

# MAHAVEER INFOWAY LIMITED

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

**26<sup>th</sup> ANNUAL REPORT**  
**2016 - 2017**



**26<sup>th</sup> ANNUAL REPORT  
2016-2017**

7-1-24/2/C, 301/A, Dhansi Surabhi Complex,  
Greenlands, Ameerpet, Hyderabad - 500 016.

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## **CORPORATE INFORMATION**

**CORPORATE IDENTITY NUMBER:** L65910TG1991PLC012704

**WEBSITE:** www.minfy.com

**INVESTOR E-MAIL ID:** cs@minfy.com

**CONTACT NO.:** +91 40 66134054/55

**LISTED AT :** BSE Limited

**DEMAT ISIN NUMBER IN NSDL& CDSL:** INE019D01016

**REGISTERED OFFICE:** 7-1-24/2/C, 301/A, Dhansi Surabhi Complex,  
Greenlands, Ameerpet, Hyderabad-500016,  
Telangana.

**BRANCH OFFICE:** 1<sup>st</sup> Floor, Old Income-Tax Building, Vidyanagar,  
Hubli - 580021,

### **BOARD OF DIRECTORS:**

1.	Mr. Ashok Kumar Jain	Managing Director	(DIN: 00043840)
2.	Mr. Vinit Maharia	Director	(DIN: 02075755)
3.	Mr. Vijay Jain	Director	(DIN: 02321195)
4.	Mr. Jeetendra Kumar Bhansali	Director	(DIN: 02894546)
5.	Mr. Ramesh Prasanna Dixit	Director	(DIN: 02894687)
6.	Mr. Rajender Kumar Jain	Director	(DIN: 03093801)
7.	Mr. Budhi Prakash Toshniwal	Director	(DIN: 00147869)
8.	Ms. A Neelima Reddy	Director	(DIN: 00162177)
9.	Mr. Harinarayan Vyas	Director	(DIN: 07120883)

**COMPLIANCE OFFICER & COMPANY SECRETARY:** Ms. Neha Kalpande  
**CHIEF FINANCIAL OFFICER:** Mr. Ravi Kumar Joshi

### **AUDIT COMMITTEE:**

Mr. Budhi Prakash Toshniwal	Chairman
Mr. Vinit Maharia	Member
Ms. A Neelima Reddy	Member
Mr. Harinarayan Vyas	Member

### **NOMINATION & REMUNERATION COMMITTEE:**

Mr. Vinit Maharia	Chairman
Mr. Budhi Prakash Toshniwal	Member
Ms. A Neelima Reddy	Member
Mr. Harinarayan Vyas	Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Ms. A Neelima Reddy	Chairman
Mr. Budhi Prakash Toshniwal	Member
Mr. Vinit Maharia	Member
Mr. Harinarayan Vyas	Member

**AUDITORS:**

**STATUTORY AUDITORS**

**KALYANA & CO.**  
**Chartered Accountants**  
3-6-520, Flat No. 204, 2nd Floor,  
Ashoka Scintilla, Opp. KFC,  
Himayat Nagar, Hyderabad- 500029.

**SECRETARIAL AUDITORS**

**M/s. S.S. REDDY & ASSOCIATES**  
**Practicing Company Secretary**  
Plot No.6-3-354/13, A1, Suryateja  
Apartments, Hindi Nagar, Panjagutta,  
Hyderabad-500034

**BANKERS:**

Axis Bank Limited

**REGISTRAR & SHARE TRANSFER AGENTS:**

**M/s. Venture Capital and Corporate Investments Private Limited**  
12-10-167, Bharat Nagar, Hyderabad- 500018.  
Ph: 040-23818475/ 23818476/ 23868023, Fax: 040-2386802

**26<sup>TH</sup> ANNUAL GENERAL MEETING**

**Date:** Tuesday, 26<sup>th</sup> September, 2017

**Time:** 11.00 am

**Venue:** 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands,  
Ameerpet, Hyderabad-500016, Telangana.

## NOTICE

**Notice** is hereby given that the **26<sup>th</sup> Annual General Meeting** of the Shareholders of **M/s. Mahaveer Infoway Limited** will be held on **Tuesday, the 26<sup>th</sup> day of September, 2017 at 11.00 A.M.** at Registered Office of the Company situated at 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad Telangana-500016 India to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To Appoint a Director in place of **Mr. Ashok Kumar Jain (DIN: 00043840)** who retires by rotation and being eligible, offers himself for re-appointment.
3. To Appoint a Director in place of **Mr. Vijay Jain (DIN: 02321195)** who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Mr.S.Rajashekar, Chartered Accountant, Hyderabad as Statutory Auditors in place of retiring auditors and to fix their remuneration and for the purpose to consider and if, thought fit, to pass with or without modification(s), the following Ordinary Resolution thereof:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, and pursuant to recommendation of Audit Committee, Mr.S.Rajashekar, Chartered Accountant, Hyderabad be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this 26th Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2018 as may be determined by the Audit Committee in consultation with the Auditor from time to time.”

For and on behalf of the Board of  
Mahaveer Infoway Limited

Sd/-

Ashok Kumar Jain  
Managing Director  
(DIN: 00043840)

Place: Hyderabad  
Date: 14.08.2017

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.  
Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 20.09.2017 to 26.09.2017 (Both days inclusive).
3. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
4. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
5. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
6. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents (**M/s. Venture Capital and Corporate Investments Private Limited**).
8. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
9. With a view to using natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
10. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to M/s. Venture Capital and Corporate Investments Private Limited., Share Transfer Agents of the Company for their doing the needful.
11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.

12. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission/transposition, Demat /Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
14. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 will be available for inspection at the Annual General Meeting.
15. Electronic copy of the Annual Report for 2016-2017 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-2017 is being sent in the permitted mode.
16. Members may also note that the Notice of the 26<sup>th</sup> Annual General Meeting and the Annual Report for 2016-2017 will also be available on the Company's website [www.minfy.com](http://www.minfy.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [cs@minfy.com](mailto:cs@minfy.com)
17. **Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on September 23, 2017 (09.00 am) to September 25, 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 of September 19, 2017, may



cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is casted by the shareholder, the shareholder shall not be allowed to change it subsequently.

A person who has acquired shares & become a member of the company after the dispatch of notice of AGM & holding shares as of cut-off date, may obtain the login ID & password by sending a request at [cs@minfy.com](mailto:cs@minfy.com) However, if the person is already registered with the CDSL for remote e-voting then the existing user ID & password can be used for casting vote.

**The instructions for shareholders voting electronically are as under:**

- i. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on Shareholders.
- iii. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed 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:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <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.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details 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 (iv).</li> </ul>

- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password

field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- 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 the EVSN for the relevant <Company Name> on which you choose to vote.
- xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take 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 same 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 and 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 Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed 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) for 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.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
18. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 19.09.2017.
19. Mr. S. Sarveswar Reddy, Practicing Company Secretary, bearing C.P. Number 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process.

20. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
21. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.minfy.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
22. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.
23. Disclosure pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with respect to Directors seeking re-appointment/appointment at the Meeting is given below:

Name of the Director	Mr. Ashok Kumar Jain	Mr. Vijay Jain
Date of Birth	04.03.1959	29.12.1981
Date of Appointment	13/05/1991	30/10/2004
Expertise in specific functional areas	General Management, Finance and Business Strategy	Sales,Business Development Technology Operations
Qualifications	B.Com	B.Tech
No. of Shares held in the Company	502718	428500
Names of the Listed entities in which the person is holding Directorships or Board Committee Memberships	--	--
Positions held in mandatory committees of other companies	-- -	-- -
Inter se relationship among Directors	Father of Vijay Jain	Son of Ashok Kumar Jain

For and on behalf of the Board of  
Mahaveer Infoway Limited  
Sd/-

Ashok Kumar Jain  
Managing Director  
(DIN: 00043840)

Place: Hyderabad  
Date: 14.08.2017

## DIRECTOR'S REPORT

To the Members,

The Directors have pleasure in presenting before you the **26<sup>th</sup> (Twenty Sixth) Directors Report** of the Company together with the Audited Statements of Accounts for the **year ended 31<sup>st</sup> March, 2017**.

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

The performance during the period ended 31<sup>st</sup> March, 2017 has been as under:

(In Rupees)

PARTICULAR	2016-2017		2015-2016	
	Consolidated	Standalone	Consolidated	Standalone
Total Income 183,232,390	146,787,646	356,981,580	304,745,595	
Total Expenditure	186,587,188	150,952,270	354,109,593	304,202,251
Profit Before Tax	(3,354,797)	(4,164,624)	2,871,987	543,344
Provision for Tax	369,267	81,074	541,062	248,556
Profit after Tax	(3,724,267)	(4,245,698)	2,330,925	629,271
Profit Brought from Previous Year	<b>18,569,963</b>	<b>15,219,330</b>	<b>16,239,038</b>	<b>14,590,059</b>
Profit available for appropriation	<b>14,845,696</b>	<b>10,973,632</b>	<b>18,569,963</b>	<b>15,219,330</b>
Provision for Proposed Dividend	—	—	—	—
Provision for Corporate Tax	—	—	—	—
<b>Balance Carried to Balance Sheet</b>	<b>14,845,696</b>	<b>10,973,632</b>	<b>18,569,963</b>	<b>15,219,330</b>

During the year under review, the Gross Revenue of the Company decreased from Rs. 304,745,595/- compared to Rs. 146,787,646/- in the current year. The Profit after tax for the year decreased to Rs. (4,245,695) compared to Rs.629,271/- in the previous year

### 2. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013: CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business. There have been no material changes and commitments, affecting the financial position of the Company which occurred during between the end of the financial year to which the financial statements relate and the date of this report.

### 3. DISCLOSURES UNDER SECTION 134(3)(k) OF THE COMPANIES ACT, 2013: DIVIDEND:

Keeping the Company's expansion and growth plans in mind, your Directors have decided not to recommend dividend for the year.

### 4. DISCLOSURES UNDER SECTION 134(3)(j) OF THE COMPANIES ACT, 2013: TRANSFER TO RESERVES:

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

**5. REVISION OF FINANCIAL STATEMENTS:**

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

**6. DISCLOSURES UNDER SECTION 134(3)(h) OF THE COMPANIES ACT, 2013: PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

The details of transactions/contracts/arrangements entered into by the Company with related party(ies) as defined under the provisions of Section 188 read with Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in detail in the report (if applicable) and forms part of this Report.

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at [www.minfy.com](http://www.minfy.com).

Your Directors draw attention of the members to Notes given to the financial statement which sets out related party disclosures.

**7. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013: SHARES WITH DIFFERENTIAL RIGHTS:**

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

**8. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013: ISSUE OF SWEAT EQUITY SHARES:**

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

**9. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013: ISSUE OF EQUITY SHARES UNDER EMPLOYEES STOCK OPTION SCHEME:**

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

**10. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

**11. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS, COURTS, TRIBUNALS, IMPACTING THE GOING CONCERN BASIS OF THE COMPANY:**

There were no significant material orders passed by regulators, courts, tribunals, impacting the going concern basis of the Company.

## 12. CORPORATE GOVERNANCE:

Corporate Governance is not applicable to the company since the paid up equity share capital and net worth of the company does not exceed Rs. 10 crores and Rs. 25 crores respectively. However, the company voluntarily provides a separate section in the Annual Report titled "Report on Corporate Governance" along with the Auditors' Certificate on Corporate Governance as stipulated under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management discussion and analysis report for the year under review as stipulated under Regulation 4(3) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is presented in a separate section forming part of the annual report.

## 14. BOARD MEETINGS:

The Board of Directors duly met **4 (Four) times** on 30/05/2016, 10/08/2016, 11/11/2016 and 09/02/2017 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

## 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As per law, two-thirds of non-executive and non-independent Directors should retire by rotation. One third of these Directors are required to retire every year and if eligible, offer them for reappointment. **Mr. Ashok Kumar Jain (DIN: 00043840)** and **Mr. Vijay Jain (DIN: 02321195)** would retire in upcoming AGM and being eligible, have offered them self for re-appointment.

The Board recommends the re-appointment of Mr. Ashok Kumar Jain (DIN: 00043840) and Mr. Vijay Jain (DIN: 02321195). Items seeking your approval on the above are included in the Notice convening the AGM. Brief resumes of the directors being appointed / re-appointed form part of the Notice of the ensuing AGM

## 16. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT-9** as a part of this Annual Report in **Annexure I**.

## 17. AUTHORISED AND PAID UP CAPITAL OF THE COMPANY:

The authorized capital of the company stands at 6,00,00,000 /- divided into 60,00,000 equity shares of Rs.10/- each and The company's paid up capital at 5,50,90,000/- divided into 55,09,000 equity shares of Rs. 10/- each.

## 18. DIRECTOR'S RESPONSIBILITY STATEMENT: -

In pursuance of section 134 (3) (c) of the Companies Act, 2013, the Directors hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Loss of the company for that period;

- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**19. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received a declaration from Mr. Budhi Prakash Toshniwal, Ms. A. Neelima Reddy, Mr. Vinit Maharia and Mr. Harinarayan Vyas, Independent Directors of the Company to the effect that they are meeting the criteria of Independence as provided in Sub-section (7) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Such Declarations is attached in **Annexure II** of this Report.

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

The required information as per Section 134 (3) (m) of the Companies Act, 2013, is provided hereunder:

**A. Conservation of Energy:**

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

**B. Technology Absorption:**

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

**C. Foreign Exchange Earnings and Out Go: (In Lakhs)**

- 1. Foreign Exchange Earnings: 26.64
- 2. Foreign Exchange Outgo: 21.24

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

The Company has Two Subsidiary Companies in the name and style M/s. Minfy Technologies Private Limited (Formerly known as 'Mahaveer Projects Private Limited') and M/s. Mahaveer Telecom Private Limited. Other Details of Subsidiary Companies are as follows: -



Particulars	Minfy Technologies Private Limited	Mahaveer Telecom Private Limited
Date of Incorporation	29/11/2010	24/12/2010
Brief Main Object	Staffing and Recruitment	Mobile Trading
Authorised Share Capital	Rs. 1,00,000/-	Rs. 5,00,000/-
Paid up Share Capital	1,00,000/-	5,00,000/-
Total Income for FY 2016-17	34,984,798	1,459,946
Total Expenditure for FY 2016-17	34,194,870	1,440,048
Profit Before Tax for FY 2016-17	789,928	19,899
Provision for Tax for FY 2016-17	282,044	6,149
Profit after Tax for FY 2016-17	507,884	13,749

## 22. AUDITORS AND AUDITORS REPORTS:-

### A. Statutory Auditors:

The existing auditors M/s. Kalyana & Co., will retire at the ensuing Annual General Meeting on expiry of 5 years term. Accordingly, the appointment of Mr.S.Rajashekar, Chartered Accountant., as statutory auditors of the Company, in place of retiring auditors is placed for approval by the shareholders. The Auditors' Report for fiscal 2017 does not contain any qualification, reservation or adverse remark.

The Auditors' Report is enclosed with the financial statements in this Annual Report.

### B. Statutory Auditors' Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2017 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges that may occur in the industry.

### C. Secretarial Auditors:

The Board had appointed M/s. S. S. Reddy & Associates, Practicing Company Secretaries, Hyderabad, having CP No. 7478 to conduct Secretarial Audit for the financial year 2016-17, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Pursuant to the provisions of Section 134(3)(f) & Section 204 of the Companies Act, 2013, The Secretarial Audit Report in Form MR – 3 for the financial year 2016- 17 is enclosed herewith as **Annexure III** to this Report.

### D. Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act, 2013 and the Company has not appointed internal auditor for the financial year 2016-17 but the company is taking necessary measures to appoint the same at the earliest.



**23. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:**

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

**24. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment. The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

The Company has in place adequate internal control systems, which commensurate with its size, nature of business and complexity of its operations and are designed to provide a reasonable degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguard for assets, internal control over financial reporting, and compliance with applicable laws and regulations. Internal audit function evaluates the adequacy of and compliance with policies, plans, regulatory and statutory requirements.

The Internal Auditors directly report to the Board's Audit Committee, thus ensuring the independence of the process. It also evaluates and suggests improvement in effectiveness of risk management, controls and governance process. The Audit committee and Board provides necessary oversight and directions to the Internal audit function and periodically reviews the findings and ensures corrective measures are taken.

**25. INSURANCE:**

The properties and assets of your Company are adequately insured.

**26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Loans: -

During the Year, The Company has given Short Term Loans to Its Subsidiary Mahaveer Telecom Private Limited for **Rs. 26,79,321.00/-** and **Minfy Technologies Private Limited for an amount of Rs.11,426,793/-**

Credit & Guarantee Facilities:

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company, from Axis Bank Ltd. Personal Guarantees were given by:

- |                                 |   |                   |
|---------------------------------|---|-------------------|
| 1. Mr. Ashok Kumar Jain         | – | Managing Director |
| 2. Mr. Vijay Jain               | – | Director          |
| 3. Mr. Rajender Kumar Jain      | – | Director          |
| 4. Mr. Jeetendra Kumar Bhansali | – | Director          |
| 5. Mr. Ramesh Prasanna Dixit    | – | Director          |

Executive Director without any consideration for obtaining Bank Guarantees.

**27. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

Since your Company does not has the net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more, or a net profit of Rs. 5 crore or more during the financial year, section 135

of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

**28. LISTING AND DELISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2016-2017 to Bombay Stock Exchange.

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

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

**30. SECRETARIAL STANDARDS:**

The company is in compliance with Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

**31. EMPLOYEE RELATIONS:**

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

None of the employees is drawing Rs. 8,50,000/- and above per month or Rs. 1,02,00,000/- and above in aggregate per annum, the limits prescribed under Section 134 of the Companies Act, 2013

**32. APPRECIATION & ACKNOWLEDGEMENT:**

Your company satisfactorily outperformed the industry in this challenging year and continues to maintain its leadership position. It has been surpassing all the international quality and cost benchmarks and continues to build shareholder value. Your Director looks to the future with confidence.

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

For and on behalf of the Board of  
**Mahaveer Infoway Limited**

Place: Hyderabad  
Date: 14.08.2017

S/d-  
Ashok Kumar Jain  
Managing Director  
(DIN: 00043840)

S/d-  
Rajender Kumar Jain  
Director  
(DIN:03093801)

## ANNEXURE-I

MGT 9

Extract of Annual Return

As on the Financial Year 31.03.2017

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

### I. REGISTRATION AND OTHER DETAILS:

i. CIN	L65910TG1991PLC012704
ii. Registration Date	13/05/1991
iii. Name of the Company	MAHAVEER INFOWAY LIMITED
iv. Category/ Sub-Category of the Company	Company limited by shares/ Indian Non-Government Company
v. Address of the Registered office and contact details	7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad, Telangana-500016 India
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Venture Capital and Corporate Investments Private Limited 12-10-167, Bharat Nagar, Hyderabad- 500018. Ph: 040-23818475/ 23818476/ 23868023 Fax: 040-2386802

### 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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Mobile	998413	63.00
2	Unallocated / Petroleum	996119	37.00

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

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Minfy Technologies Private Limited	U72200TG2010PTC071443	SUBSIDIARY	98%	2 (87)
2.	Mahaveer Telecom	U64100TG2010PTC071861	SUBSIDIARY	60%	2 (87)

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

**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year(As on 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. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	2354328	-	2354328	42.74	2354328	-	2354328	42.74	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Subtotal(A)(1):</b>	<b>2354328</b>	<b>-</b>	<b>2354328</b>	<b>42.74</b>	<b>2354328</b>	<b>-</b>	<b>2354328</b>	<b>42.74</b>	<b>-</b>
1) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
<b>Subtotal(A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>2. Non Institutions</b>									
<b>a) Bodies Corp.</b> (i) Indian (ii) Overseas	98114	0	98114	1.78	65883	0	65883	1.2	-0.59
<b>b) Individuals</b> (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	673341	174301	847642	15.39	696055	174301	870356	15.8	0.41
<b>c) Others(Specify)</b>	68970	0	68970	1.25	34997	0	34997	0.64	-0.61
<b>Subtotal(B)(2)</b>	<b>2886271</b>	<b>268401</b>	<b>3154672</b>	<b>57.27</b>	<b>2886271</b>	<b>268401</b>	<b>3154672</b>	<b>57.26</b>	<b>0.00</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2886271	268401	3154672	57.27	2886271	268401	3154672	57.26	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	
<b>Grand Total(A+B+C)</b>	<b>5240599</b>	<b>268401</b>	<b>5509000</b>	<b>100</b>	<b>5240599</b>	<b>268401</b>	<b>5509000</b>	<b>100</b>	<b>0.00</b>

ii. **SHARE HOLDING OF PROMOTERS**

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Co.	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Co.	% of shares pledged encumbered to total shares	
1.	Ashok Kumar Jain	502718	9.13	3.34	502718	9.13	3.34	0%
2.	Rajender Kumar Jain	296000	5.37	0.83	296000	5.37	0.83	0%
3.	Vijay Kumar Kothari	428500	7.78	0.41	428500	7.78	0.41	0%
4.	Mahaveer Chand Jain	184700	3.35	0	184700	3.35	0	0%
5.	Basanta Bai Jain	10000	0.18	0	10000	0.18	0	0%
6.	Nirmal Kothari	165010	3.00	1.82	165010	3.00	1.82	0%
7.	Kamal Kumar Kothari	191000	3.47	1.91	191000	3.47	1.91	0%
8.	Sushila Bai Kothari	10100	0.18	0	10100	0.18	0	0%
9.	Vishal Jain	107600	1.95	0	107600	1.95	0	0%
10.	Badam Bai Kothari	231700	4.21	0	231700	4.21	0	0%
11.	Vivek Jain	110700	2.01	0	110700	2.01	0	0%
12.	Anitha Kothari	40000	0.73	0	40000	0.73	0	0%
13.	Leela Devi Kothari	35100	0.64	0	35100	0.64	0	0%
14.	Manju Devi Kothari	41200	0.75	0	41200	0.75	0	0%
	<b>Total</b>	<b>2354328</b>	<b>42.74</b>	<b>8.31</b>	<b>2354328</b>	<b>42.74</b>	<b>8.31</b>	<b>0%</b>

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

Sr. no	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	----- No Change -----			
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3	At the End of the year				

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

Sr. no	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Niruben Jitubhai Shah	244980	4.45	244980	4.45
2	Anitha Kumari	131100	2.38	131100	2.38
3	Rajendra Rajaram Dhole	125000	2.27	125000	2.27
4	Sulochana Mandhana	100700	1.83	100700	1.83
5	Bhansali Sweety Jeetendra Kumar	100000	1.82	100000	1.82
6	Vijaya Ramesh Dixit	100000	1.82	100000	1.82
7	Mahaveer Chand Jain	100000	1.82	100000	1.82
8	Champadevi Madanlal Bhansali	100000	1.82	100000	1.82
9	Pinky Jain	96313	1.75	96313	1.75
10	Niruben Jitubhai Shah	54369	0.99	54369	0.99
Date wise Increase /Decrease in top ten shareholders Share Holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer /bonus/ sweat equity etc.): NIL					
At the End of the year		--	--	--	---

**v. Shareholding of Directors and Key Managerial Personnel:**

Sr. no	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Ashok Kumar Jain	502718	9.13	502718	9.13
2.	Rajender Kumar Jain	296000	5.37	296000	5.37
3.	Vijay Kumar Kothari	428500	7.78	428500	7.78
4.	Harinarayan Vyas	2700	0.05	2700	0.05
5.	Ravi Kumar Joshi	4000	0.07	4000	0.07
6.	Neha Kalpande	-	-	-	-
Date wise Increase /Decrease in Directors and key managerial personnel Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):					
At the End of the year				--	--

**V. INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits		Unsecured Loans	Deposits	Total Indebtedness
	Term Loan	Cash Credit			
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount	8,74,671	5,22,01,648	55,66,717		586,43,036
ii) Interest due but not paid	0.000	0.000	0.000		0.000
iii) Interest accrued but not	0.000	0.000	0.000		0.000
<b>Total (i+ii+iii)</b>	<b>8,74,671</b>	<b>5,22,01,648</b>	<b>55,66,717</b>		<b>58,643,036</b>
Change in Indebtedness during the financial year					
- Addition	0	0	6,21,123		6,21,123
- Reduction	8,74,671	31,70,879	0		(40,45,550)
<b>Net Change</b>	<b>(8,74,671)</b>	<b>(31,70,879)</b>	<b>6,21,123</b>		<b>(34,24,427)</b>
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount	0	4,90,30,769	61,87,840		5,52,18,609
ii) Interest due but not paid	0	0	0		0
iii) Interest accrued but not due	0	0	0		0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>4,90,30,769</b>	<b>61,87,840</b>		<b>5,52,18,609</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Ashok Kumar Jain , MD	Bhansali Jeetendra Kumar, Executive Director	Dixit Prasanna Ramesh, Executive Director	
1.	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961(b) Value of perquisites u/s17(2) Income-tax Act,1961(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	3,00,000/-	1,20,000/-	7,80,000/-	12,00,000/-
2.	Stock Option	NIL			NIL
3.	Sweat Equity	NIL			NIL
4.	Commission - as % of profit - Others, specify...	NIL			NIL
5.	Others, please specify	NIL			NIL
6.	Total (A)	3,00,000/-	120000/-	780000/-	12,00,000/-
	Ceiling as per the Act				

### B. Remuneration to other directors: NIL

Particulars of Remuneration	Name of MD/WTD/ Manager	TotalAmount
<b>Independent Directors</b>		
• Fee for attending board committee meetings	—	—
• Commission	—	—
• Others, please specify	—	—
<b>Total (1)</b>	—	—
<b>Other Non-Executive Directors</b>		
• Fee for attending board committee meetings	—	—
• Commission	—	—
• Others, please specify	—	—
Total (2)	—	—
Total (B)=(1+2)	—	—
Total Managerial Remuneration	—	—
Overall Ceiling as per the Act	—	—



**C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	<b>Gross salary</b> (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-taxAct, 1961 (c) Profits in lieu of salary under section17(3) Income-taxAct, 1961	NA	2,83,460/-	4,50,000/-	7,33,460/-
2.	Stock Option	NA	NIL	NIL	NIL
3.	Sweat Equity	NA	NIL	NIL	NIL
4.	Commission- as % of profit- others, specify...	NA	NIL	NIL	NIL
5.	Others, please specify	NA	NIL	NIL	NIL
	<b>Total</b>	<b>NA</b>	<b>2,83,460/-</b>	<b>4,50,000/-</b>	<b>7,33,460/-</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

Type	Section of Act the companies	Brief of description	Details 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					
<b>C. Other Officers In Default</b> Penalty Punishment Compounding					

NIL

## ANNEXURE - II

### DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors  
M/s Mahaveer Infoway Limited

Dear Sir,

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

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

Thanking You.

Yours Faithfully,

Sd/-

Vinit Maharia  
(Independent Director)

Date: 30.05.2017  
Place: Hyderabad

## ANNEXURE - II

### DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors  
M/s Mahaveer Infoway Limited

Dear Sir,

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

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

Thanking You.  
Yours Faithfully,  
Sd/-

Budhi Prakash Toshniwal  
(Independent Director)

Date: 30.05.2017  
Place: Hyderabad

## ANNEXURE - II

### DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors  
M/s Mahaveer Infoway Limited

Dear Sir,

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

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

Date: 30.05.2017  
Place: Hyderabad

Thanking You  
Yours Faithfully,  
Sd/-  
Harinarayan Vyas  
(Independent Director)

## ANNEXURE - II

### SPECIMEN DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors  
M/s Mahaveer Infoway Limited

Dear Sir,

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

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

Thanking You

Yours Faithfully,

Sd/-

A Neelima Reddy

(Independent Director)

Date: 30.05.2017

Place: Hyderabad

## **CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY:**

As provided under clause 17 (5) (a) of the SEBI (LODR) Regulation 2015 all Board Members and the Senior Management personnel have confirmed compliance with the Business Ethics and Code of Conduct for the year ended on March 31, 2017.

For and on behalf of the Board of

**Mahaveer Infoway Limited**

S/d-

Place: Hyderabad  
Date: 14.08.2017

Ashok Kumar Jain  
Managing Director  
(DIN 00043840)

### **ANNEXURE III FORM MR-3**

#### **SECRETARIAL AUDIT REPORT**

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

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

To  
The Members of  
M/s. Mahaveer Infoway Limited

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1<sup>st</sup> April, 2016 and ended 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Mahaveer Infoway Limited ("The Company") 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 for specified sections notified and came in to effect from 12<sup>th</sup> September, 2013 and sections and Rules notified and came in to effect from 1<sup>st</sup> April, 2014 and thereafter
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
  - v. The Securities and Exchange Board of India Act, 1992 ('SEBI Act');
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) are not applicable to the Company under the financial year 2016-17.
- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures.**
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable as the company has not issued any shares during the year under review.**
  - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review ;**
  - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
  - v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review.**
  - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities during the year under review.**
  - vii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **Not Applicable as the Company has not issued any ESOPS during the year under review.**
  - viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading regulations; **The Company has complied with all required disclosures from time to time as and when they are applicable.**
  - ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable and
    - The company has framed various policies and displayed the same on the company's website i.e., [www.minfy.com](http://www.minfy.com)
    - Board Diversity Policy
    - Policy on Preservation of Documents
    - Risk Management Policy
    - Whistle Blower Policy
    - Related Party Transaction Policy

- Familiarization programme for Independent Directors.
  - Nomination and Remuneration Policy
3. During the year the Company has conducted 4 Board Meetings, 4 Audit Committee Meetings, 4 Stakeholder Committee Meetings and 1 Independent Director's Meeting, and We have also examined compliance with the applicable clauses of the following:
    - i. Secretarial Standards issued by the Institute of Company secretaries of India on meeting of the Board of Directors and General Meetings and
    - ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  4. We further report that the Compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.
  5. During the financial year under report, the Company has complied with the provisions of the Companies Act, 2013 Rules, Regulations, Guidelines, Standards, etc., mentioned above.

**OBSERVATIONS:**

- (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that  
The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
  - External Commercial Borrowings were not attracted to the Company under the financial year under report;
  - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
  - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
- (a) We further report that:-
  - i. The company has a company secretary and CFO namely Ms. Neha Kalpande and Mr. Ravi Joshi.
  - ii. The Company has not appointed internal auditors during the financial year 2016-17
5. I have relied on the Management Representation made by the Managing Director for systems and mechanism formed by the Company to ensure the compliances under other applicable Acts, Laws and Regulations which are listed below:
  - a. Information Technologies Act 2000
  - b. Software Technology Park of India Rules and Regulations
  - c. Labour laws and Incidental laws related to Labour and Employees appointed by the Company either on its payroll or on contractual basis as related to Wages, Gratuity, Provident Fund, ESIC, Compensation etc.,
  - d. Clearance from Various Local Authorities.
  - e. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.



We further report that: -

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice of board meeting is given to all the directors along with agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- We further report that during the year under report, the Company has not undertaken Event / action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Place: Hyderabad  
Date: 14.08.2017

**For S.S. Reddy & Associates**

S/d-

**S. Sarveswar Reddy**  
Practicing Company Secretaries  
C. P. No.: 7478

To  
The Members of  
M/s. Mahaveer Infoway Limited

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

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

Place: Hyderabad  
Date: 14.08.2017

**For S.S. Reddy & Associates**  
S/d-  
**S. Sarveswar Reddy**  
Practicing Company Secretaries  
C. P. No.: 7478

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENTS:

Mahaveer Infoway Limited (MIL) has its business operations in the field of Software Development, IT Consulting, Networking Solutions, Software Testing, Cloud Services (AWS) Distribution of Telecom Products, and Offshore Staffing. Mahaveer Infoway Limited. (MIL) is a provider of Technology oriented solutions. Each Business vertical is headed by able, experienced and proven professionals to take the company to the next level of growth. The company is looking at diversification in telecom sector in a big way and in this direction have plans of acquiring telecom companies to achieve rapid inorganic growth in the coming years.

The Company also offers consulting and information technology (IT) services. It provides a range of services, including software development, Cloud Services in partnership with Amazon, Product and Application testing, packaged software integration, system maintenance, and engineering design services which creates the many opportunities in the Local and Global Market.

Management and our Professional teams are taking efforts to learn and apply new skills in the market for more development in the Businesses of the Company.

### COMPANY STRENGTHS: -

#### Telecom

- Young, Dynamic & Experience Management team from diverse backgrounds and geographies.
- Existing Distributor Network in South India.
- Exclusive agreement with Mediatek, Taiwan for Hardware Testing with MSAI (Mobile testing Standards Association of India) for IMEI number allocation and product testing.

#### IT Services

- Senior Management from various big IT Organizations.
- Presence in Hubli and head quartered in Hyderabad.
- MIL partners with Amazon, HP software, Cenxic, IBM and Microsoft, hence improving credibility in the market.

### COMPANY OPPORTUNITIES AND THREATS: -

#### Telecom

##### Opportunities:-

- Building own Retail formats to cater to the growing telecom market.

##### Threats:-

- Strong lobbying by Class 'A' Players against the emerging manufacturers
- Government Policies against imported assembled Handsets.

#### IT Services

##### Opportunities:-

- In pursuit of appointing Country Managers in both US and SAARC Countries for Managed services.
- Exploring untapped markets like tier 2 cities in India and SAARC Countries markets abroad.

Threats:-

- Mass Hiring by Larger Organizations, leaving SME's with not much quality consultants.
- Anti-outsourcing policies from the hugely profitable US and European IT Markets.

**SEGMENT WISE OR PRODUCT WISE PERFORMANCE: -**

**OUTLOOK: -**

**Service Offering Include**

- Providing web (.net/sharepoint/java/php) and mobile based (android/iphone) business applications and solutions for various domains.
- Staff augmentation by maintain bench resources of bright and outstanding performers on various technologies and Amazon Web Services.
- Functional Manual testing, Functional Automation Testing-QTP, Silk Test, Selenium, Performance Testing and Re-engineering-Silk Performer, Load Runner, Jmeter and building Automation Frameworks, API Testing, Scalability Testing etc.

**RISK AND CONCERNS: -**

**Telecom:**

- Price Fluctuation, Dollar inflation & sensitive Telecom markets.
- Low management bandwidth.
- Lower Exposure to overseas Telecom markets

**IT Services**

- Attrition in Human resources in middle and lower management.
- Low management bandwidth.
- Lower Exposure to overseas IT markets.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY: -**

The internal control system of our Company is effective and adequate. The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting Records and its accuracy. The business risks and its control procedures are reviewed frequently. Internal Control Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Chief Financial Officer and Senior Management are taking action to strengthen controls where necessary

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE: -**

**Operational Review:**

In Financial Year 2016-17 things started slowing down. We expanded our distribution network of petroleum product and also increase the

**Financial Review:**

During the financial year 2016-17, company registered a turnover of Rs. 1467.87 Lakhs against Rs. 3048.00 Lakhs in financial year 2015-16. The sales of the company remained flat in the year. Net Profit of the company declined from Rs. 6.29 Lakhs last year to Rs. (42.47) Lakhs in this year.

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED: -**

Your Company recognizes the value addition of its employees and their contribution to the growth and development of the Company. In turn, the Company is committed to train and develop its people and motivate them. Industrial relations have been cordial and mutually beneficial. We have an effective strategy to nurture and grow our people so much so that employee turnaround has been much lower.

**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

## CORPORATE GOVERNANCE REPORT

*Corporate Governance is not applicable to the company as its paid up-equity capital and net worth does not exceed Rs. 10 crores and Rs. 25 crores respectively. However, the company voluntarily complies with Corporate Governance as a good governance measure to keep the stakeholders informed about the company.*

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

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

### 2. BOARD DIVERSITY:

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

### 3. BOARD EVALUATION:

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

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

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the *Corporate governance report*. The Board approved the evaluation results as collated by the nomination and remuneration committee.

#### **4. MAHAVEER's CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

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

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website [www.minfy.com](http://www.minfy.com).

#### **5. BOARD OF DIRECTORS:**

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic supervision of the company.

As trustees, the Board has a fiduciary responsibility towards all the shareholders and ensures that the company has clear goals aligned to shareholder value and its growth. The Board sets strategic goals and seeks accountability for their fulfilment. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils all stakeholders' aspirations and societal expectations. The Board, as part and parcel of its functioning, also periodically reviews its role.

##### **a) COMPOSITION OF THE BOARD:**

The composition of the Board of Directors of the company is an appropriate combination of executive and non-executive Directors with right element of independence. As on March 31, 2017, the Company's Board comprised of five Directors, which includes two promoter Directors. In addition, there are Four Independent Directors on the Board including one-woman Director. In terms of clause 17(1) (b) of SEBI (LODR) Regulations, 2015, the company is required to have one half of total Directors as independent Directors. The non-executive Directors are appointed or re-appointed based on the recommendation of the Nomination & Remuneration Committee which considers their overall experience, expertise and industry knowledge. One third of the non-executive Directors other than independent Directors, are liable to retire by rotation every year and are eligible for reappointment, subject to approval by the shareholders.

##### **b) NUMBER OF BOARD MEETINGS:**

The Board of Directors met **Four (4)** times during the financial year on 30/05/2016, 10/08/2016, 11/11/2016 and 09/02/2017. The maximum time gap between any two meetings was less than four months. The agenda for each meeting is prepared well in advance, along with explanatory notes wherever required and distributed to all Directors.

##### **c) ATTENDANCE AND DIRECTORSHIPS HELD:**

As mandated by the SEBI (LODR) Regulations, 2015, none of the Directors are members of more than ten Board-level committees nor are they chairman of more than five committees in which they are members. Further all the Directors have confirmed that they do not serve as an independent director in more than seven listed companies or where they are whole-time directors in any listed company, then they do not serve as independent director in more than three listed companies.

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are shown in **Table 1**.

**Table-1**

Name of Director	Relationship with other Directors	Category	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM	No. of Shares Held	No. of Outside Directorships of Public Companies	No. of Committee Memberships	No. of Committee Chairmanships
Mr. Ashok Kumar Jain	Father of Mr. Vijay Jain	P&ED	4	4	Yes	502718	1	—	—
Mr. Vijay Jain	Son of Mr. Ashok Kumar Jain	ED	4	4	Yes	428500	—	—	—
Mr. Rajender Kumar Jain	Brother of Mr. Ashok Kumar Jain	P&ED	4	4	Yes	296000	1	—	—
Mr. Bhansali Jeetendra Kumar	None	ED	4	4	Yes	NIL	—	—	—
Mr. Dixit Prasanna Ramesh	None	ED	4	4	Yes	NIL	—	—	—
Ms. A Neelima Reddy	None	ID&NED	4	4	yes	NIL	—	3	1
Mr. Vinit Maharia	None	ID&NED	4	4	Yes	NIL	—	3	1
Mr. Budhi Prakash Toshniwal	None	ID&NED	4	4	Yes	NIL	—	3	1
Mr. Harinarayan Vyas	None	ID&NED	4	4	Yes	2700	—	3	—

**d) INFORMATION SUPPLIED TO THE BOARD:**

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CFO is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required



- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) **FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

The Board members are provided with necessary documents, reports, internal policies and site visits to enable them to familiarise with the Company's operations, its procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company business, strategy and risks involved. Detailed presentations on the Company's business segments were made at the meetings of the Directors held during the year. Details of the same are available on [www.minfy.com](http://www.minfy.com).

6. **COMMITTEES OF THE BOARD:**

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

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

7. **AUDIT COMMITTEE:**

a) **BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.

- Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report including quarterly/ half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
  - a. Any changes in accounting policies and practices;
  - b. Qualification in draft audit report;
  - c. Significant adjustments arising out of audit;
  - d. The going concern concept;
  - e. Compliance with accounting standards;
  - f. Compliance with stock exchange and legal requirements concerning financial statements and
  - g. Any related party transactions
- Reviewing the company's financial.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

b) **COMPOSITION, MEETINGS & ATTENDANCE:**

There were four (4) Audit Committee Meetings held during the year on 30/05/2016, 10/08/2016, 11/11/2016 and 09/02/2017.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. Budhi Prakash Toshniwal	Chairperson	NED(I)	4	4
Ms. A Neelima Reddy	Member	NED(I)	4	4
Mr. Vinit Maharia	Member	NED(I)	4	4
Mr. Harinarayan Vyas	Member	NED(I)	4	4

**NED (I)** : Non Executive Independent Director.

## 8. NOMINATION AND REMUNERATION COMMITTEE:

The Committee comprises of three non-executive independent Directors

### a) BRIEF DESCRIPTION OF TERMS OF REFERENCE:

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
  - a. to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
  - b. to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.

### b) COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

There were no Committee Meetings held during the financial year 2016-17.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. Vinit Maharia	Chairperson	NED(I)	--	--
Ms. A Neelima Reddy	Member	NED(I)	--	--
Mr. Budhi Prakash Toshniwal	Member	NED(I)	--	--
Mr. Harinarayan Vyas	Member	NED(I)	--	--

**NED (I):** Non Executive Independent Director

### c) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

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

#### Policy:

1. The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
2. In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

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

### **2.1 The proposed appointee shall also fulfil the following requirements:**

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

### **3. Criteria of independence**

- 3.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.
- 3.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

### **4. Other directorships/ committee memberships**

- 4.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

- 4.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.
- 4.4 A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committee across all companies in which he holds directorships.

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

**1. REMUNERATION OF DIRECTORS: -**

- a) **PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY:** The Non- Executive Directors have no pecuniary relationship or transactions.
- b) **CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:**

**Remuneration Policy:**

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

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

Policy for selection of Directors and determining Directors' Independence:

**1. Scope:**

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

**2. Terms and References:**

- 2.1 "Director" means a director appointed to the Board of a Company.
- 2.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
3. "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

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

**1. Scope:**

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

**2. Terms and Reference:**

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

- 2.1 "Director" means a director appointed to the Board of the company.

2.2 “key managerial personnel” means

- a) The Chief Executive Office or the managing director or the manager;
- b) The company secretary;
- c) The whole-time director;
- d) The chief finance Officer; and
- e) Such other office as may be prescribed under the companies Act, 2013

2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

### 3. Remuneration to other employees

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

### REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2016-17 AND OTHER DISCLOSURES

Name of the Director	Salary (Rs.)	Sitting fees (Rs.)	No. of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Ashok Kumar Jain	3,00,000/-	0	502718	—	—	—	—
Vijay Jain	0.00/-	0	428500	—	—	—	—
Bhansali Jeetendra Kumar	1,20,000/-	0	NIL	—	—	—	—
Dixit Prasanna Ramesh	7,80,000/-	0	NIL	—	—	—	—

### 10. STAKEHOLDER’S RELATIONSHIP COMMITTEE:

- a) The stakeholders’ relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.
- b) The broad terms of reference of the stakeholders’ relationship committee are as under:
  - Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend/ notice/ annual reports, etc. and all other securities-holders related matters.
  - Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
  - The composition of the stakeholders’ relationship committee and the details of meetings attended by its members are given below:
  - There were Four (4) Committee Meetings held during the year on 30/05/2016, 10/08/2016, 11/011/2016 and 09/02/2017.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Ms. A Neelima Reddy	Chairperson	NED(I)	4	4
Mr. Vinit Maharia	Member	NED(I)	4	4
Mr. Budhi Prakash Toshniwal	Member	NED(I)	4	4
Mr. Harinarayan Vyas	Member	NED(I)	4	4

**NED (I):** Non Executive Independent Director

**a) NAME AND DESIGNATION OF COMPLIANCE OFFICER:**

Ms. Neha Kalpande, Company Secretary of the company, is the compliance officer of the Company.

**b) DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2016-17:**

NUMBER OF COMPLAINTS	NUMBER
Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange / SCORE and so on	NIL
Number of complaints resolved	NA
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2017	NIL
Complaints pending as on March 31, 2017	NIL
Number of Share transfers pending for approval, as on March 31, 2017	NIL

**11. INDEPENDENT DIRECTORS' MEETING:**

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 09.02.2017, to discuss:

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

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc. The details of the familiarization program are given at company's website ([www.minfy.com](http://www.minfy.com)).

## 2. FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder and regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the independent directors of the company had a meeting on 09/02/2017 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

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

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 5 non-independent directors namely:

1. Ashok Kumar Jain- Managing Director
2. Rajender Kumar Jain- Director
3. Vijay Jain- Director
4. Bhansali Jeetendra Kumar- Director
5. Dixit Prasanna Ramesh- Director

The meeting recognized the significant contribution made by Mr. Ashok Kumar Jain in directing the Company towards the success path and placing the Company globally in Software Market.

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

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

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



### 13. DETAILS ON GENERAL BODY MEETINGS:

#### a) Location, date and time of last three AGMS and special resolutions there at as under:

Financial Year	Date	Time	Location	Special / Ordinary Resolution
2015-16	30.09.2016	11.00 A.M.	Registered office of the Company 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, HyderabadTelangana 500016	<ol style="list-style-type: none"><li>1. Appointment of Mr. Harinarayan Vyas as an Independent Director of the Company.</li><li>2. Alteration of Articles of Association of the Company.</li></ol>
2014-15	30.09.2015	11.00 A.M.	Registered office of the Company 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, HyderabadTelangana 500016	<ol style="list-style-type: none"><li>1. Appointment of Mr. Vinit Maharia as an Independent Director of the Company.</li><li>2. Appointment of Mr. Budhi Prakash Toshniwal as an Independent Director of the Company</li><li>3. Appointment of Ms. Allola Neelima Reddy Neelima Reddy as an Independent Director of the Company</li><li>4. Alteration of Articles of Association as per Companies Act, 2013</li><li>5. Appointment and Fixation of Remuneration of Mr. Ashok Kumar Jain, Managing Director of the Company.</li></ol>
2013-14	30.09.2014	11.00 A.M.	Registered office of the Company 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, HyderabadTelangana 500016	No special resolution Passed

#### b) PASSING OF RESOLUTIONS BY POSTAL BALLOT

There were no resolutions passed by the Company through Postal Ballot during the financial year 2016-17.

#### 14. MEANS OF COMMUNICATION

The Company regularly intimates its financial results, audited/limited reviewed, to the Stock Exchanges, as soon as the same are taken on record/approved. These financial results are published in the Financial Express in English and Telugu language newspapers Andhra Prabha, respectively. These results are not distributed/ sent individually to the shareholders.

In terms of the requirements of SEBI (Listing Obligations & Disclosures Requirements), the un-audited financial results as well as audited financial results, shareholding pattern of the Company and Corporate Governance Report are electronically submitted, unless there are technical difficulties and are displayed through Corporate.

Filing and Dissemination System viz., on [www.listing.bseindia.com](http://www.listing.bseindia.com). The un-audited financial results as well as audited financial results, shareholding pattern of the Company and Report on Corporate Governance are displayed on [www.bseindia.com](http://www.bseindia.com).

All important information and official press releases are displayed on the website for the benefit of the public at large. Analysts' Reports/ Research Report, if any, are also uploaded on the website of the Company. The Company's website can be accessed at [www.minfy.com](http://www.minfy.com)

#### 15. GENERAL SHAREHOLDER INFORMATION:

##### a) ANNUAL GENERAL MEETING:

The 26<sup>TH</sup> ANNUAL GENERAL MEETING of the Company will be held as per the following schedule:

<b>Day</b>	Tuesday
<b>Date</b>	26th September, 2017
<b>Time</b>	11.00 am
<b>Venue</b>	7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad-500016, Telangana.

##### b) FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2017-18 (TENTATIVE SCHEDULE):-

The financial calendar (tentative) shall be as under:

<b>Financial Year</b>	<b>01<sup>st</sup> April 2017 to 31<sup>st</sup> March 18</b>
First Quarterly Results	14/08/2017
Second Quarterly Results	14/11/2017
Third Quarterly Results	14/02/2018
Fourth Quarterly Results	30/05/2018
Annual General Meeting for year ending 31st March, 2018	30/09/2018

##### c) DIVIDEND PAYMENT DATE: No Dividend was declared during the Financial Year 2016-17.

**d) SHAREHOLDING PATTERN AS ON 31ST MARCH,2017:**

<b>S. No.</b>	<b>Category</b>	<b>No. of shares held</b>	<b>Percentage of shareholding</b>
<b>A</b>	<b>Shareholding of Promoter and Promoter group</b>		
1.	Indian		
	Individual	23,54,328	42.74
2.	Foreign	—	—
	Individual	—	—
	<b>Sub-Total A</b>	<b>23,54,328</b>	<b>42.74</b>
<b>B</b>	<b>Public Shareholding</b>		
1.	Institutions	—	—
2.	Non Institutionsa. Bodies Corporateb. Indian Public and others	62,890	1.14
	<b>Sub Total B</b>	<b>31,54,672</b>	<b>57.26</b>
	<b>Grand Total (A+B)</b>	<b>55,09,000</b>	<b>100.00</b>

**e) NAME AND ADDRESS OF EACH STOCK EXCHANGE WHERE THE COMPANIES SECURITIES ARE LISTED:**

**EXCHANGE:** BSE LIMITED, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

**f) STOCK CODE: MINFY (BSE Limited )**

**g) STOCK MARKET PRICE DATA:**

<b>Month</b>	<b>Open Price</b>	<b>High Price</b>	<b>Low Price</b>	<b>Close Price</b>	<b>No. of Shares Traded</b>
Apr 16	3.91	5.08	3.89	4.90	8,666
May 16	5.04	5.95	5.04	5.94	2,053
Jun 16	5.93	5.98	5.90	5.94	4,136
Jul 16	6.23	6.54	5.42	5.42	2,152
Aug 16	5.15	5.15	5.00	5.00	1,953
Sep 16	5.20	6.48	4.94	6.48	281
Oct 16	6.16	7.00	6.16	7.00	1,189
Nov 16	7.35	7.70	7.32	7.68	669
Dec 16	8.00	8.00	7.60	7.60	81
Jan 17	7.22	7.22	4.81	4.81	1,335
Feb 17	4.57	4.57	3.37	3.37	6,829
Mar 17	3.21	3.21	2.42	2.42	19,846

**h) REGISTRAR & SHARE TRANSFER AGENTS:**

M/s. Venture Capital and Corporate Investments Private Limited  
 12-10-167, Bharat Nagar, Hyderabad- 500018.  
 Ph: 040-23818475/ 23818476/ 23868023, Fax: 040-2386802

**i) SHARE TRANSFER SYSTEM:**

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/ are duly transferred and dispatched within a period of 15 days from the date of receipt.

**j) DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2017:**

Holding	Number of Shareholders in the beginning of the Financial Year	%	No. of Shareholders in the end of the Financial Year	%
<b>1- 5000</b>	776	63.19	1537310	2.79
<b>5001- 10000</b>	200	16.29	1634220	2.97
<b>10001- 20000</b>	87	7.08	1392550	2.53
<b>20001- 30000</b>	32	2.61	819570	1.49
<b>30001- 40000</b>	15	1.22	552210	1
<b>40001- 50000</b>	12	0.98	576700	1.05
<b>50001- 100000</b>	36	2.93	2641800	4.8
<b>100001 and above</b>	70	5.7	45935640	83.38

**k) DEMATERIALISATION & LIQUIDITY OF SHARES:**

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE019D01016. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. The Shares of the Company are under suspension in BSE Limited. Shares held in demat and Physical mode as on March 31, 2017 is as follows:

Particulars	No. of Shares	% Share Capital
NSDL	897818	16.3
CDSL	4342781	78.83
PHYSICAL	268401	4.87
<b>Total</b>	<b>5509000</b>	<b>100.00</b>

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with respective depository participants

**l) LISTING ON STOCK EXCHANGES:**

The equity shares of the Company are listed on BSE Ltd. The Company has paid the listing fees for the year 2016-17 to BSE limited.

**b) ADDRESS FOR CORRESPONDENCE:**

Mr.Ashok Kumar Jain

**Address:** 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad-500016, Telangana **Tel:** +91 40 66134054/55

**c) BOOK CLOSURE DATE:**

The date of Book Closure for the purpose of Annual General Meeting shall be from 20/09/2017 to 26/09/2017 (both days inclusive).

**d) ELECTRONIC CONNECTIVITY:**

Demat ISIN Number: **INE019D01016**

**e) NATIONAL SECURITIES DEPOSITORY LIMITED**

Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013.

**f) CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED**

Phiroze Jeejee bhoy Towers, 28th Floor, Dalal Street, Mumbai – 400 023.

**1. OTHER DISCLOSURES:**

**a) COMPLIANCES:**

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

**b) WHISTLE BLOWER / VIGIL MECHANISM POLICY:**

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

**c) WEB-LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED.**

The company does not have any material' subsidiaries for the financial year 2016-17.

**d) WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's Website [www.minfy.com](http://www.minfy.com) The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, Accordingly, the disclosure of Related

Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

**e) DISCLOSURE OF PENDING CASES / INSTANCES OF NON-COMPLIANCE:**

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

**f) COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER LISTING REGULATIONS:**

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- **The Board & Separate posts of Chairman and CEO:** The positions of the Chairman and the CEO are separate of the company.
- **Shareholders' rights:** The quarterly results along with the press release are uploaded on the website of the Company [www.minfy.com](http://www.minfy.com) The soft copy of the quarterly results is also sent to the shareholders who have registered their e-mail addresses.
- **Audit qualifications:** Company's financial statements are unqualified.
- The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

For and on behalf of the Board of Directors of  
Mahaveer Infoway Limited

Sd/-

**Ashok Kumar Jain**

Managing Director

(DIN 00043840)

Place: Hyderabad

Date: 14.08.2017

**COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATION, 2015**

To The Board of Directors  
Mahaveer Infoway Limited

We, the undersigned, in our respective capacities as Chief Financial Officer and Managing Director of MAHAVEER INFOWAY LIMITED (“the Company”), to the best of our knowledge and belief certify that:

- A. We have reviewed the 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, we state that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company’s affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company’s code of conduct.
- C. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- D. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- E. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (1) significant changes, if any, in the internal control over financial reporting during the year;
  - (2) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over financial reporting.

Place: Hyderabad  
Date: 14/08/2017

Sd/-  
Ravi Kumar Joshi  
Chief Financial Officer

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of  
**Mahaveer Infoway Limited**

We have examined the compliance of conditions of corporate governance by **MAHAVEER INFOWAY LIMITED** ('the Company') for the year ended 31 March, 2017, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with BSE Limited.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.

We further 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.

Place: Hyderabad  
Date: 14/08/2017

Sd/-  
KALYANA & Co.,  
Chartered Accountants  
CA. P V Srajan Kumar Babu  
Partner  
Membership No.207522



## INDEPENDENT AUDITORS' REPORT

To the Members of  
**Mahaveer Infoway Limited**

### **Report on the Standalone Financial Statements**

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 standalone 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 standalone 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 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 31 March, 2017, and its loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2017 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraph 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 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. According to the information and explanations given to us and audit procedures performed including management representations obtained, we report that The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management as per the disclosure requirement as envisaged in Notification G.S.R. 308 (E) dated March 30, 2017.

#### **For M/s KALYANA & CO.**

Chartered Accountants

Firm's Registration No. 007095S

Sd/-

CA P V Sraavan Kumar Babu

Partner

M.No:207522

Place: Hyderabad

Date : 30.05.2017

## **“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2017, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- ii. (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For M/s KALYANA & CO.**

Chartered Accountants

Firm's Registration No. 007095S

Sd/-

CA P V Sravan Kumar Babu

Partner

M.No:207522

Place: Hyderabad

Date : 30.05.2017

## **“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of**

Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Mahaveer Infoway Limited (“the Company”) as of March 31, 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 judgement, 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 such internal financial controls system over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal contro; stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M/s KALYANA & CO.**

Chartered Accountants

Firm's Registration No. 007095S

Sd/-

CA P V Sravan Kumar Babu

Partner

M.No:207522

Place: Hyderabad

Date : 30.05.2017

**MAHAVEER INFOWAY LIMITED**  
**Standalone Balance Sheet as at 31st March, 2017**

(Amount in Rupees)

Particulars	Note No.	As at the 31st March 2017	As at the 31st March 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	55,090,000	55,090,000
(b) Reserves and surplus	3	10,973,632	15,219,330
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	-	874,671
(b) Deferred tax liabilities (net)	5	128,841	47,767
<b>3 Current liabilities</b>			
(a) Short-term borrowings	6	55,218,609	57,768,365
(b) Trade payables	7	18,022,280	2,771,443
(c) Other current liabilities	8	3,579,398	1,484,877
(d) Short-term provisions	9	915,998	1,292,577
<b>TOTAL</b>		<b>143,928,757</b>	<b>134,549,031</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	10		
(i) Tangible assets		2,500,596	3,080,496
(iii) Capital work-in-progress		11,382,420	11,382,420
(b) Non-current investments	11	20,311,026	20,313,995
<b>2 Current assets</b>			
(a) Inventories	12	36,581,309	24,897,561
(b) Trade receivables	13	32,206,222	31,106,519
(c) Cash and cash equivalents	14	4,667,452	10,434,234
(d) Short term loans and advances	15	32,749,238	29,921,345
(e) Other current assets	16	3,530,495	3,412,461
<b>TOTAL</b>		<b>143,928,757</b>	<b>134,549,031</b>

Significant Accounting Policy 1

The Notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For and on behalf of

M/s. KALYANA & CO

Chartered Accountants

Firm Registration Number: 007095S

Sd/-

CA P V Sravan Kumar Babu

Partner

M.No:207522

Place: Hyderabad

Date: 30.05.2017

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

Sd/-

Ashok Kumar Jain

Managing Director

Sd/-

Ravi Kumar Joshi  
Chief Financial Officer

Sd/-

Rajender Kumar Jain

Director

Sd/-

Neha Kalpande  
Company Secretary



**MAHAVEER INFOWAY LTD**  
**Standalone Statement of Profit and Loss for the year ended March 31st, 2017**  
**(Amount in Rupees)**

Particulars	Refer Note No.	For the Year ended 31st March , 2017	For the Year ended 31st March , 2016
<b>I. Revenue From Operations</b>			
Sales less Returns		110,449,373	258,066,873
II. Other income	17	36,338,273	46,678,721
<b>III. Total Revenue (I + II)</b>		<b>146,787,646</b>	<b>304,745,595</b>
<b>IV. Expenses:</b>			
Purchases less Returns		112,660,834	248,835,396
(Increase)/Decrease in Stock		(8,859,203)	270,715
Operating Expenses	18	11,282,129	10,562,750
Administrative and Other Expenses	19	29,128,982	37,350,385
Depreciation expense	10	579,900	762,876
Interest	20	6,025,839	5,935,669
Loss From Tech Minfy LLP		133,789	484,459
Total expenses		150,952,270	304,202,251
<b>V Profit before tax (III- IV)</b>		<b>(4,164,624)</b>	<b>543,344</b>
VI Tax expense:			
(1) Current tax		-	248,556
(2) Minimum Alternate Tax		-	-
(2) Deferred tax		81,074	(334,483)
		<b>81,074</b>	<b>(85,927)</b>
VII <b>Profit (loss) for the period (V- VI)</b>		(4,245,698)	629,271
VIII <b>Earnings per equity share:</b>			
(1) Basic	21	(0.77)	0.11
(2) Diluted			

Significant Accounting Policy 1

The Notes referred to above form an integral part of the 'Statement of Profit & Loss'.

This is the 'Statement of Profit & Loss' referred to in our Report of even date.

For and on behalf of  
M/s. KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S  
Sd/-  
CA P V Sravan Kumar Babu  
Partner  
M.No:207522

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

Sd/-  
Ashok Kumar Jain  
Managing Director  
Sd/-  
Ravi Kumar Joshi  
Chief Financial Officer

Sd/-  
Rajender Kumar Jain  
Director  
Sd/-  
Neha Kalpande  
Company Secretary

Place: Hyderabad  
Date: 30.05.2017



**MAHAVEER INFOWAY LTD**  
**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017**

Particulars	2016-2017	2015-2016
<b>Cash Flow From Operating Activity :</b>		
Net Profit for Year carried to B/S	(4,245,698)	629,271
<i>Adjustments for :</i>		
Provisions for income tax	-	-
Deferred Tax Income	81,074	(334,483)
Depreciation	579,900	762,876
Finanacial Charges	6,025,839	5,935,669
Interest Received	(1,177,576)	(272,601)
Dividend Received	-	-
Sundry Balances Written Off	35,292	-
Donations -	-	-
<b>Cash Flow before Working Capital Changes</b>	<b>1,298,831</b>	<b>6,720,732</b>
(Increase)/Decrease in Debtors	(1,099,703)	26,233,554
(Increase)/Decrease in stock	(11,683,748)	428,538
(Increase)/Decrease in Advances	(2,827,893)	(8,927,083)
(Increase)/Decrease in otherCurrent Assets	(118,033)	3,797,327
Increase/(Decrease) in Current Liabilities	16,968,777	(20,532,389)
<b>Cash Flow after Working Capital Changes</b>	<b>2,538,232</b>	<b>7,720,679</b>
Less : Tax paid	-	-
<b>Extraordinary items</b>	<b>2,538,232</b>	<b>7,720,679</b>
Less: Sundry Balance Written Off	(35,292)	-
Less: Donations	-	-
<b>Cash Flow after Extraordinary Items</b>	<b>2,502,940</b>	<b>7,720,679</b>
<b>Cash Flow From Investing Activity :</b>		
Sale/(Purchase) of Fixed Assets	-	2,469,992
Interest Received	1,177,576	272,601
Dividend received	-	-
Sale/(Purchase) of Investment	2,969	(2,784,931)
<b>Net Cash Flow from Investing Activities</b>	<b>1,180,545</b>	<b>(42,338)</b>

<b>Particulars</b>	<b>2016-2017</b>	<b>2015-2016</b>
<b>Cash Flow From Financing Activity :</b>		
Financial Charges	(6,025,839)	(5,935,669)
Secured Loan raised	-	-
Repayment of Long Term Borrowings	(874,671)	(1,212,808)
Loans from Directors	(2,549,756)	1,847,104
Unsecured Loans raised/(repaid)	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(9,450,266)</b>	<b>(5,301,373)</b>
Net Cash Flow from Operating Activities	2,502,940	7,720,679
Net Cash Flow from Investing Activities	1,180,545	(42,338)
Net Cash Flow from Financing Activities	(9,450,266)	(5,301,373)
	(5,766,781)	2,376,968
Add: Opening Cash and Cash Equivalents	10,434,233	8,057,265
<b>Closing Cash and Cash Equivalents</b>	<b>4,667,452</b>	<b>10,434,233</b>

### AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of Mahaveer Infoway Ltd derived from the audited annual accounts for the year ended 31-3-2017 and found the same to be drawn in accordance therein and also with the requirement of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For and on behalf of  
M/s. KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S  
Sd/-  
CA P V Sraavan Kumar Babu  
Partner  
M.No:207522

Place: Hyderabad  
Date: 30.05.2017

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

Sd/-  
Ashok Kumar Jain  
Managing Director  
Sd/-  
Ravi Kumar Joshi  
Chief Financial Officer

Sd/-  
Rajender Kumar Jain  
Director  
Sd/-  
Neha Kalpande  
Company Secretary

**MAHAVEER INFOWAY LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE**  
**FINANCIAL STATEMENTS**

**Corporate Information**

Mahaveer Infoway Ltd was incorporated on May 13, 1991 as a private limited company with the name Mahaveer Leafin and Holdings Pvt Ltd. The company was promoted by Ashok Kumar Jain, a Seasoned Business Professional with magnitude of experience in Banking, Finance and Business Management Operations.

In February 13, 1996, the company was converted into public limited company by listing the Bombay Stock Exchange and the name was changed to Mahaveer Leafin and Holdings Ltd.

In January 7, 2000, the company changed their name from Mahaveer Leafin and Holdings Ltd to Mahaveer Infoway Ltd and carrying the activities of mobile handset manufacturing and trading under the brand name and style 'ZINK' across the various parts of the country. In addition to this the company also does staffing and software development services.

**1. Significant Accounting Policies:**

**1.1 Basis of Accounting and Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**1.2 Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**1.3. Fixed Assets and Depreciation**

Fixed assets are stated at actual cost less accumulated depreciation. The actual cost capitalized comprises material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage

Expenditure incurred during construction period directly attributable to the fixed assets is transferred to capital work in progress. The estimated Useful life of assets is based on past experience of the company, which is different from the useful life as prescribed in Schedule-II to the companies Act, 2013.

**1.4 Revenue Recognition**

Revenue is primarily derived from sale of trading goods and software development and related Services.

Income is recognized on accrual basis unless otherwise stated in these accounts.

**a) Revenue from Sale of Trading goods:**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales tax and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

**b) Revenue from software development services:**

- i) Revenue for services is recognized after completion of each stage of service.
- ii) Revenue from software development (on time or material basis) is recognized based on software developed and billed to the clients.

The company collects service tax on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

**1.5 Foreign currency transactions**

Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

**1.6 Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. All investments are stated at cost, i.e., cost of acquisition inclusive of expenditure incidental to acquisition. Income from investments is recognised in the accounts in the year in which it is accrued and stated at gross values.

Short Term Investments are valued at cost or market value whichever is lower. In case of Long Term Investments, provision for diminution in value is made when it is permanent and material.

**1.7 Inventories:**

Items of inventories are measured at lower of cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

**1.8 Employee Benefits**

**a) Short Term Employee Benefits**

A short term employee benefit includes salaries and incentives.

**b) Defined Contribution Plan**

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

## **1.9. Borrowing Costs**

Borrowing Costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing Costs allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

## **1.10. Earnings per Share**

Basic earnings per share are calculated by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating basic and diluted earnings per share, the net profit/ (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year will be adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

## **1.11. Taxes on Income**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

- a) Provision for current taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.
- b) The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in the future; however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.
- c) The Company offsets current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

## **1.12. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

## **1.13. Provisions and contingent liabilities**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognized but are disclosed in the Notes to the Financial Statements. A Contingent asset is neither recognized nor disclosed in the Financial Statements.

#### 1.14 Earnings per Share (EPS)

Particulars	2016-17	2015-16
Net Profit/ (Loss) after taxes for the year (Rs.)	(42,45,698)	6,29,271
Weighted average number of Equity Shares of Rs.10 each outstanding during the period(Used for calculation of Basic and Diluted Earnings Per Share)	55,09,000	5,509,000
Earnings per Share Basic and Diluted (Rs.)	(0.77)	0.14
Nominal value per share (Rs.)	10	10

#### 1.15. Contingent Liabilities and Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for, net of advances is Rs. Nil

#### 1.16. Investments

- a. Investment includes 5000 shares of Arihant Optics Limited amounting to Rs.5,00,000/-.
- b. Investment includes Rs. 98,000/- towards subscription of shares in Minfy Technologies Private Limited
- c. Investment includes Rs.3,00,000/- towards subscription of shares in Mahaveer Telecom Private Limited.
- d. Investments in Skyscrapers unquoted equity shares of worth Rs. 26, 19,000/-
- e. Investment in Minfy Impex amounts to Rs.24,29,025/-.
- f. Investment in Trimurthy Drugs & Pharma equity shares of worth Rs. 1,42,50,000/-
- g. Investment in Tech Minfy Info Solutions LLP amounts to Rs. 50,000/-
- h. Investment in Lacis Tech Minfy Info Solutions LLP amounts to Rs. 50,000/-
- i. Investment in Hygrowth Finance Limited amounts to Rs. 15,000/-

#### 1.17. Fixed Assets

Capital Work-in-progress: current status for 2017

Company has incurred an expenditure on construction of building of Rs.1,13,82,420/- which is certified by the management of the company is shown as capital work-in-progress along with the opening Capital work-in-progress.

#### 1.18. Segment Reporting

Consequent to the internal reorganization there were changes effected in the reportable industry segments based on the "management approach" as laid down in AS17.

Industry segments for the company are

Mobile-Handsets trading.

Staffing/HR Related Services

IT Software Development

Bitumen Trading

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services from the company's off shore software development centres which are categorized in relation to the associated turnover of the segment.

### 1.19. Related Party transactions

The company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made. No amounts have been written off or written back during the year in respect of debts due from or related parties. There are no other related parties where control exists that need to be disclosed.

#### a) Names of related parties and description of relationship:

Nature of Relationship	Name of the Related Party
Subsidiary	Minfy Technologies Private Limited Mahaveer Telecom Private Limited
Key Management Personnel (KMP)	Mr. Ashok Kumar Jain – Managing Director Mr. Rajender Kumar Jain - Director Mr. Vijay Jain -Director Mr. Jeetendra Bhansali - Director Mr. Prasanna Dixit - Director Mrs. Allola Neelima Reddy -Director Mr. Vinit Maharia -Director Mr. Budhi Prakash Toshniwal - Director Mr. Harinarayan Vyas-Director
Enterprises where KMP have significant influence	Mahaveer Skyscrapers Ltd
Firm in which Director/Manager or his relative is a partner	Mahaveer Industries
Private company in which Director/ Manager is a Member or Director	LARR Resources Private Limited
Any other Body Corporate	Tech Minfy Info Solutions 'Lacis Tech Minfy Info Solutions LLP

#### b) Summary of Transactions with the above related parties at the end of the respective financial year's are as follow

(Amount in Rs.)

Particulars	2017	2016
Investment in Enterprises where KMP have significant influence	26,19,000	26,19,000
Remuneration to KMP:-		
To Managing Director & Other Directors	12,00,000	13,80,000
To KMP	7,33,460	7,94,000
Rent Paid to relative of KMP	7,20,000	7,20,000
Loans and advances taken from KMP (Interest free loans)	61,87,840	55,66,717

Loans and advances given to KMP (Interest free loans)	-	-
Loans and advances taken from relatives of KMP (Interest free loan)	-	-
Loans and advances given to relatives of KMP	-	-
Purchase of goods from Subsidiary (MTPL)	153,376	24,18,077
Investment in Body Corporate	100,000	100,000
	(50,000 Tech minfy LLP +50,000 Lacis LLP)	(50,000 Tech minfy LLP +50,000 Lacis LLP)
Loans and advances to Subsidiaries	1,41,06,114	22,62,949
Loan to Body Corporate	39,58,632	36,52,726
	(30,63,632Tech Minfy LLP+8,95,000 Lacis LLP)	(27,57,726Tech Minfy LLP+8,95,000 Lacis LLP)

Transactions and outstanding balances in the nature of reimbursement of expenditure incurred by one Company on behalf of the other have not been considered above.

#### 1.20. Taxation

Current tax is the amount of tax payable on taxable income for the period determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax - Deferred tax resulting from "timing differences" between book profit and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognised only to the extent that there is a virtual certainty that such assets will be realised in future. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

1.21. The Company has not having the suppliers who are registered as Micro, Small, Medium Enterprise as on March 31, 2017 in terms of the provisions of "The Micro, Small, and Medium Enterprises Development Act, 2006".

#### 1.22. Managerial Remuneration

(Amount in Rs.)

Particulars	2017	2016
Salaries and Allowances	12,00,000	13,80,000
<b>Total</b>	<b>12,00,000</b>	<b>13,80,000</b>

#### 1.23. Auditor's Remuneration

(Amount in Rs.)

Particulars	2017	2016
Audit Fees (excluding service tax)	75,000	75,000



1.24. In the opinion of the Management and to the best of their knowledge and belief realization of current assets and loans and advances are not less than the amount at which they are stated in the Balance Sheet and are subject to confirmation from respective parties.

1.25. **Foreign Exchange Inflow**

(Amount in Lakhs)

Particulars	2017	2016
Services rendered	26.62	11.02
<b>Total</b>	<b>26.62</b>	<b>11.02</b>

1.26. The management is of the opinion that the carrying amounts of fixed assets and other assets are not less than their respective net realizable values.

1.27. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

1.28. Details of Specified Bank Notes (SBN) Held and transacted during the period 08th Nov, 2016 to 30th December, 2016:

(Amount in Rs.)

	SBNs	Other Denomination notes	Total
Closing cash in hand as on 08.11.2016	878500	36805	915305
(+) Permitted receipts		4707973	4707973
(-) Permitted payments	-	218334	218334
(-) Amount deposited in Banks	-	3747730	3747730
Closing cash in Hand as on 31.12.2016	-	1493236	1493236

For and on behalf of  
M/s. KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S

Sd/-  
CA P V Sravan Kumar Babu  
Partner  
M.No:207522

Place: Hyderabad  
Date: 30.05.2017

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

Sd/-  
Ashok Kumar Jain  
Managing Director  
Sd/-  
Ravi Kumar Joshi  
Chief Financial Officer

Sd/-  
Rajender Kumar Jain  
Director  
Sd/-  
Neha Kalpande  
Company Secretary

**2. SHARE CAPITAL**

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Authorised 60,00,000 Equity Shares of Rs. 10 each	60,000,000	60,000,000
Issued, Subscribed & fully Paid up 55,09,000 Equity Shares of Rs. 10 each	55,090,000	55,090,000
<b>Total</b>	<b>55,090,000</b>	<b>55,090,000</b>

a) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	Equity Shares As at 31st March 2017		Equity Shares As at 31st March 2016	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Ashok Kumar Jain	9.13	502,718	9.13	502,718
Vijay Kumar Kothari	7.78	428,500	7.78	428,500
Rajender Kumar Jain	5.37	296,000	5.37	296,000

**3. Reserves and Surplus**

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
a. Reserve Fund (Statutory)		
Opening Balance	479,748	479,748
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	479,748	479,748
b. Surplus		
Opening balance	14,739,582	14,110,311
(+) Net Profit/(Net Loss) For the current year	(4,245,698)	629,271
(-) Dividends Paid	-	-
(-) Dividend Tax and Surcharge thereon	-	-
Closing Balance	10,493,884	14,739,582
<b>Total</b>	<b>10,973,632</b>	<b>15,219,330</b>

**4. Long term borrowings**

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Axis bank Term Loan	--	874,671
<b>Total</b>	<b>--</b>	<b>874,671</b>

## 5. Computation of Deferred Tax Liability

Particulars	31-Mar-2017		
	Book Value	Tax Value	Difference
Fixed Assets	2,500,596	2,917,558	(416,962)
Total of Fixed Assets (Deferred Liability)	2,500,596	2,917,558	(416,962)
Total Deferred Assets	-	-	-
Total timing difference	2,500,596	2,917,558	(416,962)
Deferred Tax (Liability) Asset as at 31.03.2017			(128,841)
Deferred Tax (Liability) Asset as at 31.03.2016			(47,767)
Balance to be credited to P & L A/C			(81,074)

### Rate for computing deferred taxes

Tax rate	30.000
Surcharge	-
Cess	0.9000
	<b>30.9000</b>

## 6. Short term borrowings

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Cash Credit from Axis Bank	49,030,769	52,201,648
Loans from Directors	6,187,840	5,566,717
<b>Total</b>	<b>55,218,609</b>	<b>57,768,365</b>

## 7. Trade Payables

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Dues to other than Micro and Small Enterprises	18,022,280	2,771,443
(a) Trade Payables (including LC Payments)		
<b>Total</b>	<b>18,022,280</b>	<b>2,771,443</b>

## 8. Other current liabilities

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Other current Liabilities	3,579,398	1,484,877
<b>Total</b>	<b>3,579,398</b>	<b>1,484,877</b>

## 9. Short term provisions

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Provision for taxation	-	248,556
Other provisions	915,998	1,044,021
<b>Total</b>	<b>915,998</b>	<b>1,292,577</b>

**10. Depreciation Schedule as per Companies Act, 2013**
**Note 10**

S. No	Particulars	GROSS BLOCK			DEPRECIATION				NETBLOCK		
		As on 1.04.2016	Additions	Deletions	As on 31.03.17	As on 1.04.2016	For Current year	Dep Adjustment	As on 31.03.17	As on 31.03.17	As on 31.03.16
1	Land & Building	1,281,180	-	-	1,281,180	-	-	-	-	1,281,180	1,281,180
2	Plant & Machinery	729,539	-	-	729,539	457,834	49,179	-	507,013	222,526	271,705
3	Computers	3,281,223	-	-	3,281,223	3,212,228	43,578	-	3,255,805	25,418	68,995
4	Office Equipment	629,542	-	-	629,542	210,698	182,469	-	393,168	236,374	418,844
5	Furniture & Fixtures	2,307,359	-	-	2,307,359	1,931,945	97,195	-	2,029,140	278,219	375,414
6	Vehicles	2,780,031	-	-	2,780,031	2,115,672	207,480	-	2,323,152	456,879	664,359
		11,008,874	-	-	11,008,874	7,928,378	579,900	-	8,508,278	2,500,596	3,080,496
7	WIP	11,382,420	-	-	11,382,420	-	-	-	-	11,382,420	11,382,420

**11. Non-current investments**

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Mahaveer Skyscraper Limited (Equity)	2,619,000	2,619,000
Mahaveer Telecom Pvt Limited (Equity)	300,000	300,000
Mahaveer Projects Pvt Limited (Equity)	98,000	98,000
Arihant Optics Ltd	500,000	500,000
Hygrowth Finance	15,000	15,000
Minfy Impex	2,429,026	2,429,025
Tech MinfyLLP Capital	50,000	50,000
Lacis Tech MinfyLLP Capital	50,000	50,000
CIL Securities	-	2,970
Trimurthy Drugs & Pharma ( equity)	14,250,000	14,250,000
<b>Total</b>	<b>20,311,026</b>	<b>20,313,995</b>

**12. Inventories**

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
(As certified by the management, at cost or net realizable value whichever is less)		
Closing Stock	36,581,309	24,897,561
<b>Total</b>	<b>36,581,309</b>	<b>24,897,561</b>

**13. Trade Receivables**

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Outstanding for a period less than six months from the date they are due for payment Unsecured, considered good	32,206,222	31,106,519
<b>Total</b>	<b>32,206,222</b>	<b>31,106,519</b>

**14. Cash and bank balances**

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
<b>Cash and cash equivalents</b>		
Cash on hand	981,559	1,647,263
<b>Bank balances</b>		
In current accounts	3,403,276	716,767
In OD	282,617	8,070,205
<b>Total</b>	<b>4,667,452</b>	<b>10,434,234</b>

**15. Short term loans and advances**

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
<b>Unsecured Considered good</b>		
Advances recoverable in cash or kind or for value to be rece	14,741,979	20,999,526
Other Loan advances		
Advance income tax and TDS	3,006,145	3,006,145
Loan to Minfy Technologies Pvt. Ltd.	11,426,793	2,757,726
Loan to Lacis Tech Minfy Info Solutions LLP	895,000	895,000
MTPL -	2,679,321	2,262,949
<b>Total</b>	<b>32,749,238</b>	<b>29,921,345</b>

**16. Other Current assets**

(Amount in Rs.)

Particulars	As at 31st March 2017	As at 31st March 2016
Deposits	2,774,274	1,858,702
Other Current Assets	756,221	1,553,760
<b>Total</b>	<b>3,530,495</b>	<b>3,412,461</b>

**17. Other Income**

(Amount in Rs.)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Interest Income	1,177,576	272,601
Other Income	28,182,472	38,487,885
Discount received	3,709,978	6,320,681
Miscellaneous Income	3,268,247	1,597,555
<b>Total</b>	<b>36,338,273</b>	<b>46,678,721</b>

## 18. Operating Expenditure

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Advertisement Expenses	-	-
Electricity Charges	139,453	149,192
Communication Expenses	132,739	70,860
Travelling and Conveyance	300,410	38,250
Other Expenses	4,342,047	4,089,123
Rent	1,032,680	1,065,600
Staff Welfare Expenses	294,171	564,648
Salaries and Bonus	3,716,749	3,777,533
Repairs and Maintenance	80,690	79,164
Office Maintenance	985,450	233,295
Costing Expenses	257,741	495,085
<b>Total</b>	<b>11,282,129</b>	<b>10,562,750</b>

## 19. Administrative and Other Expenses

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Rates and Taxes	511,797	3,599,421
Legal and Consultancy Charges	75,000	127,488
Insurance	90,193	80,742
Professional Charges	109,200	244,017
DTH & other related Exp. (Videocon & Reliance)	26,178,000	30,623,692
Printing & Stationary	66,432	65,087
Bank Charges	345,937	187,662
Commission paid	-	-
Annual Charges	329,398	110,778
Filing & Listing Fees	4,386	253,715
Business Promotions	-	-
Staffing Expenses	-	-
Other Expenses	1,418,639	2,057,783
Interest on Late Payments	-	-
<b>Total</b>	<b>29,128,982</b>	<b>37,350,385</b>

**20. Interest & Finance Charges**

<b>Particulars</b>	<b>For the year ended 31st March 2017</b>	<b>For the year ended 31st March 2016</b>
Interest & Finance Charges	6,025,839	5,935,669
<b>Total</b>	<b>6,025,839</b>	<b>5,935,669</b>

For and on behalf of  
M/s. KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S  
Sd/-  
CA P V Sravan Kumar Babu  
Partner  
M.No:207522

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

Sd/-  
Ashok Kumar Jain  
Managing Director  
(DIN 00043840)

Sd/-  
Rajender Kumar Jain  
Director  
(DIN 03093801)

Place: Hyderabad  
Date: 30.05.2017

## **CONSOLIDATED INDEPENDENT AUDITORS' REPORT**

### **To the Members of Mahaveer Infoway Limited**

Report on the Consolidated Financial Statements.

We have audited the accompanying Consolidated financial statements of **MAHAVEER INFOWAY LIMITED** ("the Holding Company"), comprising the Consolidated Balance Sheet as at 31 March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the 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 Consolidated 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 financial statements.



## Opinion

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report 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 consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M/s KALYANA & CO.  
Chartered Accountants  
Firm Registration No. 007095S  
Sd/-  
CA P V Sravan Kumar Babu  
Partner  
M.No: 205722

Place: Hyderabad  
Date : 30.05.2017

## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of**

Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Mahaveer Infoway Limited (“the Holding Company”) as of March 31, 2017 in conjunction with our audit of the consolidated 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 Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls system over financial reporting were operating effectively as at 31<sup>st</sup> 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.

Place: Hyderabad  
Date : 30.05.2017

For M/s KALYANA & CO.  
Chartered Accountants  
Firm Registration No. 007095S  
Sd/-  
CA P V Sravan Kumar Babu  
Partner  
M.No: 205722

**MAHAVEER INFOWAY LIMITED**  
**Consolidated Balance Sheet as at 31st March, 2017**

Amount in Rs.

	Particulars	Note No.	As at 31st March 2017	As at 31st March 2016
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share Capital	2	55,090,000	55,090,000
	(b) Reserves and Surplus	3	14,262,435	18,229,781
<b>2</b>	<b>Minority Interest</b>		1,142,881	1,021,929
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long term borrowings	4	-	874,671
	(b) Deferred tax Liabilities	5	128,841	(13,397)
<b>4</b>	<b>Current liabilities</b>			
	(a) Short term borrowings	6	67,125,400	64,236,895
	(b) Trade Payables	7	21,987,137	6,259,267
	(c) Other Current Liabilities	8	6,706,075	2,701,256
	(d) Short Term Provisions	9	4,515,441	4,346,188
			170,958,210	152,746,590
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
<b>1</b>	(a) Fixed assets	10		
	i) Tangible assets		3,447,377	3,109,413
	ii) Capital Work in Progress		11,382,420	11,382,420
	(b) Non Current investments	11	19,913,026	19,915,995
	(c) Other Non Current assets	12	47,525	47,525
	(d) Long term Loans & Advances	13	-	-
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	14	39,842,894	28,686,980
	(b) Trade receivables	15	41,834,983	39,533,482
	(c) Cash and Cash Equivalents	16	5,500,231	12,911,576
	(d) Short term loans and advances	17	41,276,589	30,500,605
	(e) Other Current assets	18	7,713,166	6,658,594
			170,958,210	152,746,590

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For and on behalf of  
M/s. KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S  
Sd/-  
CA P V Sraavan Kumar Babu  
Partner  
M.No:207522

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

Sd/-  
Ashok Kumar Jain  
Managing Director  
Sd/-  
Ravi Kumar Joshi  
Chief Financial Officer

Sd/-  
Rajender Kumar Jain  
Director  
Sd/-  
Neha Kalpande  
Company Secretary

Place: Hyderabad  
Date: 30.05.2017

**MAHAVEER INFOWAY LIMITED**  
**Consolidated Profit and loss Account for the year ended 31st March, 2017**

Amount in Rs.

	Particulars	Refer Note No.	For the Year ended 31st March 2017	For the Year ended 31st March 2016
<b>I.</b>	<b>Revenue from Operations</b>			
a	Sale less Returns		145,223,136	310,126,614
<b>II.</b>	<b>Other income</b>	19	38,009,255	46,854,966
<b>III.</b>	<b>Total Revenue (I + II)</b>		183,232,390	356,981,580
<b>IV.</b>	<b>Expenses:</b>			
	Cost of Materials Consumed		112,812,902	260,944,305
	Changes in Inventory		(8,196,369)	535,845
	Operating Expenses	20	40,803,357	42,714,512
	Administrative and Other Expenses	21	33,712,256	42,695,324
	Depreciation expense		677,564	767,979
	Finance Expenses	22	6,643,689	5,967,169
	Loss From Tech Minfy LLP		133,789	484,459
<b>V</b>	<b>Total expenses</b>		186,587,188	354,109,593
<b>VI</b>	<b>Profit before tax (III- IV)</b>		(3,354,798)	2,871,987
<b>VII</b>	Tax expense:		288,193	937,077
	(1) Current tax			
	(2) Minimum Alternate Tax		-	-
	(3) Deferred tax		81,074	(396,015)
			369,267	541,062
<b>VIII</b>	<b>Profit (loss) for the period (V- VI)</b>		(3,724,065)	2,330,925
<b>IX</b>	<b>Earnings per equity share:</b>			
	(1) Basic		(0.68)	0.42
	(2) Diluted			

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Balance Sheet.  
This is the Balance Sheet referred to in our Report of even date.

For and on behalf of  
M/s. KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S  
Sd/-  
CA P V Sravan Kumar Babu  
Partner  
M.No:207522

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

Sd/-  
Ashok Kumar Jain  
Managing Director  
Sd/-  
Ravi Kumar Joshi  
Chief Financial Officer

Sd/-  
Rajender Kumar Jain  
Director  
Sd/-  
Neha Kalpande  
Company Secretary

Place: Hyderabad  
Date: 30.05.2017

**MAHAVEER INFOWAY LTD**  
**Consolidated Cash Flow Statement for the Year Ended 31.03.2017**

Particulars	2016-17	20115-16
<b>Cash Flow From Operating Activity :</b>		
Net Profit for Year carried to B/S	(3,435,872)	3,080,491
Adjustments for :		
Provisions for tax	-	-
Deferred Tax Income	81,074	(395,647)
Depreciation	677,564	767,979
Finanacial Charges	6,025,839	5,967,169
Interest Received	(1,177,576)	(272,601)
Dividend Received	-	-
Sundry Balances Written Off	35,292	-
Donations	-	-
Discount Received	-	-
Provision for Expenses	-	-
<b>Cash Flow before Working Capital Changes</b>	<b>2,206,321</b>	<b>9,147,392</b>
(Increase)/Decrease in Debtors	(2,301,500)	43,978,099
(Increase)/Decrease in stock	(10,239,755)	693,669
(Increase)/Decrease in Advances	(2,827,893)	(9,970,798)
(Increase)/Decrease in otherCurrent Assets	(1,502,723)	3,970,370
Increase/(Decrease) in Current Liabilities	19,386,108	(39,280,323)
<b>Cash Flow after Working Capital Changes</b>	<b>4,720,559</b>	<b>8,538,408</b>
Less : Tax paid	301,533	1,655,207
<b>Net Cash Flow from Operating Activities before Extrordinary items</b>	<b>4,419,026</b>	<b>6,883,201</b>
Less: Sundry Balance Written Off	35,292	-
Less: Donations	-	-
<b>Cash Flow after Extrordinary Items</b>	<b>4,383,734</b>	<b>6,883,201</b>
<b>Cash Flow From Investing Activity :</b>		
Sale/(Purchase) of Fixed Assets	(1,015,526)	2,435,972
Interest Received	1,177,576	272,601
Dividend received	-	-
Sale/(Purchase) of Investment	2,969	(2,684,931)
Deposit with NSC	-	-
Net Cash Flow from Investing Activities	165,019	23,642
Cash Flow From Financing Activity :		
Financial Charges	(6,025,839)	(5,967,169)
Secured Loan raised	5,438,261	2,445,428

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
Unsecured Loans raised/(repaid)	(8,822,762)	(1,620,268)
Repayment of Long Term Borrowings	(2,549,756)	1,847,104
Loans from Directors	-	-
Interest Paid	-	-
Increase in Share Capital	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(11,960,096)</b>	<b>(3,294,905)</b>
Net Cash Flow from Operating Activities	4,383,734	6,883,201
Net Cash Flow from Investing Activities	165,019	23,642
Net Cash Flow from Financing Activities	(11,960,096)	(3,294,905)
	-----	-----
	<b>(7,411,343)</b>	<b>3,611,938</b>
Add: Opening Cash and Cash Equivalents	12,911,576	9,299,638
<b>Closing Cash and Cash Equivalents</b>	<b>5,500,233</b>	<b>12,911,576</b>

This is the Cash Flow Statement as referred to in our report of even date

For and on behalf of  
M/s. KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S  
Sd/-  
CA P V Sravan Kumar Babu  
Partner  
M.No:207522

Place: Hyderabad  
Date: 30.05.2017

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

Sd/-  
Ashok Kumar Jain  
Managing Director  
Sd/-  
Ravi Kumar Joshi  
Chief Financial Officer

Sd/-  
Rajender Kumar Jain  
Director  
Sd/-  
Neha Kalpande  
Company Secretary

**MAHAVEER INFOWAY LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE**  
**FINANCIAL STATEMENTS**

Corporate Information

Mahaveer Infoway Ltd was incorporated on May 13, 1991 as a private limited company with the name Mahaveer Leafin and Holdings Pvt Ltd. The company was promoted by Ashok Kumar Jain, a Seasoned Business Professional with magnitude of experience in Banking, Finance and Business Management Operations.

In February 13, 1996, the company was converted into public limited company by listing the Bombay Stock Exchange and the name was changed to Mahaveer Leafin and Holdings Ltd.

In January 7, 2000, the company changed their name from Mahaveer Leafin and Holdings Ltd to Mahaveer Infoway Ltd and carrying the activities of mobile handset manufacturing and trading under the brand name and style 'ZINK' across the various parts of the country. In addition to this the company also does staffing and software development services.

**1. Significant Accounting Policies:**

**1.1 Basis of Accounting and Preparation of Consolidated Financial Statements**

The Consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Consolidated financial statements include the results of the following entities in addition to the Mahaveer Infoway limited:

<b>S. No.</b>	<b>Name of the Entity</b>	<b>Nature of Relationship</b>	<b>Ownership</b>
1	Mahaveer Telecom Private Limited	Subsidiary	60%
2	Minfy Technologies Private Limited	Subsidiary	98%

**1.2 Use of Estimates**

The preparation of consolidated financial statements requires the Management to make estimates and assumptions that are considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**1.3. Fixed Assets and Depreciation**

Fixed assets are stated at actual cost less accumulated depreciation. The actual cost capitalized comprises material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage

Expenditure incurred during construction period directly attributable to the fixed assets is transferred to capital work in progress. The estimated Useful life of assets is based on past



experience of the company, which is different from the useful life as prescribed in Schedule-II to the companies Act, 2013.

#### **1.4 Revenue Recognition**

Revenue is primarily derived from sale of trading goods and software development and related Services. Income is recognized on accrual basis unless otherwise stated in these accounts.

##### **a) Revenue from Sale of Trading goods:**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales tax and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

##### **b) Revenue from software development services:**

- i. Revenue for services is recognized after completion of each stage of service.
- ii. Revenue from software development (on time or material basis) is recognized based on software developed and billed to the clients.

The company collects service tax on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

#### **1.5 Foreign currency transactions**

Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate relevant at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

#### **1.6 Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. All investments are stated at cost, i.e., cost of acquisition inclusive of expenditure incidental to acquisition. Income from investments is recognised in the accounts in the year in which it is accrued and stated at gross values.

Short Term Investments are valued at cost or market value whichever is lower. In case of Long Term Investments, provision for diminution in value is made when it is permanent and material.

#### **1.7 Inventories:**

Items of inventories are measured at lower of cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

#### **1.8 Employee Benefits**

##### **a) Short Term Employee Benefits**

A short term employee benefit includes salaries and incentives.

## **b) Defined Contribution Plan**

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

## **1.9. Borrowing Costs**

Borrowing Costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing Costs allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

## **1.10. Earnings per Share**

Basic earnings per share are calculated by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating basic and diluted earnings per share, the net profit/ (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year will be adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

## **1.11. Taxes on Income**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

- a) Provision for current taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.
- b) The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in the future; however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.
- c) The Company offsets current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

## **1.12. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

### 1.13. Provisions and contingent liabilities

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognized but are disclosed in the Notes to the Financial Statements. A Contingent asset is neither recognized nor disclosed in the Financial Statements.

### 1.14 Earnings per Share (EPS)

Particulars	2016-17	2015-16
Net Profit/ (Loss) after taxes for the year (Rs.)	(37,24,065)	23,30,925
Weighted average number of Equity Shares of Rs.10 each outstanding during the period (Used for calculation of Basic and Diluted Earnings Per Share)	55,09,000	55,09,000
Earnings per Share Basic and Diluted (Rs.)	(0.68)	0.42
Nominal value per share (Rs.)	10	10

### 1.15. Contingent Liabilities and Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for, net of advances is Rs. Nil

### 1.16. Investments

The following are the investments held as at 31<sup>st</sup> March, 2017:

S.No	Particulars	Amount
1	Mahaveer SkyScrappers Limited	26,19,000
2	Arihant Optics Ltd	5,00,000
3	Hygrowth Finance	15000
4	Minfy Impex	24,29,025
5	Trimurthy Drugs & Pharma	1,42,50,000
6	Tech Minfy Info Solutions LLP ( Capital)	50,000
7	Lacis Tech Minfy Info Solutions LLP ( Capital)	50,000

### 1.17. Fixed Assets

Capital Work-in-progress: current status for 2017

Company has incurred an expenditure on construction of building of Rs.1,13,82,420/- which is certified by the management of the company is shown as capital work-in-progress along with the opening Capital work-in-progress.

### 1.18. Segment Reporting

Consequent to the internal reorganization there were changes effected in the reportable industry segments based on the “management approach” as laid down in AS17.

Industry segments for the company are

1. Mobile-Handsets trading
2. Staffing/HR Related Services
3. IT Software Development
4. Bitumen Trading

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services from the company’s off shore software development centres which are categorized in relation to the associated turnover of the segment

### 1.19. Related Party transactions

The company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made. No amounts have been written off or written back during the year in respect of debts due from or related parties. There are no other related parties where control exists that need to be disclosed.

#### a) Names of related parties and description of relationship:

Nature of Relationship	Name of the Related Party
Key Management Personnel (KMP)	Mr. Ashok Kumar Jain      Managing Director
	Mr. Rajender Kumar Jain    Director
	Mr. Vijay Jain                Director
	Mr. Jitendra Bhansali       Director
	Mr. Prasanna Dixit          Director
	Mrs. Allola Neelima Reddy   Director
	Mr. Vinit Maharia            Director
	Mr. Budhi Prakash          Director
	Mr. Harinarayan Vyas        Director
Enterprises where KMP have significant influence	Mahaveer Skyscrapers Ltd
Firm in which Director/ Manager or his relative is a partner	Mahaveer Industries
Private company in which Director/ Manager is a Member or Director	LARR Resources Private Limited
Any other Body Corporate	Tech Minfy Info Solutions LLP Lacis Tech Minfy Info Solutions LLP

- b) Summary of Transactions with the above related parties at the end of the respective financial year's are as follows (Amount in Rs.)

Particulars	2017	2016
Investment in Enterprises where KMP have significant influence	26,19,000	26,19,000
Remuneration to KMP	12,00,000	13,80,000
Rent Paid to relative of KMP	7,20,000	7,20,000
Loans and advances taken from KMP (Interest free loans)	61,87,840	55,66,717
Loans and advances given to KMP (Interest free loans)	-	-
Loans and advances taken from relatives of KMP (Interest free loan)	-	-
Loans and advances given to relatives of KMP	-	-
Investment in Body Corporate	100,000	1,00,000
Loan to Body Corporate	39,58,632	36,52,726

Transactions and outstanding balances in the nature of reimbursement of expenditure incurred by one Company on behalf of the other have not been considered above.

#### 1.20. Taxation

Current tax is the amount of tax payable on taxable income for the period determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax - Deferred tax resulting from "timing differences" between book profit and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognised only to the extent that there is a virtual certainty that such assets will be realised in future. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

- 1.21. The Company has not having the suppliers who are registered as Micro, Small, Medium Enterprise as on March 31, 2017 in terms of the provisions of "The Micro, Small, and Medium Enterprises Development Act, 2006".

- 1.22. In the opinion of the Management and to the best of their knowledge and belief realization of current assets and loans and advances are not less than the amount at which they are stated in the Balance Sheet and are subject to confirmation from respective parties.

#### 1.23. Foreign Exchange Inflow

(Amount in Lakhs)

Particulars	2017	2016
Services rendered	26.64	11.01
Total	26.64	11.01

- 1.24. The management is of the opinion that the carrying amounts of fixed assets and other assets are not less than their respective net realizable values.

- 1.25. Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of  
M/s. KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S  
Sd/-  
CA P V Sravan Kumar Babu  
Partner  
M.No:207522  
  
Place: Hyderabad  
Date: 30.05.2017

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

Sd/-  
Ashok Kumar Jain  
Managing Director  
Sd/-  
Ravi Kumar Joshi  
Chief Financial Officer

Sd/-  
Rajender Kumar Jain  
Director  
Sd/-  
Neha Kalpande  
Company Secretary

**MAHAVEER INFOWAY LIMITED**

**Notes to Consolidated Balance Sheet as at 31st March,2017**

**2. Share Capital**

(Amount in Rs.)

Particulars	As at 31 March 2017	As at 31 March 2016
<b>Authorised Capital</b> 60,00,000 Equity Shares of Rs. 10 each	60,000,000	60,000,000
<b>Issued, Subscribed &amp; fully Paid up</b> 55,09,000 Equity Shares of Rs. 10 each	55,090,000	55,090,000
<b>Total</b>	<b>55,090,000</b>	<b>55,090,000</b>

**3. Reserves and Surplus**

Particulars	As at 31 March 2017	As at 31 March 2016
<b>a. Reserve Fund (Statutory)</b>		
Opening Balance	479,748	479,748
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	479,748	479,748
<b>b. Surplus</b>		
Opening balance	18,447,633	16,239,038
(+) Net Profit/(Net Loss) For the current year	(3,724,065)	2,330,925
(-) Transfer to MI	940,881	-
(-) Dividend Tax and Surcharge thereon	-	-
Closing Balance	13,782,687	18,569,963
<b>Total</b>	<b>14,262,435</b>	<b>19,049,711</b>

**4. Long term borrowings**

Particulars	As at 31 March 2017	As at 31 March 2016
Unsecured Loan - others	--	874,671
<b>Total</b>	<b>--</b>	<b>874,671</b>

**5. Consolidated Statement of Deferred Tax Liability**

Particulars	31-March 2017		
	Book Value	Tax Value	Difference
Fixed Assets	2,500,596	2,917,558	(416,962)
Total of Fixed Assets (Deferred Liability)	2,500,596	2,917,558	416,962
Total Deferred Assets	-	-	-
Total timing difference	2,500,596	2,917,558	(416,962)
Deferred Tax (Liability) Asset (@33.2175%) As at 31.03.17			(128,841)
Deferred Tax (Liability) asset provided up to 31.03.16			(48,135)
Balance to be credited to P & L A/C			(80,706)

## 6 Short term borrowings

Particulars	As at 31 March 2017	As at 31 March 2016
Cash Credit from Axis Bank	49,030,769	52,201,648
Loans from Directors	6,187,840	5,566,717
Others	11,906,791	6,468,530
<b>Total</b>	<b>67,125,400</b>	<b>64,236,895</b>

## 7. Trade Payables

Particulars	As at 31 March 2017	As at 31 March 2016
Dues to other than Micro and Small Enterprises		
(a) Trade Payables (including LC Payments)	21,987,137	6,259,267
<b>Total</b>	<b>21,987,137</b>	<b>6,259,267</b>

## 8. Other current liabilities

Particulars	As at 31 March 2017	As at 31 March 2016
Other current Liabilities	6,706,075	2,701,256
<b>Total</b>	<b>6,706,075</b>	<b>2,701,256</b>

## 9. Short term provisions

Particulars	As at 31 March 2017	As at 31 March 2016
Provision for taxation	288,193	937,076
Dividend on Equity Shares	-	-
Provision for Corporate Dividend Tax	-	-
Other provisions	4,227,248	3,409,112
<b>Total</b>	<b>4,515,441</b>	<b>4,346,188</b>

## 10. Consolidated Depreciation Schedule as per Companies Act, 2013

S. No.	Particulars	GROSS BLOCK			DEPRECIATION			NETBLOCK			
		As on 1.04.2016	Additions	Deletions	As on 31.03.17	As on 1.04.2016	For Current year	Dep Adjustment	As on 31.03.17	As on 31.03.17	As on 31.03.16
1	Land & Building	1,281,180	-	-	1,281,180	-	-	-	-	1,281,180	1,281,180
2	Plant & Machinery	729,539	176,400	-	905,939	457,834	62,409	-	520,243	385,696	271,705
3	Computers	3,284,798	116,400	-	3,397,623	3,215,803	78,498	-	3,290,726	106,897	68,995
4	Office Equipment	663,562	137,075	-	800,637	215,801	202,956	-	413,654	386,983	447,761
5	Furniture & Fixtures	2,307,359	580,549	-	2,887,908	1,931,945	126,222	-	2,058,167	829,741	375,414
6	Vehicles	2,780,031	-	-	2,780,031	2,115,672	207,480	-	2,323,152	456,879	664,359
		11,046,469	1,010,424	-	12,053,318	7,937,055	677,564	-	8,605,941	3,447,377	3,109,414
7	WIP	11,382,420	-	-	11,382,420	-	-	-	-	11,382,420	11,382,420



**11. Non-current investments**

Particulars	As at 31 March 2017	As at 31 March 2016
Mahaveer Skyscraper Limited (Equity)	2,619,000	2,619,000
Arihant Optics Ltd	500,000	500,000
Hygrowth Finance	15,000	15,000
Minfy Impex	2,429,026	2,429,025
Lacis Tech Minfy Info Solutions LLP( Capital)	50,000	50,000
Tech Minfy Info Solutions LLP	50,000	50,000
Trimurthy Drugs & Pharma	14,250,000	14,250,000
CIL Securities	-	2,970
<b>Total</b>	<b>19,913,026</b>	<b>19,915,995</b>

**12. Other Non-Current Assets**

Particulars	As at 31 March 2017	As at 31 March 2016
Pre-operative Expenses	32,525	32,525
Deposits	15,000	15,000
<b>Total</b>	<b>47,525</b>	<b>47,525</b>

**13. Long term loans & Advances**

Particulars	As at 31 March 2017	As at 31 March 2016
Unsecured - Mahaveer Infoway Ltd	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**14. Inventories**

Particulars	As at 31 March 2017	As at 31 March 2016
(As certified by the management, at cost or net realizable value whichever is less)		
Closing Stock	39,842,894	28,686,980
<b>Total</b>	<b>39,842,894</b>	<b>28,686,980</b>

**15. Trade Receivables**

Particulars	As at 31 March 2017	As at 31 March 2016
Outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	41,834,983	39,533,483
<b>Total</b>	<b>41,834,983</b>	<b>39,533,483</b>

**16. Cash and bank balances**

<b>Particulars</b>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
Cash on hand	1,929,467	3,215,811
<b>Bank balances</b>		
In current accounts	3,288,147	1,625,571
Bank OD	282,617	8,070,205
<b>Total</b>	<b>5,500,231</b>	<b>12,911,587</b>

**17. Short term loans and advances**

<b>Particulars</b>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
Unsecured Considered good		
Advances recoverable in cash or kind or for val	29,019,893	21,171,326
Other Loan advances	8,355,551	407,460
Advance income tax and TDS	3,006,145	3,006,145
Lacis Tech Minfy InfoSolutions LLP	895,000	895,000
Tech Minfy InfoSolutions LLP	-	2,757,726
MTPL	-	2,262,949
<b>Total</b>	<b>41,276,589</b>	<b>30,500,606</b>

**18. Other current assets**

<b>Particulars</b>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
Unsecured Considered good:		
Deposits	2,774,274	1,858,702
Other Current Assets	4,938,892	4,799,894
<b>Total</b>	<b>7,713,166</b>	<b>6,658,596</b>

**19. Other Income**

<b>Particulars</b>	<b>For the year ended 31 March 2017</b>	<b>For the year ended 31 March 2016</b>
Interest Income	1,177,576	272,601
Other Income	29,163,001	38,310,081
Staffing Income	-	354,048
Discount received	3,709,978	6,320,681
Miscellaneous Income	3,958,700	43,361
Export Service Income	-	1,101,605
Special discount / Scheme	-	-
Sundry written off	-	-
Web Development Income	-	452,589
<b>Total</b>	<b>38,009,255</b>	<b>46,854,966</b>

**20. Operating Expenditure**

<b>Particulars</b>	<b>For the year ended 31 March 2017</b>	<b>For the year ended 31 March 2016</b>
Advertisement Expenses	-	-
Electricity Charges	302,914	422,187
Communication Expenses	132,739	474,990
Travelling and Conveyance	644,516	426,602
Other Expenses	4,342,047	4,196,936
Postage & Courier Expenses	-	79,898
Rent	1,156,973	1,198,037
Staff Welfare Expenses	317,890	1,376,999
Salaries and Bonus	32,394,660	33,467,732
Exchange gain/loss	261,778	262,072
Costing Expenses	992,100	303,812
Insurance	-	10,162
Discount Allowed	257,741	495,085
<b>Total</b>	<b>40,803,357</b>	<b>42,714,512</b>

**21. Administrative and Other Expenses**

<b>Particulars</b>	<b>For the year ended 31 March 2017</b>	<b>For the year ended 31 March 2016</b>
Rates and Taxes	632,785	3,599,421
Legal and Consultancy Charges	75,000	3,033,070
Insurance	90,193	80,742
Payment to Auditors	267,930	281,017
DTH & other related Exp. (Videocon & Reliance)	26,178,000	30,623,692
Printing & Stationary	104,914	108,320
Bank Charges	346,525	202,255
General Expenses	-	76,454
Annual Charges	329,398	110,778
Filing & Listing Fees	4,386	253,715
Business Promotions	-	962,405
Staffing Expenses	-	1,120,241
Other Expenses	5,216,559	2,184,538
Miscellaneous Expenses	466,566	58,676
<b>Total</b>	<b>33,712,256</b>	<b>42,695,324</b>

**22. Interest & Finance Charges**

<b>Particulars</b>	<b>For the year ended 31 March 2017</b>	<b>For the year ended 31 March 2016</b>
Interest & Finance Charges	6,643,689	5,967,169
<b>Total</b>	<b>6,643,689</b>	<b>5,967,169</b>

For and on behalf of  
M/s. KALYANA & CO  
Chartered Accountants  
Firm Registration Number: 007095S  
Sd/-  
CA P V Sravan Kumar Babu  
Partner  
M.No:207522

Place: Hyderabad  
Date: 30.05.2017

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

Sd/-  
Ashok Kumar Jain  
Managing Director  
Sd/-  
Ravi Kumar Joshi  
Chief Financial Officer

Sd/-  
Rajender Kumar Jain  
Director  
Sd/-  
Neha Kalpande  
Company Secretary

**Form No. MGT-11**

**PROXY FORM**

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

CIN : L65910TG1991PLC012704

Name of the company: Mahaveer Infoway Limited

Registered office: 7-1-24/2/C, 301/A, Dhansi Surabhi Complex,  
Greenlands, Ameerpet, Hyderabad - 500016. Telangana

Name of the member(s) :

Registered Address :

E-mail Id :

Folio No./Client Id :

DP ID :

I / We, being the Member(s) of \_\_\_\_\_ share of Mahaveer Infoway Limited, hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **26th Annual General Meeting** of the Company, to be held on **Tuesday, the 26th day of September, 2017** at 11.00 A.M at 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad, Telangana – 500016 and at any adjourned meeting thereof in respect of such resolutions as are indicated below:

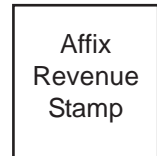
**Resolution No.**

1. Approval of Financial Statements (Standalone and Consolidated) for the Year Ended 31st March, 2017.
2. Appointment of Mr. Ramesh Prasanna Dixit as Director who retires by rotation.
3. Appointment of Statutory Auditors and Fixation of Their Remuneration.

Signed this ..... day of..... 2017

Signature of shareholder

Signature of Proxy holder(s)



**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**MAHAVEER INFOWAY LIMITED**

7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet,  
Hyderabad - 500 016. Telangana

**ATTENDANCE SLIP**

(Please present this slip at the Meeting venue)

I hereby record my presence for the **26th Annual General Meeting** of the members to be held on **Tuesday, the 26th day of September, 2017 at 11.00 A.M** at 7-1-24/2/C, 301/A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad, Telangana – 500016 and at any adjourned meeting thereof.

Shareholders/Proxy's Signature \_\_\_\_\_

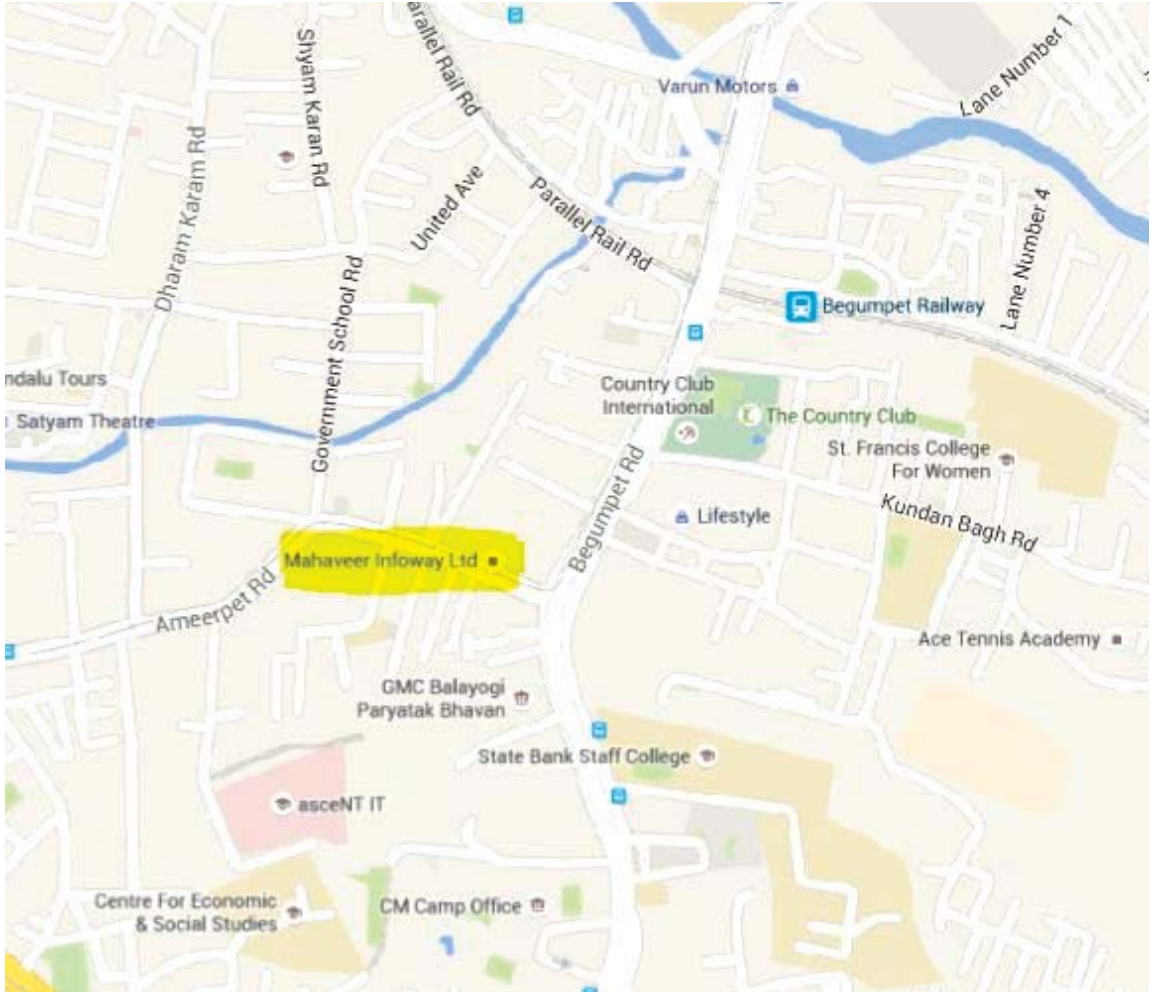
Shareholders/Proxy's full name \_\_\_\_\_ (In block letters)

Folio No./ Client ID \_\_\_\_\_

No. of shares held \_\_\_\_\_

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

## "ROUTEMAP OF PLACE OF MEETING"



**Mahaveer**  
Infoway Ltd

7-1-24/2/C, 301/A, Dhansi Surabhi Complex,  
Greenlands, Ameerpet, Hyderabad - 500 016.





Subsidiaries :

**M/s. MAHAVEER TELECOM PRIVATE LIMITED**  
**M/s. MINFY TECHNOLOGIES PRIVATE LIMITED**  
(Formerly known as Mahaveer Projects Private Limited)

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

Head Office:

**MAHAVEER INFOWAY LIMITED**  
7-1-24 / 2 / C, 301 / A, Dhansi Surabhi Complex,  
Greenlands, Hyderabad - 500 016, Telangana

Branch :

Banglore | Hubli | Chennai | Kolkata