

AARV INFRATEL LIMIED

Dated: 20-10-2018

To,

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai- 400001.

Dear Sir/Madam,

Sub: 26th Annual Report

Ref: BSE Code: 526488 and ISIN: INE432N01010

With respect to the subject cited above, we hereby attached the 25th Annual Report of the Company.

Thanking You,

Yours Faithfully,

For Nylofils India Limited

V. Kali Kumari

**V. Kali Kumari
Managing Director**

26th Annual Report 2017-18

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

CIN: L93000KA1992PLC100274

CONTENTS

S.No	Particulars	Page No.s
1	Notice	
2	Directors' Report	
3	Annexures to Board Report	
4	Balance Sheet	
5	Statement of Profit & Loss	
6	Cash Flow Statement	
7	Notes forming part of the Financial Statements	
8	Balance Sheet Abstract	
9	Attendance Slip and Proxy	

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

CORPORATE INFORMATION

Board of Directors:

Mrs. Anita Sakuru	Managing Director
Mr. Raghuveer Sakuru	Whole Time Director
Mr. Praveen Reddy Cheruku	Independent Director
Mr. Mallikarjuna Rao Yerrapragada	Independent Director
Mrs. Sudi Vijaya Lakshmi	Independent Director
Mrs. Jhansi Lakshmi Anne	Director

Audit Committee:

Mr. Mallikharjuna Rao Yerrapragada	Chairman
Mr. Praveen Reddy Cheruku	Member
Mr. Mogulla Sandeep Reddy	Member

Nomination and Remuneration Committee:

Mr. Mallikharjuna Rao Yerrapragada	Chairman
Mr. Praveen Reddy Cheruku	Member
Mrs. Sudi Vijaya Lakshmi	Member

Stakeholders Relationship Committee:

Mr. Mallikharjuna Rao Yerrapragada	Chairman
Mr. Praveen Reddy Cheruku	Member
Mrs. Jhansi Lakshmi Anne	Member

Registered Office:

Plot No.78, Sai Durga Enclave, Agrahara Village, Kogilu, Yelahanka Bangalore KA - 560064.

Auditors

M/s. P S Nagaraju & Co, Chartered Accountants #604, Kanchanjunga Apartments, D Block, Aditya Enclave, Ameerpet, Hyderabad - 500004 Telangana.

Registrars & Share Transfer Agents:

System Support Services, Opp: Gala No 209, Shivai Industrial, Estate, 89, Andheri Kurla Road, Sakinaka Andheri East, Mumbai - 400072.

NOTICE

Notice is hereby given that the **26th Annual General Meeting of the Members of 'Aarv Infratel Limited'** (formerly known as Nylofils India Limited) will be held on Friday, the 28th day of September, 2018 at 9.30 a.m. at Plot No.78, Sai Durga Enclave, Agrahara Village Kogilu, Yelahanka, Bangalore, Karnataka 560064. India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2018, including the audited Balance Sheet as at March 31, 2018, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To appoint a director in place of Mr. Raghuveer Sakuru, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Appointment of Mrs. Jhansi Lakshmi Anne (DIN: 05243450) as a Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013, ("Act") 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), read the Articles of Association of the Company, Mr. Jhansi Lakshmi Anne (DIN: 05243450), who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General meeting, be and is hereby appointed as an Director of the Company, whose period of office shall be liable to determine by retirement of directors by rotation."

4. Appointment of Mr. Mogulla Sandeep Reddy (DIN: 02939213) as a Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013, ("Act") 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), read the Articles of Association of the Company, Mr. Jhansi Lakshmi Anne (DIN:02939213), who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General meeting, be and is hereby appointed as an Director of the Company, whose period of office shall be liable to determine by retirement of directors by rotation."

5. Appointment of Mr. Mogulla Sandeep Reddy (DIN: 02939213) as a Whole Time Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 ("Companies Act") read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. MogullaSandeep Reddy (DIN: 02939213) as a Whole time Key Managerial Personnel (KMP) of the Company, for a period of 3 years w.e.f. 05th October, 2017, at a Remuneration of Rs. 9,00,000/- per annum, upon the terms and conditions as mutually agreed in the best interests of the Company and as may be permissible by law. The remuneration and such other terms and conditions as set out in the Explanatory Statement annexed hereto.”

“RESOLVED FURTHER THAT the remuneration aforesaid including the perquisites and other allowances shall be paid and allowed to MrMogullaSandeep Reddy (DIN-02939213), Whole Time Director, as minimum remuneration during the currency of her tenure, in the eventof loss or inadequacy of profits in any financial year for a period of three (3) years.”

“RESOLVED FURTHER THAT the Board of Directors of the Company may revise the remuneration payable to the Mr MogullaSandeep Reddy (DIN: 02939213), in any financial year during the currency of the present tenure of office, in such manner as agreed to between the Board of Directors and the Whole-time Director subject to the conditions that the remuneration by way of salary, perquisites and other allowances, shall not exceed such Percentage of net profits of the Company as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013”.

“RESOLVED FURTHER THAT where in any financial year, during the tenure of MogullaSandeep Reddy the Company incurs Loss or its profits are inadequate, the Company shall pay to MogullaSandeep Reddy, the above remuneration by way of salary and other allowances as a minimum remuneration subject to the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration”.

Place: Bangalore

Date: 05th September, 2018

**By Order of the Board
For AARV INFRATEL LIMITED**

**Sd/
Jhansi Lakshmi Anne
Director
DIN (05243450)**

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a Member of the Company. The instrument of proxy in order to be effective, must be received at the Registered Office of the Company, duly completed and signed not less than forty-eight hours before the commencement of the Annual General Meeting.
2. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, **22nd September 2018** to Friday, **28th September 2018** (both days inclusive).
3. Explanatory Statement setting out to the Notice of the Meeting.
4. Corporate members are requested to send, a duly certified copy of the board resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting.

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

5. Members holding shares in physical form should inform the Company's Registrar and Transfer Agents, **M/s. System Support Services** of any change in their registered address, e-mail address. Similarly, Members holding shares in electronic form should inform their Depository Participants (DP) of any change in their registered address, e-mail address.
6. Members who have multiple folios in identical names or joint names in the same order are requested to intimate to the Registrar and Transfer Agents, M/s. System Support Services about these folios to enable consolidation of all such shareholdings into one folio.
7. For the convenience of Members and for proper conduct of the meeting, entry to the venue of the Meeting will be regulated by Attendance Slip, which is enclosed with this notice. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the entrance to the venue.
8. The Company has designated an exclusive e-mail ID called info@nylofils.com for Redressal of shareholders' complaints/grievances.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. The documents referred to in this notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 10.00 a.m. and 03.00 p.m. up to the date of Annual General Meeting.
11. The Ministry of Corporate Affairs (MCA), Govt. of India has taken a Green Initiative by allowing paperless compliance by the Companies and has permitted Companies to issue copies of Annual Report by e-mail to the Shareholders. The Listing Agreement with the Stock Exchanges requires the Company to send soft copies of the Annual Report and Accounts to those Members who have registered their e-mail addresses for the purpose. The Members can register their e-mail addresses with the Registrar and Transfer Agent of the Company. The registration by the Members will contribute towards furtherance of the "Green Initiative in Corporate Governance" announced by MCA.
12. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Ltd. (CDSL).
13. The Company has appointed Mrs. N. Vanitha (ACS No.26859, CP No.10573), Practicing Company Secretary, who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will scrutinize the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of e-voting period, submit her report of the votes cast in favour or against, if any, to the Chairman of the Company. The result of the same will be disclosed at the AGM proceedings.

Instructions for E-voting:

Members receiving electronic copy and/or a physical copy of the Annual Report:

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 26th Annual General Meeting. The Company has engaged the services of Central Depository Services India Limited (CDSL) to provide the e-voting facility.

The Members whose names appear in the Register of Members / List of Beneficial Owners as on 21st September, 2018 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

The e-voting period will commence on day, **Tuesday 25th September, 2018** from 09.00 and will end on **Thursday 27th September, 2018** at 17.00 during this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically.

The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

PROCEDURE FOR E-VOTING:

Instructions for members for voting electronically are as under:

A. In case of members receiving e-mail (for members whose e-mail address are registered with the Company/Registrars)

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user, follow the steps given below for the password:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. 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.
DOB	Enter the Date of Birth (DOB) as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Company, i.e., Aarv Infratel Limited on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians.
 - a. Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - c. After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - d. 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.
 - e. 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.
- (xviii) 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.

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

B. In case of members receiving the physical copy of notice of 26th Annual General Meeting (for members whose e-mail ids are not registered with the Company/Depositories):

- i. Please follow all the steps from S.No.(i) to S.No. (xvii) to cast vote

C. General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 21st September, 2018.
- ii. Members can opt for only one mode of voting, i.e., either by physical poll or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical poll will be treated as invalid.
- iii. Members who do not have access to e-voting facility have been additionally provided the facility through Ballot Form. They may send duly completed Ballot Form to the Scrutinizer, Mrs. N. Vanitha at the Registered Office of the Company so as to reach on or before the conclusion of the 26th Annual General Meeting or can carry the same to the AGM and deposit in the Ballot Box during the Meeting. Members have the option to info@nylofils.com request for physical copy of Ballot Form by sending an e-mail to by mentioning their Folio No. / DP ID and Client ID.
- iv. The facility for voting through polling paper shall also be made available at the meeting and the members attending the meeting who have not already cast their vote by e-voting shall be able to exercise their right at the meeting.
- v. The member who cast their vote by e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.
- vi. The Scrutinizer, after scrutinizing the votes cast at the meeting through poll and through e-voting will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company <http://www.nylofils.com> and on the website of www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- vii. The result of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within three days of the AGM

Place: Hyderabad

Date: 05th September, 2018

**By Order of the Board
For AARV INFRATEL LIMITED**

**Sd/
Jhansi Lakshmi Anne
Director
DIN (05243450)**

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)

Item No.3:

Mrs. Jhansi Anne Lakshmi was appointed as an Additional Director w.e.f. 05th October, 2017 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 80 of Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mrs. Jhansi Anne Lakshmi candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Board feels that presence of Mrs. Jhansi Anne Lakshmi on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 3 for adoption. None of the Directors, except Mrs. Jhansi Anne Lakshmi and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution. The Board recommends resolutions under Item No. 3 to be passed as an ordinary resolution.

Other details of Mr. Jhansi Anne Lakshmi are provided at **Annexure-A** of this notice

Item No. 4&5:

Mr. MogullaSandeep Reddy (DIN- 02939213) was appointed as an Additional Director on the Board of the Company with effect from 05th October, 2017 to hold office upto the date of the ensuing Annual General Meeting. He was also appointed as the Whole Time Director of the Company with effect from 05th October, 2017, subject to the approval of the Members.

Further, to align the goals of Mr. MogullaSandeep Reddy (DIN- 02939213), with the vision of the Company, based on the recommendation of the Nomination and Remuneration cum compensation Committee, the Board has re-designated Mr. MogullaSandeep Reddy, Whole Time Director as Whole Time Director with effect from 05th October, 2017.

The terms and conditions of appointment are as follows:

1. **Mr.MogullaSandeep Reddy** will perform such duties as shall from time to time be entrusted to him by the Board of Directors of subject to superintendence ,guidance and control of theBoard of Directors
2. Salary Payable: Rs.9,00,000/ per annum.
3. Reimbursement of Expense: The Whole time Director shall be entitled for reimbursement of payments made for official purpose / for enhancement of Company's business and such reimbursement shall not form part of remuneration for the purpose of ceilings, wherever is applicable.

Other details of Mr. MogullaSandeep Reddy are provided at **Annexure-A** of this notice:

The statement containing information as required under Section II of Part II of Schedule V of the Companies Act, 2013, to the extent applicable, is given here under:

A. General Information:

1. Nature of Industry -.Manufacturing
2. Date of Commencement of Commercial Production – 13th January, 1992.
3. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – N.A

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofilms India Limited')

4. Financial Performance based on given indicators – the operating revenue of the Company for the year 2017-18 is Nil. The net profit/Loss for the year 2017-18 is Rs. (1,84,000) against Rs. (4,62,000) in the year 2016-17.

5. Foreign Investments or Collaborators, if any- NIL

B. Information about the appointee:

1. Background details

Mr.Sandeepreddy age 34, has a bachelor degree in computer science engineering from a college affiliated to Jawaharlal Nehru Technology University. Soon after college, he took the entrepreneur path and was part of six start-ups. School face, Aamwala, Vertical Parking system to name few. Joined SriSathyaSudha Education Society in 2014

2. Past remuneration – NIL

3. Recognition or awards – NIL

4. Job profile and his suitability

An Ambitions educationist presently works with Sri SathyaSudha educational Society as a director. Under his aegis, manages three high schools. He played an important role in acquiring three schools under his leadership. He is instrumental in introducing the technology-enabled interactive methodology of teaching at these institutes. He believes, Artificial Intelligence and Robotics is going to change the face of the world in just the next 10-15 years. The world is going to witness a comprehensive transformation in the wake of the 4th Industrial Revolution. For children who will enter the job market 15-20 years from now, a meticulously devised curriculum and methodology Class-wise, Subject-wise which includes Skills of Complex Problem Solving, Critical Thinking, People Management, Emotional Intelligence, Humility and Interpersonal Skill that will help the students for further development and progression

5. Remuneration proposed -

Please refer to details given in Annexure II to the Board's report.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

Taking into consideration the size of the Company, the profile of Mr. MogullaSandeep Reddy Whole Time Director of the Company, the responsibilities shouldered by her and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

7. Pecuniary relationship directly or indirectly with the company, or Relationship with the managerial personnel, if any – NA

C. Other information:

1. **Reasons of loss or inadequate profits**

The Company is planning for diversifying its activities hence did not carry out any activity under the present objects of the Company hence, there is no revenue generated from operationsto the company there is only expenditure to Company.

2. **Steps taken or proposed to be taken for improvement**

The Company has initiated several steps for restoring profitability by new products offerings and concentrating more on export market for which the necessary platform and credentials have already been established. The Company is trying to diversify into more profitable verticals.

3. Expected increase in productivity and profits in measurable terms :

In addition to steps proposed to be taken for improvement as detailed above, key focus areas would be profit maximization, conservation of cash, operational efficiencies, cost and working capital containment. Barring unforeseen circumstances, the overall outlook for the current financial year 2017-18 seems to be positive and the management is optimistic of achieving improvements in the Company's performance. However, it is extremely difficult in present scenario to predict profits in measurable terms but the above initiatives are expected to improve productivity and profitability.

Keeping in view the professional qualifications, rich & varied experience and managerial skills of Mr. MogullaSandeep Reddy(DIN: 02939213), the Board of Directors recommends the passing of the proposed resolution as a Special Resolution in compliance with the applicable provisions of the Companies Act, 2013.

This explanatory statement together with the accompanying Notice is to be treated as an abstract of the terms of the contract / Agreement and Memorandum of concern or interest between the Company and Mr. MogullaSandeep Reddy(DIN: 02939213)pursuant to Section 196 of the Companies Act, 2013.

MogullaSandeep Reddy(DIN: 02939213)satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. MogullaSandeep Reddy(DIN: 02939213)is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") along with the amount of requisite deposit from a Member signifying his intention to propose the appointment of Mr. MogullaSandeep Reddy(DIN: 02939213)as a Director of the Company. In compliance with the provisions of Sections 152, 161, 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, it is now proposed to seek the Shareholders' approval for appointment of MogullaSandeep Reddy(DIN: 02939213)as Director, Whole time Director & Chief Finance Officer and a Key Managerial Personnel, who shall liable to retire by rotation in terms of the applicable provisions of the Companies Act, 2013 ("Act").

None of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this Resolution.

Place: Hyderabad

Date: 02nd September, 2018

By Order of the Board

ForAARV INFRATEL LIMITED

Sd/-

Anita Sakuru

Managing Director

DIN(00475947)

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

ANNEXURE - A

Information in respect of Directors seeking appointment / re-appointment as required

i) Sakuru Raghuv eer

A	Name	Sakuru Raghuv eer
B	Brief Resume	
	i) Date of Birth	27/08/1949
	ii) Qualification	Graduation
	iii) Experience in specific functional area	10 Years
	iv) Date of appointment on the Board of the Company	18/02/1967
C	Names of other companies in which directorship held (as per Section 165 of the Companies Act, 2013):	1. Anjay Infrastructure Private Limited 2. Green Mangoes Cinema Private Limited 3. Shri Bh rugu Realtors Private Limited 4. Ekham Mobile Technologies Private Limited
D	Name(s) of the companies in which committee Membership(s) held	NIL
E	No. of Shares of Rs. 10/- each held by the Director	NIL
F	Relationship between Directors inter se [as per section 2 (77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014]	No relations to any other director
G	Chairman/ Member of the Committee of the Board of Directors of the Company	NIL

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

ii) Jhansi Lakshmi Anne

A	Name	Jhansi Lakshmi Anne
B	Brief Resume	
	v) Date of Birth	27/08/1949
	vi) Qualification	Graduation
	vii) Experience in specific functional area	5 Years
	viii) Date of appointment on the Board of the Company	05/10/2017
C	Names of other companies in which directorship held (as per Section 165 of the Companies Act, 2013):	5. Healthi Agro Enterprisez Private Limited 6. Vanalaxmii Agro Farms Private Limited 7. Shri Bhruhu Realtors Private Limited 8. Ekham Mobile Technologies Private Limited
D	Name(s) of the companies in which committee Membership(s) held	NIL
E	No. of Shares of Rs. 10/- each held by the Director	NIL
F	Relationship between Directors inter se [as per section 2 (77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014]	No relations to any other director
G	Chairman/ Member of the Committee of the Board of Directors of the Company	Audit Committee - Chairperson Nomination and Remuneration Committee – Member Stakeholders Relationship Committee - Member

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

iii) Mogulla Sandeep Reddy

A	Name	Mogulla Sandeep Reddy
B	Brief Resume	
	xi) Date of Birth	18/10/1983
	x) Qualification	Graduation
	xi) Experience in specific functional area	Nil
	xii) Date of appointment on the Board of the Company	05/10/2017
C	Names of other companies in which directorship held (as per Section 165 of the Companies Act, 2013):	Nil
D	Name(s) of the companies in which committee Membership(s) held	NIL
E	No. of Shares of Rs. 10/- each held by the Director	NIL
F	Relationship between Directors inter se [as per section 2 (77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014]	No relations to any other director
G	Chairman/ Member of the Committee of the Board of Directors of the Company	Audit Committee- Member Nomination and Remuneration Committee – Chairperson Stakeholders Relationship Committee - Member

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 26th Annual Report of Aarv Infratel Limited (the Company) together with the Audited accounts for the financial year ended 31st March 2018.

Financial Results (In Rs.)

PARTICULARS	Financial Year 2017-18	Financial Year 2016-17
Total Income	4,00,000	2,00,000
Total Expenditure	5,84,000	6,62,000
Profit/(Loss) before Depreciation & Financial Charges	(1,78,000)	(4,60,000)
Depreciation	(6000)	(2000)
Financial Charges	-	-
Profit/Loss Before Tax	(1,84,000)	(4,62,000)
Prior period items	-	-
Provision for tax	-	-
Deferred tax	-	-
Net Profit/(Loss)	(1,84,000)	(4,62,000)

STATE OF THE COMPANY'S AFFAIRS

In the year 2017-18, the Company has reported NIL net revenue. However, Profit before Tax for the year under review stood at Rs. (1.84) Lakhs as compared to Rs. (4.62) Lakhs reported last year. Loss incurred in this year was predominantly on account of stiff market conditions which prevailed during the year and the consequent lower realization.

REVIEW OF OPERATIONS:

During the financial year 2017-18, your Company revenue from the operations is Rs.4 Lakhs/-

TRASFER TO RESERVES:

Your Company has not transferred any amount to the general reserve.

DIVIDEND:

The Board of directors does not recommend any dividend for the year as at 31st March, 2018 and no amount was transferred to General Reserve as there are no profits in the Company for the FY 2017-18.

SHARE CAPITAL

During the period under review company has forfeited 8, 96,262 paid up equity shares, and on June 13th 2017 has received Confirmation from BSE.

The Fully Paid up Equity share Capital as on 31st March, 2018 was Rs 4,58,92,380/-

DIRECTORS

In accordance with the provisions of Section 161, 149 and any other applicable provisions of Companies Act, 2013 and Rules made there- under Mrs. Jhansi Lakshmi Anne (DIN: 05243450) has been appointed as

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

Additional Director, of the company w.e.f 05th October, 2017, who hold office up to the date of the ensuing Annual General Meeting.

In accordance with the provisions of Section 152, 161, 149, 196, 197, 198 and other applicable provisions Mr. Mogulla Sandeep Reddy (DIN: 02939213) has been appointed as Additional Director, Whole Time Director and Key Managerial Personnel on the Board w.e.f 05th October, 2017, who hold office up to the date of the ensuing Annual General Meeting.

On the same day Board of directors as decided appointment of Mr. Mogulla Sandeep Reddy (DIN: 02939213) as Whole Time Director keeping the long term goals and vision of the Company.

The Company has received a notice in writing under Section 160 of the Act proposing the appointment of Mr. Mogulla Sandeep Reddy (DIN: 02939213) as Whole Time Director. The resolutions seeking your approval for the appointment of Mr. Mogulla Sandeep Reddy (DIN: 02939213) as Whole Time Director and Mrs. Jhansi Lakshmi Anne (DIN: 05243450) as Director are included in the notice of the ensuing Annual General Meeting.

INDEPENDENT DIRECTORS' DECLARATION

The Company has received necessary declaration, from each Independent director under 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independence laid down under section 149(6) of the Companies Act 2013.

DEPOSITS

The Company has neither accepted nor renewed any deposits falling within the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 from its members and public during the Financial Year.\

NUMBER OF MEETINGS OF THE BOARD :

07 (Seven) meetings of the Board of Directors were held during the year.

1. 16th May 2017
2. 30th May 2017
3. 05th September 2017
4. 14th September 2017
5. 05th October 2017
6. 14th December 2017
7. 14th February 2018

STATUTORY AUDITORS:

As per Section 139 of the Companies Act 2013, M/s Nekkanti Srinivasu & Co, Chartered Accountants, Chartered Accountants, (ICAI Firm Registration Number: 088001S) was appointed as Statutory Auditors for a period of Five (05) years i.e. from conclusion of 23rd Annual General Meeting held in the year 2015 till the conclusion of the 28th Annual General Meeting to be held in year 2020.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofilms India Limited')

The Audit Report issued by M/s. Nekkanti Srinivasu & Co, Statutory Auditors for the financial year ended 31st March, 2018 forms part of this Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors, which requires explanation or comments from the Board.

AUDITORS REPORT AND NOTES ON ACCOUNTS:

The Board has duly reviewed the Statutory Auditors Report for the Financial Year ended 31st March, 2018. There were no qualifications/observations in the Report.

INTERNAL AUDITORS:

The Board of Directors based on the recommendation of the Audit Committee has re-appointed M/s. SVP& Co., Chartered Accountants, and Hyderabad, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

SECRETARIAL AUDITOR:

M/s. P.S. Rao & Associates, Practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and Rules there-under. The secretarial audit report for FY 2017-18, forms part of the Annual Report as **Annexure I** to the Board's report. The Board has appointed M/s. P.S.Rao& Associates, Practicing Company Secretaries, as secretarial auditors of the Company for the financial year 2017-18.

Replies to Qualifications made by Secretarial Auditors:

Qualification No.1: Company has not appointed the Whole Time Company Secretary of the Company as per the provisions of Section 203 of the Companies Act, 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year 2017-18.

Reply: The Board of directors had initiated to appoint Whole Time Company Secretary of the Company and the same is still in process, once we find the desired candidate, we will complete the formalities for the appointment of the same.

RISK MANAGEMENT POLICY

The Company has developed and implementing a risk management policy which includes the identification therein of elements of risk, which in the opinion of the board may threaten the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of section 135 (1) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Corporate social responsibility policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), corporate social responsibility is not applicable to the Company during the financial year 2017-18.

AUDIT COMMITTEE:

The Board has constituted Audit Committee as per the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee of the Company comprises the following Members Mr. Mr. Mallikharjuna Rao Yerrapragada – Chairman, Mr. Praveen Reddy Cheruku - Member and Mr. Mogulla Sandeep Reddy – Member.

All the recommendations made by the Audit Committee of the Company have been considered and accepted by the Board of Directors of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The additional information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, stipulated under Section 134 (3)(m) of the Companies Act, 2013 read with the rule 8 to the Companies (Accounts) Rules, 2014 are provided as an “**Annexure II**” to this report.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after considering the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

SUBSIDIARIES:

The Company has no subsidiaries; statement pertaining to the same in AOC-1 is annexed herewith as “**Annexure – III.**”

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER MATTERS:

(a) Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee has been formed pursuant to and in compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013. The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofilms India Limited')

The remuneration determined for Executive/Independent Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Directors are compensated by way of profit sharing Commission and the Non-Executive Directors are entitled to sitting fees for the Board/Committee Meetings. The remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of the Company.

The Nomination and Remuneration Policy and other matters provided in Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of this Report.

- (b) Familiarization/ Orientation program for Independent Directors: A formal familiarization programme was conducted about the amendments in the Companies Act, 2013, Rules prescribed there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

FIXED DEPOSITS:

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS: N.A.

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:

- i) In preparation of annual accounts for the financial year ended 31st March, 2018 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2018 and of the profit and loss of the Company for the year;
- iii) The Directors have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts on a 'going concern' basis;
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) 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.

VIGILANCE MECHANISM / WHISTLE BLOWER POLICY:

The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the Financial Year 2017-18, Company has not entered significant related party transaction.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “**Annexure IV**” to this report.

STATE OF AFFAIRS OF THE COMPANY

The State of Affairs of the Company is presented as part of Management Discussion and Analysis Report forming part of this Report.

MANAGEMENT DISCUSSION & ANALYSIS:

Pursuant to Regulation 34 (2) (e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Management Discussion & Analysis is herewith annexed as “**Annexure V**” to this report.

CORPORATE GOVERNANCE: N.A.

Company is having paid up equity share capital of Rs. 4,58,92,380 which is not exceeding Rs.10 crore and Net worth is Rs. (37,20,000) which is not exceeding Rs.25 crore, as on the last day of the financial year 2017-2018. Hence the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

FRAUD

No Fraud by the company or on the company by its officer or employees during the year.

MATERIAL CHANGES AND COMMITMENTS

(a) SHARE CAPITAL:

During the period under review company has forfeited 8, 96,262 paid up equity shares, and on June 13th 2017 has received Confirmation from BSE.

The Fully Paid up Equity share Capital as on 31st March, 2018 was Rs 4,58,92,380/-

HUMAN RESOURCES:

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as Annexure- VII.

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of Rs.120 Lakhs or more, or employees who are employed for part of the year and in receipt of Rs. 8.50 Lakhs or more per month.

The Company does not have any employee who is employed throughout financial year or part thereof, who was in receipt of remuneration in financial year under review which in aggregate, or as the case may be, at a rate which in the aggregate is in excess of that drawn by the Managing Director or Whole time director and holds by himself or along with his spouse and dependent children not less than 2% of the equity shares of the Company.

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

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:

Name of the Director/Key Managerial personnel	Remuneration of Director KMP for the financial year 2017-18	Percentage increase in Remuneration in the financial year 2017-18	Ratio of the remuneration to the median remuneration of the employees
Anita Sakuru	9,00,000	—	—
Raghuveer Sakuru	9,00,000	—	—

- b. The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the Financial Year: N.A.
- c. The Percentage increase in the median remuneration of employees in the Financial Year: N.A.
- d. The number of permanent employees on the rolls of Company: Other than Managing Director and Whole Time Director, no permanent Employees working in the Company and Company does doing business on contractual basis.
- e. 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: N.A.
- f. The Key parameters for any variable component of remuneration availed by the directors: N.A.
- g. The Company affirms remuneration to Directors and Key Managerial personnel as per the remuneration policy of the Company.

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Employee name	Designation & Nature of employment	Educational qualification	Age	Experience	Date of Joining	Gross remuneration paid (Rs. in Lacs)	Previous employment and designation, If any	No. Shares held, If any	Remarks
1.	Anita Sakuru	Managing Director	MBA	47	24 years	28/12/2015	9,00,000	-	1159827	-
2.	Raghuveer Sakuru	Whole Time Director	B. Tech	50	28Years	28/12/2015	9,00,000	-	1159128	-

ACKNOWLEDGEMENTS:

Your Directors wish to express their gratitude to the central and state government, investors, analysts, financial institutions, banks, business associates and customers, the medical profession, distributors and suppliers for their whole-hearted support. Your directors commend all the employees of your company for their continued dedication, significant contributions, hard work and commitment.

**By order of the Board of Directors
For Aary Infratel Limited**

Date: 05th September, 2018

Place: Bangalore

**Sd/-
JHANSI ANNE LAKSHMI
Director
(DIN: 05243450)**

**Sd/-
MOGULLA SANDEEP REDDY
Director
(DIN: 05243450)**

FORM MR-3
SECRETARIAL AUDIT REPORT
For the Financial year ended 31st March, 2018

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

To,
The Members,
Aarv infratel Limited,
Plot No.78,Sai Durga Enclave,
Agrahara Village Kogilu, Yelahanaka
Bangalore KA 560064.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Aarv Infratel Limited** (Formerly known as Nylofils India Limited) (herein after called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Aarv Infratel Limited**, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

We have examined the books, papers, minute books, forms and return field and other records maintained by **Aarv Infratel Limited** for the Financial Year ended on **31st March, 2018** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contract (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- iii. The Depositories Act, 1996 and 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 (Company has not raised 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, 1992.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period)
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the audit period)
 - e. The Securities and Exchange Board of India (issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the audit period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company during the audit period)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the audit period); and

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);
- i. The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015
- vi. Other specific Applicable Laws to the industry:
 - a. TRAI Act, 1997
 - b. The Telecom Regulatory Authority of India (Amendment) Act, 2000
 - c. The Telecom Regulatory Authority of India (Amendment) Act, 2014

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

- (a) Secretarial Standards SS-1 and SS-2 with respect to meetings of the board of directors and general meetings respectively issued and notified by The Institute of Company Secretaries of India which came into force w.e.f. 1st July, 2015 under the provisions of section 118(10) of the Act.
- (b) During the period under review, the Company has complied with the provisions of the Companies Act, Rules, Secretarial Standards, etc. mentioned above except that In case of filing of few forms/ returns with delay by paying additional amount and the Company has not appointed following person(s) as Key Managerial Person (KMP) as per the Provisions of Section 203 of the Companies Act, 2013.
 - i. Company Secretary.

We further report that

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.
- (b) 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.
- (c) All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- (d) there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

- 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.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations etc. having a major bearing on the Company's affairs.

For P.S. Rao & Associates

Place: Hyderabad

Date: 05th September, 2018

Sd/-

N. Vanitha

M.No. 26859

C.P. No.10573

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

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

'Annexure B'

To
The Members,
Aarv Infratel Limited
Plot No.78,Sai Durga Enclave,
Agrahara Village Kogilu, Yelahanka
Bangalore, Karnataka, 560064.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For P.S. Rao & Associates
Company Secretaries

Place: Hyderabad

Date: 05th September, 2018

Sd/-
N. Vanitha
M.No. 26859
C.P. No.10573

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

The Company has no subsidiaries.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not applicable

**By order of the Board of Directors
For Aarv Infratel Limited**

Date: 05th September, 2018

Place: Bangalore

**Sd/-
JHANSI ANNE LAKSHMI
Director
(DIN: 05243450)**

**Sd/-
MOGULLA SANDEEP REDDY
Director
(DIN: 05243450)**

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L93000KA1992PLC100274
2	Registration Date	13/01/1992
3	Name of the Company	AARV INFRATEL LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company.
5	Address of the Registered office & contact details	Plot No.78,Sai Durga Enclave, Agrahara Village Kogilu, YelahanakaBangalore, Karnataka, 560064.
6	Whether listed company	Yes. Listed at BSE Limited
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	System Support Services Opp: Gala no 209, Shivai Industrial, Estate, 89,Andheri Kurla Road, SakinakaAndheri East, Mumbai 400072.

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): **Nil**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Company is not having any Holding, Subsidiary and Associate Companies.

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

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

A. Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2153171	165784	2318955	50.53	2153171	165784	2318955	50.53	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (1)	2153171	165784	2318955	50.53	2153171	165784	2318955	50.53	0
(2) Foreign									
(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b) Bodies Corporate	0	0	0	0	0	0	0	0	0
(c) Institutions	0	0	0	0	0	0	0	0	0
(d) Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
Sub Total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2).	2153171	165784	2318955	50.53	2153171	165784	2318955	50.53	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs 1 lakh	4800	1832353	1837153	40.03	5400	1752953	1758353	38.31	-1.72
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	30800	280630	311430	6.79	30800	358930	389730	8.49	1.70
c) Others (specify)	44900	76800	121700	2.65	45000	77200	122200	2.67	0.02
i. Non Resident Indians	0	0	0	0	0	0	0	0	0
ii. Directors	0	0	0	0	0	0	0	0	0
iii. Clearing Members	0	0	0	0	0	0	0	0	0
iv. Individual (HUF)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	80500	2189783	2270283	49.47	81200	2189083	2270283	49.47	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	80500	2189783	2270283	49.47	81200	2189083	2270283	49.47	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0		0	0	0	0	0
Grand Total (A+B+C)	2233671	2355567	4589238	100.00	2234371	2354867	4589238	100	0.00

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

(B) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year 31.03.2017			Shareholding at the end of the year 31.03.2018			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encum bered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encum bered to total shares	
1	Anita Sakuru	1159827	25.27%	0	1159827	25.27%	0	0
2	Raghuveer Sakuru	1159128	25.26%	0	1159128	25.26%	0	0
	Total	2318955	50.53	0	2318955	50.53	0	0

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

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding End of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AISHU FINANCE LTD	139500	2.5	30300	0.66
2	RAJA SRINIVAS BOMMIDALA	108900	2.37	108900	2.37
3	Y ARUNA KUMARI	88530	1.93	88530	1.93
4	USHAKIRAN FINANCE LIMITED	43800	0.95	43900	0.96
5	K G MOHANTHY	32700	0.71	32700	0.71
6	BRAHMAJI A	30800	0.67	30800	0.67
7	TELANGANA INVESTMENTS & FINANCE LTD	30000	0.65	30000	0.65
8	A V RAMANA	25500	0.56	25500	0.56
9	RAJA SRINIVAS B	24500	0.53	25000	0.54
10	N VENU GOPAL*	0	0	18500	0.40

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Anita Sakuru	-	-	1159827	25.27%	1159827	25.27%
2	Raghuveer Sakuru	-	-	1159128	25.26%	1159128	25.26%
	Total	N.A.	N.A.	2318955	50.53%	2318955	50.53%

V) INDEBTEDNESS -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	0	880812	0	880812
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	880812	0	880812
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	880812	0	880812
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	880812	0	880812

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

(i) Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company has paid remuneration to the Managing Director Subject to maximum limit of Rs.9, 00,000/- per annum.

The Company has paid remuneration to the Whole-time Directors Subject to maximum limit of Rs.9, 00,000/- per annum.

(ii) Remuneration to other directors:

The Company has not paid remuneration to the Directors

(iii) Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

The Company has not paid remuneration to the Key Managerial Personnel other than MD/ Manager/ WTD

II. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2018.

**By order of the Board of Directors
For Aarv Infratel Limited**

Date: 05th September, 2018

Place: Bangalore

**Sd/-
JHANSI ANNE LAKSHMI
Director
(DIN: 05243450)**

**Sd/-
MOGULLA SANDEEP REDDY
Director
(DIN: 05243450)**

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure & Development:

Macro-Economic Situation

The Indian economy achieved a GDP growth of 7.0% in 2017-18 against 7.6% in 2015-16. The most significant macroeconomic event of the year in India was the decision by the Government of India ("GoI") to demonetize the high denomination currencies in circulation. This event had a major impact on the Indian economy but any related decline in GDP growth was offset by a combination of a good harvest, a downward revision in base numbers, an increase in pay from the 7th Pay Commission and the short-term benefits from demonetization. Additional economic stabilizing factors during the reporting period included the continued slowdown in core CPI inflation and two RBI reductions in repo rates. Additionally, the passing of the GST bill has also been seen as a positive policy reform to provide for a simpler and more competitive tax regime.

Globally, economic growth generally stagnated during the year and the economic outlook remains uncertain. In the U.S., despite two interest rate increases, positive employment figures and a sustained bull market in the equity markets during the reporting period, U.S. GDP growth estimates remained lethargic. In Europe, economies continued to struggle with deflationary pressures and increasing unemployment. In Asia, growth in the Chinese economy continued to slow, despite its stimulus policy, Japan showed marginal improvement, while other Asian economies witnessed a slight uptick in inflation mostly as a reflection of tightening of crude import prices. Russia's economy appeared to bounce back following a strengthening of oil prices. Meanwhile Latin American countries continued to struggle with currency deflation.

Indian Telecom Market

India's telecom sector and subscriber base have grown steadily over the past decade, on the back of rising fixed and mobile network coverage and competition-induced tariff declines. These factors have had a positive impact on demand, as has growing broadband Internet access, the accelerating spread of smart mobile devices and higher video traffic on consumer and business networks. The key factors which are likely to fuel future growth are a still-growing subscriber base, new and improved mobile applications and improved end-user devices that will drive exponential growth in data usage and ancillary services such as data center colocation services. However, traffic growth will remain counter-balanced by severe price erosion, especially for basic voice and connectivity services, further exacerbated by competition from next generation service providers. This competition has resulted in, and is likely to continue to result in, industry consolidation particularly in the consumer mobile space. In addition, with the disruptive impact of several new telecom operators in the Indian marketplace, operators in the industry have had to reassess their investment strategies while the network transforms from 2G to 4G. In the business-to-business (B2B) space, data and video traffic continue to grow rapidly, due to increased adoption of information technology and network services to drive business productivity and innovation. During the period of 2017-22, the Indian enterprise telecom market is expected to grow at a compounded annual growth rate (CAGR) of 13%, on the back of a mid-teens growth forecast in the mobile services and managed services space. Other significant developments in the Indian telecom sector include the reduction in access charges and tariffs, the increasing use of and demand for cloud services, and the increasing deployment of software-defined networking (SDN) and network functions virtualization (NFV) in the network domain which will continue to shape the network of the future. With the accelerated growth in mobile data, Mobile Network Operators (MNOs) are looking for ways to generate increased revenue, reduce customer turnover and ensure service continuity even as they migrate to 4G.

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

Global Telecom Market

In 2017-18, the global communications services market stood at ' 93.91 trillion (USD 1.4 trillion). Fixed line services accounted for 35% of the total market while mobile services accounted for approximately 65%. Moving forward the global market is expected to grow annually at a CAGR of 1.3% to ' 100.62 trillion (USD 1.5 trillion) by 2020. During 2017-18, the global market for the Company's voice services witnessed a decline because of declining call rates, while the market for its data services showed healthy growth. The Company expects the market for voice services will continue to decline, however, the market for its data services will continue to grow at an attractive pace, due to the growth of data and video services in both the consumer and business space.

Outlook: Company is evaluating various opportunities and suitable business opportunities which improve the operations of the company.

Performance Review:

Discussion on Financial Performance with respect to Operational Performance:

1. Total Income: Nil

2. Share Capital:

The paid up share capital as on 31st March, 2018 is **Rs. 458,92,380. /-**

3. Net Loss:

The Company's operating loss of Rs. (1,84,000) during the year.

4. Earnings Per Share (EPS):

The Earning Per Share for the Financial Year 2017-18 is Rs.(0.04) per share (Face Value: Rs.10/- each).

Your directors are putting continuous efforts to increase the performance of the Company and are hopeful that the performance in coming year will overcome from the present situation.

**By order of the Board of Directors
For Aarv Infratel Limited**

Date: 05th September, 2018

Place: Bangalore

**Sd/-
JHANSI ANNE LAKSHMI
Director
(DIN: 05243450)**

**Sd/-
MOGULLA SANDEEP REDDY
Director
(DIN: 05243450)**

INDEPENDENT AUDITOR'S REPORT

To the Members of AarvInfratel Limited

Report on the Financial Statements

We have audited the accompanying financial statements of AarvInfratel Limited (Formerly Known as Nylofils India Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Responsibility

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.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act. On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - f) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position in its financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 2) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Hyderabad
Date: 30.05.2018

For NSVR & ASSOCIATES LLP
Chartered Accountants
Firm Reg No. 008801S/S200060
Sd/-
N.V.Gangadhara Rao
Partner
M.No:219486

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

**(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’
section of our report of even date)**

Report on the Internal Financial Controls Over Financial Reporting 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 AarvInfratel Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

The Company's internal control system for recovery of dues from the customers the credit period, periodical confirmations and reconciliation of customer accounts needs to be strengthened further.

Place: Hyderabad
Date: 30.05.2018

For NSVR & ASSOCIATES LLP
Chartered Accountants
Firm Reg No. 008801S/S200060
Sd/-
N.V.Gangadhara Rao
Partner
M.No:219486

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. The Company does not hold any inventory. Hence, Paragraph 3 (ii) of the order is not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, thus, Clause 3(iii) of the order is not applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable except the followings.

Income tax payable	: Rs. 1, 20,221/-
Professional Tax	: Rs. 22,723/-
 - (c) There are no Overdue Amount remaining outstanding as at March 31, 2018
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have dues to financial institutions, government and to debenture holders.

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary company or persons connected with them and hence provisions of section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Hyderabad
Date: 30.05.2018

For NSVR & ASSOCIATES LLP
Chartered Accountants
Firm Reg No. 008801S/S200060
Sd/-
N.V.Gangadhara Rao
Partner
M.No:219486

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

Balance Sheet as at 31st March 2018				
(Rs.in Lakhs)				
Particulars	Note. No.	As At 31.03.2018	As At 31.03.2017	As at 01.04.2016
ASSETS				
NON-CURRENT ASSETS				
Property plant and Equipment	2.1	0.11	0.17	0.00
Capital Work Inprogress	2.1	0.00	0.00	0.00
Intangible assets	2.2	0.00	0.00	0.00
Financial assets				
Investments	2.3	0.04	0.04	0.04
Loans & Advances	2.4	11.98	11.98	11.99
Deferred tax Asset (net)		0.00	0.00	0.00
Other non current assets	2.5	0.00	0.00	0.00
TOTAL NON-CURRENT ASSETS		12.13	12.19	12.03
CURRENT ASSETS				
Inventories	2.6	0.00	0.00	0.00
Financial assets				
Trade receivables	2.7	9.19	9.19	9.19
Cash and cash equivalent	2.8	1.92	0.35	0.33
Other financial assets	2.4	0.00	0.00	0.00
Loans & Advances	2.9	5.03	5.03	5.03
Other current assets	2.5	0.17	0.17	0.17
TOTAL CURRENT ASSETS		16.31	14.74	14.72
		28.44	26.93	26.75
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	2.10	503.73	503.73	503.74
Other Equity	2.11	(540.94)	(539.10)	(534.47)
TOTAL EQUITY		(37.20)	(35.36)	(30.73)
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	2.12	0.00	0.00	0.00
Deferred tax liabilities (net)		-	-	-
Other Non-Current liabilities		0.00	0.00	0.00
TOTAL NON-CURRENT LIABILITIES		0.00	0.00	0.00
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	2.12	0.00	0.00	0.00
Trade payables	2.13	35.62	35.62	35.70
Other financial liabilities	2.14	11.66	8.81	4.87
Liabilities for current tax (net)				
Provisions	2.15	2.98	2.48	2.48
Other current liabilities	2.16	15.38	15.38	14.43
TOTAL CURRENT LIABILITIES		65.64	62.29	57.48
TOTAL		28.44	26.93	26.75

The accompanying Significant accounting policies and notes form an integral part of the financial statements.

As per our report of even date

For and on behalf of Board

For NSVR & ASSOCIATES LLP

Chartered Accountants

Firm Reg.No. 008801S/S200060

Sd/-

N V Gangadhar Rao

Partner

M.NO.219486

Place:Hyderabad

Date: 30.05.2018

Sd/-

Sakuru Anitha

Director

DIN : 00475947

Sd/-

Sakuru Raghuvveer

Director

DIN : 00475998

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

Statement of Profit and Loss for the Year Ended 31st March 2018			
(Rs.in Lakhs)			
Particulars	Note.No	Year ended March 31,2018	Year ended March 31,2017
Income			
Revenue from operations	2.17	4.00	1.80
Other income	2.18	0.00	0.20
Total Revenue		4.00	2.00
Expenses			
Cost of materials consumed	2.19	0.00	0.00
Changes in inventories	2.20	0.00	0.00
Employee benefits expense	2.21	0.00	0.00
Finance costs	2.22	0.00	0.00
Depreciation and amortization expense	2.1	0.06	0.02
Other expenses	2.23	5.78	6.60
Total Expenses		5.84	6.62
Profit before tax		(1.84)	(4.62)
Tax expense			
(1) Current tax		0.00	0.00
(2) Deferred tax		0.00	0.00
Profit for the year		(1.84)	(4.62)
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss		0.00	0.00
Tax on items that will not be reclassified to profit or loss		0.00	0.00
		0.00	0.00
Items that will be reclassified to profit or loss:			
Tax on items that may be reclassified to profit or loss			
Items that may be reclassified subsequently to profit or loss			
Total other comprehensive income/(loss) for the year, net of tax		0.00	0.00
Total comprehensive income for the year		(1.84)	(4.62)
Earnings per share:			
Basic earnings per share of 10/-each		(0.04)	(0.09)
Diluted earnings per share of 10/- each		(0.04)	(0.09)

The accompanying Significant accounting policies and notes form an integral part of the financial statements.

As per our report of even date

For and on behalf of Board

For NSVR & ASSOCIATES LLP

Chartered Accountants

Firm Reg.No. 008801S/S200060

Sd/-

N V Gangadhar Rao

Partner

M.NO.219486

Place:Hyderabad

Date: 30.05.2018

Sd/-

Sakuru Anitha

Director

DIN : 00475947

Sd/-

Sakuru Raghuveer

Director

DIN : 00475998

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

Cash Flow Statement For the Period Ended 31st March 2018		
(Rs.in Lakhs)		
Particulars	Year ended March 31,2018	Year ended March 31,2017
Cash Flows from Operating Activities		
Net profit before tax	(1.84)	(4.62)
Adjustments for :		
Depreciation and amortization expense	0.06	0.02
Unrealised Foreign Exchange Gain	-	-
Gain on investments carried at fair value through profit or loss	0.00	0.00
Interest Received on Fixed Deposit	0.00	0.00
Interest & Finance Charges Paid	0.00	0.00
Operating profit before working capital changes	(1.78)	(4.60)
Movements in Working Capital		
(Increase)/Decrease in Inventories	0.00	0.00
(Increase)/Decrease in Other financial assets	0.00	0.01
(Increase)/Decrease in Trade Receivables	0.00	0.00
(Increase)/Decrease in Other Current Assets	0.00	0.00
(Increase)/Decrease in Other Non Current Assets	0.00	0.00
Increase/(Decrease) in Trade Payables	0.00	(0.08)
Increase/(Decrease) in Other financial liabilities	2.85	3.92
Increase/(Decrease) in Other Current liabilities	0.00	0.95
Increase/(Decrease) in Other Non Current liabilities & Provisions	0.50	0.00
Changes in Working Capital	3.35	4.80
Cash generated from operations	1.57	0.20
Interest received on Deposits	-	-
Direct Taxes Paid	-	-
Net Cash from operating activities (A)	1.57	0.20
Cash flows from Investing Activities		
Purchase of Fixed Assets (Including CWIP)	-	(0.17)
Intangible Assets	0.00	0.00
Interest Received	-	-
Net Cash used in Investing Activities	0.00	(0.17)
Cash flows from/(used in) Financing Activities		
Issue of Share Capital	-	-
Issue of Share Warrants	-	-
Share Application Money	-	-
Proceeds from Long term borrowings	-	-
Repayment/Proceeds of/from Short-term borrowings	0.00	0.00
Interest paid	0.00	0.00
Corporate Dividend tax	-	-
Net Cash used in Financing Activities	0.00	0.00
Net Increase/(Decrease) in cash and cash equivalents	1.57	0.02
Cash and Cash equivalents at the beginning of the year	0.35	0.33
Cash and Cash equivalents at the ending of the year (Refer Note 2.8)	1.92	0.35

Notes :-

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements".(Ind AS-7)
- The accompanying notes are an integral part of the financial statements.

As per our report of even date
For NSVR & ASSOCIATES LLP
Chartered Accountants
Firm Reg.No. 008801S/S200060

For and on behalf of Board

Sd/-
N V Gangadhar Rao
Partner
M.NO.219486

Sd/-
Sakuru Anitha
Director
DIN : 00475947

Sd/-
Sakuru Raghuvveer
Director
DIN : 00475998

Place:Hyderabad
Date: 30.05.2018

2. 1 : Property, plant and equipment

(Rs.in Lakhs)

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value	
	As at 1st April 2017	Additions	Disposals	As at 31st March 2018	As at 1st April 2017	For the year	Impairment for the year	Disposals	As at 31st March 2018
Tangible Assets	-	-	-	-	-	-	-	-	-
Office Equipments	0.110			0.110	0.107	-	-	-	0.003
Electrical Equipments	0.180	-	-	0.180	0.016	0.061	-	-	0.103
Total	0.290	-	-	0.290	0.123	0.061	-	-	0.106
Capital Work in Progress	0	0	0	0	0	0	0	0	0

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value	
	As at 1st April 2016	Additions	Disposals	As at 31st March 2017	As at 1st April 2016	For the year	Impairment for the year	Disposals	As at 31st March 2017
Tangible Assets									
Office Equipments	0.110			0.110	0.107	-	-	-	0.003
Electrical Equipments	-	0.18		0.180	-	0.016	-	-	0.164
Total	0.110	0.180	-	0.290	0.107	0.016	-	-	0.167
Capital Work in Progress	0	0	0	0	0	0	0	0	0

(Rs.in Lakhs)

2.2: Other Intangible assets

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value	
	As at 1st April 2017	Additions	Disposals	As at 31st March 2018	As at 1st April 2017	For the year	Impairment for the year	Disposals	As at 31st March 2018
	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value	
	As at 1st April 2016	Additions	Disposals	As at 31st March 2017	As at 1st April 2016	For the year	Impairment for the year	Disposals	As at 31st March 2017
	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

(Rs. in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
2.3 Investments						
Investments at fair value through Profit or Loss A/c						
Investments in Quoted Equity Instruments	0.00	0.00	0.00	0.00	0.00	0.00
Aggregate amount of Quoted Investments	0.00	0.00	0.00	0.00	0.00	0.00
Investments in Debt Instruments						
Investments in NSC Bonds	0.00	0.04	0.00	0.04	0.00	0.04
Total Investments	0.00	0.04	0.00	0.04	0.00	0.04
2.4 Other Financial Assets						
Security Deposits	0.00	1.50	0.00	1.50	0.00	1.50
Loans & Advances	0.00	10.48	0.00	10.48	0.00	10.48
TOTAL	0.00	11.98	0.00	11.98	0.00	11.99
2.5 Other Non Current Assets and Current Assets						
Prepaid Expenses	0.00	0.00	0.00	0.00	0.00	0.00
Input tax and other taxes receivables	0.00	0.00	0.00	0.00	0.00	0.00
Advances with Government Authorities	0.17	0.00	0.17	0.00	0.17	0.00
TOTAL	0.17	0.00	0.17	0.00	0.17	0.00

2.6 Inventories

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
	Current	Current	Current
Raw materials	0.00	0.00	0.00
Work-in-progress	0.00	0.00	0.00
Traded goods	0.00	0.00	0.00
Packing materials	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

2.7 Trade receivables

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
	Current	Current	Current
Trade Receivables			
Unsecured, considered good	9.19	9.19	9.19
Less: Allowances for credit losses	0.00	0.00	0.00
Less: Provision for Doubtful Receivables	0.00	0.00	0.00
TOTAL	9.19	9.19	9.19

Movement of Impairment in Trade Receivables

Particulars	Amount
As at 1st April, 2016	0.00
Add: additional allowance of expected credit loss	0.00
As at 1st April, 2017	0.00
Reversal of Impairment	0.00
As at March 31, 2018	0.00

2.8 Cash and Cash Equivalents

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
a) Cash and Cash equivalents			
i) Cash on hand	0.05	0.05	0.13
ii) Balances with banks			
- Current Accounts	1.67	0.10	0.00
b) Other Bank Balances (with restricted use)			
(i) Deposit A/c	0.20	0.20	0.20
(ii) Share Application Money	0.00	0.00	0.00
Interest accrued but not due on deposits	0.00	0.00	0.00
TOTAL	1.92	0.35	0.33

2.9 Loans & Advances

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
	Current	Current	Current
Loans & Advances	5.03	5.03	5.03
TOTAL	5.03	5.03	5.03

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

2.10 Equity Share Capital

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Authorized Share Capital			
60,00,000 Equity Shares of Rs.10 each (Previous year :60,00,000 Equity Shares of Rs.10 each)	600.00	600.00	600.00
Issued Share Capital			
60,00,000 Equity Shares of Rs.10 each (Previous year :60,00,000 Equity Shares of Rs.10 each)	600.00	600.00	600.00
Paid up Share Capital			
a) 45,89,238 Equity Shares of Rs.10 each, fully paid up	458.92	458.92	458.92
b) Issued but not fully paid up 8,96,262 Equity shares of Rs 10/- each with voting rights Rs 5/- not paid up	0.00	0.00	44.82
Share Forefeiture Account	44.81	44.81	0.00
	503.73	503.73	503.74

Details of shareholders holding more than 5% shares	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
Mrs. Anitha Sakru	1,159,827	25.27	1,159,827	25.27	1,159,827	21.14
Mr. Raghuveer	1,159,128	25.26	1,159,128	25.26	1,159,128	21.13

2.10.1 Reconciliation of Number of Shares :

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Number of Shares at the beginning of the year	45.89	54.86	54.86
Add : Shares issued during the year	0.00	0.00	-
Less:Share forefeited	0.00	8.97	-
Number of Shares at the end of the year	45.89	45.89	54.86

2.10.2 Rights attached to equity shares

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

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

2.11 Other Equity

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
General Reserve			
Opening Balance	0.00	0.00	0.00
Add: Transfers during the year	0.00	0.00	0.00
	0.00	0.00	0.00
Capital Reserve			
Opening Balance	0.00	0.00	0.00
Add: Transfers during the year	0.00	0.00	0.00
	0.00	0.00	0.00
Securities Premium			
Opening Balance	0.00	0.00	0.00
Add: Premium received on issue of Shares	0.00	0.00	0.00
	0.00	0.00	0.00
Money Received against Share Warrants			
Opening Balance	0.00	0.00	0.00
Add: Received in Current year	0.00	0.00	0.00
	0.00	0.00	0.00
Retained Earnings			
Opening Balance	(539.10)	(534.48)	(530.95)
Add: Net profit transferred from the Statement of Profit and Loss	(1.84)	(4.62)	(3.53)
	(540.94)	(539.10)	(534.48)
Adjustments:			
Deferred Tax	-	-	0.00
Net change in fair value of FVTPL investments and others	-	-	0.00
	-	-	0.00
Closing Balance	(540.94)	(539.10)	(534.48)
TOTAL	(540.94)	(539.10)	(534.47)

2.12 Borrowings

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
Secured Borrowings: Borrowing from banks/Financial Institutions	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofiles India Limited')

2.13 Trade Payables

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
	Current	Current	Current
Due to Micro & Small Enterprises			
Dues to others			
Payable to others	35.62	35.62	35.70
	0.00	0.00	0.00
TOTAL	35.62	35.62	35.70

2.14 Other financial liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
	Current	Current	Current
Loan from Others	8.81	8.81	4.87
Loan from Director	2.85	0.00	0.00
TOTAL	11.66	8.81	4.87

2.15 Provisions

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
Provision for Tax	1.20	-	1.20	-	1.20	-
Provision for Professional tax	0.23		0.23		0.23	
Other Provisions	1.55		1.05		1.05	
TOTAL	2.98	0.00	2.48	0.00	2.48	0.00

2.16 Other Current Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
	Current	Current	Current
Advances from customers	3.54	3.54	3.55
Amount payable to others	11.84	11.84	10.88
TOTAL	15.38	15.38	14.43

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
2.17 Revenue from operations		
Revenue from :		
Export Sales	0.00	0.00
Domestic Sales	4.00	0.00
Other Operating Revenue	0.00	1.80
Revenue from operations	4.00	1.80
2.18 Other income		
Interest Income	0.00	0.00
Foreign Exchange Gain	0.00	0.00
Miscellaneous Income	0.00	0.20
Total	0.00	0.20
2.19 Cost of materials consumed		
Raw Material		
Purchases	0.00	0.00
Add: Opening Stock	0.00	0.00
	0.00	0.00
Less: Closing Stock	0.00	0.00
	0.00	0.00
2.20 Changes in inventories		
Work-in-progress		
Opening	0.00	0.00
Closing	0.00	0.00
	0.00	0.00
	0.00	0.00
2.21 Employee benefits expense		
Salaries and Wages	0.00	0.00
Contribution to provident and other funds	0.00	0.00
Staff welfare	0.00	0.00
	0.00	0.00
2.22 Finance costs		
Interest Expense	0.00	0.00
Other borrowing costs	0.00	0.00
	0.00	0.00

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofiles India Limited')

2.23 Other expenses

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Repairs and maintenance charges	0.20	0.69
Audit Fees	0.50	0.50
Lodging & Boarding Expenses	0.09	0.00
Vehicle Hire Charges	0.00	0.00
Fees and Licenses	3.38	3.81
Duties & Taxes	0.00	0.00
Consultancy & Professional Charges	0.00	0.65
Conveyance	0.00	0.00
Office Expenses	0.03	0.00
Postage, Courier & Email Charges	0.01	0.00
Insurance	0.00	0.00
Rent	0.00	0.00
Printing & Stationery	0.04	0.00
Telephone and Communication Expenses	0.02	0.00
Security Charges	0.00	0.00
Other Miss Expenses	1.50	0.95
	5.78	6.60

2.7 Statement of changes in equity

Name of the company

Statement of changes in equity for the period ended 31.03.2018

Particulars	Equity Share Capital	Retained Earnings	General Reserve	Share Forfeiture A/c	Securities Premium A/c	Money Received Against Share Warrants	Total Equity
Balance as at 1/4/2017	458.93	(539.10)	-	44.81	-	-	(35.36)
Profit for the year	-	(1.84)	-	-	-	-	(1.84)
Additions during the year	-	-	-	-	-	-	-
Issued in Current year	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-
Actuarial gain/(loss) on post- employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
Balance as at 31/03/2018	458.93	(540.94)	-	44.81	-	-	(37.20)

AARV INFRATEL LIMITED
(Formerly Known as 'Nylofils India Limited')

(Rs. in Lakhs)

Particulars	Equity Share Capital	Retained Earnings	General Reserve	Share Forfeiture A/c	Securities Premium	Money Received Against Share Warrants	Total Equity
Balance as at 1/4/2016	503.74	(534.49)	-	-	-	-	(30.75)
Profit for the year	-	(4.61)	-	-	-	-	(4.61)
Additions During the year	-	-	-	-	-	-	-
Issued in Current year	-	-	-	-	-	-	-
Share Forefeiture	(44.81)	-	-	44.81	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
Balance as at 31/03/2017	458.93	(539.10)	-	44.81	-	-	(35.36)

Refer Note No.24 First time Adoption Reconciliation of Equity and Other Comprehensive Income

Particulars	Equity Share Capital	Retained Earnings	General Reserve	Capital Reserve	Securities Premium	Money Received Against Share Warrants	Total Equity
Balance as at 1/4/2015	503.74	(530.96)	-	-	-	-	(27.22)
Profit for the year	-	(3.53)	-	-	-	-	(3.53)
Deferred Tax	-	-	-	-	-	-	-
Dividend paid (including dividend distribution and corporate dividend tax)	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
Balance as at 31/03/2016	503.74	(534.49)	-	-	-	-	(30.75)

2.24 First Time Adoption of Ind AS:

1.1 First-time adoption of Ind AS

These financial statements, for the year ended 31st March 2018, are the first set of financial statements the Company has prepared in accordance with Indian Accounting Standards (Ind ASs). For periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2016, i.e., the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2016 and the financial statements as at and for the year ended 31st March 2017.

Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

The Company adopted not to measure any item of property, plant and equipment at its fair value at the Transition Date. Accordingly, on the transition date, the net carrying value of the property, plant and equipment and intangible assets shall be considered **as deemed cost** for Ind AS purposes.

Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 April 2016.

Estimates

The estimates at 1st April 2016 and at 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTPL – Quoted equity shares
- Impairment of financial assets based on expected credit loss model ("ECL model")

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2016, the date of transition to Ind AS and as of 31st March 2017.

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

Reconciliation of equity as previously reported under Previous GAAP and that computed under Ind AS

Particulars	Rs. In Lacs	
	Equity as at 31 st March 2017	Equity as at 31 st March 2016
	(Audited)	(Audited)
Equity as per Previous GAAP	(35.36)	(30.73)
Items not qualified as asset as per IND AS	—	—
Impact on account of deferred Tax	—	—
Impairment of trade receivables due to ECL model	—	—
Items considered as amortisation expense in the P& L as per previous GAAP already adjusted in opening equity as on the transition to IND	—	—
Impact on account of measuring long term borrowings using effective rate of Interest	—	—
Equity as per IND AS	(35.36)	(30.73)

Reconciliation between financial results as previously reported under Previous GAAP and Ind AS for the year ended 31 March 2017

Particulars	Year ended 31 st March 2017
	(Audited)
Net profit as per Previous GAAP	(4.62)
a) Impact on account of measuring long term borrowings using effective rate of Interest	0
b) Impairment of trade receivables due to ECL model	0
c) Items considered as amortisation expense in the P& L as per previous GAAP Already adjusted in opening equity as on the transition to IND AS.	0
d) Impact on account of Current & Deferred Taxes	0
Net profit as per IND AS	(4.62)
Other comprehensive Income	0
Total Comprehensive Income under IND AS	(4.62)

2.1 Auditors Remuneration

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a) Audit fees	0.50	0.50
TOTAL	0.50	0.50

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

3.1 Earnings per Share

Rs. In Lacs

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Earnings		
Profit attributable to equity holders (Rs in Lakhs)	(1.84)	(4.62)
Shares		
Number of shares at the beginning of the year	45.89	54.86
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	(8.97)
Total number of equity shares outstanding at the end of the year	45.89	45.89
Weighted average number of equity shares outstanding during the year	45.89	50.08
<i>Earnings per share of par value Rs.10/- – Basic (‘)</i>	(0.04)	(0.092)
<i>Earnings per share of par value Rs.10/- – Diluted (‘)</i>	(0.04)	(0.092)

4.1 Related Parties

Details of related parties

Description of Relationship	Names of related parties
Key Management personnel (KMP)	SmtAnithaSakuru

Transactions with Related Parties:

Nature of Transaction	Rs. in Lacs
Loan from KMP	2.85

5.1 Earnings/expenditure in foreign currency:

Expenditure in Foreign currency:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Purchase of Raw Materials/Packing Materials	0.00	0.00
Other expenses	0.00	0.00
TOTAL	0.00	0.0
Earnings in Foreign currency:		
FOB Value of Exports	0.00	0.00
Foreign Exchange Gain	0.00	0.00
TOTAL	0.00	0.00

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

6.1 Segment Reporting:

The Company concluded that there is only one operating segment. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

7.1 Contingent Liabilities and Commitments:

The following are the details of contingent liabilities and commitments:

Particulars	2018	2017
<i>Contingent Liabilities</i>		
a) Claims against the company/disputed liabilities not acknowledged as debts	0.00	0.00
b) Guarantees		
Bank Guarantees	0.00	0.00
	0.00	0.00

AARV INFRATEL LIMITED

(Formerly Known as 'Nylofils India Limited')

1. Corporate Information

AarvInfratel Limited ("the Company") domiciled in India and incorporated under the provisions of the Companies Act 1956. The Shares of the company are listed on Bombay Stock Exchange. The company is in the Business of developing, Trading of Telecommunication systems, Telecommunication networks & Telecommunication Services. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2. Basis of Preparation and Presentation of Financial Statements

The financial statements of AarvInfratel Limited ("the Company") have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014. These are the company's first annual financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has adopted all applicable standards and the adoption was carried out in accordance with Ind AS 101 – 'First Time Adoption of Indian Accounting Standards'. An explanation of how the transition to Ind AS has affected the reported financial position, financial performance and cash flows of the Company are provided in Note number 2.24 First Time Adoption.

3. Basis of Measurement

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

- All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

4. Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

- a. **Depreciation and amortization:** Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.
- c. **Provision and contingencies:** Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

5. Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest Lakhs.

6. Foreign Exchange Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognized in the Statement of

Profit and Loss. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.

7. Property, plant and equipment

Transition to Ind AS

The Company has elected to continue with the net carrying value of all its property, plant and equipment recognized as of April 1, 2016 (transition date) as per the previous GAAP and use that carrying value as its deemed cost.

Recognition and measurement

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use. "The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment" and "Cost of major inspections is recognized in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognized.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

An asset will be treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

8. Intangible Assets

Identifiable intangible assets are recognised at cost and when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. The asset is reviewed at the end of each reporting period is tested for impairment.

9. Depreciation and Amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on Property, Plant and equipment has been provided on the Written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013 considering the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, etc.

The intangible asset is tested for impairment and is reviewed at each financial year end.

10. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

1) Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. 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 the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL. On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016.

c) Impairment of Financial Assets

In accordance with Ind AS 109, expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. As Company trade receivables are realised within normal credit period adopted by the company, hence the financial assets are not impaired.

d) De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

b) Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

11. Inventories

Inventories consist of goods and are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Packing materials are used in operating machines or consumed as indirect materials in the manufacturing process.

12. Impairment of non-financial assets

Intangible assets and property, plant and equipment, Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

13. Cash and Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks.

14. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

15. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of service tax, sales tax, value added tax and other similar taxes and GST from July 01, 2017.

Other Income

Other income includes Interest income, Foreign Exchange Gain and other miscellaneous receipts if any.

16. Borrowing Costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

17. Income Tax

Current Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

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

18. Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

AARV INFRATEL LIMITED
CIN: L93000KA1992PLC100274

Regd. Off: Plot No.78, Sai Durga Enclave,Agrahara Village Kogilu,Yelahanaka. Bangalore
Karnataka 560064 IN.

Website: www.aarvinfratel.com, Email:info@nylofils.com

Phone: (080)25357889; Fax:(080)25357889

MGT-11
Proxy Form

(Pursuant to Section105 (6) of the CompaniesAct,2013
andRule19(3)oftheCompanies(ManagementandAdministration)Rules,2014)

26th ANNUAL GENERAL MEETING ON 28th day of September, 2018, AT 9.30 A.M

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No./DP ID / Client ID	

I/We, being the Member(s) of _____ shares of **Aarv infratel Limited**, hereby appoint

(1) Name : _____
Address : _____

E-mail ID : _____ Signature: _____
or failing him/her

(2) Name : _____
Address : _____

E-mail ID : _____ Signature: _____
or failing him/her

(3) Name : _____
Address : _____

E-mail ID : _____ Signature: _____
or failing him/her

as my/our proxy to attend and vote(on a poll)forme/us and on my/our behalf at the 25thAnnual General Meeting of the Company to be held on 29.09.2017 at 9.30 A.M at Plot No.78,Sai Durga Enclave,Agrahara Village Kogilu,Yelahanaka, Bangalore, Karnataka -560064, and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No	Resolutions	For	Against
1	ORDINARY BUSINESS: To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2018, including the audited Balance Sheet as at March 31, 2018, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.		
2	To appoint a director in place of Mr. Raghuvveer Sakuru, who retires by rotation and being eligible, offers himself for re-appointment.		
3	SPECIAL BUSINESS: Appointment of Mrs. Jhansi Lakshmi Anne (DIN: 05243450) as a Director of the Company		
4	Appointment of Mr. MogullaSandeep Reddy (DIN: 02939213) as a Director of the Company		
5	Appointment of Mr. MogullaSandeep Reddy (DIN: 02939213) as a Whole Time Director of the Company		

Signed this..... day of..... 20.....

Signature of shareholder:_____

Affix
Revenue
Stamp

Signature of Proxy holder(s):_____

NOTES:

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Regd Office: Plot No.78,SaiDurga Enclave,Agrahara Village Kogilu,Yelahanka, Bangalore, Karnataka -560064, not less than 48 hours before the commencement of the Meeting.
2. Those members who have multiple folios with different joint holders may use copies of this Proxy.
3. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

AARV INFRATEL LIMITED

CIN: L93000KA1992PLC100274

RegdOffice : Plot No.78,Sai Durga Enclave,Agrahara Village Kogilu,Yelahanaka.
Bangalore Karnataka 560064 IN

ATTENDANCE SLIPS

(To be presented at the entrance)

26th ANNUAL GENERAL MEETING ON 28th day of September, 2018, AT 9.30 A.M

Folio No. DP ID No.Client ID No. _____

Name of the Member: Signature: _____

Name of the Proxy holder: Signature: _____

