

**ARRAYCOM (INDIA) LIMITED**  
**(CIN: U32109GJ1992PLC039667)**

**NOTICE**

**NOTICE** is hereby given that the **24<sup>TH</sup> ANNUAL GENERAL MEETING** of the members of **ARRAYCOM (INDIA) LIMITED** will be held as under:

Date : 22<sup>nd</sup> September, 2017

Day : Friday

Time : 4.00 P.M.

Place : At the Registered Office of the Company at:

Plot No.B-13, 13/1 & 14, GIDC Electronics Estate, Sector 25, Gandhinagar – 382023 (Gujarat)

to transact the following business:

**ORDINARY BUSINESS:**

1. To receive and adopt Audited financial statements of the Company for the financial year 2016-17 and to pass the following Resolution, with or without modification as an Ordinary Resolution:

**“RESOLVED THAT** Audited financial statements of the Company for the financial year 2016-17 comprising of Balance Sheet as on 31<sup>st</sup> March, 2017 and the Statement of Profit and Loss for the financial year ended 31<sup>st</sup> March, 2017 together with all annexures and attachment thereto including the Directors’ Report and Auditors’ Report thereon which have already been circulated to the members and as laid before this meeting, be and the same are hereby approved and adopted.”

2. To appoint a Director in place of Mr. Bipin C. Vasavada (DIN: 01432243), who retires by rotation and, being eligible, offers himself for re-appointment and to pass following Resolution, with or without modification, as an Ordinary Resolution:

**“RESOLVED THAT** the retiring Director, Mr. Bipin C. Vasavada (DIN: 01432243), be and is hereby reappointed as a Director of the Company, liable to retire by rotation.”

3. To ratify the appointment of Auditors made in the 21<sup>st</sup> Annual General Meeting (AGM) for holding the office from the conclusion of 21<sup>st</sup> AGM till the conclusion of the 26<sup>th</sup> AGM and to fix their remuneration and to pass following Resolution, with or without modification, as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, appointment of M/s. J. T. Shah & Co., Chartered Accountants as Auditors of the Company made in the 21<sup>st</sup> Annual General Meeting (AGM) held on 29<sup>th</sup> September, 2014 for the period from the conclusion of that 21<sup>st</sup> AGM till the conclusion of the 26<sup>th</sup> AGM, be and is hereby ratified.

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and is hereby authorised to fix their remuneration in consultation with them and also to take all other actions as may be required in this regard.”

**By Order of the Board,  
For Arraycom (India) Limited,  
(CIN: U32109GJ1992PLC039667)**

Place : Gandhinagar

Date : 27<sup>th</sup> July, 2017

**Lalit P. Sanghvi  
CFO & Company Secretary**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IN THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

**A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

2. **Book closure**

The Company is not required to declare any book closure.

3. **Nomination facility**

Members holding shares in physical form may obtain the nomination forms from the Company's Registrar & Share Transfer Agents. Members holding shares in electronic form may obtain nomination forms from their respective Depository Participants.

4. **Dematerialisation of shares**

Members are requested to convert their holdings in physical form to dematerialised form for eliminating the risk and for better convenience. ISIN of Company's Equity shares is "INE168B01023".

5. The Notice of the 24<sup>th</sup> AGM and instructions for remote e-voting along with the attendance slip and proxy form are being sent by electronic mode to all the members whose email addresses are registered with Company/ Depository Participant(s) unless member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode and they are requested to register their email address with Company/Depository Participant(s).

6. Members are requested to notify immediately any change in their address to the Company at its Registered Office & factory at B-13, 13/1 & 14, Electronics Estate, GIDC, Sector - 25, Gandhinagar - 382 023.

7. Members are requested to bring their copy of the Annual Report along with them to the Annual General Meeting.

8. Members desiring any information as regards the annual accounts are requested to write to the Company at least 7 days before the date of the meeting, so as to enable the management to keep the information ready.

9. **E-VOTING**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically on all resolutions set forth in the notice convening 24<sup>th</sup> Annual General Meeting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The complete details of the instructions for e-voting are annexed to this notice.

**By Order of the Board,  
For Arraycom (India) Limited,  
(CIN: U32109GJ1992PLC039667)**

**Place :** Gandhinagar  
**Date :** 27<sup>th</sup> July, 2017

**Lalit P. Sanghvi  
CFO & Company Secretary**

**INSTRUCTIONS FOR E-VOTING:**

The instructions for members for voting electronically are as under:-

- i) The Remote E-voting period begins on 19<sup>th</sup> September, 2017 (Tuesday) at 9.00 a.m. (IST) and ends on 21<sup>st</sup> September, 2017 (Thursday) at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15<sup>th</sup> September, 2017 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on 21<sup>st</sup> September, 2017.
- ii) The shareholders should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com)
- iii) Click on “Shareholders” tab.
- iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> <li>• In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii) After entering these details appropriately, click on “SUBMIT” tab.
- ix) Members holding shares in physical form will then reach directly 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.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN (for **ARRAYCOM (INDIA) LIMITED**) on which you choose to vote.
- xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions Details.
- xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the existing password, then Enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for all mobile users. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx) Any person who acquires the shares of the Company and becomes the Member of the Company after dispatch of the notice and holding shares as on the cut-off date of 15<sup>th</sup> September, 2017 may obtain the login Id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting, then person becoming member can use their existing user ID and password for casting their vote.
- xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xxii) The Company shall be making arrangements for the members to cast their votes in respect to the businesses through poll/ballot, for members attending the meeting who have not cast their vote by remote voting.
- xxiii) The Company has appointed Mr. Manoj Hurkat, a Practicing Company Secretary, Ahmedabad as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- xxiv) The scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in presence of at least two witnesses not in employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer’s Report of the total votes casted in favour or against, if any, to the Chairperson or a person authorized by her in writing who shall countersign the same and Chairperson shall declare the results of voting forthwith, which shall not be later than 5:00 p.m., of 24<sup>th</sup> September, 2017.
- xxv) The result declared, along with the Scrutinizer’s Report shall be placed on the Company’s website: [www.arraycom.co.in](http://www.arraycom.co.in) and on the website of CDSL after the result is declared by the Chairperson.

**ARRAYCOM (INDIA) LIMITED**  
(CIN: U32109GJ1992PLC039667)

**DIRECTORS' REPORT**

To,  
The Members,  
**ARRAYCOM (INDIA) LIMITED**

Your Directors are pleased to present their 24<sup>th</sup> Annual Report together with Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2017.

<b>FINANCIAL HIGHLIGHTS</b>	(₹ In Lacs)	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
<b>Revenues (Net)</b>	<b>1864.58</b>	1261.70
<b>Operational Profit / (Loss) Before Finance Cost, Depreciation and Taxes</b>	<b>114.37</b>	(73.85)
Less : Finance Cost	<b>61.48</b>	87.65
Depreciation and Amortization Cost	<b>78.98</b>	103.67
Provision for Taxation/Short provision related to earlier years	<b>0.12</b>	11.31
<b>Operational Loss After Finance Cost, Depreciation and Taxes</b>	<b>(26.21)</b>	(276.48)
Less : Exceptional Income	—	320.92
<b>Net Profit/(Loss) for the year</b>	<b>(26.21)</b>	44.44

**DIVIDEND**

Your Directors regret their inability to recommend any dividend for the financial year 2016-17 in view of net loss incurred by the Company.

**OPERATIONAL PERFORMANCE**

- The revenues of the Company for the year 2016-17 increased to ₹ 18.65 crores as against ₹ 12.62 crores achieved in the last year.
- EBIDTA has been ₹ 1.14 crores as against ₹ (0.74) crores (before Exceptional Income) in the last year.
- The Company incurred net loss of ₹ (0.26) crores as against net profit of ₹ 0.44 crores (after Exceptional Income) in the last year.

The margins remain subdued due to the high operational costs.

**OUTLOOK**

The year under report witnessed two major policy initiatives by Government of India having far reaching long term consequences on the Indian Economy. The long pending reform as regards implementation of Goods and Service Tax ultimately materialized on passage of constitutional amendment bill. The de-monetization of high value currency in the later half of the financial year 2016-17 led to stringent liquidity issues affecting the economic growth adversely.

In the current year, the economy is slowly recouping from the after effects of these policy changes. On positive side the inflation has been continuously softening which will ensure easing of interest rates over longer period. Healthy monsoon with improvement in the overall demand will give boost to the Indian Economy which continues to remain one of the fastest growing economy in the world.

It is expected that after implementation of GST, the process of floating tenders by the Government customers will be expedited which will result into higher inflow of orders in the System Integration Division. The demand for electronic materials is showing steady growth in the current year. The Company has taken conscious decision to gradually prune down the activities of E-path Division due to the operations becoming non viable in the present setup.

Your Company's diversification initiative towards setting up of Solar Power Generation Plants for residential, institutional and industrial units started showing good results in the financial year under report. As a channel partner of MNRE, the Company hopes to increase overall business due to major thrust given by the Government towards promoting Solar Power Generation.

#### **FINANCE**

State Bank of India has assessed the working capital requirement based on the projected level of activity and has renewed the working capital facilities both fund based and non fund based aggregating to ₹ 25.00 crores as compared to ₹ 49.64 crores sanctioned last year. The Company has repaid unsecured business loan aggregating to ₹ 0.39 crore during the year under the report. The Company has not availed any fresh term finance during the year 2016-17. The Company has been regular in repayment of all its dues towards working capital limits and loans.

#### **DETAILS OF SUBSIDIARIES/ASSOCIATES/JOINT VENTURE COMPANIES**

The Company does not have any Subsidiary Company or Associate Company or Joint Venture Company.

#### **MATERIAL CHANGES AND COMMITMENT**

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the financial statements relate and the date of the report.

#### **REVISION OF FINANCIAL STATEMENT/REPORT**

During the year, the financial statement / report was not revised. Hence further details are not applicable.

#### **DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. Bipin C. Vasavada (DIN: 01432243), Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself to be re-appointed as Director of the Company.

The Board recommends the re-appointment of Mr. Bipin C. Vasavada (DIN: 01432243) as Director of the Company liable to retire by rotation.

During the year under review, there was no appointment or cessation of the Director. There has been no change in the Key Managerial Person (KMP).

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company;
3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts on a going concern basis; and
5. that 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.

#### **NUMBER OF MEETINGS OF BOARD**

The Board of Directors duly met 5 (five) times in the year 2016-17.

## SHARE CAPITAL

There was no change in the Paid-up Share Capital of the Company which was ₹5.00 crores as on 31<sup>st</sup> March 2017. During the year the Company has not issued any equity shares with differential voting rights or sweat equity shares or granted employee stock options.

## AUDITORS & AUDITORS' REPORT

M/s. J. T. Shah & Co., Chartered Accountants, the existing Auditors of the Company were appointed as Auditors of the Company at the 21<sup>st</sup> AGM for holding the office from the conclusion of that 21<sup>st</sup> AGM till the conclusion of the 26<sup>th</sup> AGM (subject to ratification by the members at every subsequent Annual General Meetings).

Hence the members are requested to consider the matter of ratification of appointment of Auditors made and also to fix their remuneration.

As regards observations made by the Auditors in Para 7 (c) of the Annexure 'A' to the Auditors' Report, your Directors would like to give their comments as under:

- The Income-tax Department had raised demand for ₹ 5.66 lacs pertaining to A.Y. 2012-13. Since there was a mistake, the Company has filed rectification application u/s 154 of Income-tax Act, 1961 with the office of ACIT, Mumbai.
- The GIDC has raised demand for ₹ 8.06 lacs towards service charges, NAA charges, lease rent and infrastructure fund. Since company's land has been converted into free hold land, such charges are not payable by the Company. GIDC has been requested to give the documents in support of their claim which they have not submitted so far.
- The Dy. Commissioner of Commercial Taxes, Gujarat has raised the demand for ₹ 13.99 lacs with respect to the Assessment for the year 2012-13. The Company has preferred an appeal against this order before the Joint Commissioner of Commercial Taxes, Gandhinagar, which is pending for final orders.
- The Company had received show cause notice from the Additional Commissioner, Central Excise & Service Tax, Ahmedabad as regards cenvat credit of ₹ 18.46 lacs availed by the Company in the month of March 2013 in respect of Service Tax on software services availed. The Company has already filed its reply and has also concluded the submissions in the personal hearing held on 29th March 2017 before the Asstt. Commissioner of Central Excise, Gandhinagar. Final orders in this regard are awaited.

## INTERNAL FINANCIAL CONTROL

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.

## REGULATORY ORDERS

During the year there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment measures in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year, there were no complaints received under the said Act.

## AUDIT COMMITTEE

The requirement of Audit Committee is not applicable to the Company. However, Company is having Audit committee which comprises of the following Directors of the Company:

Mrs. Gors A. Parekh

Mrs. Kalawati J. Parekh

Mr. Bipin Vasavada

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

Stakeholders' Relationship Committee comprises of the following Directors of the Company:

Mrs. Gors A. Parekh

Mr. Bipin Vasavada

Mr. Ranchhodbhai N. Patel

## RISK MANAGEMENT

The Company is committed to manage both internal and external risks in efficient manner and has thus framed requisite plans to tackle the same with a view to minimize threats and/or losses and protect the shareholders value effectively.

## PARTICULARS OF EMPLOYEES

None of the employees of the Company is drawing remuneration requiring disclosure of information under Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

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

<b>(A) Conservation of energy</b>		
(i)	the steps taken or impact on conservation of energy	The revenue generation from the manufacturing activities has been nominal. The major contribution is forthcoming from System Integration and other businesses, which do not involve manufacturing activities. The project to install 40 kW of Roof Top Solar Power Generation Plant at capital outlay of around ₹ 16.00 Lacs at the Company's factory building at Gandhinagar is under progress.
(ii)	the steps taken by the Company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipments	
<b>(B) Technology absorption</b>		
(i)	the efforts made towards technology absorption	No new technology has been brought in by the Company.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	No technology has been imported in last three years hence other details are not applicable.
(iv)	the expenditure incurred on Research and Development	Expenditure on R & D is an integral part of Company's regular activity, hence the same is not separately identifiable.
<b>(C) Foreign Exchange earnings and outgo</b>		
	The Foreign Exchange earned in terms of actual inflows during the year	–
	The Foreign Exchange outgo during the year in terms of actual outflows	₹ 890.53 lacs



## **DEPOSITS**

During the year under report, your Company has not accepted any deposits pursuant to Section 73 of the Companies Act, 2013. Hence further details are not given.

## **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return in the prescribed form is appended as Annexure- 1 attached herewith.

## **RELATED PARTY TRANSACTIONS**

All the transactions / contracts entered into by the Company during the financial year under report with related parties were in the ordinary course of business and on an arm length's basis. Necessary details have been given in note No. 32 - Notes forming part of financial statements, which is self-explanatory. There are no material transactions required to be disclosed in form No. AOC-2.

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

During the year no loan/investment/guarantee were made under section 186 of the Companies Act, 2013.

## **ACKNOWLEDGEMENT**

Your Company has completed 25 years of its operations in the current year. Your Directors would like to put on record their appreciation for the support extended during this long journey by its valued customers, suppliers, business associates, various Government agencies, Banks, Auditors and other stakeholders. Your Directors also extend their gratitude to the members of the Company for the confidence reposed by them.

For and on behalf of the Board,

Place : Gandhinagar  
Date : 27<sup>th</sup> July, 2017

**Gorsi Parekh**  
**(DIN: 00343194)**  
**Chairperson & Managing Director**

**FORM No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017**  
[Pursuant to section 92(3) of the Companies Act, 2013 and  
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	U32109GJ1992PLC039667
<b>Registration Date</b>	18/06/1992
<b>Name of the Company</b>	Arraycom (India) Limited
<b>Category of the Company</b>	Public Company
<b>Sub Category of the Company</b>	Limited by Shares & having Share Capital
<b>Address</b>	Plot No.B-13, 13/1 & 14, Electronics Estate, GIDC, Sector-25, Gandhinagar – 382023
<b>Contact Details</b>	079- 23287030/ 32
<b>Whether Shares Listed</b>	No
<b>Details of Registrar and Transfer Agent</b>	
<b>Name</b>	MCS Share Transfer Agent Limited
<b>Address</b>	101, Shatdal Complex, 1 <sup>st</sup> Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380009
<b>Contact Details</b>	(079) 26580461 / 62 / 63

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sr. No.	Name and description of main products /services	NIC code of the product/service	% of total turnover of the company
1	System Integration in the fields of Satellite Communication and Broadcasting	613 & 749	81.51%
2.	Electronic Materials (TFM)	261	16.88%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
Not Applicable					

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**

**(i) CATEGORY-WISE SHARE HOLDING:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters &amp; Promoters Group</b>									
<b>1 Indian</b>									
A Individual/ HUF	3307895	217019	3524914	70.4985	3314895	217119	3532014	70.6405	0.1420
B Central Govt	—	—	—	—	—	—	—	—	—
C State Govt(s)	—	—	—	—	—	—	—	—	—
D Bodies Corporate	—	—	—	—	—	—	—	—	—
E Banks / Financial Institutions	—	—	—	—	—	—	—	—	—
F Any Other	—	—	—	—	—	—	—	—	—
<b>Sub-total (A) (1)</b>	<b>3307895</b>	<b>217019</b>	<b>3524914</b>	<b>70.4985</b>	<b>3314895</b>	<b>217119</b>	<b>3532014</b>	<b>70.6405</b>	<b>0.1420</b>
<b>2 Foreign</b>									
A NRIs - Individuals	—	—	—	—	—	—	—	—	—
B Other - Individuals	—	—	—	—	—	—	—	—	—
C Bodies Corporate	—	—	—	—	—	—	—	—	—
D Banks / Financial Institutions	—	—	—	—	—	—	—	—	—
E Any Other...	—	—	—	—	—	—	—	—	—
<b>Sub-total (A) (2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>3307895</b>	<b>217019</b>	<b>3524914</b>	<b>70.4985</b>	<b>3314895</b>	<b>217119</b>	<b>3532014</b>	<b>70.6405</b>	<b>0.142</b>
<b>B. Public Shareholding</b>									
<b>1 Institutions:</b>									
A Mutual Funds	—	—	—	—	—	—	—	—	—
B Banks / Financial Institutions	—	100	100	0.0020	—	100	100	0.0020	—
C Central Govt	—	—	—	—	—	—	—	—	—
D State Govt(s)	—	—	—	—	—	—	—	—	—
E Venture Capital Funds	—	—	—	—	—	—	—	—	—
F Insurance Companies	—	—	—	—	—	—	—	—	—
G FIs —	—	—	—	—	—	—	—	—	—
H Foreign venture Capital Funds	—	—	—	—	—	—	—	—	—
I Others (specify)	—	—	—	—	—	—	—	—	—
<b>Sub-total (B)(1)</b>	<b>—</b>	<b>100</b>	<b>100</b>	<b>0.0020</b>	<b>—</b>	<b>100</b>	<b>100</b>	<b>0.0020</b>	<b>—</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2 Non Institutions:</b>									
a Bodies Corporate									
i) Indian	86400	30300	116700	2.3340	11350	30300	41650	0.8330	(1.5010)
ii) Overseas	—	—	—	—	—	—	—	—	—
b Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	436658	858838	1295496	25.9100	433108	855088	1288196	25.7639	(0.1461)
ii) Individual Shareholder holding nominal share capital in excess of ₹ 1 lac	52850	—	52850	1.0570	128100	—	128100	2.5620	1.5050
c Others (specify)									
- Hindu Undivided Families	8250	—	8250	0.1650	8250	—	8250	0.1650	—
- Non Resident Individual	1675	—	1675	0.0335	1675	—	1675	0.0335	—
<b>Sub-total (B)(2)</b>	<b>585833</b>	<b>889138</b>	<b>1474971</b>	<b>29.4995</b>	<b>582483</b>	<b>885388</b>	<b>1467871</b>	<b>29.3575</b>	<b>(0.1420)</b>
<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	<b>585833</b>	<b>889238</b>	<b>1475071</b>	<b>29.5015</b>	<b>582483</b>	<b>885488</b>	<b>1467971</b>	<b>29.3595</b>	<b>(0.1420)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	—	—	—	—	—	—	—	—	—
<b>Grand Total (A+B+C)</b>	<b>3893728</b>	<b>1106257</b>	<b>4999985</b>	<b>100.00</b>	<b>3897378</b>	<b>1102607</b>	<b>4999985</b>	<b>100.00</b>	<b>—</b>

**(ii) SHAREHOLDING OF PROMOTERS:**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (01/04/2016)			Share holding at the end of the year (31/03/2017)			% change in share Holding During the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Mrs. Kalawati J. Parekh	834205	16.6842	—	834205	16.6842	—	—
2	Mrs. Gors A. Parekh	2493209	49.8643	17.6000	2493309	49.8663	17.6000	0.0020
3	Mr. Varun A. Parekh	48700	0.9740	—	48700	0.9740	—	—
4	Ms. Parita A. Parekh	148800	2.9760	—	155800	3.1160	—	0.1400
	Total	3524914	70.4985	17.6000	3532014	70.6405	17.6000	0.1420

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

Sr. No.		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
	At the beginning of the year	3524914	70.4985	3524914	70.4985
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)				
	Date of Increase(+)/decrease(-)				
	Purchase during the year on various dates from 01/04/2016 to 31/03/2017	7100	0.1420	3532014	70.6405

**(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01/04/2016)		Share holding at the end of the year (31/03/2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mahendra Girdharilal	–	–	60000	1.2000
2.	Shilpa Sameer Shah	5000	0.1000	16750	0.3350
3.	Indra Kumar Bagri	250	0.0050	15250	0.3050
4.	Suashish Finance Ltd	15000	0.3000	15000	0.3000
5.	Chirag Popatlal Jain Manali Chirag Jain	13750	0.2750	13750	0.2750
6.	Sonal Mansukhlal Shah	11900	0.2380	11900	0.2380
7.	Nayna Rajesh Parekh	10450	0.2090	10450	0.2090
8.	Ramesh Goverdhan Surjan Alka B Surjan	10000	0.2000	10000	0.2000
9.	Popatlal Hukumichand Jain	10000	0.2000	10000	0.2000
10.	Umesh Kantilal Jain Vaishali Umesh Jain	10000	0.2000	10000	0.2000

**(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Sr. No.	For Each of the Directors and KMP	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.	Mrs. Gors A. Parekh	2493209	49.8643	2493309	49.8663
2.	Mrs. Kalawati J. Parekh	834205	16.6842	834205	16.6842
3.	Mr. Varun A. Parekh	48700	0.9740	48700	0.9740
4.	Mr. Lalit P. Sanghvi – CFO & Company Secretary	25	0.0005	25	0.0005

**V. INDEBTEDNESS:**

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

(₹ In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	76.77	55.38	–	132.15
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	<b>76.77</b>	<b>55.38</b>	<b>–</b>	<b>132.15</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	52.50	569.21	–	621.71
• Reduction	–	–	–	–
<b>Net Change</b>	<b>52.50</b>	<b>569.21</b>	<b>–</b>	<b>621.71</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	129.27	624.59	–	753.86
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	<b>129.27</b>	<b>624.59</b>	<b>–</b>	<b>753.86</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

(₹ In lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mrs. Gorsi Parekh (CMD)	Mrs. Kalawati Parekh (WTD)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	45.00	34.50	79.50
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	–	–	–
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission			
	- as % of profit	–	–	–
	- Others, specify...	–	–	–
5.	Others, please specify	–	–	–
	<b>Total (A)</b>	<b>45.00</b>	<b>34.50</b>	<b>79.50</b>
	Ceiling as per the Act	Within prescribed limit of Schedule V of the Companies Act, 2013.	Within prescribed limit of Schedule V of the Companies Act, 2013.	Within prescribed limit of Schedule V of the Companies Act, 2013.

\* Appointment of MD & WTD were made under Para A of Section II of Part II of the Schedule V of the Companies Act, 2013.

**B. REMUNERATION TO OTHER DIRECTORS:**

(₹ In lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Shri Bipin Vasavada	Shri R.N. Patel	Shri Varun Parekh	
1.	Independent Directors				
	• Fee for attending board / committee meetings	0.12	0.12	—	0.24
	• Commission	—	—	—	—
	• Others, please specify	—	—	—	—
	Total (1)	0.12	0.12	—	0.24
2.	Other Non-Executive Directors				
	• Fee for attending board / committee meetings	—	—	0.06	0.06
	• Commission	—	—	—	—
	• Others, please specify	—	—	—	—
	Total (2)	—	—	0.06	0.06
	Total (B)=(1+2)	0.12	0.12	0.06	0.30

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

(₹ In lacs)

Sr. No.	Particulars of Remuneration	Mr. Lalit P. Sanghvi (CFO & Company Secretary)	Total
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32.49	32.49
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	16.97	16.97
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission		
	- as % of profit	—	—
	- Others, specify...	—	—
5.	Others, please specify	—	—
	<b>Total</b>	<b>49.46</b>	<b>49.46</b>



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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			-----None-----		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			-----None-----		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			-----None-----		
Punishment					
Compounding					

## FINANCIAL HIGHLIGHTS

(₹ in Lacs)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Sale of Goods &amp; Services</b>					
- Domestic (net of excise duty & service tax )	1843.43	1239.18	5804.57	5597.02	3370.59
- Exports	–	–	0.26	–	–
<b>Total (Excluding Other Income)</b>	1843.43	1239.18	5804.83	5597.02	3370.59
<b>Gross Profit/(Loss)</b>	52.89	(161.50)	271.48	242.24	125.35
Depreciation	78.98	103.67	104.20	86.66	54.90
<b>Profit/(Loss) before tax and prior period items</b>	(26.09)	(265.17)	167.28	155.58	70.45
Exceptional Income	–	320.92	–	–	–
<b>Profit/(Loss) before tax</b>	(26.09)	55.75	167.28	155.58	70.45
Tax provision/short provision for tax related to earlier year	0.12	11.31	32.50	34.40	12.65
<b>Profit/(Loss) after tax</b>	(26.21)	44.44	134.78	121.18	57.80
<b>Capital Employed</b>					
Share capital	500.00	500.00	500.00	500.00	500.00
Reserves & surplus	2696.75	2722.96	2678.52	2543.74	2422.56
<b>Net Worth</b>	3196.75	3222.96	3178.52	3043.74	2922.56
<b>Borrowings</b>	753.86	132.16	2174.08	2227.49	1853.74
Earning per share of ₹ 10/- each (₹ per share)	(0.52)	0.89	2.70	2.42	1.16
Dividend per share of ₹ 10/- each	–	–	–	–	–
Net Worth per share of ₹ 10/- each (₹ per share)	63.94	64.46	63.57	60.87	58.45

## INDEPENDENT AUDITORS' REPORT

The Members of  
**ARRAYCOM (INDIA) LIMITED**  
Gandhinagar, Gujarat

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

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

### **2. Management's Responsibility for the Standalone Financial Statements**

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

### **3. Auditors' Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;

- ii. In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### 5. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of Companies Act 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
- ii. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in "Annexure – B".
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note 30 to the financial statements).
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management (Refer Note 43 to the financial statements).

**For, J. T. Shah & Co.**  
Chartered Accountants,  
[FR No. 109616W]

**(J. J. Shah)**  
Partner  
[M. No. 45669]

Place : Ahmedabad  
Date : 27<sup>th</sup> July 2017

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

Referred to in paragraph 5 (i) of our Report of even date to the Members of **ARRAYCOM (INDIA) LIMITED** for the year ended 31st March, 2017.

### **1. In respect of Fixed Assets :**

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- (b) As per the information and explanations given to us, Fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) As explained to us, the title deeds of all the immovable properties are held in the name of the Company.

### **2. In respect of its Inventories :**

- (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.

### **3. In respect of Loans and Advances granted during the year:**

As per information and explanation given to us, the Company has not granted any loan to any parties covered under the register maintained under section 189 of the Companies Act, 2013 and hence clause 3(iii) of The Companies (Auditors’ Report) Order, 2016 is not applicable.

### **4. Loans, Investments and guarantees:**

In our opinion, and according to the information and explanations given to us, the Company had given guarantee for loans taken by other body corporate from a financial institution having the year-end balance of ₹ 300 lacs and the maximum amount involved during the year was ₹ 300 Lacs. In our opinion Company had complied with relevant provisions of the Companies Act.

5. During the year, the Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company. Therefore clause (v) of Companies (Auditors’ Report) Order, 2016 is not applicable.

6. As informed to us, the maintenance of cost records are not prescribed by the Central Government as per the provisions of Companies (Cost Records and Audit) Rules, 2014, for the year under review.

### **7. In respect of Statutory Dues :**

- (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income tax, wealth tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues were outstanding as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.
- (c) *According to the records of the Company, there are no dues of income tax, sales tax, wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any disputes except following:*
- *Income Tax dues of ₹ 5.66 lacs pertaining to the A.Y. 2012-13 for which rectification application u/s 154 of the Income Tax Act, 1961 has been filed with the Office of ACIT, Mumbai.*
  - *Demand of Revenue Charges by GIDC of ₹ 8.06 Lacs against which objections have been raised by the Company.*
  - *Demand for ₹ 13.99 lacs of Central Sales Tax / Vat in respect of assessment for the year 2012-13 raised by Dy. Commissioner of Commercial Taxes ,Gujarat, against which the Company has preferred an appeal before the Jt. Commissioner of Commercial Tax, Gandhinagar which is pending.*
  - *Company has received a show cause notice regarding CENVAT credit of ₹ 18.46 lacs availed in the month of March, 2013 against which the Company has filed its reply and also concluded the submissions in the personal hearing before the Asstt. Commissioner, Central Excise, Gandhinagar for which the final order is awaited.*
- (d) According to the records of the Company there are no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 (1 of 2013) and rules made there under.
8. Based on our audit procedure and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to Financial Institutions, Banks or Debenture holders.
9. According to the information and explanations given to us, the Company had not raised any money by way of public issue during the year. According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, in our opinion, the term loans taken during the year were applied for the purpose for which they were obtained.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officer or employees has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the Company had paid managerial remuneration which is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of The Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the provisions of special statute applicable to chit funds and nidhi / mutual benefit funds / societies are not applicable to the Company. Hence, clause (xii) of the Company's (Auditors' Report) Order, 2016 is not applicable.

13. In our opinion and according to the information and explanations given to us, the transactions entered by the Company with related parties are in compliance with the provisions of section 177 and 188 of The Companies Act, 2013 and details thereof are properly disclosed in the financial statements.
14. In our opinion and according to the information and explanations given to us, no preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review was made by the Company and hence, clause (xiv) of the Company's (Auditors' Report) Order, 2016 is not applicable.
15. The Company had not entered into any non-cash transactions with the directors or persons connected with them during the year, and hence clause (xv) of Company's (Auditors' Report) Order, 2016 is not applicable.
16. In our opinion and according to the information and explanations given to us the Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934, hence clause (xvi) of Company's (Auditors' Report) Order, 2016 is not applicable.

**For, J. T. Shah & Co.**  
Chartered Accountants,  
[FR No. 109616W]

**(J. J. Shah)**  
Partner  
[M. No. 45669]

Place : Ahmedabad  
Date : 27<sup>th</sup> July 2017

## **ANNEXURE “B” TO INDEPENDENT AUDITORS’ REPORT**

Referred to in paragraph 5(ii)(f) of our Report of even date to the Members of **ARRAYCOM (INDIA) LTD** for the year ended 31st March, 2017.

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

We have audited the internal financial controls over financial reporting of **ARRAYCOM (INDIA) LTD** as of **31st March 2017**, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors’ Responsibility**

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

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

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

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

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



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

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

### **Opinion**

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

**For, J. T. Shah & Co.**  
Chartered Accountants,  
[FR No. 109616W]

**(J. J. Shah)**  
Partner  
[M. No. 45669]

Place : Ahmedabad  
Date : 27<sup>th</sup> July 2017

## BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
<b>Equity and Liabilities</b>			
<b>[1] Shareholders' Funds</b>			
[a] Share Capital	2	500.00	500.00
[b] Reserves and Surplus	3	2696.75	2722.96
		<b>3196.75</b>	<b>3222.96</b>
<b>[2] Non Current Liabilities</b>			
[a] Long Term Borrowings	4	8.57	11.27
[b] Long Term Provisions	5	18.73	22.60
		<b>27.30</b>	<b>33.87</b>
<b>[3] Current Liabilities</b>			
[a] Short Term Borrowings	6	742.59	90.81
[b] Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	7	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7	48.19	59.83
[c] Other Current Liabilities	8	69.91	111.67
[d] Short Term Provisions	5	4.31	15.30
		<b>865.00</b>	<b>277.61</b>
<b>Total .....</b>		<b>4089.05</b>	<b>3534.44</b>
<b>Assets</b>			
<b>[1] Non Current Assets</b>			
[a] Fixed assets :			
(i) Property, Plant and Equipment	9	2185.38	2238.50
(ii) Intangible Assets	9	112.39	149.36
		2297.77	2387.86
[b] Non Current Investments	10	0.61	0.61
[c] Long Term Loans and Advances	11	110.41	81.50
[d] Other Non Current Assets	12	10.00	18.08
		<b>2418.79</b>	<b>2488.05</b>
<b>[2] Current Assets</b>			
[a] Inventories	13	146.91	110.87
[b] Current Investments	14	101.75	156.97
[c] Trade Receivables	15	1051.89	428.91
[d] Cash & Bank Balances	16	73.64	101.08
[e] Short Term Loans and Advances	11	280.93	237.16
[f] Other Current Assets	17	15.14	11.40
		<b>1670.26</b>	<b>1046.39</b>
<b>Total .....</b>		<b>4089.05</b>	<b>3534.44</b>
Significant accounting policies	1		
Notes on financial statements	2 to 44		

As per our report of even date  
For **J. T. Shah & Co.**  
Chartered Accountants  
(FR No. 109616W)

**J. J. Shah**  
Partner  
M. No. 45669  
Place : Ahmedabad  
Date : 27<sup>th</sup> July, 2017

For and on behalf of the Board

**G. A. Parekh**      Chairperson & Managing Director  
(DIN : 00343194)

**K. J. Parekh**      Whole Time Director  
(DIN : 00343326)

**L. P. Sanghvi**      C F O & Company Secretary

Place : Gandhinagar  
Date : 27<sup>th</sup> July, 2017

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	Note No.	For the year ended 31/03/2017 ₹ in lacs	For the year ended 31/03/2016 ₹ in lacs
<b>Income</b>			
Revenue From Operations	18	1921.06	1327.52
Less :- Excise Duty and Service Tax		77.63	88.34
		<b>1843.43</b>	<b>1239.18</b>
Other Income	19	21.15	22.52
<b>Total Revenue</b>		<b>1864.58</b>	<b>1261.70</b>
<b>Expenses</b>			
Cost of Materials Consumed	20	197.68	128.87
Purchase of Stock in Trade	21	955.77	248.44
Cost of Service For Project	22	3.86	56.68
Changes In Inventories of Finished Goods, Work In Process and Stock In Trade	23	(45.77)	6.40
Employee Benefit Expense	24	418.25	492.74
Finance Costs	25	61.48	87.65
Depreciation and Amortisation Expenses	26	78.98	103.67
Other Expenses	27	220.42	402.42
<b>Total Expenses</b>		<b>1890.67</b>	<b>1526.87</b>
<b>Loss Before Exceptional Income and Tax</b>		<b>(26.09)</b>	<b>(265.17)</b>
Exceptional Income	28	–	320.92
<b>Profit/(Loss) Before Tax</b>		<b>(26.09)</b>	<b>55.75</b>
<b>Less : Tax Expenses:</b>			
- Current Tax		–	10.70
- Short Provision For Tax Related to Earlier Years		0.12	0.61
<b>Profit/(Loss) After Tax</b>		<b>(26.21)</b>	<b>44.44</b>
<b>Basic &amp; Diluted Earnings Per Share of ₹ 10 Each</b>	29	₹ (0.52)	₹ 0.89
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 44		

As per our report of even date  
For **J. T. Shah & Co.**  
Chartered Accountants  
(FR No. 109616W)

**J. J. Shah**  
Partner  
M. No. 45669  
Place : Ahmedabad  
Date : 27<sup>th</sup> July, 2017

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**G. A. Parekh** Chairperson & Managing Director  
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**L. P. Sanghvi** C F O & Company Secretary

Place : Gandhinagar  
Date : 27<sup>th</sup> July, 2017

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

PARTICULARS	2016-17		2015-16	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
<b>A: Cash from Operating Activities :</b>				
Net Profit/(Loss) before Taxation		(26.09)		55.75
Adjustment For :				
Depreciation	78.98		103.67	
Loss on Sale of Fixed Assets	12.07		1.05	
Interest Income	(12.36)		(12.14)	
Interest Paid	61.48		87.65	
		140.17		180.23
<b>Operating Profit Before Working Capital Changes :</b>		114.08		235.98
Adjustment For :				
Increase/(decrease) in long-term Provision	(3.87)		10.24	
Increase/(decrease) in short-term Provision	(10.99)		9.61	
Increase/(decrease) in other current liability	(41.76)		(93.00)	
Increase/(decrease) in Trade Payable	(11.64)		44.46	
Decrease/(increase) in Trade Receivable	(622.98)		1963.45	
Decrease/(increase) in inventories	(36.04)		8.19	
Decrease/(increase) in long term loans and advances	(28.91)		(33.14)	
Decrease/(increase) in short term loans and advances	(43.77)		86.36	
Decrease/(increase) in other current assets	(3.74)		(5.30)	
Decrease/(increase) in Investment	55.22		(156.97)	
Decrease/(increase) in other non-current assets	8.08		(1.78)	
		(740.40)	-	1832.12
Cash Generated From Operations		(626.32)		2068.10
Income Tax Paid/Short provision for tax related to earlier year	(0.12)		(11.31)	
Interest Paid	(61.48)		(87.65)	
		(61.60)		(98.96)
<b>Net Cash From Operating Activities (A)</b>		(687.92)		1969.14
<b>B: Cash Flow From Investment Activities :</b>				
Purchase of Fixed Assets	(9.41)		(65.80)	
Sale of Fixed Assets	8.45		5.68	
<b>Net Cash from Investment Activities (B)</b>		(0.96)		(60.12)

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

PARTICULARS	2016-17		2015-16	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
<b>C: Cash Flow From Financing Activities :</b>				
Interest Received during the year	12.36		12.15	
Repayments of Long Term Borrowings	(2.70)		(16.74)	
Increase/(Decrease) in Short Term Borrowings	651.78		(2017.70)	
<b>Net Cash from Financing Activities (C)</b>		661.44		(2022.29)
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		(27.44)		(113.27)
Cash & Cash Equivalents at the Beginning		101.08		214.35
Cash & Cash Equivalents at the End		73.64		101.08

Notes :

The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard - 3 issued by Companies (Accounting Standard) Rules, 2008

As per our report of even date  
For **J. T. Shah & Co.**  
Chartered Accountants  
(FR No. 109616W)

**J. J. Shah**  
Partner  
M. No. 45669  
Place : Ahmedabad  
Date : 27<sup>th</sup> July, 2017

For and on behalf of the Board

**G. A. Parekh** Chairperson & Managing Director  
(DIN : 00343194)

**K. J. Parekh** Whole Time Director  
(DIN : 00343326)

**L. P. Sanghvi** C F O & Company Secretary

Place : Gandhinagar  
Date : 27<sup>th</sup> July, 2017

## 1. Significant Accounting Policies for the year ended 31st March, 2017.

### a) Basis of preparation

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

### b) Use of estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

### c) Property, Plant and Equipment and Depreciation

#### Property, Plant and Equipment

Property, Plant and Equipment is stated at cost of acquisition (net of CENVAT, wherever applicable) as reduced by accumulated depreciation. All costs including financial cost till commencement of commercial production are capitalized for qualifying assets.

When Property, Plant and Equipment are disposed or retired, their cost is removed from the financial statements. The gain or loss arising on the disposal or retirement of Property, Plant and Equipment is determined as the difference between sales proceeds and the carrying amount of the Property, Plant and Equipment and is recognized in Statement of Profit and Loss for the relevant financial year.

#### Depreciation

Depreciation is provided on Straight Line Method except on Plant & Machinery which is on Written Down Value Method on the basis of useful life of assets as specified under Schedule II of the Companies Act, 2013.

When Property, Plant and Equipment are disposed or retired, their accumulated depreciation is removed from the financial statements. The gain or loss arising on the disposal or retirement of Property, Plant and Equipment is determined as the difference between sales proceeds and the carrying amount of the Property, Plant and Equipment and is recognized in Statement of Profit and Loss for the relevant financial year.

### d) Intangible Assets & Amortization

#### Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization. All costs, including financing costs in respect of qualifying assets till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized.

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised as income or expenses in the Statement of Profit and Loss in the year of disposal.

#### Amortization

Intangible assets are amortised on a straight line basis over a period of six years. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortization period and the

amortization method are reviewed at least at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

**e) Inventories**

Inventories are valued at "Lower of cost or net realizable value". Cost in respect of Raw Materials is computed on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make sale.

Cost in respect of process and finished goods are computed on weighted average basis method. Finished goods and process stock includes cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

**f) Revenue Recognition**

i) Sales of goods are net of trade discounts, return and inclusive of Excise Duty but exclusive of sales tax and state value added tax. Revenue is recognised when practically all risk and rights connected with ownership have been transferred to the buyer. This usually occurs upon dispatch, after the price has been determined and collection of the sales proceeds is reasonably certain.

Expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses.

ii) Interest Income

Interest Income is recognized on accrual basis.

iii) Export Incentives

Export entitlements under Duty Drawback Scheme are recognized in the Statement of Profit & Loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made.

iv) Insurance Claim

Insurance and other claims are accounted for as and when admitted by the appropriate authority.

**g) Foreign Currency Transactions / Exchange Fluctuation**

i) Transactions in foreign currencies are recorded in Indian rupees using the rates of exchange prevailing on the date of the transactions. At each balance sheet date, monetary balances are reported in Indian Rupees at the rates of exchange prevailing at the Balance Sheet date. All realized or unrealized exchange adjustment gains or losses are dealt with in the Statement of Profit and Loss.

ii) Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the report period and the corresponding foreign currency amount translated at the later of the dates of inception of the forward exchange contract and the last reporting date. Such exchange difference rate recognised in the Statement of profit and loss in the reporting period in which the exchange rates change.

iii) Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**h) Employee Benefits**

i) The Employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the covered employee's salary, Provision for the same is made in the year in which services are rendered by the employee.

ii) The Liability for Gratuity to employees, which is a defined benefit plan, is determined on the basis of actuarial valuation based on Projected Unit Credit method. Actuarial gain / loss in respect of the same are charged to the Statement of profit and loss. The Company's Scheme is administered by SBI Life.

- iii) Leave encashment benefit to eligible employees has been ascertained on actuarial basis and provided for. Actuarial gain / loss in respect of the same are charged to the Statement of profit and loss.
- iv) Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.
- i) Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.

Deferred Tax resulting from “timing difference” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or subsequently enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realized in future.
- j) Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets, whenever applicable, till the assets are ready for their intended use. A qualifying asset is one which necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue accounts. Capitalization of borrowing cost is suspended when active development is interrupted.
- k) Impairment**

The management periodically assesses, using external and internal sources whether there is an indication that an asset may be impaired. If an asset is impaired, the company recognizes an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amounts.
- l) Earning per Share**

Basic earnings per share is calculated by dividing net profit after tax for the year attributable to Equity Shareholders of the company by the weighted average number of Equity Shares outstanding during the year. For the purpose of calculating Diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders (after adjustment for Diluted earnings) and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity.
- m) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources.

Contingent Assets are neither recognized nor disclosed in the financial statements.
- n) Excise Duty, VAT & CENVAT**

CENVAT / VAT credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and CENVAT / VAT credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The CENVAT credits so taken are utilized for payment of excise duty on goods manufactured. The unutilized CENVAT credit is carried forward in the books. The VAT credits so taken are utilized for payment of sales tax on goods sold. The unutilized VAT credit is carried forward in the books.
- o) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.**



## 2 Share Capital

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
i Authorised Capital: 2,00,00,000 (Previous year 2,00,00,000) Equity Shares of face value of ₹10/- each	2000.00	2000.00
ii Issued, Subscribed & Paid-up Capital : 49,99,985 (Previous year 49,99,985) Equity Shares of face value of ₹10/- each fully paid up	500.00	500.00
	<b>500.00</b>	<b>500.00</b>

2.1 The Company has only one class of shares referred to as Equity Shares having face value of ₹10/- each. Holder of each Equity Share is entitled to one vote per share.

2.2 In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

2.3 Reconciliation of the number of shares outstanding and the amount of Share Capital as at 31/03/2017 & 31/03/2016 is set out below:

Particulars	As at 31/03/2017			As at 31/03/2016		
	No. of Shares	Face value (₹)	Amount ₹ in lacs	No. of Shares	Face value (₹)	Amount ₹ in lacs
Shares at the beginning	4999985	10	500.00	4999985	10	500.00
Addition during the year	-	-	-	-	-	-
Deletion during the year	-	-	-	-	-	-
Shares at the end	4999985	10	500.00	4999985	10	500.00

2.4 The details of shareholders holding more than 5% shares are as under:

Name of Shareholder	As at 31/03/2017		As at 31/03/2016	
	No. of Shares	% held	No. of Shares	% held
Mrs. Gorsai A. Parekh	2493309	49.87%	2493209	49.86%
Mrs. Kalawati J. Parekh	834205	16.68%	834205	16.68%

### 3 Reserves & Surplus

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
<b>Capital Reserve</b>	35.00	35.00
Balance as per last Balance Sheet		
<b>Share Premium Account</b>	1675.07	1675.07
Balance as per last Balance sheet		
<b>General Reserve</b>		
Balance as per last Balance Sheet	575.00	575.00
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	437.89	393.45
<b>Add : Profit/(Loss) for the year as per Statement of Profit &amp; Loss</b>	(26.21)	44.44
<b>Net surplus in the Statement of Profit and Loss</b>	411.68	437.89
	<b>2696.75</b>	<b>2722.96</b>

3.1 General Reserve is created out of profit in accordance with Companies (Transfer of Profit to Reserve) Rule, 1975 and is distributable in accordance with Companies(Distribution of dividend out of Reserve) Rules,1975.

### 4 Long Term Borrowings

	As at 31/03/2017		As at 31/03/2016	
	Non current ₹ in lacs	Current ₹ in lacs	Non current ₹ in lacs	Current ₹ in lacs
<b>Secured</b>				
Term Loan From Other Institutions	8.57	2.70	11.27	30.08
	8.57	2.70	11.27	30.08
<b>Less:-Amount disclosed under Other current liabilities (Refer Note No.8)</b>	-	2.70	-	30.08
	<b>8.57</b>	<b>-</b>	<b>11.27</b>	<b>-</b>

4.1 Term loans are secured by hypothecation of vehicles and personal guarantee of Director.

4.2 Term loans bearing interest in the range of 9.49% p. a. to 18% p. a. are repayable in equal monthly instalments by November 2020.

### 5 Provisions

	As at 31/03/2017		As at 31/03/2016	
	Long term ₹ in lacs	Short term ₹ in lacs	Long term ₹ in lacs	Short term ₹ in lacs
Provisions for employee benefits				
-- For unavailed leave	16.83	3.26	16.22	10.76
Provision for gratuity	46.90	26.06	44.91	31.98
Less: Gratuity fund	(45.00)	(25.01)	(38.53)	(27.44)
	<b>18.73</b>	<b>4.31</b>	<b>22.60</b>	<b>15.30</b>

## 6 Short Term Borrowing

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
<b>From Banks</b>		
Working capital loan - Secured	118.00	35.43
Suppliers'/Buyers' credit - Unsecured	608.54	–
<b>From Others</b>		
Business Loan - Unsecured	6.05	45.38
Loan from Corporate - Unsecured	10.00	10.00
	<b>742.59</b>	<b>90.81</b>

6.1 Working capital limit from Bank is repayable on demand, bearing interest @10.75% p.a. as per terms of sanction and is secured by 1st and exclusive charge by way of mortgage of land and building and other fixed assets. The same is further secured by hypothecation of entire current assets, personal guarantee and pledge of shares by Directors of the Company.

## 7 Trade Payables

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
a) Total outstanding dues of micro enterprises and small enterprises	–	–
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	48.19	59.83
	<b>48.19</b>	<b>59.83</b>

7.1 The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at year end together with interest paid / payable under this Act has not been given.

## 8 Other Current Liabilities

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
Current maturity of long term borrowings (Refer note no. 4)	2.70	30.08
Advance received from customers	1.24	1.21
Other statutory dues	14.89	19.79
Unpaid Dividend	4.23	4.31
Deposits from dealers and employees	0.90	0.90
Bank overdraft - SBI Current Account	0.31	1.52
Unpaid Salary & Bonus	2.69	32.77
Other payables (includes unpaid expenses)	42.95	21.09
	<b>69.91</b>	<b>111.67</b>

**Note No -9**  
**Property, Plant and Equipments and Intangible Assets**

Carrying Value	Property, Plant and Equipment										Intangible assets	
	Land-Freehold	Buildings	Plant & Machinery	Electrical Installation	Computers	Office Equipment	Furniture & Fixtures	Vehicles	Total	Computer Software	Total	
<b>As at 01.04.2015</b>	1925.59	329.59	484.99	62.26	132.77	76.34	123.56	141.06	3276.16	198.37	198.37	
Additions	-	-	-	-	8.39	0.06	-	17.35	25.80	40.00	40.00	
Deletions	-	-	(2.89)	-	-	-	-	(5.75)	(8.64)	-	-	
<b>As at 31.03.2016</b>	1925.59	329.59	482.10	62.26	141.16	76.40	123.56	152.66	3293.32	238.37	238.37	
Additions	-	6.08	-	-	-	0.25	3.08	-	9.41	-	-	
Deletions	-	-	(25.75)	-	-	-	-	-	(25.75)	-	-	
<b>As at 31.03.2017</b>	1925.59	335.67	456.35	62.26	141.16	76.65	126.64	152.66	3276.98	238.37	238.37	
<b>Accumulated depreciation</b>												
<b>As at 01.04.2015</b>	-	193.38	420.94	46.31	115.24	54.54	72.40	85.32	988.13	53.94	53.94	
Charge for the year	-	6.55	4.34	2.76	22.73	10.09	8.08	14.05	68.60	35.07	35.07	
Deletions	-	-	(0.30)	-	-	-	-	(1.61)	(1.91)	-	-	
<b>As at 31.03.2016</b>	-	199.93	424.98	49.07	137.97	64.63	80.48	97.76	1054.82	89.01	89.01	
Charge for the year	-	6.65	2.57	1.63	-	4.42	6.43	20.31	42.01	36.97	36.97	
Deletions	-	-	(5.23)	-	-	-	-	-	(5.23)	-	-	
<b>As at 31.03.2017</b>	-	206.58	422.32	50.70	137.97	69.05	86.91	118.07	1091.60	125.98	125.98	
Net Carrying Value												
<b>As at 31.3.2016</b>	1925.59	129.66	57.12	13.19	3.19	11.77	43.08	54.90	2238.50	149.36	149.36	
<b>As at 31.3.2017</b>	1925.59	129.09	34.03	11.56	3.19	7.60	39.73	34.59	2185.38	112.39	112.39	

**10 Non Current Investment (Unquoted, non trade)**

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
<b>Investments in units of mutual funds</b>		
1929.395 Units (previous year 1929.395 units) of IDFC Premier Equity Fund Growth - (Regular Plan)*	0.60	0.60
100 shares (previous year 100 Shares) of GEZIA of ₹10 face value, fully paid-up	0.01	0.01
	0.61	0.61
* NAV of units [₹81.9178 (previous year ₹65.1584) per unit]	1.58	1.32
Cost of Units of Mutual Funds	0.60	0.60

**11 Loans and Advances**

	As at 31/03/2017		As at 31/03/2016	
	Non current ₹ in lacs	Current ₹ in lacs	Non current ₹ in lacs	Current ₹ in lacs
<b>(Unsecured, considered good)</b>				
Security deposits	2.12	7.68	3.23	1.79
Advance income tax & TDS	151.49	–	151.82	–
Less : Provision for income tax	(43.20)	–	(74.20)	–
Advance to suppliers	–	162.72	0.65	164.72
Advance to employees	–	27.98	–	28.85
Balance with government authority	–	53.75	–	19.64
Other loans and advances	–	28.80	–	22.16
	<b>110.41</b>	<b>280.93</b>	<b>81.50</b>	<b>237.16</b>

**12 Other Non Current Assets**

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
Margin money deposits with maturity for more than 12 months as on balance sheet date (Refer note no.16)	10.00	18.08
Long term receivable (unsecured, considered doubtful)	343.72	343.72
Long term advances (unsecured, considered doubtful)	–	38.76
	<b>353.72</b>	<b>400.56</b>
Less:Provision for doubtful long term receivable and advances	343.72	382.48
	<b>10.00</b>	<b>18.08</b>

### 13 Inventories

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
Raw materials	17.81	27.41
Work-in-process	22.59	12.32
Finished stock	39.25	40.49
Stock in trade	66.94	30.20
Stores and spares	0.32	0.45
	<b>146.91</b>	<b>110.87</b>

### 14 Current Investment (Quoted, Trade)

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
Nil Units (previous year 2480.132 units) of SBI Premier Liquid Fund - Regular Plan - Growth *	–	56.97
Nil Units (previous year 6026.395 units) of SBI Treasury Advantage Fund - Regular Plan - Growth **	–	100.00
389274.585 Units (previous year Nil units) of SBI Corporate Bond Fund - Regular Plan - Growth ***	101.75	–
	<b>101.75</b>	<b>156.97</b>
* NAV of units [₹ Nil (previous year ₹376.0805) per unit] Cost of Units of Mutual Funds	–	58.93 56.97
** NAV of units [₹ Nil (previous year ₹1677.8856) per unit] Cost of Units of Mutual Funds	–	101.12 100.00
*** NAV of units [₹26.2086 (previous year ₹ Nil) per unit] Cost of Units of Mutual Funds	102.02 101.75	– –

### 15 Trade Receivables

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
<b>(Unsecured)</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	221.36	167.10
Considered doubtful	–	–
	<b>221.36</b>	<b>167.10</b>
Less:Provision for doubtful receivable	–	–
	<b>221.36</b>	<b>167.10</b>
Other trade receivables (considered good)	830.53	261.81
	<b>1051.89</b>	<b>428.91</b>

**16 Cash & Bank balance**

	As at 31/03/2017		As at 31/03/2016	
	Non current ₹ in lacs	Current ₹ in lacs	Non current ₹ in lacs	Current ₹ in lacs
Cash on hand	–	0.43	–	0.94
Balance with banks	–	9.77	–	7.61
	–	<b>10.20</b>	–	<b>8.55</b>
<b>Other bank balance</b>				
Margin money deposits	10.00	63.44	18.08	92.53
Less : Margin money deposits with maturity for more than 12 months as on balance sheet date (Refer note no.12)	(10.00)	–	(18.08)	–
	–	<b>63.44</b>	–	<b>92.53</b>
	–	<b>73.64</b>	–	<b>101.08</b>

16.1 Balance with Banks includes ₹4.23 Lacs (Previous year ₹ 4.31 Lacs) in Unpaid Dividend Account.

**17 Other Current Assets**

	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
Interest receivable	15.14	11.40
	<b>15.14</b>	<b>11.40</b>

## 18 Revenue From Operations

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
<b>Sale of products</b>		
Sale of manufactured goods	349.20	252.13
Sale of traded goods	1258.61	572.06
Sale of services	313.25	503.33
	<b>1921.06</b>	<b>1327.52</b>
<b>Less:</b>		
Excise duty & service tax	77.63	88.34
	<b>1843.43</b>	<b>1239.18</b>
<b>Details of products sold</b>		
<b>Manufactured goods sold</b>		
<b>Thick film material</b>		
Domestic	348.17	242.88
Exports	—	—
<b>Power Semiconductor Devices</b>		
Domestic	1.03	9.25
Exports	—	—
	349.20	252.13
<b>Traded goods sold</b>		
System Integration products	1240.21	39.06
E-Learning products	—	533.00
Solar	18.40	—
	1258.61	572.06
<b>Details of services sold</b>		
Installation, training, AMC & other ( S I Division)	301.88	338.96
E-Learning	11.37	164.37
	313.25	503.33

## 19 Other Income

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Interest income	12.36	12.14
Short term capital gain on redemption of Mutual Fund Units	5.82	10.38
Excess Provision for gratuity written back	2.97	—
	<b>21.15</b>	<b>22.52</b>



## 20 Cost of Raw Material Consumed

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Inventory at the beginning of the year	27.41	29.00
<b>Add:</b> Purchase	188.08	127.28
<b>Less:</b> Inventory at the end of the year	17.81	27.41
<b>Cost of raw material consumed</b>	<b>197.68</b>	<b>128.87</b>
<b>Details of raw material consumed</b>		
Precious metal	185.10	115.25
Others	12.58	13.62
	<b>197.68</b>	<b>128.87</b>
<b>Details of inventories</b>		
Precious metal	3.41	11.23
Others	14.40	16.18
	<b>17.81</b>	<b>27.41</b>

### 20.1 Break-up of imported and indigeneous raw materials consumed

Products	Year ended 31/03/2017		Year ended 31/03/2016	
	Amount ₹ in lacs	Percentage of consumption	Amount ₹ in lacs	Percentage of consumption
Imported	5.17	2.62%	2.39	1.85%
Indigenous	192.51	97.38%	126.48	98.15%
	<b>197.68</b>	<b>100.00%</b>	<b>128.87</b>	<b>100.00%</b>

## 21 Purchase of Stock in Trade

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Trading purchase -System Integration Division	904.27	37.34
Trading purchase - E-Learning Division	–	211.10
Trading purchase - Solar Division	51.50	–
	<b>955.77</b>	<b>248.44</b>

### 21.1 Details of purchase of stock in trade

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Satellite communication and broadcast equipments	904.27	37.34
Integrated educational networking devices.	–	211.10
Solar Modules, Inverters ,MCB and Structure	51.50	–

## 22 Cost of Service for Projects

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Service cost	3.86	56.68
	<b>3.86</b>	<b>56.68</b>

### 22.1 Details of cost of service

Services of S I Division	3.39	56.68
Services of Solar Division	0.47	–

## 23 Change in Inventories of Work in Process, Stock in Trade and Finished Goods

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
<b>Inventory at the beginning of the year</b>		
Work-in-process	12.32	17.39
Stock in trade	30.20	29.53
Finished stock	40.49	42.49
	<b>83.01</b>	<b>89.41</b>
<b>Inventory at the end of the year</b>		
Work-in-process	22.59	12.32
Stock in trade	66.94	30.20
Finished stock	39.25	40.49
	<b>128.78</b>	<b>83.01</b>
<b>(Accretion) / Decretion</b>	<b>(45.77)</b>	<b>6.40</b>

## 24 Employee benefit expenses

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Salary, wages & bonus	391.81	461.52
Contribution to provident fund & other funds	22.44	25.21
Welfare expenses	4.00	6.01
	<b>418.25</b>	<b>492.74</b>

The disclosure regarding “Employee Benefits” in respect of gratuity and leave encashment as defined in the Accounting Standard - 15 is given below:

**A. Amounts recognised in the Balance Sheet are as follows:**

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
Present value of funded obligations	72.96	76.89	–	–
Fair value of plan assets	70.01	65.97	–	–
Funded status (surplus/(shortfall))	(2.95)	(10.92)	–	–
Present value of unfunded obligations	–	–	20.10	26.98
Unrecognised past service cost	–	–	–	–
Amounts in the balance sheet:				
Liabilities- current	2.95	10.92	3.26	10.76
- non current	–	–	16.84	16.22
Total liability	72.96	76.89	20.10	26.98
Assets (non current)	70.01	65.97	–	–
Net assets/(liability)	(2.95)	(10.92)	(20.10)	(26.98)

**B. Defined benefit obligation in respect of gratuity and leave encashment liability is recognised in the Statement of Profit and Loss as follows:**

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
Current service cost	5.63	7.56	6.16	7.15
Past service cost	–	18.39	–	–
Interest on obligation	5.39	4.37	1.58	1.26
Expected return on plan assets	(5.28)	(4.64)	–	–
Net actuarial losses/(gains) recognised in the year	(8.71)	(10.35)	(3.04)	3.15
Losses/gains on curtailments & settlement	–	–	–	–
Total included in ‘employee benefit expenses’	(2.97)	15.33	4.70	11.56
Actual return on plan assets	–	–	–	–

**C. Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:**

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
Opening defined benefit obligation	76.88	58.56	26.98	16.55
Current service cost	5.63	7.56	6.16	7.15
Interest cost	5.39	4.37	1.58	1.26
Past Service Cost	–	18.39	–	–
Actuarial losses/ (gains)	(5.65)	(11.99)	(3.04)	3.15
Benefits paid	(9.29)	–	(11.58)	(1.13)
Closing defined benefit obligation	72.96	76.89	20.10	26.98

**D. Net Assets/(Liability) recognised in Balance Sheet:**

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs	As at 31/03/2017 ₹ in lacs	As at 31/03/2016 ₹ in lacs
Net assets/ (liability) recognised in the Balance Sheet at the beginning of the period	(10.92)	(0.58)	(26.98)	(16.55)
Employer expense	2.97	(15.33)	(4.70)	(11.56)
Employer contributions	5.00	5.00	11.58	1.13
Acquisition/business combinations	–	–	–	–
Net assets/(liability) recognised in the Balance Sheet at the end of the period	(2.95)	(10.92)	(20.10)	(26.98)

**E. Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):**

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2017	As at 31/03/2016	As at 31/03/2017	As at 31/03/2016
Discount rate	7.46%	7.46%	7.17%	7.46%
Expected return on plan assets	8.00%	8.00%	–	–
Annual increase in salary costs	6.00%	6.00%	8.00%	6.00%
Withdrawal rates	1.00%	1.00%	1.00%	1.00%

The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**F. Experience adjustment- Gratuity**

₹ in lacs

	31/03/2017	31/03/2016	31/03/2015	31/03/2014	31/03/2013
Defined benefit obligation	72.96	76.89	58.56	42.75	33.69
Plan assets	70.01	65.97	57.98	49.64	48.71
Surplus/(Deficit)	(2.95)	(10.92)	(0.58)	6.89	15.02
Experience adjustments on plan liabilities	(5.65)	(13.89)	12.42	6.02	(13.26)
Experience adjustments on plan assets	3.05	(1.65)	(5.26)	(0.83)	(1.29)

**G. Gratuity Contribution expected to be paid during the year ending March 31, 2018: ₹10.00 Lacs.**

**25 Finance Costs**

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Interest expense	24.28	52.84
Other borrowing cost	37.20	34.81
	<b>61.48</b>	<b>87.65</b>

**26 Depreciation and Amortisation Expense**

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Depreciation on Property, Plant and Equipment	42.01	68.60
Amortisation on Intangible assets	36.97	35.07
	<b>78.98</b>	<b>103.67</b>

## 27 Other Expenses

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Stores and Spares	0.22	0.22
Packing & Forwarding	28.04	2.11
Power and Fuel	12.36	16.66
Repairs to:		
- Building	1.20	1.77
- Other Assets	5.81	7.05
- Plant & Machinery	1.28	0.18
	8.29	9.00
Insurance Charges	7.23	6.30
Rent	6.03	17.48
Rates & Taxes	5.12	5.66
Printing & Stationery Expenses	2.84	3.42
Advertisement Expenses	0.98	0.95
Postage & Telephone Expenses	6.71	8.26
Travelling Expenses	22.97	37.79
Legal & Professional Charges	85.82	135.15
Exchange Rate Variation (Net)	(33.44)	50.82
Excise Duty Difference Between Opening & Closing Stock	(0.15)	(0.10)
Auditor's Remuneration:		
Vat Audit	0.29	0.29
Audit fees	0.86	0.86
Tax Matter	0.40	0.40
Other Consultancy	0.08	0.28
Directors' Sitting Fees	0.30	0.26
Security Charges	11.24	10.73
Loss on sale of assets	12.07	1.05
Vehicle Expenses	15.37	21.11
Provision for Doubtful Advances	–	38.76
General Charges (Including Business Promotion, Loading Unloading etc)	26.79	34.96
	<b>220.42</b>	<b>402.42</b>

### 27.1 Details of Stores & Spares Consumption

Products	Year ended 31/03/2017		Year ended 31/03/2016	
	₹ in lacs	%	₹ in lacs	%
Indigenous	0.22	100%	0.22	100%
Imported	–	–	–	–
<b>Total</b>	<b>0.22</b>	<b>100%</b>	<b>0.22</b>	<b>100%</b>

## 28 Exceptional Income

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Insurance Claim received against loss of inventories in the F.Y.2001-02	–	141.66
Interest received on Insurance Claim	–	179.26
	–	<b>320.92</b>

28.1 The Company had received ₹ 320.92 lacs in the previous year from Insurance Company towards Insurance Claim (₹141.66 lacs) and interest thereon (₹179.26 lacs) pursuant to the award by Hon'ble National Consumer Disputes Redressal Commission (NCDRC). This amount pertains to the claim preferred by the Company in respect of loss of inventories in the devastating fire which took place in the F.Y. 2001-02 for which loss was fully provided in the books of accounts in the year of loss. As such, the entire amount of ₹320.92 lacs was shown as extra ordinary income during the previous year, i.e., the year of receipt being non-recurring income in nature.

## 29 Earning Per Share

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Numerator for calculating basic and diluted earnings per share [Profit / (Loss) after Tax] (₹ in lacs)	(26.21)	44.44
Weighted average number of shares used as denominator for calculation of basic and diluted earnings per share	4999985	4999985
Nominal value per share (₹)	10	10
Basic and diluted earnings per share (₹)	(0.52)	0.89

## 30 Contingent liabilities

The Company has contingent liabilities not provided for in respect of :

- a Bank guarantees and letters of credit issued by the bank for ₹717.91 lacs (previous year ₹847.18 lacs).
- b Guarantee given by the Company on behalf of other Company for ₹300.00 lacs (previous year ₹300.00 lacs) against which the principal amount outstanding is ₹144.00 lacs ( previous year ₹144.00 lacs).
- c
  - i) ₹ 2.35 lacs awarded against the Company by Hon'ble Senior Civil Judge-11, Tis Hazari Court, New Delhi, in an industrial dispute case against which the Company has filed writ petition in the Hon'ble Delhi High Court.
  - ii) ₹1.86 lacs awarded against the Company by Hon'ble Senior Civil Judge-4, Tis Hazari Courts, New Delhi, in an Industrial dispute case against which the Company has filed writ petition in the Hon'ble Delhi High Court . (previous year in aggregate ₹3.01 lacs). The Hon'ble Delhi High Court has granted stay against these orders and as per the direction of Court , the Company has deposited ₹1.46 Lacs & ₹1.18 Lacs respectively with the Hon'ble High Court of Delhi.
- d Income tax demand for the A.Y. 2012-13 of ₹5.66 lacs against which application for rectification has been filed (previous year ₹5.66 lacs).
- e Demand towards revenue charges (service charges, NAA charges, lease rent & infrastructure fund) by GIDC of ₹ 8.06 lacs (previous year ₹6.72 lacs) against which certain objections have been raised by the Company.
- f The Dy. Commissioner of Commercial Taxes ,Gujarat has raised the demand for ₹ 13.99 lacs(which comprises of Central Sales Tax / Vat amount of ₹7.73 lacs and interest amount of ₹6.26 lacs) vide final notice of assessment dated 30/03/2017 in respect of assessment for the year 2012-13. The

Company has preferred an appeal against this order before the Jt. Commission of Commercial Tax, Gandhinagar, which is pending for final orders.

- g Additional Commissioner, Central Excise & Service Tax, Audit-1, Commissionerate, Ahmedabad has raised show cause notice No. VI/1( C )/ Audit -1/20/Arraycom/SCN/2016-17 dated 19th August, 2016 asking the Company to show cause why cenvat credit of ₹ 18.46 lacs availed in the month of March, 2013 in respect of Service Tax on software services should not be disallowed. The Company has filed its reply to the said show cause notice vide letter dated 23rd Jan, 2017 & 29th March, 2017 and also concluded the submissions in the personal hearing held on 29th March, 2017 before the Asstt. Comm. of Central Excise, Gandhinagar. Final order is awaited.
- h Hon'ble High Court of Gujarat vide order dated 31st August, 2016 allowed the petition filed by the Company against the order dated 21st October, 2013 / 1st November, 2013 passed by the Dy. Collector of Stamp Duty valuation, Gandhinagar demanding ₹ 14.45 lacs (previous year ₹ 14.45 Lacs) being deficit stamp duty in respect of conveyance of GIDC land. Hence the said order of Dy. Collector has been set aside pursuant to the order of Hon'ble High Court of Gujarat.

### 31 Segment Reporting

Based on the principles for determination of segments given in Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company has identified its business segments as primary segments. "Other" represents income/assets/liabilities of Power Semi Conductors Devices (PSD) and Solar Divisions. There is no reportable secondary segment as none of the conditions as laid down for determining the geographical segments are satisfied.

	F.Y. 2016-17						F.Y. 2015-16					
	TOTAL	Electronic Materials	System Integration	E-learning	Other	Un allocated	TOTAL	Electronic Materials	System Integration	E-learning	Other	Un allocated
<b>SEGMENT REVENUE</b>												
Sales of Product	1570.76	311.18	1239.74	-	19.84	-	797.97	217.34	39.06	533.00	8.57	-
Sales of Services	272.67	-	262.79	9.88	-	-	441.20	-	297.57	143.63	-	-
<b>TOTAL SEGMENT REVENUE</b>	<b>1843.43</b>	<b>311.18</b>	<b>1502.53</b>	<b>9.88</b>	<b>19.84</b>	<b>-</b>	<b>1239.17</b>	<b>217.34</b>	<b>336.63</b>	<b>676.63</b>	<b>8.57</b>	<b>-</b>
<b>% of Segment Revenue</b>	<b>100.00%</b>	<b>16.88%</b>	<b>81.51%</b>	<b>0.54%</b>	<b>1.08%</b>	<b>-</b>	<b>100.00%</b>	<b>17.54%</b>	<b>27.17%</b>	<b>54.60%</b>	<b>0.69%</b>	<b>-</b>
<b>SEGMENT ASSETS</b>												
(a) Inventories	146.91	64.84	28.94	-	53.13	-	110.87	64.45	30.20	-	16.22	-
(b) Sundry Debtors	1051.89	46.09	786.71	213.30	5.79	-	428.91	31.72	85.93	308.74	2.52	-
(c) Cash & Bank Balance	73.64	-	-	-	-	73.64	101.08	-	-	-	-	101.08
(d) Loans & Advances	391.34	85.07	149.22	1.00	16.41	139.64	318.66	107.48	60.87	61.00	-	89.31
(e) Other Current Assets	25.14	-	18.08	-	-	7.06	29.48	-	18.08	-	-	11.40
(f) Fixed Assets	2297.77	19.86	1.31	165.66	-	2110.94	2387.86	22.14	1.43	224.68	-	2139.61
(g) Investments	102.37	-	102.37	-	-	-	157.58	-	-	-	-	157.58
Less : Current Liabilities	865.01	0.51	679.59	0.44	1.25	183.22	277.61	9.35	112.45	68.74	-	87.07
	<b>3224.05</b>	<b>215.35</b>	<b>407.04</b>	<b>379.52</b>	<b>74.08</b>	<b>2148.06</b>	<b>3256.83</b>	<b>216.44</b>	<b>84.06</b>	<b>525.68</b>	<b>18.74</b>	<b>2411.91</b>
<b>Assets addition during the year</b>	9.41	-	-	-	-	9.41	65.80	-	-	47.53	-	18.27
	<b>9.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.41</b>	<b>65.80</b>	<b>-</b>	<b>-</b>	<b>47.53</b>	<b>-</b>	<b>18.27</b>



### 32 Related party disclosures as per AS-18

#### Details of transactions with related parties:

- i An amount of ₹ Nil lacs (previous year ₹ 10.79 lacs) was paid as rent under leave & licence arrangement to Managing Director, Mrs. Gorsii A Parekh.
  - ii An amount of ₹ 45.00 lacs (previous year ₹ 36.00 lacs) was paid as managerial remuneration to Mrs. Gorsii A. Parekh, Managing Director of the Company.
  - iii An amount of ₹ 34.50 lacs (previous year ₹ 30.00 lacs) was paid as managerial remuneration to Mrs. Kalawati J. Parekh, Wholetime Director of the Company.
  - iv An amount of ₹ 3.44 lacs (previous year ₹ 20.51 lacs) was paid as consultancy fees to Shri Jaisukhlal J. Parekh, relative of directors of the company.
  - v An amount of ₹ 49.46 lacs (previous year ₹ 49.46 lacs) was paid as emoluments to the CFO & Company Secretary, Mr. L.P.Sanghvi, who is KMP of the Company.
  - vi An amount of ₹ Nil lacs (previous year ₹ 224.34 lacs) was repaid towards unsecured loan taken from Mrs. Gorsii A Parekh, Managing Director of the Company.
  - vii An amount of ₹ 0.06 lac (previous year ₹ 0.03 lac) was paid as sitting fees to Mr. Varun A Parekh, Director of the Company.
- 33 The amount of exchange rate difference debited to Statement of Profit & Loss is ₹6.00 lacs( previous year ₹ 52.17 lacs) & credited to Statement of Profit and Loss is ₹39.44 lacs (previous year ₹ 1.35 lacs). Net exchange rate difference( credit) of ₹ 33.44 lacs (Previous year debit of ₹50.82 lacs) has been shown under the head " other expenses" ( Note No.27)
- 34 The balances in respect of trade receivable, current liabilities and loans and advances are subject to confirmation and reconciliation if any.
- 35 In the opinion of the Board of Directors of the Company, the current assets and loans & advances are of the value stated in the balance sheet in the ordinary course of business. Provision for all known liabilities is made and the same is adequate and not in short/excess of amounts reasonably necessary.
- 36 On the basis of available information, there were no amounts outstanding and due for more than 30 days in excess of ₹1.00 lac to small scale undertakings.
- 37 The difference between excise duty on opening and closing stock of finished goods is recognized separately in the Statement of Profit & Loss.
- 38 Borrowing costs attributable to the acquisition or construction of qualifying assets is amounting to ₹ Nil lacs (previous year ₹ Nil lacs)
- 39 During the year, the Company has impaired the assets to the tune of ₹ Nil lacs (previous year ₹ Nil lacs).
- 40 The Company has entered into certain operating lease agreements and the amount of ₹ 6.03 lacs (previous year ₹ 17.48 lacs) paid under such agreements have been charged to the Statement of Profit and Loss. These are generally not non cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by such agreements.

#### 41 Expenditure incurred in Foreign Currency

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
(i) CIF value of imports		
Raw materials -TFM Division	5.17	1.71
Trading Goods & Services -System Integration Division	883.68	91.72
(ii) Foreign travels	1.68	9.04

#### 42 Earning in Foreign Exchange

	Year ended 31/03/2017 ₹ in lacs	Year ended 31/03/2016 ₹ in lacs
Earning in foreign currency	–	–

- 43 Disclosure of details in respect of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as required by Notification No. GSR 308(E) [F.NO.17/62/2015-CL-V-(VOL.I)], DATED 30-03-2017 are provided in the Table below

(₹ in lacs)

Sr. No.	Particulars	SBNs	Other denomination notes*	Total
1	Closing cash in hand as on 08-11-2016	2.02	0.63	2.65
	(+) Withdrawal from Bank Accounts	–	3.14	3.14
2	(+) Permitted receipts	–	0.53	0.53
3	(–) Permitted payments	–	3.34	3.34
4	(–) Amount deposited in Banks	2.02	–	2.02
5	Closing cash in hand as on 30-12-2016	–	0.96	0.96

- 44 Previous year's figures have been regrouped and rearranged wherever necessary . The figures have been shown in lacs by rounding off.

As per our report of even date  
For **J. T. Shah & Co.**  
Chartered Accountants  
(FR No. 109616W)

**J. J. Shah**  
Partner  
M. No. 45669  
Place : Ahmedabad  
Date : 27<sup>th</sup> July,2017

For and on behalf of the Board

**G. A. Parekh** Chairperson & Managing Director  
(DIN : 00343194)

**K. J. Parekh** Whole Time Director  
(DIN : 00343326)

**L. P. Sanghvi** C F O & Company Secretary

Place : Gandhinagar  
Date : 27<sup>th</sup> July,2017

**ARRAYCOM (INDIA) LIMITED**

**Registered Office:** Plot No B-13, 13/1 & 14, GIDC Electronic Estate, Sector 25, Gandhinagar- 382023 (Gujarat)

**Form No. MGT-11**

**PROXY FORM**

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

**CIN** U32109GJ1992PLC039667

**Name of the Company** ARRAYCOM (INDIA) LIMITED

**Registered office** Plot No B-13, 13/1 & 14, GIDC Electronic Estate, Sector 25, Gandhinagar- 382023 (Gujarat)

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

I/We, being the member (s) of **ARRAYCOM (INDIA) LIMITED**, holding \_\_\_\_\_ shares of the above named Company, hereby appoint

- Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id \_\_\_\_\_  
Signature \_\_\_\_\_ Or Failing him,
- Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id \_\_\_\_\_  
Signature \_\_\_\_\_ Or Failing him,
- Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id \_\_\_\_\_  
Signature \_\_\_\_\_

**ARRAYCOM (INDIA) LIMITED**

(CIN: U32109GJ1992PLC039667)

**Registered Office:** Plot No B-13, 13/1 & 14, GIDC Electronic Estate, Sector 25, Gandhinagar- 382023 (Gujarat)

DP ID	Client Id	Folio No.	No. of shares held

**ATTENDANCE SLIP**

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

At the Registered Office of the Company: Plot No B-13, 13/1 & 14, GIDC Electronic Estate, Sector 25, Gandhinagar- 382023 (Gujarat)

Name of the attending Member/Proxy (In block letters): \_\_\_\_\_

I hereby record my presence at the **24<sup>th</sup> Annual General Meeting** held at 4.00 p.m. on 22<sup>nd</sup> September, 2017 at the registered office of the Company at Gandhinagar (Gujarat).

\_\_\_\_\_  
**Member's/ Proxy's signature**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on the 22<sup>ND</sup> day of September, 2017 at 4.00 p.m. at Plot No B-13, 13/1 & 14, GIDC Electronic Estate, Sector 25, Gandhinagar- 382023 (Gujarat) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
<b>Ordinary Business</b>	
1	To receive and adopt Audited Balance Sheet as at 31 <sup>st</sup> March, 2017, the Profit and Loss Statement and Cash Flow Statement for the year ended on that date together with all annexures and attachments thereto including the Auditors' Report and the Directors' Report thereon.
2	To appoint a Director in place of Mr. Bipin C. Vasavada (DIN: 01432243), who retires by rotation and being eligible, offers himself for re appointment.
3	To ratify the appointment of Auditors made in the 21 <sup>st</sup> Annual General Meeting for holding the office from the conclusion of 21 <sup>st</sup> Annual General Meeting till the conclusion of the 26 <sup>th</sup> Annual General Meeting and to fix their remuneration.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of shareholder : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Affix  
Revenue  
Stamp

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

**Notes:**

1. Please bring this attendance slip to the meeting and handover at the entrance duly filled in.
2. Members are requested to bring copy of Annual Report with them.