



Munoth Communication Limited

35th Annual Report 2018-19



MUNOTH COMMUNICATION LIMITED

BOARD OF DIRECTORS

Mr. Lalchand Munoth, Chairman, DIN No: 01693640
Mr. Jaswant Munoth, Managing Director, DIN No: 00769545
Mr. Bharat Munoth, Director, DIN No: 00769588
Mr. M.Jayantilal Jain, Director DIN No: 01407484
Mr. C.R. Sasi, Director, DIN No: 06752354
Mr. Vikas Munoth, Director, DIN No: 00769366
Ms. Lakshika Mehta, Director DIN No: 07183815

COMPANY SECRETARY

Jinal Jain

AUDITORS

Mardia & Associates
Chartered Accountants
Chennai

SECRETARIAL AUDITOR

N Selvam
Practicing Company Secretary

BANKERS

Indian Bank
Bank of Baroda
The Federal Bank Ltd.

LEGAL ADVISORS

Aiyar & Dolia
Advocates
29 & 30, Law Chambers
High Court Buildings
Chennai - 600 104.

REGISTRARS AND SHARE TRANSFER AGENT

Cameo Corporate Services Limited
"Subramanian Building"
1, Club House Road,
Chennai - 600 002.

REGISTERED OFFICE

Munoth Centre, Suite No. 48
3rd Floor, 343, Triplicane High Road,
Chennai - 600 005.

CIN

L65991TN1984PLC010816



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MUNOTH COMMUNICATION LIMITED

**MUNOTH COMMUNICATION LIMITED
REGD. OFFICE: MUNOTH CENTRE
3RD FLOOR, 343 TRIPPLICANE HIGH ROAD
CHENNAI - 600 005
CIN NO: L65991TN1984PLC010816**

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the THIRTY FIFTH Annual General Meeting of the Company will be held on Wednesday, 7th August, 2019 at 10:15 AM at Nahar Hall (South India Hire Purchase Association), Desabandhu Plaza, 1st floor, 47, Whites Road, Royapettah, Chennai – 600 014 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial statements of the Company along with the consolidated financial statements of the Company for the financial year ended March 31, 2019 including the audited Balance Sheet as on that date and the Statement of Profit and Loss for the year ended on that date and Cash flow Statement as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Lalchand Munoth (DIN No: 01693640) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Bharat Munoth (DIN No.00769588) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modifications, the following resolution as a special resolution for re appointment of Mr. C R Sasi as Independent director of the company:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. C R Sasi (DIN:06752354) who has submitted a declaration that he meets the criteria for independence as provided in section 149 (6) of the Companies Act, 2013 be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years from September 19, 2019 to September 18, 2024 on the Board of the Company.”

By Order of the Board
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai
Date : 28.05.2019

Mr. Lalchand Munoth
CHAIRMAN



NOTES:

EXPLANATORY STATEMENT

The relevant explanatory statement pursuant to Sec 102 of the Companies Act, 2013 is annexed hereto.

APPOINTMENT OF PROXY

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

CLOSURE OF REGISTER OF MEMBERS:

The Register of Members and the Share Transfer Books of the Company will remain closed from August 1, 2019 to August 7, 2019 (Both days inclusive).

CHANGE OF PARTICULARS:

Members holding shares in dematerialised form are requested to intimate all particulars of mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc. to their Depository Participant (DP). Members holding shares in physical form are requested to intimate such details to Cameo Corporate Services Ltd, "Subramanian Building", No.1, Club House Road, Chennai - 600 002

The Notice is being sent to all the members of the Company whose name appears in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on 05/07/2019

ATTENDANCE SLIP:

For the convenience of the Shareholders Attendance slip is annexed to the proxy form. The Shareholders are requested to fill in and affix their signatures at the space provided therein and hand over the attendance slip at the entrance of the place of the meeting. Proxy/Representative of Shareholders should mark on the attendance slip as "Proxy" or "Representative" as the case may be. Members who hold shares in dematerialised form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

DEMATERIALISATION OF SHARES:

The company's equity shares have been notified for compulsory dematerialisation. Accordingly trading of these shares through Stock Exchange would be facilitated if the share certificates are dematerialised. Members having the physical share certificates are advised to consider opening of a Demat account with an authorised Depository participant and arrange for dematerialising their shareholdings in the company.



REQUEST TO MEMBERS:

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the meeting. They are further requested to occupy their seats at least fifteen minutes before the scheduled time for the commencement of the meeting to avoid interruption in the proceedings.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in electronic form, are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts, Members holding shares in physical form can submit their PAN to the registrars, Cameo Corporate services Limited

Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.

It is strongly recommended that shareholders having more than one folio in the same name or with identical names in the same order in case of Joint holdings are requested to write to the company's Share Transfer Agents, viz Cameo Corporate Services Ltd immediately along with the relevant share certificates to enable consolidation of such holdings in a single folio. If the shares are jointly held such requests should be signed by all the joint holders.

GREEN INITIATIVE

In accordance with Green Initiative circular issued by Ministry of Corporate Affairs (MCA), members are requested to inform their current E-mail address in the following manner:

- For shares held in Electronic form: to their Depository Participant (DP).
- For shares held in Physical Form: to the Company or its Registrars and Share Transfer Agents (RTA).

In terms of the aforesaid Green Initiative circular of MCA, the Company is sending Annual Report and other communications/ documents required to be sent to its Members under Section 136 of the Companies Act, 2013 by E-mail to Members whose E-mail address is registered. In case your E-mail address is not registered with your Depository Participant/ the Company, a physical copy of the Annual Report and other communications/ documents will be sent to you. You can also change your instructions at any time hereafter and request the Company to send communications to you in physical form.

VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

Voting Rights are reckoned on the basis of the shares registered in the names of the members/beneficial owners as on the record date fixed for this purpose i.e. 31/07/2019

It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:



The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on August 4, 2019 at 9:00 A M and ends on August 6, 2019 at 5:00 P M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 31/07/2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• 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 which is mentioned in address label as serial no. affixed on Postal Ballot in the PAN Field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none">• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (IV).

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



MUNOTH COMMUNICATION LIMITED

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website www.munothcommunication.com and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

Mr. N. Selvam, practicing Company Secretary has been appointed as scrutinizer for conducting the e-voting process in fair and transparent manner.



Particulars of Directors seeking appointment/ re- appointment/resignation as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The particulars in respect of Directors seeking appointment/ re-appointment in the forthcoming Annual General Meeting as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , are available in the Directors Report under section “Directors and KMP” in the Annual Report.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

4. To approve re-appointment of Mr. C R Sasi, as an Independent Non-Executive Director

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended which requires reappointment of any Non-Executive Director who has attained the age of 75 years to be approved by the shareholders by way of a Special Resolution

Mr. C R Sasi is an Independent Non-Executive Director of the Company and has joined the Board of Directors of the Company on December 14, 2013. Pursuant to Sections 149 (11) of the Companies Act, 2013, Mr. C R Sasi, was appointed as an Independent Non-Executive Director to hold office for five consecutive years for a term upto September 18, 2019, by the Members of the Company in the Annual General Meeting held on 19th September 2014. SEBI has amended the LODR, Regulations, 2015 vide circular dated 9th May 2018 which require reappointment/ continuance of any Non-Executive Director who has attained the age of 75 years to be approved by the shareholders by way of a Special Resolution. Also, as per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, shall also be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 28, 2019 approved to re-appoint Mr. C R Sasi, who has attained the age of 75 years, as an Independent Director for second term of five (5) years with effect from September 19, 2019 upto September 18, 2024, subject to the approval of shareholders.

Brief resume of the director and Nature of his expertise in specific functional areas:

Mr. C R Sasi, aged 77 years is a Chartered Engineer with B.E (Hons) from Telecom College of Engineering Guindy and has qualified from Indian Engineering Service. He has also got PG Certification in Production Management, Financial Management & Export Marketing. He is a Life Fellow IE(India), Life Fellow IETE and Life Senior Member IEEE(USA). He has worked in many innovative projects during the past 50 years of professional activity. He has formerly served in Ministry of Information & Broadcasting, Department of Technical Education(TN), Binny & HHE. He has also been Chairman of IEEE Madras Section, Vice Chairman IEEE India Council and founder Secretary IEEE Engineering Management & Industry Application Society Chapter and president Alumini Association College of Engineering, Guindy. He has been Accredited Referee (Entrepreneurship)- Stanford Graduate Business school, Key Mentor (Accredited by City & Guilds UK)- BYST (Entrepreneurship & Project Finance), Member Governing Council (Nominee of State Government) in MNM Jain Engineering College, Consultant for Product Development& Projects and Mentor and Trainer in Innovation & Entrepreneurship Development Learning & Teaching Techniques and Microteaching.

Considering his experience, it is proposed to re-appoint Mr. C R Sasi as an Independent Non-Executive Director for another term of five consecutive years from September 19, 2019 upto September 18, 2024. SEBI has amended the LODR, Regulations, 2015, as amended vide circular dated 9th May 2018 which requires reappointment of any Non-Executive Director who has attained the age of 75 years to be approved by the shareholders by way of a Special Resolution. Since Mr. C R Sasi is more than 75 years of age the proposal for appointment will be subject to the approval of the members of the Company.



MUNOTH COMMUNICATION LIMITED

In this regard the Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. C R Sasi as an Independent Non-Executive Director.

Details of Director seeking appointment are as follows:

Director Identification Number	06752354
Date of Birth	12/09/1941
Nationality	Indian
Qualification	B.E (Hons) from Telecom College of Engineering Guindy and has qualified from Indian Engineering Service
Date of Appointment on Board	14/12/2013
Shareholding in MCL	Nil
Brief Profile of Director	

Mr. C R Sasi, aged 77 years is a Chartered Engineer with B.E (Hons) from Telecom College of Engineering Guindy and has qualified from Indian Engineering Service. He has also got PG Certification in Production Management, Financial Management & Export Marketing. He is a Life Fellow IE(India), Life Fellow IETE and Life Senior Member IEEE(USA). He has worked in many innovative projects during the past 50 years of professional activity. He has formerly served in Ministry of Information & Broadcasting, Department of Technical Education(TN), Binny & HHE. He has also been Chairman of IEEE Madras Section, Vice Chairman IEEE India Council and founder Secretary IEEE Engineering Management & Industry Application Society Chapter and president Alumini Association College of Engineering, Guindy. He has been Accredited Referee (Entrepreneurship)- Stanford Graduate Business school, Key Mentor (Accredited by City & Guilds UK)- BYST (Entrepreneurship & Project Finance), Member Governing Council (Nominee of State Government) in MNM Jain Engineering College, Consultant for Product Development& Projects and Mentor and Trainer in Innovation & Entrepreneurship Development Learning & Teaching Techniques and Microteaching.

Expertise in specific functional areas

1. General Management
2. Engineering Management
3. Mentoring Young Entrepreneurs
4. Consultancy in Product Development and Project Management



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List of Directorships held in other companies excluding foreign, private and Section 8 Companies	5. Consultancy in Strategic Planning 6. Training in Mentoring and Entrepreneurship Munoth Industries Limited (MIL)
Memberships of Audit and Stakeholders Relationship Committees across Public companies including MCL	Member in Audit and Stakeholders relationship committees in both MCL and MIL
Details of Board/ Committee Meetings attended by the directors during the year	Board Meetings Attended on 28/05/2018; 13/08/2018; 13/11/2019 and 13/02/2019 Audit Committee Meetings Attended on 28/05/2018; 13/08/2018; 13/11/2019 and 13/02/2019 Stakeholders Relationship committee Meetings Attended 09/04/2019; 05/07/2018; 09/10/2018; 12/11/2018; 06/12/2018, 18/01/2019 06/03/2019; 22/03/2019; 30/03/2019

The Board recommends the passing of the resolutions as set out at item no. 4 of the accompanying notice as Special resolution. Except C R Sasi, being an appointee, none of the Directors of the Company, nor the Key Managerial Personnel of the Company nor their respective relatives are in any way concerned or interested, financially or otherwise in this Resolution. This Explanatory Statement may also be regarded as a disclosure under Regulation 36(3) of the LODR and Secretarial Standard on General Meetings (SS-2) of ICSI.

By Order of the Board
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai
Date : 28.05.2019

LALCHAND MUNOTH
CHAIRMAN



MUNOTH COMMUNICATION LIMITED

DIRECTORS' REPORT

To The Members

Your Directors have pleasure in presenting their Thirty Fifth Annual Report together with the Audited Accounts (Standalone and Consolidated) for the year ended March 31, 2019: (In Rs.)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2018-19 Rs.	2017-18 Rs.	2018-19 Rs.	2017-18 Rs.
Total Revenue	8,11,635	48,08,148	8,11,635	48,08,148
Total Expenses	70,50,844	1,38,98,565	70,50,844	1,38,98,565
Profit/Loss before exceptional and extra ordinary items and tax	(62,39,209)	(90,90,417)	(62,39,209)	(90,90,417)
Less: Exceptional items	0	0	0	0
Less: Extraordinary items	0	0	0	0
Profit/Loss before tax	(62,39,209)	(90,90,417)	(62,39,209)	(90,90,417)
Less: Current and Deferred Tax	0	0	0	0
Add: Share of Profit from Associates –CFORE Telecom Limited	-	-	5,59,831	3,28,620
Profit/Loss after tax	(62,39,209)	(90,90,417)	(56,79,378)	(87,61,797)
Other Comprehensive Income:Items that will not be reclassified to profit or loss- Changes in fair value of FVOCI equity instruments.	(89,111)	73,88,420	(89,111)	73,88,420
Total Comprehensive income for the year	(63,28,320)	(17,01,997)	(57,68,489)	(13,73,377)
Earnings per share: Basic & Diluted	(0.65)	(0.94)	(0.59)	(0.91)

REVIEW OF BUSINESS OPERATIONS:

Your Company has made sales worth Rs. 7, 97,136 for the year ending 31st March 2019 as against Rs. 39, 38,009 for the year ending 31st March 2018.

Further the Company has made loss of Rs. 62, 39,209 for the year ending 31st March 2019 as against Rs. 90,90,417 for the year ending 31st March 2018.

FUTURE PROSPECTS:

The Company is proposing to set up an assembly unit to assemble power bank and battery pack given conducive environment and attractive fiscal incentives by Government of India and State Government.

DIVIDEND:

The Board of Directors has decided not to recommend any dividend.



MUNOTH COMMUNICATION LIMITED

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the companies Act, 2013 do not apply as there was no dividend declared and paid last year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN 31st MARCH 2019 (THE END OF THE FINANCIAL YEAR) and 28th MAY 2019 (THE DATE OF REPORT)

There were no material changes and commitments affecting the financial position of the company between 31st March 2019 (the end of the financial year) and 28th May 2019 (the date of the report).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.

The details of conservation of energy, technology absorption etc as required to be given under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 are not applicable to the Company, as our Company has not carried out any manufacturing activities.

The foreign exchange earnings on account of the operation of the Company during the year were Rs. NIL.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Risk Management Committee of the Company continuously monitors business and operations risk through an efficient risk management system.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable for the financial year 2018-19.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not provided working capital loan, Guarantee or provided security. The details of investments made by the company are given in the notes to the financial statements.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Director's qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished as Annexure 1 and is attached to this report.

EXTRACT OF ANNUAL RETURN

The Extract of Annual return as on March 31, 2019 as provided under Sub-section (3) of section 92 of Companies Act, 2013 in Form No. MGT - 9 is being annexed as Annexure 2 to the report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is presented in separate section forming part of the Annual Report as Annexure 3.

DIRECTOR'S RESPONSIBILITY STATEMENT:

As required in Clause (c) of Sub- Section (3) of Section 134 of the Companies Act, 2013, your Director confirms and state that-



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- a) In the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures.
- b) The Directors 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 close of the financial year ended 31st March 2019 and of the Profit/Loss of the company for the year ended 31st March 2019.
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a going concern basis.
- e) The Directors, have 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.

As per SEBI Listing Regulations 2015, Audit Committee has reviewed the Director's Responsibility Statement.

DEPOSITS

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of balance sheet.

DIRECTORS & KMP:

Mr. Bharat Munoth, Mr. Lalchand Munoth retires by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment.

Mr. C R Sasi, the Independent Director's first term is getting over on September 18, 2019

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following are the details of the directors seeking appointment / re-appointment:

1. Brief resume of Mr. Bharat Munoth and nature of his expertise in specific areas:

Mr. Bharat Munoth is retiring by rotation at this Annual General Meeting and being eligible offers himself for reappointment. Mr. Bharat Munoth, aged 49 years (DOB: 02/03/1970) is a commerce graduate and he has extensive knowledge and experience in the field of finance and investments. He is the director of the company since 1992. He is also the director of Munoth Financial Services Limited, Munoth Bioscience Limited, South India chemicals and Leasing Private Limited, Maharana Finance and Investments Private Limited and Shankeswar Finance and Investments Private Limited. As on March 31, 2019, his shareholding in the Company is 90950 shares and has no shares held by/for other persons on a beneficial basis. He has attended all the 4 board meetings held on 28/05/2018; 13/08/2018; 13/11/2019 and 13/02/2019 by the company.

Disclosure of relationships between directors inter-se: Mr. Lalchand Munoth is the father of Mr. Bharat Munoth and Mr. Jaswant Munoth & Mr. Vikas Munoth are brothers of Mr. Bharat Munoth.

2. Brief resume of Mr. Lalchand Munoth and nature of his expertise in specific areas.

Mr. Lalchand Munoth is retiring by rotation at his Annual General Meeting and being eligible offers himself for reappointment. Mr. Lalchand Munoth, aged 80 years (DOB: 05/12/1938) holds a Bachelor degree in Arts from the Mysore University. He is a senior member of the board and a guiding figure for the Munoth Team. His stature in the industry and array of corporate relationships are valuable for the Company.



He is the architect behind several successful finance & investment companies and has vast experience in the finance field. He is the director of the Company since incorporation. He is also director of Misrimal Navajee Estates Private Limited, Munoth Industries Limited, Munoth Bioscience Limited, Munoth Financial Services Limited and South India Chemicals and Leasing Private Limited. As on March 31, 2019, his shareholding in the Company is 125350 shares and has no shares held by/for other persons on a beneficial basis. He has attended all the 4 board meetings held on 28/05/2018; 13/08/2018; 13/11/2019 and 13/02/2019 by the company. Disclosure of relationships between directors inter-se: Mr. Lalchand Munoth is the father of Mr. Jaswant Munoth ,Mr. Bharat Munoth& Mr. Vikas Munoth

3. Brief resume of Mr. C R Sasi and nature of his expertise in specific areas:

Mr. C R Sasi aged 77 years possesses appropriate skills, experience and knowledge inter alia in the field of engineering and technology due to which the management has agreed to re appoint him as Independent Director of the Company for five consecutive years with effect from 19th September 2019, subject to approval of members.

Mr. C R Sasi, aged 77 years is a Chartered Engineer with B.E (Hons) from Telecom College of Engineering Guindy and has qualified from Indian Engineering Service. He has also got PG Certification in Production Management, Financial Management & Export Marketing. He is a Life Fellow IE(India), Life Fellow IETE and Life Senior Member IEEE(USA). He has worked in many innovative projects during the past 50 years of professional activity. He has formerly served in Ministry of Information & Broadcasting, Department of Technical Education(TN), Binny & HHE. He has also been Chairman of IEEE Madras Section, Vice Chairman IEEE India Council and founder Secretary IEEE Engineering Management & Industry Application Society Chapter and president Alumini Association College of Engineering, Guindy. He has been Accredited Referee (Entrepreneurship)- Stanford Graduate Business school, Key Mentor (Accredited by City & Guilds UK)- BYST (Entrepreneurship & Project Finance), Member Governing Council (Nominee of State Government) in MNM Jain Engineering College, Consultant for Product Development& Projects and Mentor and Trainer in Innovation & Entrepreneurship Development Learning & Teaching Techniques and Microteaching.

DECLARATION OF INDEPENDENT DIRECTORS:

The independent Directors have confirmed and declared that they are not disqualified to act as an independent Director in compliance with the provisions of Section 149 of the Companies Act., 2013.

ADEQUACY OF INTERNAL CONTROL, FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

STATUTORY AUDITORS:

M/s.Mardia and Associates continue to be the statutory auditors of the company till the Annual General Meeting in the year 2022.

SECRETARIAL AUDIT REPORT:

A Secretarial Audit was conducted during the year by the secretarial Auditor, Mr.N.Selvam, Practicing Company Secretary in accordance with provisions of section 204 of the Companies Act, 2013. The Secretarial Audit Report is attached as Annexure 4 and forms a part of the report of the Directors.

COST AUDIT:

Cost Audit is not applicable to the Company for the financial year 2018-19.



MUNOTH COMMUNICATION LIMITED

EXPLANATION / COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS.

There were no comments or observations or adverse remarks made by the auditor or practicing company secretary in their reports.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) as and when it was applicable.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary or Joint venture Company. During the year under review, the Company has one associate Company -CFORE Telecom Limited. The disclosure in Form No. AOC 1 is enclosed as Annexure 5.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

In line with the requirements of the Companies act, 2013 and SEBI Regulations, the Company has formulated a policy on Related Party transactions which is also available on Company's website at www.munothcommunication.com. The policy intends to ensure that proper reporting; approval and disclosure procedures 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.

The company paid remuneration to Mr. Jaswant Munoth, the Managing Director of the company amounting to INR. 6.25 Lakhs for five months this financial year , which has been approved by the Board in their meeting held on 31/07/2017

The disclosure for Financial year 2018-19 in Form No. AOC.2 is enclosed as Annexure 6.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE:

There are no persons employed in the Company during the year or for part of the year who were in receipt of remuneration in excess of the limits set out in Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with in terms of provisions of Section 197(12) of the Companies Act, 2013.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014 are provided in the Annual Report as Annexure 7.

In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, which is available for inspection by the members at the registered office of the company during business hours on working days of the company. If any member is interested in inspecting the same, such member may write to the Company in advance and the same will be furnished. The full annual report is also available on the Company's website.

VIGIL MECHANISM:

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task Force comprising Senior Executives of the Company. The policy on vigil mechanism and whistle blower policy may be accessed on the company's website www.munothcommunication.com



CORPORATE GOVERNANCE:

Pursuant to Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance is not applicable to the Company for the financial year 2018-19 since the Net Worth is below 25 Crores and the Paid up Capital of the Company is less than 10 Crores.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

The Company has conducted 4 Board meetings during the financial year under review. They were held on 28th May 2018, 13th August 2018, 13th November 2018 and 13th February 2019.

AUDIT COMMITTEE:

The Audit Committee comprises of Independent Directors namely Mr. C R Sasi, Ms. Lakshika Mehta (Chairman) and Mr.M.Jayantilal Jain and Mr. Jaswant Munoth (executive director) as members. All the recommendations made by the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee comprises of 3 Independent Directors namely Mr. C R Sasi, Ms. Lakshika Mehta (Chairman) and Mr.M .Jayantilal Jain and Mr. Jaswant Munoth (executive director) as members. The Nomination and Remuneration Policy is mentioned in Annexure 1 of the Annual Report.

STAKEHOLDER'S RELATIONSHIP COMMITTEE:

The Board of Directors has constituted the Shareholders' and Investors' Grievance Committee in 2000. This Committee specifically looks into the Shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report etc., In addition, the Committee also looks into matters that can facilitate better investor services and relations.

The committee consists of the following Directors:

1. Mr. M Jayantilal Jain, Chairman
2. Mr. C R Sasi
3. Mr. Jaswant Munoth

STOCK EXCHANGES

The Company's shares are listed on The Stock Exchange, Mumbai.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Board of Directors and the designated employees have confirmed compliance with the code.

GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

1. Issue of equity shares with differential rights as to dividend, voting or otherwise
2. Issue of shares (including sweat equity shares) to employees of the company and ESOS under any scheme
3. The company does not have any subsidiaries and hence the disclosure stating that the Managing



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Director / whole Time Director of the Company not receiving any remuneration or commission for subsidiary is not applicable.

4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS:

Your Directors would like to express their gratitude to the Shareholders, vendors, bankers and customers for their support and co-operation. They wish to thank all the employees of the Company for their sincere and dedicated services.

By Order of the Board
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai
Date : 28.05.2019

Jaswant Munoth
Managing Director

Bharat Munoth
Director



ANNEXURE 1

Nomination and Remuneration Policy

The Remuneration/Compensation Committee of Munoth Communication Limited (“the Company”), consisting of three independent directors, was renamed as Nomination and Remuneration Committee by the Board at its meeting held on March 31, 2015

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy are in compliance with Section 178 of the Companies Act, 2013 (“**The Act**”) read along with the applicable rules thereto and SEBI Listing Regulations:

The key objectives of the Committee are:

To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.

To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and too assist the Board in fulfilling its responsibilities.

2. DEFINITIONS

Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

Board means Board of Directors of the Company.

Directors mean Directors of the Company.

Key Managerial Personnel means Chief Executive Officer or the Managing Director or the Manager; Whole time director; Chief Financial Officer; Company Secretary; and such other officer as may be prescribed.

Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. OBJECTS OF COMMITTEE

3.1 The objects of the Committee inter alia will be the following:

- a. to formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b. to recommend to the Board the appointment and removal of Senior Management
- c. to carry out evaluation of Director’s performance and recommend to the Board appointment / removal based on his / her performance.
- d. to recommend to the Board on (i) policy relating to remuneration for Directors, Key



- Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.
- e. to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
 - f. ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
 - g. to devise a policy on Board diversity;
 - h. to develop a succession plan for the Board and to regularly review the plan;

Policy for appointment and removal of Director, KMP and Senior Management

3.2 Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.3 Term / Tenure

- a) Managing Director/Whole-time Director: The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) Independent Director: An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it shall be ensured that number of Boards on which such Independent Director serves is as may be prescribed under the Act and / or the Listing Agreement.



3.4 Evaluation The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.5 Removal Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.6 Retirement The Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.7 Policy relating to the Remuneration for the managing / Whole-time Director, KMP and Senior Management Personnel

The Remuneration Policy of the Company for managerial personnel is primarily based on the following:

- Performance of the Company,
- potential of individual and,
- External competitive environment

General

- a. The remuneration/compensation/commission, etc., to the Managing / Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval at the time of appointment. The remuneration /compensation / commission etc. of the Managing / Whole Time Director shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b. The remuneration and commission to be paid to the Whole-time Directors shall be in accordance with the provisions of the Act.
- c. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which would be within the limits approved by the Shareholders in the case of Whole-time Directors and as per the Policy of the Company in case of others.
- d. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e. **Remuneration to Managing / Whole-time Director, KMP and Senior Management Personnel**
- f. **Fixed pay:** The Managing / Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and



MUNOTH COMMUNICATION LIMITED

quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

- h. Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- i. Provisions for excess remuneration:** If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without appropriate approvals, the Committee shall recommend the due course of action to the Board as and when required.

Remuneration to Non- Executive / Independent Director

- a. Remuneration / Commission:** The remuneration / commission shall be fixed as per the limits and conditions mentioned in the Articles of Association of the Company and the Act.
- b. Sitting Fees:** The Non- Executive / Independent Director may receive Sitting fees for attending meetings of Board or Committee thereof, provided that the amount of such fees shall not exceed the amount as may be prescribed by the Central Government from time to time.
- c. Commission:** Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- d. Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

4. ROLE OF NOMINATION COMMITTEE :

The role of the Committee in relation to nomination matters include:

- a. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b. Ensuring that on appointment to the Board, independent directors receive a formal letter of appointment in accordance with the guidelines provided under the Act;
- c. Identifying and recommending Directors who are to be put forward for retirement by rotation.
- d. Determining the appropriate size, diversity and composition of the Board;
- e. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- f. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- g. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- h. Making recommendations to the Board concerning any matters relating to the in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- i. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- j. Recommend any necessary changes to the Board; and



MUNOTH COMMUNICATION LIMITED

k. Considering any other matters, as may be requested by the Board.

5. **ROLE OF REMUNERATION COMMITTEE**

The role of remuneration Committee includes:

- a. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- b. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c. to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- d. to consider any other matters as may be requested by the Board.
- e. Professional indemnity and liability insurance for Directors and senior management.

6. **MEMBERS** The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent. Minimum two members shall constitute a quorum for the Committee meeting. Membership of the Committee shall be disclosed in the Annual Report. Term of the Committee shall be continued unless terminated by the Board of Directors.

7. **CHAIRPERSON** The Chairperson of the Committee shall be an Independent Director. The Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

8. **FREQUENCY OF MEETINGS** The meeting of the Committee shall be held at such regular intervals as may be required.

9. **OTHERS**

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.
- b. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee. In the case of equality of votes, the Chairman of the meeting will have a casting vote.
- c. The Company Secretary of the Company shall act as Secretary of the Committee.
- d. Proceedings of all meetings must be recorded in the minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

By Order of the Board
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai
Date : 28.05.2019

Jaswant Munoth
Managing Director

Bharat Munoth
Director



MUNOTH COMMUNICATION LIMITED

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L65991TN1984PLC010816
ii	Registration Date	27/04/1984
iii	Name of the Company	MUNOTH COMMUNICATION LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v	Address of the Registered office & contact details	SUITE NO. 48, MUNOTH CENTRE 343, TRIPPLICANE HIGH ROAD, TRIPPLICANE, CHENNAI - 600005, PH -914428591190 Email: cs@munothcommunication.com
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	CAMEO CORPORATE SERVICES LIMITED, 1, CLUB HOUSE ROAD, CHENNAI - 600002

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total revenue/turnover of the company
		class(Sub class)	
1	Wholesale of mobile phone and accessories	4652(46524)	100.00%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLI CABLE SECTION
1	CFORE TELECOM LIMITED SUITE NO. 44 & 45, MUNOTH CENTRE 343, TRIPPLICANE HIGH ROAD TRIPPLICANE, CHENNAI - 600005	U64202TN2011PLC080267	ASSOCIATE	40.74%	2(6)



MUNOTH COMMUNICATION LIMITED

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	612873	100	612973	6.35	612973	0	612973	6.35	0
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	
c) Bodies Corporate	2229114	0	2229114	23.10	2328214	0	2328214	24.13	1.03
d) Bank/Fl	0	0	0	0.00	0	0	0	0.00	0
e) Any other	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL:(A) (1)	2841987	100	2842087	29.45	2941187	0	2941187	30.48	1.03
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
d) Banks/Fl	0	0	0	0.00	0	0	0	0.00	0
e) Any other...	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	2841987	100	2842087	29.45	2941187	0	2941187	30.48	1.03
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0
b) Banks/Fl	300000	0	300000	3.11	300000	0	300000	3.11	0
c) Central govt.	0	0	0	0.00	0	0	0	0.00	
d)State govt.	0	0	0	0.00	0	0	0	0.00	
e)Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	
f)Insurance companies	0	0	0	0.00	0	0	0	0.00	
g)FIIS	0	11625	11625	0.12	0	11625	11625	0.12	0
h)Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	
i)Others (Specify)	0	0	0	0.00	0	0	0	0.00	
SUB TOTAL (B)(1):	300000	11625	311625	3.23	300000	11625	311625	3.23	0



MUNOTH COMMUNICATION LIMITED

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies corporate									
i) Indian	301675	416973	718648	7.46	229669	317873	547542	5.67	(1.79)
ii) Overseas	0	0	0	0					0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	504392	555513	1059905	10.98	522458	563086	1085544	11.25	0.27
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	334910	112250	447160	4.63	337356	101350	438706	4.55	(0.08)
c) Others (specify)	0	0	0	0	0	0	0	0	0
HUF	13384	0	13384	0.14	38064	0	38064	0.39	0.25
FOREIGN NATIONALS	3000000	0	3000000	31.09	3000000	0	3000000	31.09	0
NRIS & OCBS	1051591	205000	1256591	13.02	1101732	185000	1286732	13.34	0.32
SUB TOTAL (B)(2):	5205952	1289736	6495688	67.32	5229279	1167309	6396588	66.29	(1.03)
Total Public Shareholding (B)= (B)(1)+(B)(2)	5498428	1308885	6807313	70.55	5505952	1301361	6807313	69.52	(1.03)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	8340415	1308985	9649400	100.00	8347939	1301461	9649400	100	0



MUNOTH COMMUNICATION LIMITED

(ii) SHARE HOLDING OF PROMOTERS

Sl 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 company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company shares	% of pledged encumbered to total shares	
1	JASWANT MUNOTH	148575	1.54	0	148575	1.54	0	0.00
2	BHARAT MUNOTH	90950	0.94	0	90950	0.94	0	0.00
3	LEELADEVI MUNOTH	91150	0.94	0	91150	0.94	0	0.00
4	VIKAS MUNOTH	58173	0.60	0	58173	0.60	0	0.00
5	VIJAYALAKSHMI MUNOTH	95775	0.99	0	95775	0.99	0	0.00
6	LALCHAND MUNOTH	125350	1.30	0	125350	1.30	0	0.00
7	SUSHEELA MEHTA	3000	0.03	0	3000	0.03	0	0.00
8	MUNOTH INDUSTRIES LIMITED	9500	0.10	0	9500	0.10	0	0.00
9	SOUTHINDIA CHEMICALS & LEASING (P) LTD	1212500	12.57	0	1212500	12.57	0	0.00
10	MAHARANA FINANCE & INVESTMENTS(P) LTD	198107	2.05	0	198107	2.05	0	0.00
11	MUNOTH BIOSCIENCE LIMITED	78525	0.81	0	78525	0.81	0	0.00
12	MUNOTH FINANCIAL SERVICES LIMITED	705482	7.31	0	804582	8.34	0	1.03
13	SHANKESWAR FINANCE & INVESTMENTS(P) LTD	25000	0.26	0	25000	0.26	0	0.00
	Total	2842087	29.45	0.00	2842087	30.48	0.00	1.03

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

THERE IS NO CHANGE IN THE PROMOTER'S SHAREHOLDING AT THE BEGINNING OF THE YEAR (01/04/2018) AND AT THE END OF THE YEAR (31/03/2019) except Munoth Financial Services Limited

SI. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	MUNOTH FINANCIAL SERVICES LIMITED				
	At the beginning of the year 01/04/2018	705482	7.31	705482	7.31
	Transfer 12/11/2018	98300	1.01	803782	8.32
	Transfer 06/12/2018	800	0.02	804582	8.34
	At the end of the year 31/03/2019	804582	8.34	804582	8.34



MUNOTH COMMUNICATION LIMITED

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end 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	CHIP K LIM At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	1000000 1000000	10.36 10.36	1000000 1000000	10.36 10.36
2	FENG PAT SE At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	1000000 1000000	10.36 10.36	1000000 1000000	10.36 10.36
3	LEE FOO SAN At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	1000000 1000000	10.36 10.36	1000000 1000000	10.36 10.36
4	VICTOR RAJ At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	1000000 1000000	10.36 10.36	1000000 1000000	10.36 10.36
5	BANK OF BARODA At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	300000 300000	3.10 3.10	300000 300000	3.10 3.10
6	PARSHOTAM G KHEMANI At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	200109 200109	2.07 2.07	200109 200109	2.07 2.07
7	RAVE GLOBALS LIMITED At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	117600 117600	1.21 1.21	117600 117600	1.21 1.21
8	SARDA RESOURCES (P) LIMITED At the beginning of the year 01/04/2018 Transfer 12/11/2018 Transfer 06/12/2018 At the end of the year 31/03/2019	99100 98300 800 0	1.03 1.01 0.02 0.00	99100 800 0 0	1.03 0.02 0.00 0.00
9	KUMBHAT FINANCIAL SERVICES LIMITED At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	91200 91200	0.94 0.94	91200 91200	0.94 0.94
10	EPSOM PROPERTIES LIMITED At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	71000 71000	0.73 0.73	71000 71000	0.73 0.73
11	CHANDRAKANTHA TATIA At the beginning of the year 01/04/2018 At the end of the year 31/03/2019	54801 54801	0.57 0.57	54801 54801	0.57 0.57



MUNOTH COMMUNICATION LIMITED

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end 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	JASWANT MUNOTH				
	At the beginning of the year 01/04/2018	148475	1.53	148475	1.53
	Changes during the year	NO CHANGE DURING THE YEAR			
	At the end of the year 31/03/2019	148475	1.53	148475	1.53
2	BHARAT MUNOTH				
	At the beginning of the year 01/04/2018	90950	0.94	90950	0.94
	Changes during the year	NO CHANGE DURING THE YEAR			
	At the end of the year 31/03/2019	90950	0.94	90950	0.94
3	VIKAS MUNOTH				
	At the beginning of the year 01/04/2018	58173	0.60	58173	0.60
	Changes during the year	NO CHANGES DURING THE YEAR			
	At the end of the year 31/03/2019	58173	0.60	58173	0.60
4	LALCHAND MUNOTH				
	At the beginning of the year 01/04/2018	125350	1.29	125350	1.29
	Changes during the year	NO CHANGES DURING THE YEAR			
	At the end of the year 31/03/2019	125350	1.29	125350	1.29
5	JAYANTILAL JAIN M				
	At the beginning of the year 01/04/2018	0	0.00	0	0.00
	Changes during the year	NO CHANGES DURING THE YEAR			
	At the end of the year 31/03/2019	0	0.00	0	0.00
6	C R SASI				
	At the beginning of the year 01/04/2018	0	0.00	0	0.00
	Changes during the year	NO CHANGES DURING THE YEAR			
	At the end of the year 31/03/2019	0	0.00	0	0.00
7	S ANANTHAPADMANABHAN (CFO)				
	At the beginning of the year 01/04/2018	400	0.01	400	0.01
	Changes during the year	NO CHANGES DURING THE YEAR			
	At the end of the year 31/03/2019	400	0.01	400	0.01
8	JINAL JAIN (Company Secretary)				
	At the beginning of the year 01/04/2018	0	0.00	0	0.00
	Changes during the year	NO CHANGES DURING THE YEAR			
	At the end of the year 31/03/2019	0	0.00	0	0.00



MUNOTH COMMUNICATION LIMITED

V INDEBTEDNESS

In Rs.

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12830722	0	0	12830722
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	12830722	0	0	12830722
Change in Indebtedness during the financial year				
Additions	0	0	0	0
Reduction	3771206	0	0	3771206
Net Change	3771206	0	0	3771206
Indebtedness at the end of the financial year				
i) Principal Amount	9059516	0	0	9059516
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	9059516	0	0	9059516

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

In Rs.

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary	Mr. Jaswant Munoth (MD)	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	625000*	625000*
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock option	NA	NA
3	Sweat Equity	NA	NA
4	Commission	NA	NA
	as % of profit		
	others (specify)		
5	Others, please specify	NA	NA
	Total (A)	0	0
	Ceiling as per the Act	with in overall ceiling as mentioned in Section II of Part II of Schedule V of Act	

* Paid for five months in the Financial year 2018-2019



MUNOTH COMMUNICATION LIMITED

B. Remuneration to other directors:

In Rs.

Sl.No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors		
	(a) Fee for attending board committee meetings	NA	NA
	(b) Commission		
	(c) Others, please specify Remuneration for providing consulting and advice for mobile accessories project	0	0
	Total (1)	NA	NA
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings	NA	NA
	(b) Commission		
	(c) Others, please specify.		
	Total (2)	NA	NA
	Total (B)=(1+2)		
	Total Managerial Remuneration	0	0
	Overall Ceiling as per the Act.	with in overall ceiling as mentioned in Section II of Part II of Schedule V of Act	

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

In Rs.

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO & MD	Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0	3,65,000	1,65,000	5,30,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	
2	Stock Option	0	0	0	
3	Sweat Equity	0	0	0	
4	Commission	0	0	0	
	as % of profit				
	others, specify				
5	Others, please specify	0	0	0	
	Total		3,65,000	1,65,000	5,30,000



MUNOTH COMMUNICATION LIMITED

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

By Order of the Board
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai
Date : 28.05.2019

Jaswant Munoth
Managing Director

Bharat Munoth
Director



ANNEXURE 3

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry Structure and Development:

Mobile phone plays an important and vital role in modern day to day life. Increase in the adoption of smartphones, as they offer effective connectivity to the digital world majorly drives the market. Rise in demand for wireless accessories also boosts the market growth. This increase in demand is due to the change in customer preferences to listen to music on portable devices, such as smartphones and tablets.

In the current business scenario, it is crucial to employ efficient systems for wireless technologies, owing to increase in the purchasing power and changes in lifestyles of the people. This is the key factor that boosts the sales of mobile phone accessories in the developing economies. Increase in the adoption of smartphones, as they offer effective connectivity to the digital world majorly drives the market. However, excessive use of headphones affects the hearing ability of the users, which restricts the market. Rapid technological advancements, including implementation of noise cancelling technology, Bluetooth/NFC speakers, and built-in fan and light in selfie sticks, are expected to offer lucrative growth opportunities in the near future.

The global mobile phone accessories market is segmented based on product type, distribution channel, price range, and region. Based on product type, the market is divided into battery, headphone/earphone, portable speaker, charger, memory card, power bank, battery case, protective case, and others (USB cable and selfie stick). Based on distribution channel, it is bifurcated into online and offline. By price range, it is segmented into premium, mid, and low. Based on region, the market is analyzed across North America, Europe, Asia-Pacific, and Latin America and Middle East (LAMEA).

2. Segment Wise Performance:

The company is currently operating in a single segment i.e selling and distribution of mobile phones and accessories.

3. Future Plans and Outlook:

The Company is proposing to set up an assembly unit to assemble power bank and battery pack given conducive environment and attractive fiscal incentives by Government of India and State Government.

4. Business operations

Your Company has made sales worth Rs. 7, 97,136 for the year ending 31st March 2019 as against Rs. 39, 38,009 for the year ending 31st March 2018. Further the Company has made loss of Rs. 62, 39,209 for the year ending 31st March 2019 as against Rs. 90,90,417 for the year ending 31st March 2018.

5. Strength and Weakness

The demand for handset market is huge and the government support to domestic manufacturing industry will strengthen the industry. Mobile device adoption amongst youth population in the country and continual decline of prices of mobile phones, smart phones and tablets are impetus to the growth of mobile accessory market in India. Online retailing also plays a big part. It offers the convenience of cash on delivery payment option and cheaper offers for various products as compared to physical stores.

The mobile handset industry is facing problems relating to high service cost, expensive infrastructure and government regulations. There is a huge disparity in the mobile accessory market with several players competing for market share owing to Chinese manufacturing infrastructure.

6. Opportunities and Threats:

Mobile accessories are also considered a style statement today and brands are focusing on



MUNOTH COMMUNICATION LIMITED

making them trendy and attractive and there is no single brand available in India which manufactures all mobile phone accessories.

Low cost manufacturing and parallel imports have led to the advent of a huge unorganized market, the size of which is estimated at about 60 percent.

7. Outlook, Risks and Concern:

Rise in disposable income has revolutionized customers buying and spending trend, especially in the urban areas. Mobile device adoption amongst youth population in the country and their spending patterns provide strong stimulus for growth in adoption, The following are the Key trends shaping up the outlook of the global mobile phone accessories market:

Key Trends in India's Mobile Phone Accessories Market

- Irregular electricity & power distribution infrastructure in India serves as a catalyst for consumption of power banks. In some cases, mobile phone users in India lack proximity to suitable power source, which further necessitates use of accessories such as power banks. Buying power banks that could charge multiple devices in a go, is trending in mobile phone accessories market in India. In the span of next ten years, sales of power banks in India will account for over \$350 million in terms of revenues.
- Demand for modular smartphones and mobile phones are likely to increase in India, providing an opportune scope for mobile phone accessories that are limited to compatibility with specific device connectors. Furthermore, various products sold as mobile phone accessories in India have been able to attain compatibility with computers and laptops and vice-a-versa, broadening scope of end-use among consumers.
- Technological advancements are openhandedly welcomed by Indian consumers, triggering an opportunity for sales of other mobile phone accessories such as keyboard attachments, cameras, dongles, selfie sticks, thermal imaging cameras, VR headsets, protective screens and wireless ear buds, among others. With surge in sales of other related products, the mobile phone accessories market in India is likely to generate over \$150 million revenues.
- Multi-brand stores are trending as the most-preferred distribution channel for buying mobile phone accessories in India. States in North India will continue to dominate by accounting for over 30% of the market revenues, while states in South and West India will collectively account for half of India's mobile phone accessories revenues in the span of next ten years.

8. Human Resources/Industrial Relations:

Your Company considers its Human Resources as its most valuable asset among all their assets of the Company. It has been the policy of the company to promote the talent by providing opportunities to develop themselves within the organisation. The Company continued to maintain a cordial and harmonious relation with its employees.

9. Internal Control System and Adequacy:

Your Company lays emphasis on integrated control systems and accountability and has been maintaining adequate system in place commensurate with its size and nature of business.

10. Cautionary statement:

Statements in the Management Discussion and Analysis regarding the Company's objectives, estimates and expectations are within the scope of applicable laws and regulations, Actual performance may differ from those either expressed or implied.

By Order of the Board
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai
Date : May 28, 2019

Jaswant Munoth
Managing Director

Bharat Munoth
Director



MUNOTH COMMUNICATION LIMITED

ANNEXURE 4
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
Munoth Communication Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MUNOTH COMMUNICATION LIMITED**. (Hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



MUNOTH COMMUNICATION LIMITED

- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) regulations, 2009; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements/ Listing Regulations entered into by the Company with BSE.

I/we further report that, based on the information provided by the company, its officers and authorised representatives during the conduct of audit, and also on review of quarterly compliance reports submitted by the officers, in my opinion, adequate systems and processes and control mechanism exists in the Company to monitor and ensure compliance with other applicable laws such as labour laws , etc.

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

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period the company has not issued /carried out

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

I further report that during the audit period, there were no other specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc, having a major bearing on the Company's affairs.

Place : Chennai
Date : 28/05/2019

Name of Company Secretary in practice :
N.SELVAM
FCS No.4318
C P No.:4858



MUNOTH COMMUNICATION LIMITED

Annexure 5

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.) NA

Sl. No.	Particulars	Details
1.	Name of the subsidiary	
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.



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Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures NA

Name of associates/Joint Ventures	CFORE TELECOM LIMITED
1. Latest audited Balance Sheet Date	31/03/2019
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	4,07,400
Amount of Investment in Associates /Joint Venture	Rs. 40,74,000
Extend of Holding%	40.74%
3. Description of how there is significant influence	Controls more than 20% of the total share capital
4. Reason why the associate/joint venture is not consolidated	Consolidated
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. (45,00,051)
6. Profit/Loss for the year	
i. Considered in Consolidation	Rs. 5,59,831/-
ii. Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations. – NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year. – NIL

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

As per our report of even date

For MARDIA AND ASSOCIATES
Firm Registration Number : 007888S
Chartered Accountants

For and on behalf of the board of directors of
Munoth Communication Ltd

Manish Mardia
Proprietor

Lalchand Munoth Jaswant Munoth Bharat Munoth
[Chairman] [Managing Director & CEO] [Director]

Membership Number : 205307
Place : Chennai
Date : 28/05/2019

S Anantha Padmanabhan
CFO

Jinal Jain
Company Secretary



MUNOTH COMMUNICATION LIMITED

ANNEXURE 6

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis. NIL

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	MUNOTH INDUSTRIES LIMITED
b)	Nature of contracts/arrangements/transaction	TRANSACTION
c)	Duration of the contracts/arrangements/transaction	FY
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ORDINARY COURSE OF BUSINESS
e)	Date of approval by the Board	NA
f)	Amount paid as advances, if any	712854

By Order of the Board
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai
Date : 28/05/2019

Jaswant Munoth
Managing Director

Bharat Munoth
Director



MUNOTH COMMUNICATION LIMITED

ANNEXURE 7

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Jaswant Munoth- 3.38 Mr. Bharat Munoth NA Mr. Vikas Munoth NA Mr. M Jayantilal Jain NA Mr C R Sasi – NA Mr.Lalchand Munoth- NA Ms.Lakshika Mehta - NA Ms.Jinal Jain-NA
(ii)	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Mr. Jaswant Munoth: No increase** Mr. Bharat Munoth: NA Mr. Vikas Munoth: NA Mr. M Jayantilal Jain NA Mr C R Sasi NA Mr. S AnanthaPadmanabhan(CFO) - No increase Ms.Lakshika Mehta - NA Ms. Jinal Jain - No increase **remuneration paid for 5 months amounting to Rs. 6.25 Lakhs only
(iii)	the percentage increase in the median remuneration of employees in the financial year	0.00%
(iv)	the number of permanent employees on the rolls of company	6
(v)	the explanation on the relationship between average increase in remuneration and company performance	There is no increase in remuneration except for increase paid to employees due to additional responsibilities/promotion
(vi)	comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of Key Managerial Personnel: CFO Rs. 1.65 Lakhs. Company Secretary - Rs. 3.65 Lakhs Net loss of the Company for the year Rs.62.39 Lakhs
(vii)	variations in the market capitalisation of the company price earnings ratio as at the closing date of the current financial year and previous financial year percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer	The market capitalisation as on 22/01/2019 (LTP) was Rs. 289.48 Lacs (last year as on 22/01/2018 was Rs. 183.34 Lacs) NA The Company had come out with the Initial Public Offer (IPO) in May 1995 at Rs. 10/- in per share with a cash premium of Rs.20/- per share & rights issue in April 1995 of Rs. 10/- each at a premium of Rs. 5/- per share. As on 12/11/2018, the market price per share is Rs. 3.00/- per share.



MUNOTH COMMUNICATION LIMITED

(viii)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	No increase in Managerial Remuneration.
(ix)	comparison of the each remuneration of the Key Managerial Personnel against the Performance of the company	Mr. Anantha Padmanabhan (CFO) - Rs. 1.65 Lakhs per annum Ms.Jinal Jain (Company Secretary)- Rs.3.65 Lakhs per annum. Net loss of the Company for the year Rs.62.39 Lakhs
(x)	the key parameters for any variable component of remuneration availed by the directors	No variable component of remuneration availed by directors
(xi)	the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	NA
(xii)	affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration is as per the remuneration policy of the Company.

Details of the employees of the Company - Pursuant to section 197 (Rule 5) of the Companies act 2013.
The Company does not have employee who is drawing more than Rs. 60 Lakhs per annum during the year.

By Order of the Board
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai
Date : 28/05/2019

Jaswant Munoth
Managing Director

Bharat Munoth
Director



Annexure – II

CEO AND CFO CERTIFICATION

The Board of Directors,
Munoth Communication Limited,
343, Triplicane High Road,
Triplicane,
Chennai - 600 005.

Certificate by Chief Executive Officer and Chief Financial Officer

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2019 and that to the best of our knowledge and belief, we hereby certify that

1. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading.
2. These statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
3. That, there are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we were aware and the steps that we have taken or propose to take to rectify the identified deficiencies and
5. We have informed the auditors and the audit committee that
 - There were no significant changes in internal control during the year
 - There were no significant changes in accounting policies during the year
 - There has been no instances of fraud.
6. We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the financial year.

Place: Chennai
Date: 28/05/2019

S AnanthaPadmanabhan
CFO

Jaswant Munoth
Managing Director & CEO



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MUNOTH COMMUNICATION LIMITED

Opinion

We have audited the standalone financial statements of **Munoth Communication Limited**, which comprise the balance sheet as at 31st March 2019, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information .

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 Companies Act, 2013 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 March 31, 2019, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



MUNOTH COMMUNICATION LIMITED

expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - c. There are no branch offices of the Company.
 - d. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - e. In our opinion the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f. On the basis of written representations received from the directors as on March 31, 2019 taken



MUNOTH COMMUNICATION LIMITED

on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

- g. 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".

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

- i) The Company has an pending litigation with the High Court of Madras against "M/s Kingtech Electronics" since 2012. Its impact on the financial position of the company amounts to Rs. 52lacs.
- ii) The Company does not have any long-term contracts requiring a provision for material foreseeable losses.
- iii) The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.

For Mardia & Associates
Chartered Accountants
Firm's registration number: 007888S

Place : Chennai
Date : 28th May, 2019

(Manish Mardia)
Proprietor
Membership number: 205307

Annexure A referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date

TO THE MEMBERS OF MUNOTH COMMUNICATION LIMITED

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) During the year fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
 - (c) According to the information and explanations given by the management, the Company has title deeds of immovable properties held in the name of the company.
- (ii) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us and on the basis of our examination of the Books of accounts, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (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, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of activities carried on by the Company.



MUNOTH COMMUNICATION LIMITED

- (vii) (a) The company has generally been regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to banks and debenture holders. The Company did not have any outstanding dues in respect of a financial institution or to Government, during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer or debt instruments or raised any term loans and hence reporting under Clause 3 (ix) of the Order is not applicable to the Company and hence not commented upon. Further, term loans were applied for the purpose for which the loans were obtained.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) In our opinion, and according to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to 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 as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Mardia & Associates
Chartered Accountants
Firm's registration number: 007888S

Place : Chennai
Date : 28th May, 2019

(Manish Mardia)
Proprietor
Membership number: 205307



ANNEXURE B REFERRED TO IN PARAGRAPH 2 (g) OF THE SECTION ON “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

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 **Munoth Communication Limited** as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established under the COSO 2013 criteria, which considers 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. 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 the 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.

Auditor’s 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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



MUNOTH COMMUNICATION LIMITED

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mardia & Associates

Chartered Accountants

Firm's registration number: 007888S

Place : Chennai
Date : 28th May, 2019

(Manish Mardia)
Proprietor
Membership number: 205307



MUNOTH COMMUNICATION LIMITED

BALANCESHEET		(Amount in 000's)	
Particulars	Notes	As at 31st March 2019	As at 31st March 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	30,070	30,798
Other Intangible Assets	3	-	-
Intangible assets under development*		-	-
Biological assets other than bearer plants*		-	-
Financial assets			
i. Investments	4	34,546	34,635
ii. Loans	5	600	1,044
Other non-current assets	6	12,100	20,350
Total non-current assets		77,316	86,827
Current Assets			
Inventories	7	5,485	6,408
Financial assets			
i. Trade receivables	8	4,408	6,260
ii. Cash and cash equivalents	9	259	181
iii. Bank balances other than (iii) above*		-	21
iv. Loans	5	-	21
Other Current assets	6	114	9
Total Current assets		10,266	12,879
Total Assets		87,582	99,706
EQUITY & LIABILITIES			
EQUITY			
Equity share capital	10	99,513	99,513
Other equity	11	(22,859)	(16,531)
Total Equity		76,654	82,982
LIABILITIES			
Non Current Liabilities			
Employee benefit obligations	12	1,520	1,520
Other non-current liabilities*		-	-
Total non-current liabilities		1,520	1,520
Current Liabilities			
Financial liabilities			
i. Borrowings	13	9,060	12,831
ii. Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises			
(B) total outstanding dues of creditors other than micro enterprises & small enterprises.	14	204	1,770
iii. Other financial liabilities	15	5	484
Current tax liabilities			
Other current liabilities	16	139	119
Total current liabilities		9,408	15,204
Total liabilities		10,928	16,724
Total equity and liabilities		87,582	99,706

The above Balance sheet should be read in conjunction with the accompanying notes

*Schedule III requires these items to be presented on the face of the balance sheet. They have been included for illustrative purposes though they are not applicable to MCL.

As per our report of even date

For MARDIA & ASSOCIATES

Chartered Accountants

Firm Registration Number : 007888S

For and on behalf of the board of directors of
Munoth Communication Ltd

MANISH MARDIA

Partner

Membership Number : 205307

Place : Chennai

Date : 28/05/2019

Lalchand Munoth
[Chairman]

S Anantha Padmanabhan
CFO

Jaswant Munoth
[Managing Director]

Jinal Jain
Company Secretary

Bharat Munoth
[Director]



MUNOTH COMMUNICATION LIMITED

STATEMENT OF PROFIT AND LOSS

(Amount in 000's)

Particulars	Notes	Year ended 31st March 2019	Year ended 31st March 2018
Continuing Operations			
Revenue from operations	17	797	3,938
Other income	18	14	870
Total Income		811	4,808
Expenses			
Cost of Material Consumed	19	696	1,787
Purchase of Stock-in-trade		-	1,513
Increase/decrease in inventories of Traded goods	20	227	1,617
Employee benefit expenses	21	1,842	1,545
Depreciation and amortisation expenses	22	780	2,334
Impairment of goodwill and other non-current assets			
Other expenses	23	1,707	3,393
Finance costs	24	1,798	1,709
Total Expenses		7,050	13,898
Profit before exceptional items, and tax		(6,239)	(9,090)
Profit before exceptional items and tax		(6,239)	(9,090)
Exceptional items*		-	-
Tax expenses			
Profit before tax from continuing operations		(6,239)	(9,090)
Income Tax expenses			
Current tax			
Deferred tax			
Total tax expense		-	-
Profit from continuing operations		(6,239)	(9,090)
Profit from discontinued operation		-	-
Profit/Loss for the year		(6,239)	(9,090)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Changes in fair value of FVOCI debt instruments*		-	-
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(89)	7,388
Other comprehensive Income/Loss for the year, net of tax		(89)	7,388
Total comprehensive Income/Loss for the year		(6,328)	(1,702)
Earnings per equity share	25		
Basic earnings per share		(0.65)	(0.94)
Diluted earnings per share		(0.65)	(0.94)

The above Statement of Profit & Loss should be read in conjunction with the accompanying notes

*Schedule III requires these items to be presented on the face of the Statement of Profit & Loss. They have been included for illustrative purposes though they are not applicable to MCL.

As per our report of even date

For MARDIA & ASSOCIATES

Chartered Accountants

Firm Registration Number : 007888S

For and on behalf of the board of directors of
Munoth Communication Ltd

MANISH MARDIA
Partner
Membership Number : 205307
Place : Chennai
Date : 28/05/2019

Lalchand Munoth
[Chairman]
S Anantha Padmanabhan
CFO

Jaswant Munoth
[Managing Director]

Bharat Munoth
[Director]
Jinal Jain
Company Secretary



MUNOTH COMMUNICATION LIMITED

Cash Flow Statement for the year ended 31 March 2019

(Amount in 000's)

	Year ended 31 March 2019	Year ended 31 March 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(6,239)	(9,090)
Adjustments for :		
Depreciation/amortisation	780	2,334
Provision for Non Current Investments	-	350
Loss/(Profit) on sale of Investments	-	106
Interest expense	1,798	1,645
Dividend Income	(2)	(8)
Operating profit before working capital changes	(3,663)	(4,664)
Movements in working capital :		
Increase/(decrease) in Trade payables	(1,566)	1,770
Increase/(decrease) in Other current liabilities	20	(895)
Decrease/(Increase) in Financial Assets	444	
Decrease/(Increase) in Trade receivables	1,852	(1,667)
Decrease/(Increase) in Inventories	923	3,405
Decrease/(Increase) in Current loans and advances	21	(21)
Decrease/(Increase) in Short- Term loans and advances	(479)	(165)
Decrease/(Increase) in Other current assets	(105)	665
Decrease/(Increase) in Other Non- current assets	8,250	-
Cash generated from/(used in) operations	5,697	(1,572)
Direct taxes paid (Net of refunds)		
Net cash flow from/(used in) operating activities (A)	5,697	(1,572)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets,including intangible assets,	(52)	-
Non current investments		519
Proceeds from sale of fixed assets	-	-
Redemption from Sale/Maturity of Current Investments	-	-
Dividend Received	2	8
Interest Received	-	-
Net cash flow from/(used in) Investing Activity (B)	(50)	527



MUNOTH COMMUNICATION LIMITED

	(Amount in 000's)	
	Year ended 31 March 2019	Year ended 31 March 2018
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	-	(483)
Repayment of long term borrowings		
Proceeds from short term borrowings	(3,771)	3,115
Repayment of short term borrowings		
Interest paid	(1,798)	(1,645)
Net cash flow from/(used in) Financing Activity (C)	(5,569)	988
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	78	(57)
Cash and cash equivalents at the beginning of the year	181	238
Cash and cash equivalents at the end of the year	259	181
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on hand	178	8
Cheques/drafts on hand		
With banks-on current account		
- Current Account	81	173
- on deposit account (margin money)		
Total cash and cash equivalents	259	181

As per our report of even date

For MARDIA & ASSOCIATES

Chartered Accountants

Firm Registration Number : 007888S

For and on behalf of the board of directors of
Munoth Communication Ltd

MANISH MARDIA
Partner
Membership Number : 205307
Place : Chennai
Date : 28/05/2019

Lalchand Munoth
[Chairman]
S Anantha Padmanabhan
CFO

Jaswant Munoth
[Managing Director]

Bharat Munoth
[Director]
Jinal Jain
Company Secretary



MUNOTH COMMUNICATION LIMITED

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity share capital

(Amount in 000's)

	Notes	Amount
As at 1 April 2017		99,513
Changes in equity share capital	10	-
As at 31 March 2018		99,513
Changes in equity share capital	10	-
As at 31 March 2019		99,513

B. Other equity

(Amount in 000's)

	RESERVES & SURPLUS				OTHER RESERVES	TOTAL RESERVES
	Notes	Securities Premium Reserve	Revaluation Reserve	Retained Earnings	Changes in FVOCI Equity Investments	
Balance at 1 April 2017	11	56,104	27,483	(88,158)	(10,258)	(14,829)
Loss for the year		-	-	(9,090)		
Other comprehensive income for the year		-	-	-	7,388	
Balance at 31 March 2018		56,104	27,483	(97,248)	(2,870)	(16,531)
Loss for the year		-	-	(6,239)		
Other comprehensive income for the year		-	-	-	(89)	
Balance at 31 March 2019		56,104	27,483	(103,487)	(2,959)	(22,859)

Nature and purpose of reserves

(A) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

(B) Revaluation reserve

This reserve represents the cumulative gains and losses arising on the revaluation of Property, Plant & Equipments measured at market value certified by valuer, net of amounts reclassified to retained earnings / profit and loss when those assets have been disposed off.

(C) Retained Earnings

Retained Earnings represent the amount of accumulated earnings/Losses of the Company.



Note 1: Significant accounting policies

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

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2019 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the Equity Investments held not for sale. The same have been accounted using Fair Value concept.

(b) Principles of consolidation and equity accounting

(i) Associates

Associates are all entities over which the company has significant influence but not control or joint control. This is generally the case where the company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note below), after initially being recognised at cost.

Note : Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the company's share of other comprehensive income of the investee in other comprehensive income.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the company and its associates and the extent of the company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the company.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for



each of the company's activities. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(d) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or companies of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(e) Cash and cash equivalents

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

(f) Trade receivables

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

(g) Investments and other financial assets

(i) Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

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

Equity instruments

The company subsequently measures all equity investments at fair value. Where the



MUNOTH COMMUNICATION LIMITED

management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

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

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

(iii) *Impairment of financial assets*

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

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

(h) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

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



Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the Written down value method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

◆ Freehold buildings	30 years
◆ Machinery	15 years
◆ Furniture, fittings and equipment	10 years
◆ Vehicles	8 years
◆ Computers	3 years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(i) Trade and other payables

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

(j) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands, as per the requirement of Schedule III, unless otherwise stated.



Note 2: Property, plant and equipment

Year ended 31 March 2019

(Amount in 000's)

Particulars	Gross Block			Depreciation				Net Block		
	As on 1.4.2018	Addition	Deletion	As on 31.03.2019	As on 1.4.2018	For the year	Withdrawal	As on 31.03.2019	As on 31.03.2019	As on 1.4.2018
Land	26,700	-	-	26,700	-	-	-	-	26,700	26,700
Building	6,672	-	-	6,672	4,201	409	-	4,610	2,062	2,471
Plant & Equipment	2,913	-	-	2,913	2,137	158	-	2,295	618	776
Furniture & Fittings	4,716	-	-	4,716	4,589	-	-	4,589	127	127
Vehicles	4,410	-	-	4,410	3,807	187	-	3,994	416	603
Computers & Softwares	2,596	52	-	2,648	2,474	26	-	2,500	148	122
Total	48,006	52	-	48,058	17,208	780	-	17,988	30,070	30,798

Year ended 31 March 2018

Particulars	Gross Block			Depreciation				Net Block		
	As on 1.4.2017	Addition	Deletion	As on 31.03.2018	As on 1.4.2017	For the year	Withdrawal	As on 31.03.2018	As on 31.03.2018	As on 1.4.2017
Land	26,700	-	-	26,700	-	-	-	-	26,700	26,700
Building	6,672	-	-	6,672	3,710	491	-	4,201	2,471	2,961
Plant & Equipment	2,913	-	-	2,913	1,938	199	-	2,137	776	976
Furniture & Fittings	4,716	-	-	4,716	4,589	-	-	4,589	127	127
Vehicles	4,410	-	-	4,410	3,048	760	-	3,807	603	1,363
Computers & Softwares	2,596	-	-	2,596	2,474	-	-	2,474	122	122
Total	48,006	-	-	48,006	15,759	1,450	-	17,208	30,798	32,248



Note 3: Intangible assets

Year ended 31 March 2019

(Amount in 000's)

Particulars	Gross Block				Depreciation				Net Block	
	As on 1.4.2018	Addition	Deletion	As on 31.03.2019	As on 1.4.2018	For the year	Withdrawal	As on 31.03.2019	As on 31.03.2019	As on 1.4.2018
Built in Universal Charger	3,183	-	-	3,183	3,183		-	3,183	-	-
Total	3,183	-	-	3,183	3,183		-	3,183	-	-

Year ended 31 March 2018

Particulars	Gross Block				Depreciation				Net Block	
	As on 1.4.2017	Addition	Deletion	As on 31.03.2018	As on 1.4.2017	For the year	Withdrawal	As on 31.03.2018	As on 31.03.2018	As on 1.4.2017
Built in Universal Charger	3,183	-	-	3,183	2,299	884	-	3,183	-	884
Total	3,183	-	-	3,183	2,299	884	-	3,183	-	884



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Note 4: Non-Current Investments

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Investment in equity instruments (fully paid-up)		
Quoted		
97800 Shares of Beneras State Bank Ltd (31 March 2018 : 97800)	4,890	4,890
50000 Shares of Beneras State Bank Ltd (31 March 2018 : 50000)	500	500
100 Shares of Colgate Palmolive (31 March 2018 : 100)	126	106
50 Shares of Deepak Fertilisers & Chem Ltd (31 March 2018 : 50)	6	14
700 Shares of Elforge Ltd (31 March 2018 : 700)	3	3
20 Shares of Kirloskar brothers Ltd (31 March 2018 : 20)	3	6
1015800 Shares of Munoth Financial Services Ltd (31 March 2018 : 1015800)	8,157	8,157
135300 Shares of Rajnarayan Financial Services Ltd (31 March 2018 : 135300)	1,008	1,260
100 Shares of Rane brake linings Ltd (31 March 2018 : 100)	60	94
1500 Shares of Reliance Communication Limited (31 March 2018 : 1500)	6	33
2250 Shares of Reliance Power Limited (31 March 2018 : 2250)	26	81
347500 Shares of Sofcom System limited (31 March 2018 : 347500)	5,352	4,344
50 Shares of Tata Elexi Ltd (31 March 2018 : 50)	48	49
620000 Shares of Tatia Global Ventures Ltd (31 March 2018 : 620000)	149	310
800000 Shares of Vertex Securities (31 March 2018 : 800000)	1,392	1,968
Total Quoted Investments	21,726	21,815



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Investment in equity instruments (fully paid-up)		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Un-Quoted			
407400 Shares of Cfore Telecom Limited (formerly known as Munoth gfive telecom ltd) (31 March 2018 : 407400)	30	30	
59000 Shares of Munoth Neg Wind Farm Ltd (31 March 2018 : 59000)	463	463	
380800 Shares of Munoth Industries Ltd (31 March 2018 : 380800)	3,808	3,808	
230000 Shares of Perfect stones ltd. (31 March 2018 : 230000)	8,519	8,519	
Total Un-Quoted Investments	12,820	12,820	
Total (equity instruments)	34,546	34,635	

Note 5: Loans (Amount in 000's)

Particulars	Non- current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Loans Receivables considered good - Unsecured	600	1,044	-	21
Total	600	1,044	-	21

Note 6: Other non-current assets (Amount in 000's)

Particulars	Non- current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Advance for purchase of land	-	8,250		
Balance with Government authorities ^	6,843	6,843		
GST Input Credit			114	9
Jain International Trade Organisation	600	600		
Priyam Oxygen Pvt Ltd	3	3		
Smile Electronics				
Syrma Technology (P) Ltd				
Tatia Global Ventures Ltd	2,347	2,347		
VAT Input tax Credit				
Others #	2,307	2,307		
Total	12,100	20,350	114	9



MUNOTH COMMUNICATION LIMITED

^ SubSchedules to above (Amount in 000's)

Government authorities	31 March 2019	31 March 2018
FBT refund due- AY 2009-10	10	10
IT Refund due -Previous Years	2,281	2,281
IT Refund due:-		
- from AY 2000-01 to 2011-12	3,859	3,859
TDS FY 14-15	9	9
Sales Tax Deposits	76	76
Income tax deposit (Appeal)	608	608
Total	6,843	6,843

Others (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Munoth Centre Owners Association	60	60
Telephone Deposit	148	148
Kingtech Electronics(India) Private Limited	2,099	2,099
Total	2,307	2,307

Note 7: Inventories (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Raw Materials	2,111	2,807
Traded Goods	3,374	3,601
Total	5,485	6,408

Note 8: Trade Receivables (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Trade Receivables considered good - Unsecured	4,408	6,260
Total	4,408	6,260

Note 9: Cash and Cash Equivalents (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Cash on hand	178	8
Balances with banks:		
On current accounts	81	173
Cheques on Hand	-	-
Total	259	181



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Note 10: Equity share capital

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Authorised Share Capital		
1,20,00,000 number of Equity shares of Rs.10 each (31.03.2018 : 1,20,00,000 , 31.03.2016 : 1,20,00,000)	120,000	120,000
Issued, Subscribed and Fully Paid up Share Capital:		
96,49,400 number of Equity shares of Rs.10 each (31.03.2018 : 96,49,400 , 31.03.2016 : 96,49,400)	96,494	96,494
Total	96,494	96,494

a. Reconciliation of share outstanding at the beginning and at the end of the reporting periods

Equity shares

(Amount in 000's)

Particulars	31 March 2019		31 March 2018	
	No of shares	Rs.	No of shares	Rs.
At the beginning of the period	9,649,400	96,494	9,649,400	96,494
Issued during the year	-	-	-	-
Outstanding at the end of the period	9,649,400	96,494	9,649,400	96,494

b. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31 March 2019		31 March 2018	
	No of shares	% of holding	No of shares	% of holding
South India Chemicals & Leasing Pvt Ltd	1,212,500	13%	1,212,500	13%
Chip K Lim	1,000,000	10%	1,000,000	10%
Feng Pat Se	1,000,000	10%	1,000,000	10%
Lee Foo San	1,000,000	10%	1,000,000	10%
Victor Raj	1,000,000	10%	1,000,000	10%
Munoth Financial Services Ltd	804,582	8%	705,482	7%

c. Details of Forfeiture

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
No of shares Forfeited	350,600	350,600
Amount originally paid up(Rs.)	3,019	3,019

d. Rights, preferences and restrictions attached to on Equity Shares

The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preferences shareholders. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the even of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders



MUNOTH COMMUNICATION LIMITED

Note 11(a): Reserves and surplus		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Securities premium	56,104	56,104	
Revaluation reserve	27,483	27,483	
Retained earnings	(103,487)	(97,248)	
Total Reserve and Surplus	(19,900)	(13,661)	
(i) Securities premium		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Opening balance	56,104	56,104	
Increase/Decrease during the year	-	-	
Closing balance	56,104	56,104	
(ii) Revaluation Reserve		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Opening balance	27,483	27,483	
Increase/Decrease during the year	-	-	
Closing balance	27,483	27,483	
(iii) Retained earnings		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Opening balance	(97,248)	(88,158)	
Net profit/Loss for the period	(6,239)	(9,090)	
Closing balance	(103,487)	(97,248)	
Note 11(b): Other Reserves		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Opening Balance	(2,870)	(10,258)	
Add/Less : Change in fair value of FVOCI equity instruments	(89)	7,388	
Closing Balance	(2,959)	(2,870)	
12 Non Current Employee benefit obligations		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Provision for Gratuity	1,520	1,520	
Total Non Current employee benefit obligations	1,520	1,520	



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Note 13: Current Borrowings		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Loans Repayable on Demands			
a) Banks			
Indian Bank Overdraft (Repayable on demand at the interest rate of 14.25% secured against Current assets)	9,060	12,831	
Total Current borrowings	9,060	12,831	
14 Trade Payables		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Trade Payables	204	-	
Trade Payables to related parties	-	1,770	
Total	204	1,770	
15 Other Financial Liabilities		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Current Portion of Borrowings of			
i) BMW FINANCIAL SERVICES LIMITED	-	-	
ii) TOYOTA FINANCIAL SERVICES LIMITED	5	484	
Total	5	484	
16 Other current liabilities		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
i) Statutory dues	39	20	
ii) Outstanding Expenses	100	99	
Total other current liabilities	139	119	



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Note 17: Revenue from operations

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Sale of Goods	797	3,938
Total revenue from continuing operations	797	3,938

Note 18: Other income and other gains/(losses)

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
(a) Other income		
Dividend income from equity investments designated at fair value through other comprehensive income (i)	2	8
Write Back of Trade payable	-	968
Miscellaneous Income	12	-
Total other income	14	976

(i) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period. There was no dividend income relating to investments derecognised during the reporting period.

(b) Other gains/(losses)

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Net Loss on sale of investments	-	(106)
Total other gains/(losses)	-	(106)

Note 19: Cost of materials consumed

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Opening Stock of Materials	2,807	4,594
Purchase during the year	-	-
Less: Closing Stock of Materials	2,111	2,807
Total	696	1,787

Note 20: Changes in inventories of Stock-in-trade

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Inventories at the end of the year		
Traded goods		
Stock-Mobiles	-	-
Stock-Mobiles Accessories	3,374	3,601
Inventories at the beginning of the year	3,374	3,601
Traded goods		
Stock-Mobiles	-	-
Stock-Mobile Accessories	3,601	5,218
	3,601	5,218
Total changes in inventories of Stock-in-trade	227	1,617



MUNOTH COMMUNICATION LIMITED

Note 21: Employee benefit expense		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Salaries, wages and bonus	1,138	1,394	
Managerial Remuneration	625	-	
Contribution to provident and super annuation fund	48	74	
Staff welfare expenses	5	47	
Ex- Gratia	26	30	
Total Employee benefit expense	1,842	1,545	

Note 22: Depreciation and amortisation expense		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Depreciation of property, plant and equipment	780	1,450	
Amortization of intangible assets	-	884	
Total depreciation and amortisation expense	780	2,334	

Note 23: Other expenses		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Advertising and sales promotion	57	45	
Audit Fees	112	245	
Bad Debts	14	-	
Carriage outward	-	72	
Commission Paid	-	41	
Communication expense	77	77	
Discount Allowed	2	-	
Donation	-	2	
General Expenses	65	70	
Insurance	84	94	
Miscellaneous expenses	35	52	
NSDL Annual Listing Fees	245	44	
Office Maintenance	21	31	
Packing Charges	1	12	
Penalty	1	250	
Postage & Telegram	143	142	
Power and fuel	205	292	
Printing and stationery	169	149	
Professional & Consultancy fees	39	233	



MUNOTH COMMUNICATION LIMITED

Particulars	(Amount in 000's)	
	31 March 2019	31 March 2018
Provisions:		
For Diminution in value of Investment	-	350
Rates and taxes, excluding, taxes on income	-	572
Repairs and maintenance		
Building Maintenance	50	49
Vehicles	217	394
Others	59	71
Travelling and conveyance	111	106
Total Other Expenses	1,707	3,393

Particulars	(Amount in 000's)	
	31 March 2019	31 March 2018
Note 23(a): Details of payments to Auditors		
As auditor:		
Audit fee	100	100
In other capacities:		
Taxation matters	12	145
Total	112	245

Particulars	(Amount in 000's)	
	31 March 2019	31 March 2018
Note 24: Finance costs		
Interest on Borrowings	1,744	1,645
Bank charges	54	64
Total	1,798	1,709

Particulars	(Amount in 000's)	
	31 March 2019	31 March 2018
Note 25: Earnings per share (EPS)		
Loss for the year/ period - in Rs.	(6,239)	(9,090)
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	9,649	9,649
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	9,649	9,649
Face value per share - in Rs.	10	10
Earnings per share (Basic) - in Rs.		
Basic - in Rs.	(0.65)	(0.94)
Diluted - in Rs.	(0.65)	(0.94)



MUNOTH COMMUNICATION LIMITED

Note 26: Related party transactions

Related Party

Names of related parties and related party relationship

Associates	C FORE TELECOM LIMITED
Key management personnel	Mr. Jaswant Munoth Mr.Srinivasan Ananthapadmanabhan Ms. Jinal Jain
Companies having common directors	1. M/s.Munoth Financial Services Ltd 2. M/s. Munoth Neg Windfarm Private Limited 3. M/s. Munoth Industries Limited

Related party transactions

(Amount in 000's)

PARTICULARS	Nature of Transaction	31 March 2019	31 March 2018
Munoth Industries Ltd	Purchase	-	1,770
Munoth Industries Ltd	Sale	713	-

As per our report of even date

For MARDIA & ASSOCIATES

Chartered Accountants

Firm Registration Number : 007888S

For and on behalf of the board of directors of
Munoth Communication Ltd

MANISH MARDIA
Partner
Membership Number : 205307
Place : Chennai
Date : 28/05/2019

Lalchand Munoth
[Chairman]
S Anantha Padmanabhan
CFO

Jaswant Munoth
[Managing Director]

Bharat Munoth
[Director]

Jinal Jain
Company Secretary



MUNOTH COMMUNICATION LIMITED

**CONSOLIDATED
FINANCIAL STATEMENTS
2018-19**



INDEPENDENT AUDITOR'S REPORT

To the Members of Munoth Communication Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **Munoth Communication Limited**, which comprise the Consolidated Balance sheet as at 31st March 2019, and the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and consolidated notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

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 Companies Act, 2013 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 Group as at March 31, 2019, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the group 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 of the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



Those Board of Directors are also responsible for overseeing the group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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



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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - c. There are no branch offices of the group.
 - d. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - e. In our opinion the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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) There has an pending litigation with the High Court of Madras against "M/s Kingtech Electronics" since 2012. Its impact on the financial position of the group amounts to Rs. 52lacs.
- ii) The group does not have any long-term contracts requiring a provision for material foreseeable losses.
- iii) The group does not have any amounts required to be transferred to the Investor Education and Protection Fund.

For Mardia & Associates

Chartered Accountants

Firm's registration number: 007888S

Place : Chennai

Date : 28th May, 2019

(Manish Mardia)

Proprietor

Membership number: 205307

ANNEXURE B REFERRED TO IN PARAGRAPH 2 (g) OF THE SECTION ON "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

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 **Munoth Communication Limited** as of March 31, 2019 in conjunction with our audit of the Consolidated Ind AS financial statements of the group for the year ended on that date.



Management's Responsibility for Internal Financial Controls

The group's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established under the COSO 2013 criteria, which considers 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. 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 the group'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.

Auditor's Responsibility

Our responsibility is to express an opinion on the group'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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A group'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 group'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 group; (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 group are being made only in accordance with authorizations of management and directors of the group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the group'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



MUNOTH COMMUNICATION LIMITED

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 group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mardia & Associates

Chartered Accountants

Firm's registration number: 007888S

(Manish Mardia)

Proprietor

Membership number: 205307

Place : Chennai

Date : 28th May, 2019



MUNOTH COMMUNICATION LIMITED

CONSOLIDATED BALANCESHEET		(Amount in 000's)	
Particulars	Notes	As at 31st March 2019	As at 31st March 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	30,070	30,798
Other Intangible Assets	3	-	-
Intangible assets under development*		-	-
Biological assets other than bearer plants*		-	-
Investments accounted for using the equity method	4	919	359
Financial assets			
i. Investments	5	34,516	34,605
ii. Loans	6	600	1,044
Other non-current assets	7	12,100	20,350
Total non-current assets		78,205	87,156
Current Assets			
Inventories	8	5,485	6,408
Financial assets			
i. Trade receivables	9	4,408	6,260
ii. Cash and cash equivalents	10	259	181
iii. Bank balances other than (iii) above*		-	21
iv. Loans	6	-	21
Other Current assets	7	114	9
Total Current assets		10,266	12,879
Total Assets		88,471	100,035
EQUITY & LIABILITIES			
EQUITY			
Equity share capital	11	99,513	99,513
Other equity	12	(21,970)	(16,202)
Total Equity		77,543	83,311
LIABILITIES			
Non Current Liabilities			
Employee benefit obligations	13	1,520	1,520
Other non-current liabilities*		-	-
Total non-current liabilities		1,520	1,520
Current Liabilities			
Financial liabilities			
i. Borrowings	14	9,060	12,831
ii. Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises			
(B) total outstanding dues of creditors other than micro enterprises & small enterprises.	15	204	1,770
iii. Other financial liabilities	16	5	484
Current tax liabilities			
Other current liabilities	17	139	119
Total current liabilities		9,408	15,204
Total liabilities		10,928	16,724
Total equity and liabilities		88,471	100,035

The above Consolidated Balance sheet should be read in conjunction with the accompanying notes

*Schedule III requires these items to be presented on the face of the balance sheet. They have been included for illustrative purposes though they are not applicable to MCL.

As per our report of even date

For MARDIA & ASSOCIATES

Chartered Accountants

Firm Registration Number : 007888S

For and on behalf of the board of directors of
Munoth Communication Ltd

MANISH MARDIA
Partner
Membership Number : 205307
Place : Chennai
Date : 28/05/2019

Lalchand Munoth
[Chairman]
S Anantha Padmanabhan
CFO

Jaswant Munoth
[Managing Director]

Bharat Munoth
[Director]
Jinal Jain
Company Secretary



MUNOTH COMMUNICATION LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS		(Amount in 000's)	
	Notes	Year ended 31st March 2019	Year ended 31st March 2018
Continuing Operations			
Revenue from operations	18(a)	797	3,938
Other income	18(b)	14	870
Total Income		811	4,808
Expenses			
Cost of Material Consumed	19	696	1,787
Purchase of Stock-in-trade		-	1,513
Increase/decrease in inventories of Traded goods	20	227	1,617
Employee benefit expenses	21	1,842	1,545
Depreciation and amortisation expenses	22	780	2,334
Impairment of goodwill and other non-current assets			
Other expenses	23	1,707	3,393
Finance costs	24	1,798	1,709
Total Expenses		7,050	13,898
Profit before exceptional items, share of net profits of investments accounted for using equity method and tax		(6,239)	(9,090)
Share of net profit of associates accounted for using the equity method		560	328
Profit before exceptional items and tax		(5,679)	(8,762)
Exceptional items*		-	-
Tax expenses			
Profit before tax from continuing operations		(5,679)	(8,762)
Income Tax expenses			
Current tax			
Deferred tax			
Total tax expense		-	-
Profit from continuing operations		(5,679)	(8,762)
Profit from discontinued operation		-	-
Profit/Loss for the year		(5,679)	(8,762)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Changes in fair value of FVOCI debt instruments*		-	-
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(89)	7,388
Other comprehensive Income/Loss for the year, net of tax		(89)	7,388
Total comprehensive Income/Loss for the year		(5,768)	(1,374)
Earnings per equity share	25		
Basic earnings per share		(0.59)	(0.91)
Diluted earnings per share		-	-

The above Consolidated Statement of Profit & Loss should be read in conjunction with the accompanying notes

*Schedule III requires these items to be presented on the face of the statement of profit and loss. They have been included for illustrative purposes though they are not applicable to MCL.

As per our report of even date

For MARDIA & ASSOCIATES
Chartered Accountants
Firm Registration Number : 007888S

For and on behalf of the board of directors of
Munoth Communication Ltd

MANISH MARDIA
Partner
Membership Number : 205307
Place : Chennai
Date : 28/05/2019

Lalchand Munoth
[Chairman]
S Anantha Padmanabhan
CFO

Jaswant Munoth
[Managing Director]

Bharat Munoth
[Director]
Jinal Jain
Company Secretary



MUNOTH COMMUNICATION LIMITED

Consolidated Cash Flow Statement for the year ended 31 March 2019	(Amount in 000's)	
	Year ended 31 March 2019	Year ended 31 March 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(5,679)	(8,762)
Adjustments for :		
Depreciation/amortisation	780	2,334
Provision for Non Current Investments	-	350
Loss/(Profit) on sale of Investments	-	106
Interest expense	1,798	1,645
Dividend Income	(2)	(8)
Operating profit before working capital changes	<u>(3,103)</u>	<u>(4,335)</u>
Movements in working capital :		
Increase/(decrease) in Trade payables	(1,566)	1,770
Increase/(decrease) in Other current liabilities	20	(895)
Decrease/(Increase) in Financial Assets	444	
Decrease/(Increase) in Trade receivables	1,852	(1,667)
Decrease/(Increase) in Inventories	923	3,405
Decrease/(Increase) in Current loans and advances	21	(21)
Decrease/(Increase) in Short- Term loans and advances	(479)	(165)
Decrease/(Increase) in Other current assets	(106)	665
Decrease/(Increase) in Other Non- current assets	8,250	
Cash generated from/(used in) operations	<u>6,256</u>	<u>(1,243)</u>
Direct taxes paid (Net of refunds)		
Net cash flow from/(used in) operating activities (A)	<u>6,256</u>	<u>(1,243)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets,including intangible assets,	(52)	-
Non current investments	(559)	191
Proceeds from sale of fixed assets	-	-
Redemption from Sale/Maturity of Current Investments	-	-
Dividend Received	2	8
Interest Received	-	-
Net cash flow from/(used in) Investing Activity (B)	<u>(609)</u>	<u>199</u>



MUNOTH COMMUNICATION LIMITED

	Year ended 31 March 2018	(Amount in 000's) Year ended 31 March 2017
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings		(483)
Repayment of long term borrowings		
Proceeds from short term borrowings	(3,771)	3,115
Repayment of short term borrowings Interest paid	(1,798)	(1,645)
Net cash flow from/(used in) Financing Activity (C)	(5,569)	988
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	78	(57)
Cash and cash equivalents at the beginning of the year	181	238
Cash and cash equivalents at the end of the year	259	181
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on hand	178	8
Cheques/drafts on hand		
With banks-on current account		
- Current Account	81	173
- on deposit account (margin money)		
Total cash and cash equivalents	259	181

As per our report of even date

For MARDIA & ASSOCIATES
Chartered Accountants
Firm Registration Number : 007888S

For and on behalf of the board of directors of
Munoth Communication Ltd

MANISH MARDIA
Partner
Membership Number : 205307
Place : Chennai
Date : 28/05/2019

Lalchand Munoth
[Chairman]
S Anantha Padmanabhan
CFO

Jaswant Munoth
[Managing Director]

Bharat Munoth
[Director]
Jinal Jain
Company Secretary



MUNOTH COMMUNICATION LIMITED

Statement of Changes in Equity for the year ended March 31, 2019

A Equity share capital

(Amount in 000's)

	Notes	Amount
As at 1 April 2017		99,513
Changes in equity share capital	10	-
As at 31 March 2018		99,513
Changes in equity share capital	10	-
As at 31 March 2019		99,513

B. Other equity

(Amount in 000's)

	RESERVES & SURPLUS				OTHER RESERVES	TOTAL RESERVES
	Notes	Securities Premium Reserve	Revaluation Reserve	Retained Earnings	Changes in FVOCI Equity Investments	
Balance at 1 April 2017	11	56,104	27,483	(88,157)	(10,258)	(14,828)
Loss for the year		-	-	(8,762)		
Other comprehensive income for the year		-	-	-	7,388	
Balance at 31 March 2018		56,104	27,483	(96,919)	(2,870)	(16,202)
Loss for the year		-	-	(5,679)		(5,679)
Other comprehensive income for the year		-	-	-	(89)	(89)
Balance at 31 March 2019		56,104	27,483	(102,598)	(2,959)	(21,970)

Nature and purpose of reserves

(A) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

(B) Revaluation reserve

This reserve represents the cumulative gains and losses arising on the revaluation of Property, Plant & Equipments measured at market value certified by valuer, net of amounts reclassified to retained earnings / profit and loss when those assets have been disposed off.

(C) Retained Earnings

Retained Earnings represent the amount of accumulated earnings/Losses of the group.



Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of MCL and its associate Cfore Telecom Limited (formerly known as Munoth gfive telecom ltd), herein after termed as 'the group'.

(a) Basis of preparation

(i) Compliance with Ind AS :

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2019 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

(ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the Equity Investments held not for sale. The same have been accounted using Fair Value concept.

(b) Principles of consolidation and equity accounting

(i) Associates :

Associates are all entities over which the group has significant influence but not control or joint control.

This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note below), after initially being recognised at cost.

Note : Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.



MUNOTH COMMUNICATION LIMITED

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(d) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(e) Cash and cash equivalents

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

(f) Trade receivables

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

(g) Investments and other financial assets

(i) Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case



of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Fair value through other comprehensive income (FVOCI):

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

Fair value through profit or loss:

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

(iii) *Impairment of financial assets*

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

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

(h) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any



MUNOTH COMMUNICATION LIMITED

component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred

Transition to Ind AS

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the Written down value method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

◆ Freehold buildings	30 years
◆ Machinery	15 years
◆ Furniture, fittings and equipment	10 years
◆ Vehicles	8 years
◆ Computers	3 years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(i) Trade and other payables

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

(j) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands, as per the requirement of Schedule III, unless otherwise stated.



Note 2: Property, plant and equipment

Year ended 31 March 2019

(Amount in 000's)

Particulars	Gross Block				Depreciation				Net Block	
	As on 1.4.2018	Addition	Deletion	As on 31.03.2019	As on 1.4.2018	For the year	Withdrawal	As on 31.03.2019	As on 31.03.2019	As on 1.4.2018
Land	26,700	-	-	26,700	-	-	-	-	26,700	26,700
Building	6,672	-	-	6,672	4,201	409	-	4,610	2,062	2,471
Plant & Equipment	2,913	-	-	2,913	2,137	158	-	2,295	618	776
Furniture & Fittings	4,716	-	-	4,716	4,589	-	-	4,589	127	127
Vehicles	4,410	-	-	4,410	3,807	187	-	3,994	416	603
Computers & Softwares	2,596	52	-	2,648	2,474	26	-	2,500	148	122
Total	48,006	52	-	48,058	17,208	780	-	17,988	30,070	30,798

Year ended 31 March 2018

Particulars	Gross Block				Depreciation				Net Block	
	As on 1.4.2017	Addition	Deletion	As on 31.03.2018	As on 1.4.2017	For the year	Withdrawal	As on 31.03.2018	As on 31.03.2018	As on 1.4.2017
Land	26,700	-	-	26,700	-	-	-	-	26,700	26,700
Building	6,672	-	-	6,672	3,710	491	-	4,201	2,471	2,961
Plant & Equipment	2,913	-	-	2,913	1,938	199	-	2,137	776	976
Furniture & Fittings	4,716	-	-	4,716	4,589	-	-	4,589	127	127
Vehicles	4,410	-	-	4,410	3,048	760	-	3,807	603	1,363
Computers & Softwares	2,596	-	-	2,596	2,474	-	-	2,474	122	122
Total	48,006	-	-	48,006	15,759	1,450	-	17,208	30,798	32,248



Note 3: Intangible assets
Year ended 31 March 2019

(Amount in 000's)

Particulars	Gross Block				Depreciation			Net Block		
	As on 1.4.2018	Addition	Deletion	As on 31.03.2019	As on 1.4.2018	For the year	Withdrawal	As on 31.03.2019	As on 31.03.2019	As on 1.4.2018
Built in Universal Charger	3,183	-	-	3,183	3,183		-	3,183	-	-
Total	3,183	-	-	3,183	3,183		-	3,183	-	-

Year ended 31 March 2018

Particulars	Gross Block				Depreciation			Net Block		
	As on 1.4.2017	Addition	Deletion	As on 31.03.2018	As on 1.4.2017	For the year	Withdrawal	As on 31.03.2018	As on 31.03.2018	As on 1.4.2017
Built in Universal Charger	3,183	-	-	3,183	2,299	884	-	3,183	-	884
Total	3,183	-	-	3,183	2,299	884	-	3,183	-	884



MUNOTH COMMUNICATION LIMITED

Note 4: Investments accounted for using the Equity Method

(Amount in 000's)

Name of entity	% of Ownership	Relationship	Carrying Amount	
			31.03.2019	31.03.2018
Cfore Telecom Limited (formerly known as Munoth gfive telecom ltd)	40.74%	Associate	4,693	4,133
Less : Accumulated Permanent Impairment accounted			3,774	3,774
Carrying Value in Books			919	359

Note 5: Non-Current Investments

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Investment in equity instruments (fully paid-up)		
Quoted		
97800 Shares of Beneras State Bank Ltd (31 March 2018 : 97800)	4,890	4,890
50000 Shares of Beneras State Bank Ltd (31 March 2018 : 50000)	500	500
100 Shares of Colgate Palmolive (31 March 2018 : 100)	126	106
50 Shares of Deepak Fertilisers & Chem Ltd (31 March 2018 : 50)	6	14
700 Shares of Elforge Ltd (31 March 2018 : 700)	3	3
20 Shares of Kirloskar brothers Ltd (31 March 2018 : 20)	3	6
1015800 Shares of Munoth Financial Services Ltd (31 March 2018 : 1015800)	8,157	8,157
135300 Shares of Rajnarayan Financial Services Ltd (31 March 2018 : 135300)	1,008	1,260
100 Shares of Rane brake linings Ltd (31 March 2018 : 100)	60	94
1500 Shares of Reliance Communication Limited (31 March 2018 : 1500)	6	33
2250 Shares of Reliance Power Limited (31 March 2018 : 2250)	26	81
347500 Shares of Sofcom System limited (31 March 2018 : 347500)	5,352	4,344
50 Shares of Tata Elexi Ltd (31 March 2018 : 50)	48	49
620000 Shares of Tatia Global Ventures Ltd (31 March 2018 : 620000)	149	310
800000 Shares of Vertex Securities (31 March 2018 : 800000)	1,392	1,968
Total Quoted Investments	21,726	21,815



MUNOTH COMMUNICATION LIMITED

Investment in equity instruments (fully paid-up)		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Un-Quoted			
59000 Shares of Munoth Neg Wind Farm Ltd (31 March 2018 : 59000 1 April 2016 : 59000)	463	463	
380800 Shares of Munoth Industries Ltd (31 March 2018 : 380800 1 April 2016 : 380800)	3,808	3,808	
230000 Shares of Perfect stones ltd. (31 March 2018 : 230000 1 April 2016 : 230000)	8,519	8,519	
Total Un-Quoted Investments	12,790	12,790	
Total (equity instruments)	34,516	34,605	

Note 6: Loans (Amount in 000's)

Particulars	Non- current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Loans Receivables considered good - Unsecured	600	1,044	-	21
Total	600	1,044	-	21

Note 7: Other non-current assets (Amount in 000's)

Particulars	Non- current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Advance for purchase of land	-	8,250		
Balance with Government authorities ^	6,843	6,843		
GST Input Credit			114	9
Jain International Trade Organisation	600	600		
Priyam Oxygen Pvt Ltd	3	3		
Smile Electronics				
Syrma Technology (P) Ltd				
Tatia Global Ventures Ltd	2,347	2,347		
VAT Input tax Credit				
Others #	2,307	2,307		
Total	12,100	20,350	114	9



MUNOTH COMMUNICATION LIMITED

^ SubSchedules to above (Amount in 000's)

Government authorities	31 March 2019	31 March 2018
FBT refund due- AY 2009-10	10	10
IT Refund due -Previous Years	2,281	2,281
IT Refund due:-		
- from AY 2000-01 to 2011-12	3,859	3,859
TDS FY 14-15	9	9
Sales Tax Deposits	76	76
Income tax deposit (Appeal)	608	608
Total	6,843	6,843

Others (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Munoth Centre Owners Association	60	60
Telephone Deposit	148	148
Kingtech Electronics(India) Private Limited	2,099	2,099
Total	2,307	2,307

Note 8: Inventories (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Raw Materials	2,111	2,807
Traded Goods	3,374	3,601
Total	5,485	6,408

Note 9: Trade Receivables (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Trade Receivables considered good - Unsecured	4,408	6,260
Total	4,408	6,260

Note 10: Cash and Cash Equivalents (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Cash on hand	178	8
Balances with banks:		
On current accounts	81	173
Cheques on Hand	-	-
Total	259	181



MUNOTH COMMUNICATION LIMITED

Note 11: Equity share capital

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Authorised Share Capital		
1,20,00,000 number of Equity shares of Rs.10 each (31.03.2018 : 1,20,00,000 , 31.03.2016 : 1,20,00,000)	120,000	120,000
Issued, Subscribed and Fully Paid up Share Capital:		
96,49,400 number of Equity shares of Rs.10 each (31.03.2018 : 96,49,400 , 31.03.2016 : 96,49,400)	96,494	96,494
Total	96,494	96,494

a. Reconciliation of share outstanding at the beginning and at the end of the reporting periods

Equity shares

(Amount in 000's)

Particulars	31 March 2019		31 March 2018	
	No of shares	Rs.	No of shares	Rs.
At the beginning of the period	9,649,400	96,494	9,649,400	96,494
Issued during the year	-	-	-	-
Outstanding at the end of the period	9,649,400	96,494	9,649,400	96,494

b. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31 March 2019		31 March 2018	
	No of shares	% of holding	No of shares	% of holding
South India Chemicals & Leasing Pvt Ltd	1,212,500	13%	1,212,500	13%
Chip K Lim	1,000,000	10%	1,000,000	10%
Feng Pat Se	1,000,000	10%	1,000,000	10%
Lee Foo San	1,000,000	10%	1,000,000	10%
Victor Raj	1,000,000	10%	1,000,000	10%
Munoth Financial Services Ltd	804,582	8%	705,482	7%

c. Details of Forfeiture

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
No of shares Forfeited	350,600	350,600
Amount originally paid up(Rs.)	3,019	3,019

d. Rights, preferences and restrictions attached to on Equity Shares

The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preferences shareholders. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the even of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders



MUNOTH COMMUNICATION LIMITED

Note 12(a): Reserves and surplus		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Securities premium	56,104	56,104	
Revaluation reserve	27,483	27,483	
Retained earnings	(102,598)	(96,919)	
Total Reserve and Surplus	(19,011)	(13,332)	
(i) Securities premium		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Opening balance	56,104	56,104	
Increase/Decrease during the year	-	-	
Closing balance	56,104	56,104	
(ii) Revaluation Reserve		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Opening balance	27,483	27,483	
Increase/Decrease during the year	-	-	
Closing balance	27,483	27,483	
(iii) Retained earnings		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Opening balance	(96,919)	(88,157)	
Net profit/Loss for the period	(5,679)	(8,762)	
Closing balance	(102,598)	(96,919)	
Note 12(b): Other Reserves		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Opening Balance	(2,870)	(10,258)	
Add/Less : Change in fair value of FVOCI equity instruments	(89)	7,388	
Closing Balance	(2,959)	(2,870)	
13 Non Current Employee benefit obligations		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Provision for Gratuity	1,520	1,520	
Total Non Current employee benefit obligations	1,520	1,520	



MUNOTH COMMUNICATION LIMITED

Note 14: Current Borrowings		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Loans Repayable on Demands			
a) Banks			
Indian Bank Overdraft (Repayable on demand at the interest rate of 14.25% secured against Current assets)	9,060	12,831	
Total Current borrowings	9,060	12,831	
Note 15: Trade Payables		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Trade Payables	204	-	
Trade Payables to related parties	-	1,770	
Total	204	1,770	
Note 16: Other Financial Liabilities		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Current Portion of Borrowings of			
i) BMW FINANCIAL SERVICES LIMITED	-	-	
ii) TOYOTA FINANCIAL SERVICES LIMITED	5	484	
Total	5	484	
Note 17: Other current liabilities		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
i) Statutory dues	39	20	
ii) Outstanding Expenses	100	99	
Total other current liabilities	139	119	



MUNOTH COMMUNICATION LIMITED

Note 18(a): Revenue from operations (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Sale of Goods	797	3,938
Total revenue from continuing operations	797	3,938

Note 18(b): Other income and other gains/(losses) (Amount in 000's)

Particulars	31 March 2019	31 March 2018
(i) Other income		
Dividend income from equity investments designated at fair value through other comprehensive income (i)	2	8
Write Back of Trade payable	-	968
Miscellaneous Income	12	-
Total other income	14	976

(i) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period. There was no dividend income relating to investments derecognised during the reporting period.

Particulars	31 March 2019	31 March 2018
(ii) Other gains/(losses)		
Net Loss on sale of investments	-	(106)
Total other gains/(losses)	-	(106)

Note 19: Cost of materials consumed (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Opening Stock of Materials	2,807	4,594
Purchase during the year	-	-
Less: Closing Stock of Materials	2,111	2,807
Total	696	1,787

Note 20: Changes in inventories of Stock-in-trade (Amount in 000's)

Particulars	31 March 2019	31 March 2018
Inventories at the end of the year		
Traded goods		
Stock-Mobiles	-	-
Stock-Mobiles Accessories	3,374	3,601
Inventories at the beginning of the year	3,374	3,601
Traded goods		
Stock-Mobiles	-	-
Stock-Mobile Accessories	3,601	5,218
	3,601	5,218
Total changes in inventories of Stock-in-trade	227	1,617



MUNOTH COMMUNICATION LIMITED

Note 21: Employee benefit expense		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Salaries, wages and bonus	1,138	1,394	
Managerial Remuneration	625	-	
Contribution to provident and super annuation fund	48	74	
Staff welfare expenses	5	47	
Ex- Gratia	26	30	
Total Employee benefit expense	1,842	1,545	

Note 22: Depreciation and amortisation expense		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Depreciation of property, plant and equipment	780	1,450	
Amortization of intangible assets	-	884	
Total depreciation and amortisation expense	780	2,334	

Note 23: Other expenses		(Amount in 000's)	
Particulars	31 March 2019	31 March 2018	
Advertising and sales promotion	57	45	
Audit Fees	112	245	
Bad Debts	14	-	
Carriage outward	-	72	
Commission Paid	-	41	
Communication expense	77	77	
Discount Allowed	2	-	
Donation	-	2	
General Expenses	65	70	
Insurance	84	94	
Miscellaneous expenses	35	52	
NSDL Annual Listing Fees	245	44	
Office Maintenance	21	31	
Packing Charges	1	12	
Penalty	1	250	
Postage & Telegram	143	142	
Power and fuel	205	292	
Printing and stationery	169	149	
Professional & Consultancy fees	39	233	



MUNOTH COMMUNICATION LIMITED

Particulars	(Amount in 000's)	
	31 March 2019	31 March 2018
Provisions:		
For Diminution in value of Investment	-	350
Rates and taxes, excluding, taxes on income	-	572
Repairs and maintenance		
Buiding Maintenance	50	49
Vehicles	217	394
Others	59	71
Travelling and conveyance	111	106
Total Other Expenses	1,707	3,393

Note 23(a): Details of payments to Auditors

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
As auditor:		
Audit fee	100	100
In other capacities:		
Taxation matters	12	145
Total	112	245

Note 24: Finance costs

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Interest on Borrowings	1,744	1,645
Bank charges	54	64
Total	1,798	1,709

Note 25: Earnings per share (EPS)

(Amount in 000's)

Particulars	31 March 2019	31 March 2018
Loss for the year/ period - in Rs.	(5,679)	(8,762)
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	9,649	9,649
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	9,649	9,649
Face value per share - in Rs.	10.00	10.00
Earnings per share (Basic) - in Rs.		
Basic - in Rs.	(0.59)	(0.91)
Diluted - in Rs.	(0.59)	(0.91)



MUNOTH COMMUNICATION LIMITED

Note 26: Related party transactions

Related Party

Names of related parties and related party relationship

Associates	C FORE TELECOM LIMITED
Key management personnel	Mr. Jaswant Munoth Mr.Srinivasan Ananthapadmanabhan Ms. Jinal Jain
Companies having common directors	1. M/s.Munoth Financial Services Ltd 2. M/s. Munoth Neg Windfarm Private Limited 3. M/s. Munoth Industries Limited

Related party transactions

(Amount in 000's)

PARTICULARS	Nature of Transaction	31 March 2019	31 March 2018
Munoth Industries Ltd	Purchase	-	1,770
Munoth Industries Ltd	Sale	713	-

As per our report of even date

For MARDIA & ASSOCIATES

Chartered Accountants

Firm Registration Number : 007888S

For and on behalf of the board of directors of
Munoth Communication Ltd

MANISH MARDIA
Partner
Membership Number : 205307
Place : Chennai
Date : 28/05/2019

Lalchand Munoth
[Chairman]
S Anantha Padmanabhan
CFO

Jaswant Munoth
[Managing Director]

Bharat Munoth
[Director]

Jinal Jain
Company Secretary

MUNOTH COMMUNICATION LIMITED

Regd. Off: 3rd Floor, Suite No. 48, Munoth Centre, 3rd Floor, 343, Triplicane High Road, Triplicane, Chennai - 600 005.

CIN: L65991TN1984PLC010816

ATTENDANCE SLIP

35th ANNUAL GENERAL MEETING

Reg. Folio No.

No. of Shares.....

DPID : Client ID

I certify that I am the registered share holder/Proxy for the registered shareholder of the Company. I hereby record my presence at the Thirty Fifth Annual General Meeting of the Company held on Wednesday, 7th August, 2019, at 10.15 A.M. at Nahar Hall, (South India Hire Purchase Association), Desabandhu Plaza, 1st Floor, 47 Whites Road, Royapettah, Chennai - 600 014.

Members / Proxy's Name in Block Letters

Member's / Proxy Signature

Form No. MGT-11

35th ANNUAL GENERAL MEETING

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: L65991TN1984PLC010816

Name of the company: MUNOTH COMMUNICATION LIMITED

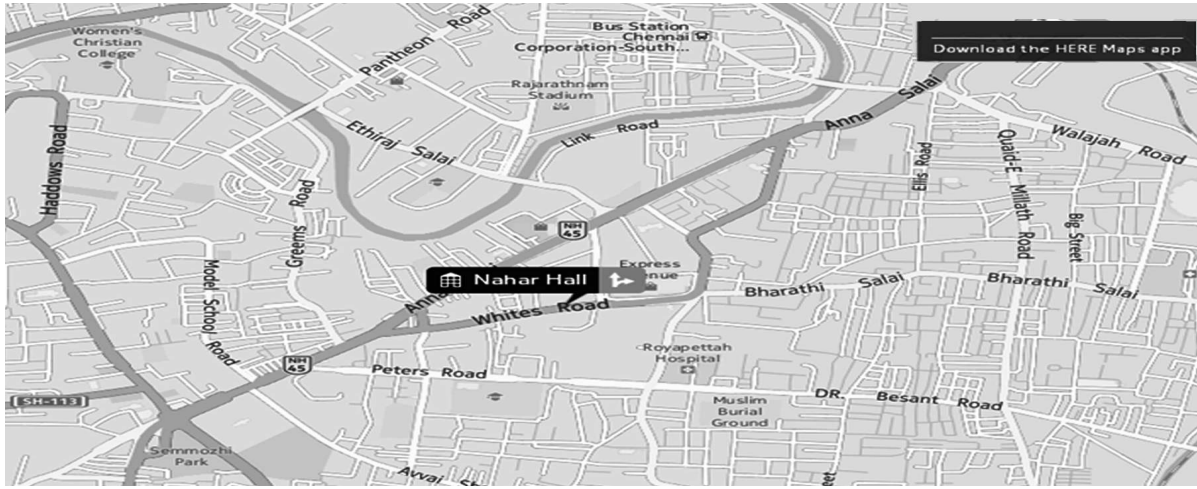
Registered office: Suite No. 48, Munoth Centre 3rd Floor, 343 Triplicane High Road, Chennai - 600 005

1	Name(s) of Member(s) including joint holders, if any (in Block Letter(s))	
2	Registered Address of the Sole/ First named Member	
3	Registered Folio No. / DPID No. / Client ID No. (* Applicable to investors holding shares in demat form)	
4	No. of Shares held	

I/We, being the member (s) of shares of the above named company, hereby appoint

- Name :
Address :
E-mail ID : Signature :or failing him,
- Name :
Address :
E-mail ID : Signature :or failing him,
- 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 35th Annual General Meeting of the company, to be held on Wednesday 7th August 2019, at 10.15 A.M. at Nahar Hall, South India Hire Purchase Association, Desabandhu, 1st Floor, 47, Whites Road, Royapettah, Chennai - 600 014. and at any adjournment thereof in respect of all the resolutions as are indicated follows:



SL. No.	RESOLUTIONS	Optional	
		For	Against
	Ordinary Business		
1	Adopt the Audited Financial statements of the Company for the financial year ended March 31, 2019 including the audited Balance Sheet as on that date and the Statement of Profit and Loss for the year ended as on that date and the Reports of the Directors and Auditors thereon.		
2	Re-appointment of Mr. Lalchand Munoth as Director who retires by rotation		
3	Re-appointment of Mr. Bharat Munoth as Director who retires by rotation		
	Special Business		
4	Re appointment of Mr. C.R.Sasi as Independent Director of the Company		

Signed this day of 2019

Signature of shareholder

Affix 1/-
Revenue
Stamp

Signature of first Proxy holder(s) _____
Signature of Second Proxy holder(s) _____
Signature of Third 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.**
- A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to Attend and Vote instead of him/herself and the proxy need not be a member of the Company. The Proxy, in order to be effective, must be deposited at The Registered Office of the Company duly completed and signed not less than 48 hours eefore the commencement of the meeting.
Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

To,

If undelivered please return to :

MUNOTH COMMUNICATION LIMITED

MUNOTH CENTRE,

Suite No. 48, 111rd Floor,

343, Triplicane High Road,

Chennai - 600 005.