Ltd				-				-
Think of us Pvt. Ltd		20.07		20.07		27.29		27.29
Think of Technologies p ltd				-				-
RMS Automation Systems Ltd.				-				-
<b>Sub Total</b>	-	<b>175.62</b>	-	<b>175.62</b>	-	<b>139.25</b>	-	<b>139.25</b>
c) <b>Rent Paid</b>								
Shyam Communication Systems		13.00		13.00		60.00		60.00
Intercity Cable System Pvt. Ltd.				-		18.00		18.00
<b>Sub Total</b>	-	<b>13.00</b>	-	<b>13.00</b>	-	<b>78.00</b>	-	<b>78.00</b>
d) <b>Remuneration</b>								
Mr.Ajay Khanna			13.44	13.44			13.15	13.15
Mr Dharmender Dhingra			12.77	12.77			12.84	12.84
Mr.Gursharan singh			12.00	12.00			12.00	12.00
Mr.Vinod Raina			19.20	19.20			19.20	19.20
<b>Sub Total</b>	-	-	<b>57.41</b>	<b>57.41</b>	-	-	<b>57.19</b>	<b>57.19</b>
e) <b>Provision for Bad &amp; Doubtful against loans and Advance Against equity</b>								
Shyam Telecom Inc.	2,200.89	-	-	2,200.89	2,251.46	-	-	2,251.46
Ubico Networks Pvt. Ltd.		18.53		18.53				
Shyam Digital Communication Ltd		1.29		1.29				
<b>Sub Total</b>	<b>2,200.89</b>	<b>19.82</b>		<b>2,220.71</b>	<b>2,251.46</b>	-	-	<b>2,251.46</b>
<b>Recoverables &amp; Payables</b>								
a) <b>Amount Receivable</b>								
Shyam Digital Communication Ltd		1.29		1.29		-		-
Sistema Shyam Teleservices Ltd.		3.46		3.46		639.56		639.56
Ubico Networks Pvt. Ltd.		18.53		18.53		18.52		18.52
Think of us Pvt. Ltd		-		-		6.62		6.62
Think of Technologies p ltd		29.08		29.08		-		-
Vihaan Networks Ltd.		-		-		91.18		91.18
RMS Automation Systems Ltd.		2,887.37		2,887.37		2,888.59		2,888.59
<b>Sub Total</b>	-	<b>2,939.73</b>	-	<b>2,939.73</b>	-	<b>3,644.47</b>	-	<b>3,644.47</b>
b) <b>Amount Payble</b>								
Shyam Communication Systems		5.28		5.28		90.87		90.87
Shyam infratel Pvt. Ltd.		4.91		4.91		-		-
Intercity Cable System Pvt. Ltd.		1.18		1.18		57.08		57.08
Think of us Pvt. Ltd		0.64		0.64		-		-
Shyam Antenna Electronics Ltd.		-		-		105.10		105.10
<b>Sub Total</b>	-	<b>12.01</b>	-	<b>12.01</b>	-	<b>253.05</b>	-	<b>253.05</b>
c) <b>Security deposit recoverable</b>								
Intercity Cable System Pvt. Ltd.		-		-		10.00		10.00
Shyam Communication Systems		6.00		6.00		60.00		60.00
<b>Sub Total</b>	-	<b>6.00</b>	-	<b>6.00</b>	-	<b>70.00</b>	-	<b>70.00</b>
d) <b>Loans and Advance</b>								
Shyam Telecom Inc.	2,200.89	-		2,200.89	2,251.46			2,251.46

31 Some of the personal accounts are subject to adjustments/reconciliation/confirmation .

32 In the opinion of Board of Directors, Fixed Assets, Current Assets, Loans and Advances have a value on realisation in ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provision for all liabilities have been made in the Accounts, which has been relied upon by the auditors.

33 In compliance with the accounting standards 15 (revised 2005) "Employee Benefits" The company has got the employee benefits evaluated from actuarial valuer.

**The Company has calculated the various benefits provided to employees as under:**

**A. Provident Fund & Other fund**

During the year the Company has recognized Rs.12.08 Lacs (previous Year Rs. 17.24 lacs) towards contribution to PF in the Statement of Profit and Loss.

**B. State Plans**

Employer's contribution to Employee State insurance and to welfare fund

During the year the Company has recognised Rs.1.41 lacs (Previous year Rs.1.97 lacs) towards contribution to ESI and Rs NIL (previous Year NIL) towards welfare fund, in the Statement of Profit and Loss.

**C. Defined Benefit Plans**

The actuarial valuation carried out is based on following assumption:

- Leave Encashment
- Contribution to Gratuity Fund - Employee's Gratuity Fund.

(Rs In Lacs)

	Current Year		Previous Year	
	Leave Encashment	Employee Gratuity Fund	Leave Encashment	Employee Gratuity Fund
<b>i) Actuarial Assumptions</b>				
Discount Rate (per annum)	7.00%	7.00%	7.70%	7.80%
Rate of increase in compensation levels	5.50%	5.50%	5.50%	5.50%
Rate of return on plan assets	-	-	0.00%	9.00%
<b>ii) Change in the obligation during the year</b>				
Present value obligation as at beginning of period	29.62	58.79	35.89	73.86
Impact of Transition provision of AS-15	-	-	-	-
Interest cost	2.09	4.10	2.48	4.53
Past Service cost	-	-	-	-
Current service cost	0.68	3.27	2.33	4.56
Curtailement cost	-	-	-	-
Settlement cost	-	-	-	-
Benefits Paid/Adjustment*	(6.37)	(17.67)	(5.32)	(16.59)
Actuarial (gain)/ loss on Obligations	(6.04)	3.72	(5.76)	(7.57)
Present value obligation as at the end of the period	17.55	46.71	29.62	58.79
Receivable from other company's fund	-	-	-	-
Net Present value obligation as at the end of the period	17.55	46.71	29.62	58.79
<b>iii) Change in fair value plan Assets</b>				
Fair value of Plan Assets as at beginning of the period	-	66.59	-	65.20
Expected return on Plan Assets	-	5.56	-	5.87
Contributions	-	-	-	0.71
Benefits Paid/Adjustment*	-	(17.67)	-	(4.70)
Actuarial gain/ (loss) on Obligations	-	(0.93)	-	(0.48)
Fair value of Plan Assets as at the end of the period	-	53.56	-	66.60
<b>iv) Reconciliation of Present value of Defined Benefit obligation and Fair value of Assets</b>				
Present value obligation as at the end of the period	17.55	46.71	29.62	58.79
Fair value of Plan Assets as at the end of the period	-	53.56	-	66.60
Funded Status	17.55	6.86	(29.62)	(13.32)
Present value of un-funded obligation as at the end of the period	-	-	-	-
Un-recognized Actuarial (gains)/ losses	-	-	-	-
Un-funded Net Asset/ (Liability) recognised in Balance Sheet.**	17.55	(6.85)	(29.62)	5.51
<b>v) Expenses recognised in Statement of Profit and Loss</b>				
Current service cost	0.68	3.27	2.33	4.56
Past Service cost	-	-	-	-
Interest cost	2.09	4.10	2.48	4.52
Expected return on Plan Assets	-	(5.56)	-	(5.87)
Curtailement cost	-	-	-	-
Settlement cost	-	-	-	-
Net Actuarial (gain)/ loss recognised during the year	(6.04)	4.64	(5.76)	(7.09)
Received / Receivable from other company's fund	-	-	-	-
<b>Net Expense recognised in Statement of Profit and Loss</b>	<b>(3.26)</b>	<b>6.46</b>	<b>(0.95)</b>	<b>(3.87)</b>

\* includes amount transferred to Vihaan Networks limited on account of transfer of employees.

\*\* includes unfunded status of gratuity of Rs 5.51 lacs

- 34 During the year, the company had specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R 308\*, dated March 31st, 2017. The Details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

Particulars	SBNs (I)	Other Denomination Notes	Total
Closing Cash in hand as on November 8, 2016	14,54,000	73,162	15,27,162
Add: Permitted receipts (including Bank withdrawals)	-	6,03,368	6,03,368
Less : Permitted Payments		4,59,035	4,59,035
Less: Amount deposited in bank	14,54,000	770	14,54,770
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>2,16,725</b>	<b>2,16,725</b>

(I) For the purpose of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India in the Ministry of Finance, Department of Economic affairs number S.O.3407( E ), dated November 8, 2016

- 35 Previous year figures have been regrouped/reclassified wherever considered necessary.

	Current Year (Rs in Lacs )	Previous Year (Rs in Lacs )
<b>36 A. EARNINGS IN FOREIGN CURRENCY</b>		
- F.O.B. Value of Export Goods	145.06	117.02

As per our report of even date attached

For **MEHRA GOEL & CO.**

**CHARTERED ACCOUNTANTS**

Firm Registration No.000517N

**R.K. MEHRA**

Partner

M. No. 6102

**RAJIV MEHROTRA**

Chairman & Director

**AJAY KHANNA**

Managing Director

**DATED :** 27th May, 2017

**PLACE :** New Delhi

**GURSHARAN SINGH**

Chief Executive Officer

**VINOD RAINA**

Chief Financial Officer

**SAURAV GOEL**

Company Secretary



## SHYAM TELECOM LIMITED

**Regd. Office:** MTS Tower, 3, Amrapali Circle, Vaishali Nagar,  
Jaipur 302021, Rajasthan, India

Ph.: 91-141-5100343, Fax: 91-141-5100310

CIN: L32202RJ1992PLC017750

e-mail id: investors@shyamtelecom.com, website: www.shyamtelecom.com

### **NOTICE OF THE TWENTY FOURTH ANNUAL GENERAL MEETING**

**TIME: 12.00 Noon**

**DAY & DATE- FRIDAY, 29<sup>th</sup> SEPTEMBER, 2017**

**VENUE: Hotel Sarovar Portico, Plot No.-90, Prince Road, Queens Road, Vaishali Nagar,  
Jaipur – 302021, RAJASTHAN, INDIA.**

To  
The Members,

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of Shyam Telecom Limited will be held at Hotel Sarovar Portico, Plot No. – 90, Prince Road, Queens Road, Vaishali Nagar, Jaipur – 302021, Rajasthan, India on Friday, 29<sup>th</sup> September, 2017, at 12.00 Noon to transact the following businesses:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Profit and Loss for the year ended on that date together with the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajiv Mehrotra, (DIN 00035766), who retires by rotation and being eligible, offers himself for re-appointment as Director.
3. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution:**

**“RESOLVED THAT**, pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory amendments or reenactments thereof for the time being in force and pursuant to the recommendation of the Audit Committee, M/s. V G M & Co., Chartered Accountants, having registration No. 029823N allotted by The Institute of Chartered Accountants of India (ICAI) be and are hereby appointed as the Statutory Auditors of the Company in place of the retiring Auditors M/s. Mehra Goel & Company, Chartered Accountants, having registration No. 000517N allotted by ICAI, to hold office for a term of 5 (five) consecutive years from the conclusion of 24<sup>th</sup> Meeting till the conclusion of the 29<sup>th</sup> Annual General Meeting of the Company to be held in the 2022, subject to ratification of their appointment by the Members at every subsequent

Annual General Meeting till the conclusion of their tenure and the Board of Directors of the Company be and is hereby authorized to fix their remuneration and other incidental expenses, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

## **SPECIAL BUSINESS**

### **4. APPROVAL OF BORROWING POWERS TO THE BOARD UNDER SECTION 180 (1) (c)**

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

“**RESOLVED THAT** in supersession of the earlier resolutions and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 (as amended or re-enacted from time to time) and other applicable provisions if any, the consent of the members be and is hereby accorded to the Board of Directors of the Company for borrowing any sum or sums of monies, for and on behalf of the Company from time to time, which together with the money already borrowed by the Company, (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of its paid up capital and free reserves, provided that the total amount so borrowed by the company shall not exceed Rs. 200 Crores (Rupees Two Hundred Crores only).

**RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby authorized to finalize, settle and execute such documents, deeds, writings, papers and agreements as may be required and to do all such acts, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable to give effect to the above resolution”

### **5. TO APPROVE TRANSACTIONS WITH THINK OF TECHNOLOGIES PRIVATE LIMITED**

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

“**RESOLVED THAT** consent of the Members of the Company be and is hereby accorded pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under and pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment thereof, to the Board of Directors of the Company to enter into the transactions for sale, purchase of goods, and to provide / avail services to / from the Think of Technologies Private Limited, a related party, subject to a maximum aggregate transactions of Rs. 200 Crore in any financial year with the said related party.

**RESOLVED FURTHER THAT** any of the Directors of the company be and is hereby authorized severally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution”

## 6. TO APPROVE TRANSACTIONS WITH SHYAM COMMUNICATIONS SYSTEMS

To consider and if thought fit, to give assent/ dissent, with or without modification(s), to the following resolution as **Special Resolution**:

**“RESOLVED THAT** consent of the Members of the Company be and is hereby accorded pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under and pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment thereof, to the Board of Directors of the Company to enter into the transactions for sale, purchase of goods, and to provide / avail services / rent to / from the Shyam Communications System, a related party, subject to a maximum aggregate transaction of Rs. 50 Crore in any financial year with the said related party.

**RESOLVED FURTHER THAT** any of the Directors of the company be and is hereby authorized severally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution,”

## 7. TO APPROVE TRANSACTIONS WITH SISTEMA SHYAM TELESERVICES LTD.

To consider and if thought fit, to give assent/ dissent, with or without modification(s), to the following resolution as **Special Resolution**:

**“RESOLVED THAT** consent of the Members of the Company be and is hereby accorded pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under and pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment thereof, to the Board of Directors of the Company to enter into the transactions for sale, purchase of goods, and to provide / avail services to / from the Sistema Shyam Teleservices Private Limited, a related party, subject to a maximum aggregate transaction of Rs. 250 Crore in any financial year with the said related party.

**RESOLVED FURTHER THAT** any of the Directors of the company be and is hereby authorized severally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution,”

## 8. TO APPROVE TRANSACTIONS WITH VIHAAN NETWORKS LTD.

To consider and if thought fit, to give assent/ dissent, with or without modification(s), to the following resolution as **Special Resolution**:

**“RESOLVED THAT** consent of the Members of the Company be and is hereby accorded pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under and pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment thereof, to the Board of Directors of the Company to enter into the transactions for sale, purchase of goods, and to provide / avail services to / from

the Vihaan Networks Limited, a related party, subject to a maximum aggregate transactions of Rs. 100 Crore in any financial year with the said related party.

**RESOLVED FURTHER THAT** any of the Directors of the company be and is hereby authorized severally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution,”

**9. TO APPROVE TRANSACTIONS WITH THINK OF US INDIA PRIVATE LIMITED**

To consider and if thought fit, to give assent/ dissent, with or without modification(s), to the following resolution as **Special Resolution**:

“**RESOLVED THAT** consent of the Members of the Company be and is hereby accorded pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under and pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment thereof, to the Board of Directors of the Company to enter into the transactions for sale, purchase of goods, and to provide / avail services to / from the Think of US India Private Limited, a related party, subject to a maximum aggregate transaction of Rs. 100 Crore in any financial year with the said related party.”

**RESOLVED FURTHER THAT** any of the Directors of the company be and is hereby authorized severally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution,”

**10. TO APPROVE THE LIMITS OF LOAN / GUARANTEE / INVESTMENT BY THE COMPANY.**

To consider and if thought fit, to give assent/ dissent, with or without modification(s), to the following resolution as **Special Resolution**:

“**RESOLVED THAT** consent of the Members of the Company be and is hereby accorded pursuant to Section 186(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose or any person(s) authorized by the Board), for making investment(s) in excess of limits specified under section 186 of Companies Act, 2013 from time to time in acquisition of securities of any body corporate or for giving loans, guarantees or providing securities to any body-corporate or other person / entity whether in India or outside India, as may be considered appropriate for an amount not exceeding Rs. 200 Crores (Rupees Five Hundred crores only), notwithstanding that such investment and acquisition together with the Company’s existing investments in all other bodies corporate, loans and guarantees given and securities provided shall be in excess of the limits prescribed under section 186(3), of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company be and is hereby authorized to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as they may in their absolute discretion deem fit to give effect to this resolution.”

**II. TO AUTHORIZE FOR MAKING DONATION TO BONAFIDE CHARITABLE AND OTHER FUNDS**

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 181 of the Companies Act, 2013, Board of Directors of the Company be and are hereby authorised to contribute and/or donate, from time to time, to any bonafide charitable and other funds, amounts not exceeding in aggregate to all such funds taken together up to a sum of Rs. 50 lakhs (Rupees Fifty lakhs only) during any financial year of the Company.”

“**RESOLVED FURTHER THAT** any director or any other officer of the Company be and is hereby authorized severally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

By Order of the Board of Directors  
**For Shyam Telecom Limited**

**Sd/-**  
**Saurav Goel**  
**Company Secretary**

**Place : New Delhi**  
**Dated: 4<sup>th</sup> August, 2017**

**NOTES: -**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting.**
- 2. A person shall not act as Proxy for more than Fifty (50) members and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder/Member. A Proxy Form is annexed to this Notice.**
- 3. Member/Proxy should bring the Attendance Slip duly filled in for attending the Meeting.**

4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from **26<sup>th</sup> Day of September, 2017 to 29<sup>th</sup> Day of September, 2017** (both days inclusive).
6. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Item nos. 4 to 12 which set out details relating to special businesses at the meeting, is annexed herewith.
7. Shareholders holding shares in physical form are requested to notify to the Company's Registrar and Share Transfer Agent, Indus Portfolio Private Limited, G - 65, Bali Nagar, New Delhi - 110015, E-mail: [rnt@indusinvest.com](mailto:rnt@indusinvest.com)/[cs.anamika@indusinvest.com](mailto:cs.anamika@indusinvest.com), Ph: 91-11-47671200, 47671214, Fax: 91-11-25449863 quoting their folio number, any change in their registered address along with a copy of any one of the address proofs i.e. Voter Identity Card, Aadhaar Card, Electricity /Telephone, Bill, Driving License, Passport or Bank Statement and for change in bank details along with cancelled Cheque and in case the shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
8. To support the green initiative, Electronic copies of the Annual Report are being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report are being sent in the permitted mode.
9. To support the green initiative, Electronic copy of the Notice of this Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of this Meeting and the Annual Report will also be available on Company's website [www.shyamtelecom.com](http://www.shyamtelecom.com) for their download.
10. As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Reports to the meeting.
11. Members/Proxies are welcome at the AGM of the Company. However, the Members/Proxies may please note that no gifts/gift coupons will be distributed at the AGM.
12. As per Section 72 of the Companies Act, 2013 the facility for making/ varying /cancelling nominations is available to individuals, holding shares in the Company. Nominations can be made

- in Form SH.13 and any variation /cancellation thereof can be made by giving notice in Form SH. 14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose.
13. The Shareholders are requested to furnish a copy of the PAN card to the Company/Registrar & Share Transfer Agents while sending the Shares held in physical form for transfer, transmission, transposition and deletion of name of the deceased shareholder(s).
  14. **Members holding shares in physical form who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual Reports, Notices, Circulars etc. from the Company electronically. However, where the shares are held by the members in dematerialized form, the same has to be communicated to his/her Depository Participant for the purpose of receiving any of the aforesaid documents in electronic form.**
  15. Members/Proxyholders are requested to carry valid ID proof such as PAN, Voter Card, Passport, Driving License, Aadhaar Card etc. along with the printed attendance slip.
  16. Disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), with respect to Directors seeking re-appointment/appointment at the Annual General Meeting is given in the Annexure to the Notice in addition to the separate section in the Corporate Governance.
  17. Members desirous of getting information from the Company are required to send their queries to the Company at its registered office well in advance so that the same may reach at least 10 days before the date of the meeting to enable the management to keep the required information readily available at the meeting.
  18. The unclaimed/unpaid dividend for all the previous years had been transferred to the Investor Education and Protection Fund and no claims shall lie against the Company or the said fund in respect of such dividend which remains unclaimed or unpaid for 7 years from the date when they first became due.
  19. The Shares of the Company are at present listed on Bombay Stock Exchange and National Stock Exchange. Listing Fees to all the Stock Exchanges had been paid up to 31<sup>st</sup> March 2018.
  20. Members may also note that the Notice of the Twenty Fourth Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website [www.shyamtelecom.com](http://www.shyamtelecom.com). The physical copies of the aforesaid documents will also be available at the Registered Office for inspection between 11.00 A.M. to 1.00 P.M. on any working day up to the date of the Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the Shareholders may also send requests to the Company's investor email id: [investors@shyamtelecom.com](mailto:investors@shyamtelecom.com)
  21. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide

members facility to exercise their right to vote at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

## 22. Voting through electronic means

The instructions for e-voting are as under:

A. In case a Member receives an email from CDSL (for members whose email IDs are registered with the Company/Depository Participants(s]):

- (i) Launch internet browser by typing the following website:  
[www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on Shareholder – Login
- (iii) Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Enter the character displayed on the Image Verification and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vi) If you are a first-time user follow the steps given below:

PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence Number is provided on the website of RTA.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the sequence number and after the first two characters of the name in CAPITAL letters. E.g. If your name is Suresh Kumar with sequence number 1 then enter SU00000001 in the PAN field.</li> </ul>
Date of Birth (DOB) OR Dividend Bank Details	<p>Enter the Dividend Bank Details or Date of Birth in (dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If 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 (iii).</p>



- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in Demat form will now reach **‘Password Creation’** menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on EVSN of “SHYAM TELECOM LIMITED”
- (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 out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image Verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL’S mobile app m-Voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for non-individual shareholders & custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto: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) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**Points to remember:**

- A. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.
  - B. Those shareholders who have not cast their votes by remote e-voting, can cast their vote at the general meeting by any facility for voting available at the general meeting.
  - C. The voting period begins on 25<sup>th</sup> September, 2017 (10:00 AM) and ends on 28<sup>th</sup> September, 2017 (5:00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - D. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - E. The shareholders can opt for only one mode of voting, i.e. either physically by attending AGM or e-voting. If any shareholders opt for e-voting, he/she will not be eligible to vote physically in AGM.
23. Mr. Sandeep Mehra, Practicing Company Secretary, (COP NO-15786), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Results of e-voting shall be declared on or after the AGM of the Company and the Results declared with Scrutinizer Report shall be placed on the Website of the Company i.e. viz. [www.shyamtelecom.com](http://www.shyamtelecom.com) and also on the website of CDSL viz. [www.cdslindia.com](http://www.cdslindia.com) immediately of passing of the Resolution of the AGM of the Company.

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement forms part of the Notice convening the 24<sup>th</sup> Annual General Meeting:

### Item no. 4

In pursuance of Section 180 (1) (c) of the Companies Act, 2013 approval of the Shareholders is required to borrow money in excess of paid-up capital of the Company and its free reserves.

None of the Directors, KMP or their relatives are concerned or interested in the resolution except to the extent that he or she is a Director/KMP or holds less than 2% shares of the Company either directly or indirectly.

The Board recommends the resolution set out in Item No. 4 for the approval of members as **Special Resolution**.

### Item No. 5

The Audit Committee Members and the Board of Directors of the Company in their respective Meetings held on 27<sup>th</sup> May, 2017 approved the Related Party Transactions for sale, purchase of goods and to provide / avail services to / from Think of Technologies Private Limited, a related party, subject to a maximum aggregate transaction of Rs. 200 Crores in any financial year. Under the provisions of Sections 188 of the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Companies (Meetings of Board and its Powers) Rules, 2014, a transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last Audited Financial Statements of the Company. These provisions further provide that all Materially Related Party Transactions shall require approval of the Shareholders through Special Resolution. Since the transactions with Think of Technologies Private Limited are estimated to be around Rs. 200 crores in any financial year, which exceeds the ten percent of the annual consolidated turnover of the Company as per the audited Financial Statement as on 31st March, 2017, the transactions are required to be approved by the Shareholders as Special Resolution. The said transactions are in the ordinary course of business of the Company and wherever required are on a cost plus appropriate mark-up in adherence with the arms-length principle.

None of the Directors, KMP or their relatives are concerned or interested in the resolution except Mr. Arun Kumar Khanna, who may be deemed to be interested in the resolution by virtue of being relative of directors of Think of Us Technologies Private Limited.

The Board recommends the resolution set out in Item No. 5 for the approval of members as **Special Resolution**.

### Item No. 6

The Audit Committee Members and the Board of Directors of the Company in their respective Meetings held on 27<sup>th</sup> May, 2017 approved the Related Party Transactions for Sale, Purchase of Goods and to provide / avail services / rent to / from Shyam Communications Systems, a related party, subject to a maximum aggregate transaction of Rs. 50 Crores in any financial year. Under the provisions of Sections

188 of the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Companies (Meetings of Board and its Powers) Rules, 2014, a transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last Audited Financial Statements of the Company. These provisions further provide that all Materially Related Party Transactions shall require approval of the Shareholders through Special Resolution. Since the transactions with Shyam Communications Systems are estimated to be around Rs. 50 crores in any financial year, which exceeds the ten percent of the annual net-worth of the Company as per the audited Financial Statement as on 31st March, 2017, the transactions are required to be approved by the Shareholders as Special Resolution. The said transactions are in the ordinary course of business of the Company and wherever required are on a cost plus appropriate mark-up in adherence with the arms-length principle.

None of the Directors, KMP or their relatives are concerned or interested in the resolution except Mr. Ajay Khanna and Mr. Rajiv Mehrotra, who may be deemed to be interested in the resolution by virtue of being partners in Shyam Communication Systems.

The Board recommends the resolution set out in Item No. 6 for the approval of members as **Special Resolution**.

#### **Item No. 7**

The Audit Committee Members and the Board of Directors of the Company in their respective Meetings held on 27<sup>th</sup> May, 2017 approved the Related Party Transactions for Sale, Purchase of Goods and to provide / avail services to / from Sistema Shyam Telservices Limited, a related party, subject to a maximum aggregate transaction of Rs. 250 Crores in any financial year. Under the provisions of Sections 188 of the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Companies (Meetings of Board and its Powers) Rules, 2014, a transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last Audited Financial Statements of the Company. These provisions further provide that all Materially Related Party Transactions shall require approval of the Shareholders through Special Resolution. Since the transactions with Sistema Shyam Telservices Limited are estimated to be around Rs. 250 crores in any financial year, which exceeds the ten percent of the annual consolidated turnover of the Company as per the audited Financial Statement as on 31st March, 2017, the transactions are required to be approved by the Shareholders as Special Resolution. The said transactions are in the ordinary course of business of the Company and wherever required are on a cost plus appropriate mark-up in adherence with the arms-length principle.

None of the Directors, KMP or their relatives are concerned or interested in the resolution except Mr. Rajiv Mehrotra, Mr. Ajay Khanna and Mr. Alok Tandon, who may be deemed to be interested in the resolution by virtue of being the directors in Sistema Shyam Telservices Limited as well as the shareholders holding more than 2% of its Paid-up Share Capital through their relatives and various Companies.

The Board recommends the resolution set out in Item No. 7 for the approval of members as **Special Resolution**.

## Item No. 8

The Audit Committee Members and the Board of Directors of the Company in their respective Meetings held on 27<sup>th</sup> May, 2017 approved the Related Party Transactions for Sale, Purchase of Goods and to provide / avail services to / from Vihaan Networks Limited, a related party, subject to a maximum aggregate transaction of Rs. 100 Crores in any financial year. Under the provisions of Sections 188 of the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Companies (Meetings of Board and its Powers) Rules, 2014, a transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last Audited Financial Statements of the Company. These provisions further provide that all Materially Related Party Transactions shall require approval of the Shareholders through Special Resolution. Since the transactions with Vihaan Networks Limited are estimated to be around Rs. 100 crores in any financial year, which exceeds the ten percent of the annual consolidated turnover of the Company as per the audited Financial Statement as on 31st March, 2017, the transactions are required to be approved by the Shareholders as Special Resolution. The said transactions are in the ordinary course of business of the Company and wherever required are on a cost plus appropriate mark-up in adherence with the arms-length principle.

None of the Directors, KMP or their relatives are concerned or interested in the resolution except Mr. Rajiv Mehrotra, who may be deemed to be interested in the resolution by virtue of being the director in Vihaan Networks Limited as well as the shareholder holding more than 2% of its Paid-up Share Capital through his relatives and various Companies.

The Board recommends the resolution set out in Item No. 8 for the approval of members as **Special Resolution**.

## Item No. 9

The Audit Committee Members and the Board of Directors of the Company in their respective Meetings held on 27<sup>th</sup> May, 2017 approved the Related Party Transactions for Sale, Purchase of Goods and to provide / avail services to / from Think of Us India Private Limited, a related party, subject to a maximum aggregate transaction of Rs. 100 Crores in any financial year. Under the provisions of Sections 188 of the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Companies (Meetings of Board and its Powers) Rules, 2014, a transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last Audited Financial Statements of the Company. These provisions further provide that all Materially Related Party Transactions shall require approval of the Shareholders through Special Resolution. Since the transactions with Think of Us India Private Limited are estimated to be around Rs. 100 crores in any financial year, which exceeds the ten percent of the annual consolidated turnover of the Company as per the audited Financial Statement as on 31st March, 2017, the transactions are required to be approved by the Shareholders as Special Resolution. The said transactions are in the ordinary course of business of the Company and wherever required are on a cost plus appropriate mark-up in adherence with the arms-length principle.

None of the Directors, KMP or their relatives are concerned or interested in the resolution except to the extent that he or she is a Director/KMP or holds less than 2% shares of the Company either directly or indirectly except Mr. Arun Kumar Khanna, who may be deemed to be interested in the resolution by virtue of being relative of directors of Think of Us Technology Private Limited.

The Board recommends the resolution set out in Item No. 9 for the approval of members as **Special Resolution**.

#### **Item No. 10**

In order to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of Shareholders / Members by way of Special Resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account, whichever is more. Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of Special Resolution as contained in the notice of the Annual General Meeting for an amount not exceeding Rs. 200 Crores Only notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

None of the Directors, KMP or their relatives are concerned or interested in the resolution except to the extent that he or she is a Director/KMP or holds less than 2% shares of the Company either directly or indirectly.

The Board recommends the resolution set out in Item No. 10 for the approval of members as **Special Resolution**.

#### **Item No. 11**

As per Section 181 of the Companies Act, 2013, the Board of Directors of the Company can contribute to bonafide charitable and other funds any amount the aggregate of which, in any financial year shall not exceed 5% of its average net profits, as determined in accordance with the provisions of Section 198 of Companies Act, 2013 for the three immediately preceding financial years.

As required under Section 181 of Companies Act 2013 donation of Rs. 50 lakhs (Rupees Fifty lakhs only) requires the sanction/approval of shareholders in general meeting.

None of the Directors, KMP or their relatives are concerned or interested in the resolution except to the extent that he or she is a Director/KMP or holds less than 2% shares of the Company either directly or indirectly.

The Board recommends the resolution set out in Item No. 11 for the approval of members as **Ordinary Resolution**

## ANNEXURE TO ITEM NO. 3 OF THIS NOTICE

Details of Director seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings)

### NAME OF THE DIRECTOR - MR. RAJIV MEHROTRA

#### BASIC DETAILS

Director Identification Number (DIN)	00035766
Date of Birth	05.08.1954
Nationality	INDIAN
Date of first appointment on the Board of Directors of the Company	03.07.1992
Qualification	Electronics Engineer
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL

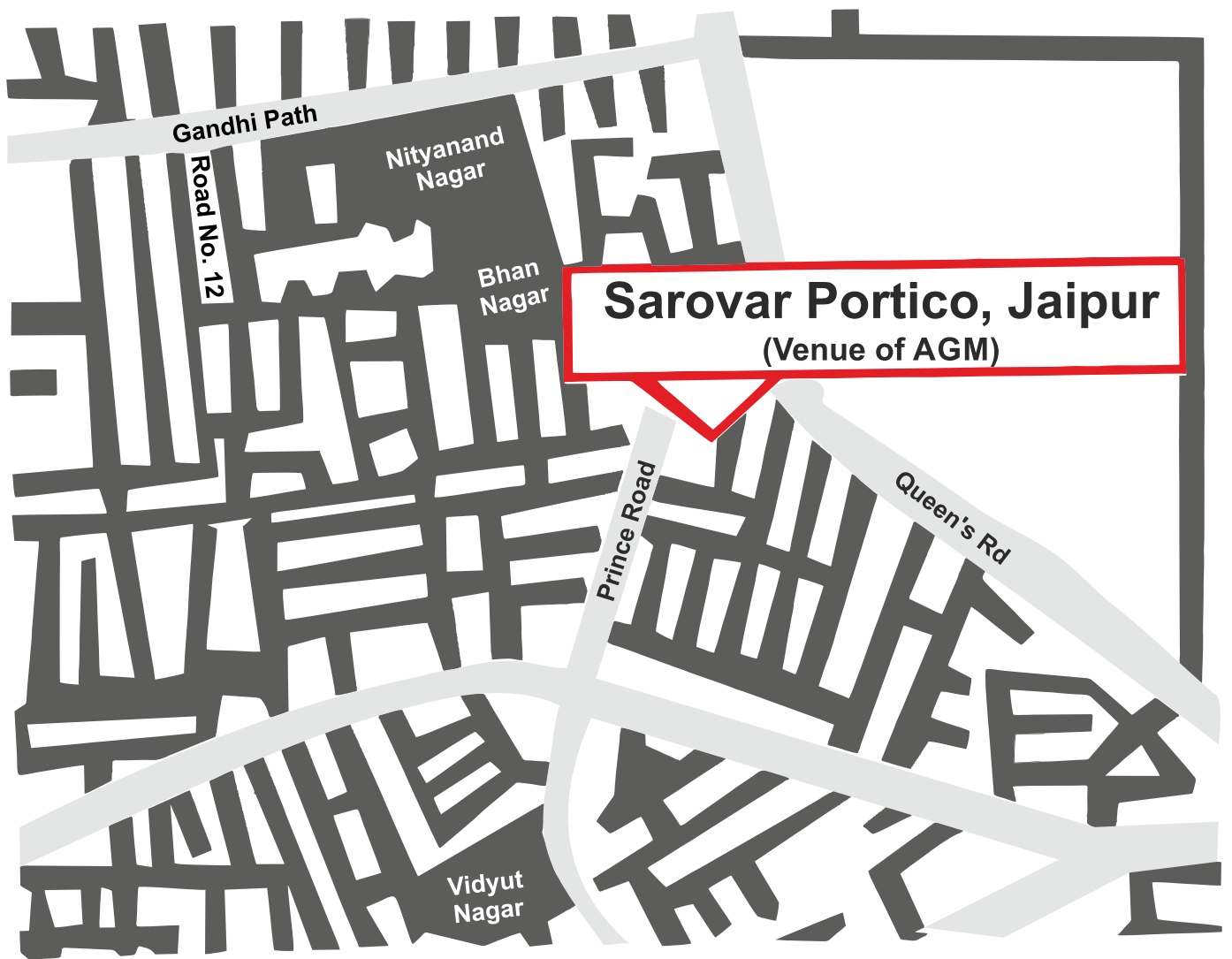
#### LIST OF DIRECTORSHIPS HELD IN OTHER COMPANIES (EXCLUDING FOREIGN, PRIVATE AND SECTION 8 COMPANIES)

- Vihaan Networks Limited
- Shyam Antenna Electronic Limited
- Sistema Shyam Teleservices Limited
- Shyam Networks Limited

#### BRIEF RESUME AND AREA OF EXPERTISE

Mr. Rajiv Mehrotra, a telecom industry veteran and serial entrepreneur, is the founder and Chairman of the Company, India's leading diversified telecommunications group. In a career spanning over 40 years, he has many firsts to his credit. In 1974, as a young electronics engineer, he pioneered the manufacture of satellite TVRO systems that brought cable TV to millions in India. He then launched Shyam Telecom Private Limited - a global name in mobile coverage solutions, Hexacom (GSM services) and Shyam Telelink (now Sistema Shyam Teleservices Limited). His efforts established Essel Shyam as the leading name in VSAT services in India. In 2004, he launched Vihaan Networks Ltd. (VNL) with the dream of connecting the billions of unconnected across the world using sustainable technology to deliver affordable mobile and broadband services. Under his guidance, VNL has won extensive international acclaim for innovation and is the only Indian company today that manufactures and exports its own end-to-end mobile infrastructure solutions to countries in Asia, Africa and Latin America. An active industry spokesperson, he is a passionate advocate for India's indigenous telecom R&D and manufacturing.

**ROUTE MAP OF THE VENUE  
OF  
ANNUAL GENERAL MEETING**





**Form No. MGT 11  
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**SHYAMTELECOM LIMITED**

CIN: L32202RJ1992PLC017750

Regd. Office: MTS Tower, 3, Amrapali Circle, Vaishali Nagar, Jaipur 302021, Rajasthan, India  
Ph.: 91-141-5100343, Fax: 91-141-5100310 E-mail id: investors@shyamtelecom.com

Name of the Member(s):	
Registered Address :	
E-mail Id :	
Folio No. :	
DP Id :	
Client Id :	

I / We being the members(s) of .....shares of Shyam Telecom Limited, hereby appoint :

Name:	Name:	Name:
Address:	Address:	Address:
Email Id:	Email Id:	Email Id:
Signature, _____ or failing him/her	Signature, _____ or failing him/her	Signature, _____

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on September 29<sup>th</sup>, 2017 at 12.00 Noon at Hotel Sarovar Portico, Plot No. 90, Prince Road, Queens Road, Vaishali Nagar, Jaipur-302021, Rajasthan, India and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above proxy to vote in the manner as indicated in the box below:

**Resolutions for/Against**

NO.	RESOLUTIONS	FOR	AGAINST
<b>Ordinary Business</b>			
1.	Consideration and adoption of the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2017		
2.	Re-appointment of Mr. Rajiv Mehrotra, Director retiring by rotation		
3.	Appointment of Statutory Auditor		
<b>Special Business</b>			
4.	Approval of Borrowing Powers to the Board under Section 180 (1) (c) of the Companies Act, 2013		
5.	Approval of Related Party Transactions with Think of Technologies Private Limited		
6.	Approval of Related Party Transactions with Shyam Communication Systems		
7.	Approval of Related Party Transactions with Sistema Shyam Teleservices Limited		
8.	Approval of Related Party Transactions with Vihaan Networks Limited		
9.	Approval of Related Party Transactions with Think of Us India Private Limited		
10.	Approval of limits of Loan / Guarantee / Investment by the Company.		
11.	Authorization for making donation to Bonafide Charitable and other Funds.		

\*Signed this..... day of.....2017.

Affix  
Revenue  
Stamps

Signature of Shareholder	
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**NOTES:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the schedule time of the Meeting.
- A Proxy need not be a member of the company.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\* This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.
- In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or forms which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- Undated proxy form will not be considered valid.
- If company receives multiple proxies for the same holding of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

**ATTENDANCE SLIP**

(Please complete this attendance slip and hand it over at the entrance of the meeting hall)

Name & Address	Folio No.	DP ID #	Client ID #	No. of Shares Held

# Applicable for members holding shares in dematerialized form.

I/We.....R/o .....hereby record my/our presence at the 24<sup>th</sup> Annual General Meeting of the Company held on September 29<sup>th</sup>, 2017 at 12:00 Noon at Hotel Sarovar Portico, Plot no. 90, Prince Road, Queens Road, Vaishali Nagar, Jaipur – 302021, Rajasthan.

Signature of shareholder/ proxy

## CORPORATE INFORMATION

### Board of Directors/Compliance Officer

<b>Mr. Rajiv Mehrotra</b> <i>Chairman &amp; Director</i> DIN- 00035766	<b>Mr. Ajay Khanna</b> <i>Managing Director</i> DIN- 00027549
<b>Mr. Alok Tandon</b> <i>Director</i> DIN- 00027563	<b>Mr. Achintya Karati</b> <i>Director &amp; Chairman of Audit Committee</i> DIN- 00024412
<b>Mr. Vinod Juneja</b> <i>Director</i> DIN- 00044311	<b>Mr. C. S. Malhotra</b> <i>Director</i> DIN- 00276335
<b>Mr. Arun Khanna</b> <i>Director</i> DIN-00041724	<b>Mr. Narendra Kumbhat</b> <i>Director</i> DIN-00035665
<b>Mrs. Nishi Arora Sabharwal</b> <i>Woman Director</i> DIN- 06963293	<b>Mr. Saurav Goel</b> <i>Company Secretary</i>

### Statutory Auditors

**M/s Mehra Goel & Co.**  
Chartered Accountants  
505, Chiranjiv Towers,  
43, Nehru Place,  
New Delhi-110019

### Registrar and Transfer Agent

**Indus Portfolio Pvt. Ltd.**  
G-65, Bali Nagar, New Delhi-110015, India  
rnt@indusinvest.com/  
cs.anamika@indusinvest.com  
Ph: 91-11-47671200, 47671214  
Fax: 91-11-25449863  
Web: [www.indusinvest.com](http://www.indusinvest.com)

### Registered Office

Regd. Office : MTS Tower, 3, Amrapali Circle  
Vaishali Nagar, Jaipur 302021, Rajasthan, India  
Ph.: 91-141-5100343, Fax: 91-141-5100310  
Corporate office: A-60, Naraina Industrial Area, Phase-I, New Delhi-110028  
Email:investors@shyamtelecom.com Ph: 91-11-41411071/72/73, 91-141-5100343 Website: [www.shyamtelecom.com](http://www.shyamtelecom.com)  
CIN : L32202RJ1992PLC017750

### Depository

**National Securities Depository Ltd.**  
4<sup>th</sup> Floor, "A" wing, Trade World,  
Kamla Mills Compound, Senapati Bapat Marg  
Lower Parel, Mumbai-400013, India  
Ph: 91-22-24994200  
Fax: 91-22-24976351  
Web: [www.nsdl.co.in](http://www.nsdl.co.in)

**Central Depository Services (India) Ltd.**  
Phiroze Jeejeebhoy Towers,  
17<sup>th</sup> Floor, Dalal Street,  
Mumbai-400 001, India  
Ph: 91-22-22723333-3224  
Fax: 91-22-22723199/22722072  
Web: [www.cdslindia.com](http://www.cdslindia.com)

**Equity Shares Listing** – Equity Shares of the Company are listed at BSE & NSE

[www.shyamtelecom.com](http://www.shyamtelecom.com)



**REGD.OFFICE:**

MTS Towers,  
3, Amrapali Circle  
Vaishali Nagar, Jaipur -302021  
Rajasthan, India