



TATANET SERVICES LIMITED

CIN :U67120MH1987PLC044351

30th ANNUAL REPORT

2016-17

TATANET SERVICES LIMITED

30TH ANNUAL REPORT 2016-17

CORPORATE INFORMATION **(As on 20th July 2017)**

Board of Directors : Mr.R.R.Bhinge
Mr. Sanjay Dube
Ms. Hema Hattangady
Mr.P.J.Nath

Bankers : Axis Bank Limited, Mumbai
Bank of India, Mumbai

Auditors : M.H.Dalal & Associates, Mumbai

Registered Office: MIDC, EL-6 TTC Industrial Area,
Electronics Zone, Mahape,
Navi Mumbai – 400 710

DIRECTORS' REPORT

To The Members,

The Directors are pleased to present the 30th Annual Report on the business and operations of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2017.

1. FINANCIAL RESULTS (SUMMARIZED)

Figures Rs in '000

	FY17	FY16
(a) Net Service Income from Operations	7,99,698	6,90,837
(b) Operating Expenditure	7,17,326	6,10,401
(c) Operating Profit	82,372	80,436
(d) Add: Other Income	3,308	3,952
(e) Less: Finance Cost	22,969	23,717
(f) Profit before Depreciation and Tax	62,711	60,671
(g) Less: Depreciation / Amortisation / Impairment	33,823	26,773
(h) Profit before Tax	28,888	33,898
(i) Tax Expenses – Current & Deferred	6,500	0
(j) Net Profit / (Loss) after Tax	22,388	33,898

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015. These are the Company's first Ind-AS financial statements

The figures for the previous year ended March 31, 2016 have been restated, regrouped and reclassified, wherever required to comply with Ind-AS and Schedule III to the Companies Act, 2013 and to make them comparable.

2. DIVIDEND

In order to conserve resources, the Board of Directors has not recommended dividend for the financial year ended 31st March 2017.

3. STATE OF COMPANY'S AFFAIRS

During the period under review, the total income was Rs. 7,99,698 ('000) as against Rs. 6,90,837 ('000) in the previous year i.e. a 16% growth over the previous year. The profit before tax was 28,888 ('000) as against Rs. 33,898 ('000) in the previous year.

Your Company is a leading VSAT Service Provider in the country catering to a large segment of the market. The Company is amongst the top 3 VSAT Service providers in the country and now has a major presence in the BFSI, Manufacturing & enjoys a leadership position in the offshore Oil & Gas exploration segment.

The Company has been making continuous investment in augmenting its infrastructure for providing VSAT services. During the course of the year the Company had set up a new Extended C (Ex-C) VSAT Hub in Mahape which got operational from May 2016. The initial capacity is 24 MHz, which will be augmented

in due course. There are now two Ex-C band VSAT Hubs in Mahape and two Ku band Hubs one each at Mahape and Dehradun. The Company has also added 18 MHz of Ku band capacity in its Dehradun Hub during the year. These infrastructure augmentations would help the Company in meeting the diverse needs of the market and help fuel its growth.

MARKET OPPORTUNITIES:

The VSAT market is at an inflection point in India. Globally the VSAT industry has grown faster as compared to India so far. The prospects for the VSAT industry in India also look to be bright with potential for new services around mobility - Maritime Communication, Aero in-flight connectivity and Surface transport communication services.

The VSATs continue to be the most preferred mode of data communication in the B2B segment in remote and rural locations. The growing need for the Banking industry to expand to the remote and unbanked locations gives the boost to the VSAT business due to non-availability of reliable alternate media.

ATM connectivity is a steady growth VSAT business segment. VSATs are the most reliable means of connectivity for ATMs, especially in remote locations, due to the need for high availability services, remoteness of the locations and low bandwidth consumption. Currently there are about 110,000 ATMs connected on VSATs, which is likely to grow to around 200,000 by FY21. There was a temporary slowdown in the deployment of ATMs due to demonetization in FY17. However, the growth opportunities for ATMs in the long run continue to be intact.

Despite the growth of debit/credit cards and other payment systems, the market for cash, and ATMs to dispense it, is likely to remain strong in India, like other global economies. While cash transactions as a proportion of total payment flows are likely to reduce, but it will still remain a significant part of the payment flows by volume of transactions and total absolute value - which drives the ATM industry. Factors like ATM penetration and density, which are much below global norms, are likely to provide an opportunity for ATM growth. Newer applications for customer experience, convergence of ATMs and digital world as inter-related delivery channels could further boost ATM growth in the near future.

The communication services for the Oil & Gas exploration sector in the offshore is a growing business in India. The exploration activities are accelerated by government's drive to reduce import of crude oil by 10% by 2022. The only reliable medium of connectivity for the offshore rigs in India is VSAT currently. The bandwidth consumption is higher as compared to the other sectors due to the nature of applications being run. In future, this can further go up with newer applications like IoT and analytics.

The potential for VSATs in the Government sector is very large due to thrust on panchayat connectivity, public distribution system, education, health and water management. Though the overall potential is more than 100,000 VSATs, the time frames for implementation are however uncertain.

The availability of High Throughput Satellites (HTS) and other developments in equipment technology, particularly the antenna, can give a significant impetus to the VSAT industry by increasing the applications where it will be able to provide services at a much more competitive price. HTS has already made a large impact for the VSAT industry in most other countries. It is expected that HTS would be available for India within the next 2 years time on Indian as well as foreign satellites, which will be commercially available subject to the Indian regulations changing.

COMPANY STRATEGY:

The Company has a continued focus in developing newer markets for VSAT services. It has become a preferred VSAT service provider for segments like ATM industry and offshore Oil & Gas exploration. The Company has strengthened its presence in the Banking & Finance segment with a base of 45,000 VSATs for off-site ATMs and bank branches. The Company had more than 45% market share of the incremental VSAT deployment in off-site ATMs during the year. The dominant position in providing communication services for Oil rigs has created potential for future growth in Maritime Communication services, which can be rolled out as soon as the regulatory clearances are given by DoT.

The Company is pursuing for the permissions from Govt. of India to offer the Aero and Maritime Communication services in the country and believes that the permission would be given in FY18. The market potential of these two services is likely to be in excess of Rs. 1000 Crore per annum in 5 years from now, of which the Company expects to get a fair share.

There are Enterprise segments beyond Banking, which need reliable data connectivity services in remote locations due to their business critical needs. Many such segments have not adopted VSATs due to lack of awareness of VSATs and poor market development by the industry as a whole. The Company's focus is to improve the awareness of VSATs amongst some of these sectors and build stronger presence.

The Company has been making continuous investments in augmenting its infrastructure for providing VSAT services. The Company is in the process of setting up another teleport facility in its existing facility in Mahape, Navi Mumbai to augment its Ku band space capacity, which will get implemented in FY18. This will help the Company in meeting the diverse needs of the market and will boost to the growth of the Company in the coming years .

RISKS:

· **Technology obsolescence Risk**

Due to proprietary nature of the VSAT technology, the Company is dependent on limited technologies for hardware. Any obsolescence of technology poses a risk for the operations. While there are options available to migrate the services to an alternative technology, there is a cost attached to the same.

- **Threat from alternate technology**

The expansion and spread of terrestrial telecom infrastructure to remote areas to offer MPLS services poses a threat for VSAT services. The 3G and 4G services could also pose a threat if the services are rolled out across the country to cover the remote locations with high availability services, although this may not be very pronounced for the next 3 – 4 years considering high capex investment required for the same.

- **Operating Risk**

Though the transponder space is provided by Antrix (a part of ISRO), foreign rate fluctuations adversely impact the profitability of operations since the contracts are in foreign currencies.

The Company has a high dependence on few market segments, like Banking & Finance and Oil & Gas, for its revenue and profitability. Any major vagaries in these segments can impact Company's performance in the short term.

- **Regulatory Environment**

The satellite communication services are regulated by DoT and the licenses are given for shared hub services based on the Satcom policy of the country. Any major change in the Govt. regulations pertaining to Satcom policy and/or VSAT services could also pose a threat. Newer services like Aero and Maritime Communication are dependent on Govt. giving the necessary approvals.

ISRO is insisting on migrating all VSATs operating on foreign satellites to Indian satellites, which could impact the profitability of the Company in FY18 and FY19.

- **Technical Infrastructure**

The Company's infrastructure is vulnerable to interruptions caused by earthquakes, floods, heavy rainfall, power outages, fire, information technology system failures, security breaches and other similar events. In addition, any major satellite failure can impact the entire network running on that satellite, till an alternate allocation is received from ISRO, which could also be on a different coordinate requiring adjustment on the remote VSATs.

4. RESERVES

The Board of Directors has not proposed any amount for transfer to its reserves for the period ended 31st March, 2017.

5. SUBSIDIARIES / ASSOCIATES

The Company has no subsidiaries or associates

6. DIRECTORS

Mr. P.J.Nath stepped down from the Directorship of the Company w.e.f 30th May 2016. In accordance with the requirements of the Companies Act 2013 and Articles of Association of the Company, Mr. R.R. Bhinge retire by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

During the period under review, six meetings of the Board of Directors were held on 29th April 2016, 31st May 2016, 19th July 2016, 24th October 2016, 24th January 2017 and 15th March 2017.

Except for sitting fees for attending the meetings of the Board (as mentioned in Form MGT-9 attached), no other remuneration is paid to the Directors.

7. REGULATORY AND LEGAL

7.1. REGULATORY ENVIRONMENT

There is no change in the regulatory environment

7.2. REGULATORY ORDERS OF RELEVANCE

There are no new tariff orders etc.

7.3. LEGAL CASES

There were no significant and material orders passed by the Regulators / Courts or Tribunal which would impact the going concern status of the Company and its future operations. Further, no penalties have been levied by Regulators during the period under review.

Sales Tax Matter

Maharashtra Sales Tax Department has issued orders against the Company demanding payment of MVAT on the entire satellite communication services provided by the Company on the ground that "The facility to use the transponders is property, is commercial in nature and goods and therefore, transaction of lease of facility to use the transponders is a deemed sale and accordingly MVAT is applicable." The orders issued for financial year 2006-07 to 2010-11 and aggregate amount under dispute is Rs 38.36 Crores. The Company has filed writ petition in Bombay High Court. The Court has referred the case to Maharashtra Sales Tax Tribunal (MSTT) to identify whether providing bandwidth services amounted to "goods" under MVAT Act. Decision from MSTT is awaited.

As per legal opinion sought by the Company, it has a very strong case. Since the Company provides only services to its customers and pays service tax, there are no goods or right to use of goods involved in it.

8. RISK MANAGEMENT FRAMEWORK

The Company has a Risk Management framework to inform the Board members about risk assessment and minimization procedures. The Board reviews the Risks and the mitigation plans periodically. There are no elements of risk, which in the opinion of the Board may threaten the existence of the Company.

INTERNAL CONTROLS & SYSTEMS:

The Company has an adequate system of internal controls to ensure that all assets are safeguarded and accounted for and business transactions are authorized and recorded. The Company has designed, implemented & maintained adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business.

9. SUSTAINABILITY

9.1. SAFETY – CARE FOR OUR PEOPLE

The Company accords high priority to health, safety and environment, treating these as integral part of all its activities. The operations of the Company are not of a hazardous nature. However, the Company emphasizes on maintaining a healthy and safe environment in and around its facilities as well as contract sites where projects are under execution

9.2. CARE FOR OUR ENVIRONMENT

Though the operations of the Company are not of hazardous nature, the Company takes all necessary precautions to maintain healthy and safe environment in and around its facilities

10. HUMAN RESOURCES

The Company maintained cordial industrial relations during the period under review.

11. CREDIT RATING

Total Bank Loan Facilities Rated: Rs. 478 Million

Long Term Rating: CARE A-(SINGLE A Minus)

Short Term Rating: CARE A2+ (A 2 Plus)

12. FOREIGN EXCHANGE EARNINGS & OUTGO

The Company has no exports.

The foreign exchange earned during the period under review was Rs. 60,985 (000')

Total outgo of foreign currency was Rs. 65,015 (000')

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The details are given in the Annexure-1 attached to this report.

14. RELATED PARTY TRANSACTIONS

All related party transactions entered into during the year under review were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel and Body Corporate(s) which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134 (3) (h) of the Act in Form AOC 2 is not applicable for the period under review. The Directors draw attention of the Members to Note no. 3.7 to the Financial Statements which sets out related party disclosures.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review the Company has not advanced any loans, given any guarantees or made any investments, the particulars of which are required to be given under Section 186

16. AUDITORS

M/s M. H Dalal & Associates, Chartered Accountants, who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting but have expressed their unwillingness to carry out audit of the company for the financial year 2017-18

17. COST AUDITOR AND COST AUDIT REPORT

In accordance with the requirement of the Central Government and pursuant to section 148 of the Companies Act 2013, the company has carried out an audit of cost accounts for the financial year 2015-16 relating to its telecommunication business

18. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the statutory and cost auditors the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(a) In the preparation of the annual accounts for the period ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) they have, in the selection of the accounting policies, consulted the Statutory Auditors and have 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 for the period ended 31st March, 2017 and of the profit of the Company for that period;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis; and

(e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. ACKNOWLEDGEMENTS

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our Customers, Business Partners, Vendors, Bankers and Financial Institutions. The Directors are thankful to the Government of India and the various Ministries and Regulatory Authorities.

On behalf of the Board of Directors,

Sd/-

R. R. Bhinge
Chairman

Date: 25th April 2017
Place: Mahape

Annexure 1 – Conservation of Energy and Technology Absorption

(Ref.: Board's Report, Section 13)

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy:

Although energy is not a major element of the cost for the Company, constant endeavors have been made to conserve energy and consequently minimize power and diesel costs.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

Power requirement of Company is too low to utilize alternate sources of energy.

B. THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT: NIL

TECHNOLOGY ABSORPTION

Efforts made towards Technology Absorption: The major thrust of technology absorption has been in the areas of increasing and improving the VSAT services. The Company has set up a new Ex-C VSAT Hub in its existing facility in Mahape to increase its overall satellite bandwidth capacities. This additional capacities are also from a new satellite and thereby increasing diversity.

The Company has also deployed latest technologies for the baseband of the VSAT hub, which will help in catering to more market segments.

Future plan of action:

Setting up of one more Ku VSAT hub to further increase the satellite bandwidth operations, which is under procurement. The Company is making endeavor in building expertise in varied technologies for satellite communication, to prepare for adopting newer technologies in the future.

Technology absorption, adaptation and innovation:

Constant endeavors are being made towards technology absorption, adaptation and innovation. The focus has been on improving the quality of the services as well as creating new services and solutions adapted to suit the customers' requirements for specific industry segments.

(i) Benefits derived: The Company has increased its customer base in the different market segments, mainly Banking & Financial Services and Oil & Gas Exploration services, using the infrastructure created with these technologies.

(ii) Expenditure incurred on Research and Development

Revenue and recurring expenditure: Nil

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a. Technology imported: The Company has not imported any technology in the last 3 years

b. Year of Import: NA

c. Has technology been fully absorbed: NA

d. If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action: NA

FORM No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH 2016

[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U67120MH1987PLC044351
ii.	Registration Date	12 th August 1987
iii.	Name of the Company	Tatanet Services Limited
iv.	Category / Sub-Category of the Company	Company Limited by share/ Indian Non Government - Company
v.	Address of the Registered office and contact details	MIDC, Plot No. EL-6, TTC Industrial Area, Electronic Zone, Mahape , Navi Mumbai - 400710
vi.	Whether listed Company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	VSAT Bandwidth Connectivity Services	61309	99.97%
2	Internet Services	61309	0.03%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section(s)
1.	Nelco Limited MIDC, Plot No. EL-6, TTC Industrial Area, Electronic Zone, Mahape , Navi Mumbai – 400710	L32200MH1940PLC003164	Holding Company	100.00%	2(46) 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp	–	4900000	4900000	100.00	–	4900000	4900000	100.00	–
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other	–	–	–	–	–	–	–	–	–
Sub-total(A)(1):-	–	4900000	4900000	100.00	–	4900000	4900000	100.00	–
2) Foreign									
g) NRIs- Individuals	–	–	–	–	–	–	–	–	–
h) Other- Individuals	–	–	–	–	–	–	–	–	–
i) Bodies Corp.	–	–	–	–	–	–	–	–	–
j) Banks / FI	–	–	–	–	–	–	–	–	–
k) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (A)(2):-	–	–	–	–	–	–	–	–	–

B. Public Shareholding										
1. Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-	-
2. Non Institutions										
a) Bodies Corp. (i) Indian (ii)Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-	-
c) Others (Specify)	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-	-

C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	4900000	4900000	100.00	-	4900000	4900000	100.00	-

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Nelco Limited	4899930	99.99	-	4899930	99.99	-	-
2.	Mr. M. Shah (Jointly With Nelco Ltd.)	10	0.01	-	10	0.01	-	-
3.	Mr. P.J.Nath (Jointly With Nelco Ltd.)	10	0.00	-	10	0.00	-	-
4.	Mr. G.V. Kirkinde (Jointly With Nelco Ltd.)	10	0.00	-	10	0.00	-	-
5.	Mr. R.B. Upadhyay (Jointly With Nelco Ltd.)	10	0.00	-	10	0.00	-	-
6.	Mr. Uday Banerjee (Jointly With Nelco Ltd.)	10	0.00	-	10	0.00	-	-
7.	Mr. Kingshuk Basak (Jointly With Nelco Ltd.)	10	0.00	-	10	0.00	-	-
8.	Mr. K. Mandal (Jointly With Nelco Ltd.)	10	0.00	-	10	0.00	-	-
Total		4900000	100	-	4900000	100	-	-

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*	4900000	100.00	4900000	100.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease	NA	NA	NA	NA
	At the End of the year	4900000	100.00	4900000	100.00

V.INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	449.73 L	-	-	449.73 L
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
Total (i+ii+iii)	449.73 L	-	-	449.73 L
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	209.07 L	-	-	209.07 L
Indebtedness at the end of the financial year				
i) Principal Amount	658.80 L	-	-	658.80 L
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	658.80 L	-	-	658.80 L

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total (A)	-	-	-	-	-
	Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Director	Total Amount (Rs)
	<u>Independent Directors</u> - Fee for attending board meetings (Sitting Fees) - Commission - Others, please specify	Mrs. Hema Hattangady - -	1,80,000/- - -
	Total (1)		1,20,000/-
	<u>Other Non-Executive Non Independent Directors</u> - Fee for attending board meetings - Commission - Others, please specify	Mr. R R.Bhinge Mr. Sanjay Dube - -	1,20,000/- 1,00,000/- - -
	Total (2)		2,20,000/-
	Total (B)=(1+2)		4,00,000/-
	Total Managerial Remuneration		4,00,000/-
	Overall Ceiling as per the Act		N.A.

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

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty			None		
Punishment					
Compounding					
B. Directors					
Penalty			None		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty			None		
Punishment					
Compounding					



INDEPENDENT AUDITOR'S REPORT
To The Members of TATANET SERVICES LIMITED
Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of TATANET SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income) and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information,

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

In conducting 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 thereunder.

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



M.H. DALAL & ASSOCIATES

CHARTERED ACCOUNTANTS

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS 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 standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

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

The comparative financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us for the year ended 31st March 2016 and 31st March 2015 respectively expressed an unmodified opinion on those standalone financial statements, and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - 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.

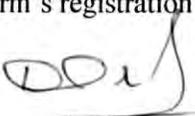


M.H. DALAL & ASSOCIATES

CHARTERED ACCOUNTANTS

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 standalone Ind AS financial statements under contingent liability, refer note no 3.2 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 did not have any holdings or dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For and on behalf of
M.H Dalal & Associates
Chartered Accountants
Firm's registration number:112449W


Devang M Dalal
Partner
Membership number:109049



Place: Mahape

Date: 25 APR 2017

M.H. DALAL & ASSOCIATES

CHARTERED ACCOUNTANTS

“Annexure A” to the Independent Auditors’ Report

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

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The company has no immovable property hence, the provision of clause 1 (c) is not applicable to company
- 2) The company has no inventory Accordingly, the provisions of clause 2 (a) & (b) of the Order is not applicable to the Company and hence not commented upon.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the books of account and records maintained by the company relating to Telecommunication services, Pursuant to the order made by the central Government for the maintenance of the cost record under sub (1) of section 148 of the companies Act, and are the opinion that prima facie the prescribed accounts and records have been made maintained. We have, however not made a detailed examination of records with a view to determining whether they are accurate or complete.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.



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CHARTERED ACCOUNTANTS

- b) According to the records made available to us and the information and explanation given by management, There are no dues of income tax/Custom duty/Wealth tax, Service tax/Excise duty/cess except Sales tax, as at 31st March, 2017 which have not been deposited with the authorities as it is disputed on accounts of issue of applicability. Details of demand year wise mentioned below:-

Name of statute	Nature of dues	AMOUNT (IN RS.)	Period to which the amount relates	Forum where dispute is pending
MVAT ACT, 2005	Sales Tax	5,66,43,424	2006-07	J.C.S.T
MVAT ACT, 2005	Sales Tax	7,98,61,193	2007-08	J.C.S.T
MVAT ACT, 2005	Sales Tax	5,16,56,575	2008-09	J.C.S.T
MVAT ACT, 2005	Sales Tax	9,45,31,850	2009-10	J.C.S.T
MVAT ACT, 2005	Sales Tax	10,08,63,599	2010-11	J.C.S.T

- 8) In our opinion and according to the information and explanations given to us, the Company has availed the Term loan from The Zoroastrian Co-op Bank and Axis Bank. The company has not defaulted in the repayment of dues to banks.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.



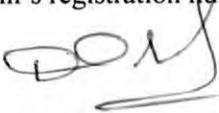
M.H. DALAL & ASSOCIATES

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- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
M.H Dalal & Associates
Chartered Accountants
Firm's registration number: 112449W



Devang M. Dalal
Partner
Membership number: 109049



Place: Mahape

Date: 25 APR 2017

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of TATANET SERVICES LIMITED

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 TATANET SERVICES LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on The Internal Control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.



M.H. DALAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

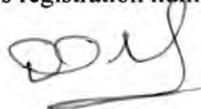
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on The Internal Control over financial reporting criteria 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 and on behalf of

M.H Dalal & Associates

Chartered Accountants

Firm's registration number:112449W



Devang M Dalal

Partner

Membership number:109049



Place: Mahape

Date: 25 APR 2017

Tatanet Services Limited
Balance Sheet as on 31st Mar'17

Rs. in '000

PARTICULARS	Note No	As at	As at	As at	As at
		31-Mar-2017	31-Mar-2016	01-Apr-2015	01-Oct-2014
		Rs in '000	Rs in '000	Rs in '000	Rs in '000
ASSETS					
Non-current assets					
(a) Property, plant and equipment	4	161,852	125,260	142,347	121,699
(b) Capital Work-in-Progress		-	55,910	-	31,819
(c) Other Intangible assets	5	10,842	3,543	4,372	3,892
(d) Financial Assets -		-	-	-	-
(i) Investments	6	479	437	398	398
(e) Deferred tax assets (net)	18	7,769	5,200	-	-
(f) Income Tax Assets	7	98,694	93,496	93,412	66,527
(g) Other non-current assets	11	-	61	183	244
Total Non-Current Assets		279,635	283,907	240,712	224,579
Current assets					
(a) Financial Assets -					
(i) Trade Receivables	8	97,649	97,771	45,717	34,149
(ii) Cash & Cash equivalents	9	2,000	5,235	16,561	36,009
(iii) Bank balances other than (ii) above	9	2,068	-	-	-
(iv) Other Financial Assets	10	15,557	17,739	7,798	17,512
(b) Other current assets	11	36,018	18,910	25,591	25,339
Total Current Assets		153,291	139,654	95,666	113,009
TOTAL ASSETS		432,926	423,561	336,379	337,589
LIABILITIES AND EQUITY					
EQUITY					
(a) Equity Share Capital	12	49,000	49,000	49,000	600
(b) Other Equity	13	31,887	9,456	(25,115)	5,258
TOTAL EQUITY		80,887	58,456	23,885	5,858
LIABILITIES					
Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	14	20,057	-	-	-
(ii) Other financial liabilities	15	91,032	111,032	113,032	143,932
(b) Provisions		-	-	-	-
(c) Other non-current liabilities		-	-	-	-
Total non-current liabilities		111,090	111,032	113,032	143,932
Current liabilities					
(a) Financial Liabilities					
(i) Borrowings	14	45,823	55,340	60,757	37,100
(ii) Trade Payables	16	105,902	95,133	71,908	38,491
(iii) Other financial liabilities	15	8,935	52,399	7,379	34,114
(b) Other current liabilities	17	80,290	51,201	59,417	78,093
Total current liabilities		240,949	254,073	199,461	187,798
TOTAL LIABILITIES		352,039	365,105	312,494	331,731
TOTAL LIABILITIES AND EQUITY		432,926	423,561	336,379	337,589

Significant Accounting Policies & Notes to Accounts 1,2 & 3

In terms of our report attached For and on behalf of the Board

For M H Dalal & Associates
 Chartered Accountants
 Firm Registration Number: 112449W

Devang M Dalal
 Partner
 Membership No: 109049



R.R. Bhinge

R.R. Bhinge
 Director
 DIN: 00036557

Sanjay Dube

Sanjay Dube
 Director
 DIN: 000199531

Place: Mahape
 Date: 25th April, 2017



Tatanet Services Limited
Statement of Profit & Loss for the year ended 31st Mar'17

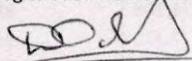
Rs. in '000 except equity share & per equity share data				
	Particulars	Note No	12 mths ended 31-Mar-17	12 mths ended 31-Mar-16
			Rs in '000	Rs in '000
1	Revenue from operations (Net)	19	799,698	690,837
2	Other income	20	3,308	3,952
3	Total revenue (1+2)		803,005	694,789
4	Expenses			
	Operating Expenses	21	662,331	574,019
	Finance costs	22	22,969	23,717
	Depreciation and amortisation expense	4 & 5	33,823	26,773
	Other expenses	23	54,994	36,382
	Total expenses		774,117	660,891
5	Profit before exceptional items and tax (3 - 4)		28,888	33,898
6	Exceptional items		-	-
7	Profit / (Loss) before tax (5+6)		28,888	33,898
8	Less: Tax expense			
	Current tax		9,069	5,200
	Deferred tax		(2,569)	(5,200)
			6,500	-
9	Profit / (loss) after tax (7-8+9)		22,388	33,898
9	Other Comprehensive Income		42	40
11	Profit / (Loss) attributable to the shareholders of the company (10+11)		22,430	33,937
12	Earnings per equity share			
	Basic - Rupees		4.58	6.93
	Diluted - Rupees		4.58	6.93

Significant Accounting Policies & Notes to Accounts
 In terms of our report attached

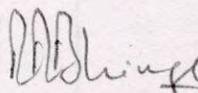
1,2 & 3

For and on behalf of the Board

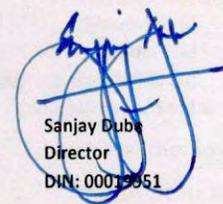
For M H Dalal & Associates
 Chartered Accountants
 Firm Registration Number: 112449W



Devang M Dalal
 Partner
 Membership No: 109049

R.R. Bhinge
 Director
 DIN: 00036557



Sanjay Dubey
 Director
 DIN: 00019651

Place: Mahape
 Date: 25th April, 2017



Tatanet Services Limited
Cash Flow Statement for the year ended 31st Mar, 2017

(Rupees in 000)

	For the year ended 31.03.2017		For the year ended 31.03.2016	
A. Cash flow from operating activities				
NET PROFIT / (LOSS) BEFORE TAX		28,888		33,898
ADJUSTED FOR				
Finance Cost	22,969		23,717	
Interest Income	(89)		(17)	
Dividend Income	(8)		-	
Depreciation and Amortisation	33,823		26,773	
		56,697		50,473
OPERATING PROFIT/ (LOSS) BEFORE WORKING CAPITAL CHANGES		85,585		84,371
Changes in working capital				
Adjustments for (increase) / decrease in operating assets:				
Trade Receivables	122		(52,054)	
Other financial assets	2,183		(9,941)	
Long Term Loans & Advances	-		-	
Other non-current assets	61		122	
Other current assets	(17,108)		6,681	
Adjustments for increase / (decrease) in operating liabilities:				
Trade Payables	10,768		23,225	
Other current liabilities	29,089		(8,216)	
		25,115		(40,184)
CASH GENERATED / (USED IN) FROM OPERATIONS		110,700		44,187
Direct taxes paid		(14,266)		(5,284)
NET CASH FROM OPERATING ACTIVITIES (A)		96,434		38,903
B. Cash flow from investing activities				
Purchase of fixed assets		(65,269)		(19,112)
Interest received		89		17
Dividend received		8		-
Bank Balance not considered as cash & cash equivalents		(2,068)		-
NET CASH FLOW (USED) IN INVESTING ACTIVITIES (B)		(67,240)		(19,094)
C. Cash flow from financing activities				
Repayment of Term Loan to Zoroastrian Bank Ltd		(18,853)		(15,784)
Proceeds from Term Loan - Axis Bank Ltd		51,600		-
Repayment of Term Loan to Axis Bank Ltd		(11,840)		-
Repayment of Short Term Borrowings		(173,438)		(59,661)
Proceeds from Short Term Borrowings		163,073		70,028
Security Deposit received from Nelco Ltd		-		20,000
Security Deposit refunded to Nelco Ltd		(20,000)		(22,000)
Finance Cost		(22,969)		(23,717)
NET CASH FROM FINANCING ACTIVITIES (C)		(32,428)		(31,134)
NET INCREASE /(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		(3,234)		(11,326)
CASH AND CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR		5,235		16,561
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR (Refer Note No 9)		2,000		5,235
		(3,234)		(11,326)

In terms of our report attached

For and on behalf of the Board

For M H Dalal & Associates
 Chartered Accountants
 Firm Registration Number: 112449W

Devang M Dalal
 Partner
 Membership No: 109049

Place: Mahape
 Date: 25th April 2017



R.R. Bhinge

R.R. Bhinge
 Director
 DIN: 00036557

Sanjay Dube

Sanjay Dube
 Director
 DIN: 00019951

NOTES TO ACCOUNTS

1. Corporate information

Tatanet Services Limited (herein after referred to as "TNSL") is a 100% subsidiary of Nelco Limited (a subsidiary of Tata Power Company Limited)

TNSL is in the business of providing VSAT domestic data network service to closed user group (CUG) networks via Satellite System on non-exclusive basis within the territorial boundary of India under the VSAT License granted by Department of Telecommunications (D.O.T).

TNSL provides service through its central hubs located at Mahape & Dehradun. TNSL also provides Internet Services under the PAN India ISP License.

2. Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015. These are the company's first Ind-AS financial statements.

For the year ended March 31, 2016, the company has prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. Pursuant to the Companies (Indian Accounting Standard) Rules, 2015, the Company has adopted March 31, 2017 as reporting date for first time adoption of Indian Accounting Standard (Ind-AS) and consequently April 1, 2015 as the transition date for preparation of financial statements.

For preparing the financial statements, opening balance sheet was prepared as at April 1, 2015 i.e. the date of transition to Ind-AS. The figures for the previous year ended March 31, 2016 have been restated, regrouped and reclassified, wherever required to comply with Ind-AS and Schedule III to the Companies Act, 2013 and to make them comparable.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values, & the provisions of the Companies Act, 2013 ('Act')

2.2 Cash flow statement

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

2.3 Property, plant and equipment

- a) Property, plant and equipment are stated at cost less accumulated depreciation less any recognized impairment loss. Cost comprises cost



of acquisition, cost of improvements and any attributable cost of bringing the asset to the condition of its intended use.

Tangible assets are depreciated over their useful life as follows:

RF & Baseband	: 10 to 12 years
Networking Devices	: 6 years
Computers & Accessories	: 3 to 5 years
VSAT Remotes	: 7.5 years
VSAT Antenna & Parts	: 15 years

b) Intangible assets are amortized over their useful life as follows:

License Fees – VSAT	: 20 years
License Fees – ISP	: 15 years
Testing Software	: 5 years

2.4 Revenue Recognition

Revenue from services is recognized on rendering of services to the customers.

2.5 Income Taxes

- a) **Current Tax:** Provision for Income Tax is determined in accordance with the provisions of the Income Tax Act 1961.
- b) **Deferred Tax Provision:** Deferred Tax is recognized on timing differences being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s)

2.6 Operating Segment

As per Ind AS 108 – Operating Segments, an operating segment is a component of an entity:

- a) That engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- b) Whose operating results are regularly reviewed by the entity's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and
- c) For which discrete financial information is available.

Reportable Segment

There are no reportable segments which can be identified as per the core principle mentioned above and the quantitative thresholds within the meaning of operating segment as per Ind AS-108



2.7 Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transactions. Monetary items are translated at the end of the reporting period at the rates prevailing at that date. Any premium or discount arising at the inception of a forward exchange contract is recognised as income or expense over the life of contract.

3. Notes to Accounts (All figures are rupees in 000' except per share data)

3.1 Earnings per share (EPS)

	2016-17 12 mths	2015-16 12 mths
a) Weighted Average Number of Shares at the beginning and end of the period (Nos.)	49,00,000	49,00,000
b) Net Profit / (Loss) after Tax available for Equity Share holders	22,430	33,937
c) Basic and diluted earnings Per Share (Rupees) – Face value	4.58	6.93

3.2 Contingent Liabilities:

	<u>Particulars</u>	<u>2016-17</u>	<u>2015-16</u>
a)	Claims against the company not acknowledged as debt comprises of:		
	i) Sales Tax claims disputed by the company relating to issues of applicability	3,83,557	3,83,557
	Future cash outflows in respect of above matters are determinable only on receipt of judgments/ decisions pending at various forums / authorities		

3.3 Major components of Deferred Tax Assets/ (Liabilities) are:

	2016-17	2015-16
<u>Deferred Tax Assets</u>		
(a) Provision for Doubtful Debts ***	1,866	1,168
(b) Difference between Book and IT Block ***	5,902	13,534
(c) Brought forward Loss as per IT	-	-



Less: - **Deferred Tax Liability**

(a) Difference between Book and Income Tax
Depreciation

Net Deferred Tax Assets / (Liabilities)

7,769

14,702

Note: *** Deferred Tax assets are recognized only to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.

3.4 Capital & Other Commitments

	2016-17 12 mths	2015-16 12 mths
Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances paid)	41,169	Nil
Estimated amount of contracts remaining to be executed on other account and not provided for (net of advances paid)	4,113	1,755

3.5 Auditor's Remuneration:

The Auditor's Remuneration as appearing in Note No: 23 – "Other Expenses" is the amount payable to Auditor as follows:

	2016-17 12 mths	2015-16 12 mths
As Auditor	165	165
For Taxation Matters	65	65
For other services	67	35
For reimbursement of expenses	82	-
TOTAL	379	265

3.6 Value of Imports calculated on CIF basis

Particulars	2016-17 12mths	2015-16 12mths
i) Capital Goods	18,443	46,109



3.7 Related Party Disclosure

The disclosure pertaining to the related party transactions as required by the Accounting Standard Ind AS 24, as applicable are, indicated below.

Details of related parties:

Description of relationship	Names of related parties
Ultimate Holding Company	Tata Power Company Limited
Holding Company	Nelco Limited
Executive Director of Nelco Limited	Mr. P. J. Nath

*** Note: Related parties have been identified by the Management.

Transactions with the related parties as identified above are as below:

Period 01.04.2016 to 31.03.2017

Details of Related Party Transactions

(Rupees in 000')

Sr.No.	Particulars	Nelco Limited	Mr. P.J. Nath (Executive Director of Nelco Ltd)
1)	Purchases :	-	
a)	Goods	-	
b)	Fixed Assets	-	
c)	Expenses	257,670	
		(203,818)	
2)	Investments :	-	
a)	Sale of Investment	-	
3)	Deputation of Personnel :	-	
	To Related Parties	-	
4)	Finance :		
a)	Inter Corporate Loans taken	-	
b)	Inter Corporate Loans Repayment	-	
c)	Interest Paid on Deposit	11,200	
		(12,816)	
d)	Security Dep. received during the period	-	
		(20,000)	



e)	Security Dep. paid during the period	20,000	
		(22,000)	
5)	Guarantees and collaterals recd/(refunded)	-	
		(107,500)	
6)	Other Transactions :		
a)	Reimbursements made to parties	-	
b)	Reimbursements received from parties	-	
c)	Consultancy Charges	-	9,500
d)	Directors Sitting Fees	-	
7)	Balance o/s as on 31.03.2017		
a)	Creditors (Net)	68,472	
		(60,794)	
b)	Debtors (Net)	-	
c)	Inter Corporate Loans	-	
d)	Interest Accrued, but not due	-	
e)	Deposits received	91,032	
		(111,032)	
f)	Guarantees and collaterals	307,500	
		(307,500)	
g)	Other Recoverable	-	
		-	

Note : Figures in brackets pertain to the previous period of 12 months i.e. (April 2015 to March 2016)

3.8 Foreign Currency Outgo:

Particulars	Foreign Currency	2016-17	2015-16
		Amount in Foreign Currency	
		Twelve Mths	Twelve Mths
Paid	USD	9,52,515	64,566
Paid	EUR	-	10,000
Paid	GBP	-	1,335
Paid	AUD	1,796	1,796



The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March, 2017		As at 31 March, 2016	
Particulars	(Payable)	Particulars	(Payable)
	in Foreign currency		in Foreign currency
Payable	US\$ Nil	Payable	US\$ Nil

3.9 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act):

There are no Micro and Small Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the company owes dues which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

3.10 Previous period's figures have been re-stated wherever necessary to conform to current period's classification.

As per our report attached

For and on behalf of the Board

For M. H. Dalal & Associates
Chartered Accountants



(Handwritten signature)

Devang M. Dalal
Partner
M No: 109049

Mumbai - 25.04.2017



(Handwritten signature)

R.R. Bhinge
Director
DIN: 00036557

(Handwritten signature)

Sanjay Dube
Director
DIN: 00019951

Note 4 - Property, plant and equipment

							Rs. in '000
	Plant and Machinery	Furniture and Fittings	Office Equipment	As at 31-Mar-2017	Reclass Ind-AS	Adjustment Ind-AS	As at 31-Mar-2017
Cost							
Balance as at Apr 1, 2016	412,002	-	2,039	414,041	-	-	414,041
Additions	68,212	-	-	68,212	-	-	68,212
Disposals	-	-	-	-	-	-	-
Balance as at Mar 31, 2017	480,214	-	2,039	482,253	-	-	482,253
Accumulated depreciation and impairment							
Balance as at Apr 1, 2016	288,317	-	464	288,781	-	-	288,781
Charge for the period - Depreciation	31,299	-	321	31,620	-	-	31,620
Balance as at Mar 31, 2017	319,616	-	785	320,401	-	-	320,401
Carrying value As at Mar 31, 2017	160,598	-	1,254	161,852	-	-	161,852

							Rs. in '000
	Plant and Machinery	Furniture and Fittings	Office Equipment	I GAAP 31-Mar-2016	Reclass Ind-AS	Adjustment Ind-AS	Ind-AS 31-Mar-2016
Cost							
Balance as at Apr 1, 2015	403,790	-	1,394	405,184	-	-	405,184
Additions	8,212	-	645	8,857	-	-	8,857
Disposals	-	-	-	-	-	-	-
Balance as at Mar 31, 2016	412,002	-	2,039	414,041	-	-	414,041
Accumulated depreciation and impairment							
Balance as at Apr 1, 2015	270,758	-	146	270,905	-	(8,068)	262,836
Charge for the year - Depreciation	39,917	-	318	40,235	-	(14,291)	25,945
Balance as at Mar 31, 2016	310,675	-	464	311,140	-	(22,359)	288,781
Carrying value As at Mar 31, 2016	101,326	-	1,575	102,901	-	22,359	125,260



Note 5 Other intangible assets

Rs. in '000

	Technical Know-How	Licences	Computer/ Testing Software	Others	As at 31-Mar 17
Cost					
Balance at 1st Apr' 2016	-	5,000	2,729	-	7,729
Additions	-	-	9,502	-	9,502
Balance at 31 Mar 2017 (A)	-	5,000	12,231	-	17,231
Accumulated amortisation and impairment					
Balance at 1st Apr' 2016	-	3,161	1,024	-	4,186
Amortisation expense	-	283	1,920	-	2,203
Balance at 31 Mar 2017 (B)	-	3,445	2,944	-	6,389
Balance at 31 Mar 2017 (A) - (B)	-	1,555	9,287	-	10,842

Other intangible assets

Rs. in '000

	Technical Know-How	Licences	Computer/ Testing Software	Others	As at 31-Mar 16
Cost					
Balance at 1st Apr' 2015	-	5,000	2,729	-	7,729
Additions	-	-	-	-	-
Balance at 31 Mar 2016 (A)	-	5,000	2,729	-	7,729
Accumulated amortisation and impairment					
Balance at 1st Apr' 2015	-	2,878	479	-	3,357
Amortisation expense	-	283	546	-	829
Balance at 31 Mar 2016 (B)	-	3,161	1,024	-	4,186
Balance at 31 Mar 2016 (A) - (B)	-	1,839	1,705	-	3,543



Note 6

Investments - Non Current

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Investments				
Investment in the ordinary shares of The Zoroastrian Co-op Bank Limited - 2000 Nos as per the terms of the sanction letter of The Zoroastrian Co-op Bank Ltd)	479	437	398	398
Total Non Current Investments	479	437	398	398



Note 7 Non Current tax assets

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Caution Deposit with Antrix Corporation Limited	-	-	12,014	-
Advance tax - TDS	98,694	93,496	81,398	66,527
(net of provision for tax of Rs. 19,469 ('000). (Previous year Rs. 10,400 ('000))				
Total	98,694	93,496	93,412	66,527



Note 8 Trade receivables - Current

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Trade receivables				
Outstanding for a period exceeding six months from the date they were due for payment				
Considered good	9,799	4,138	521	1,693
Doubtful	3,515	3,533	6,797	10,012
	13,314	7,671	7,318	11,705
Less: Provision for doubtful trade receivables	3,515	3,533	6,797	10,012
	9,799	4,138	521	1,693
Other Trade receivables	92,461	97,187	46,489	32,456
Less: Provision for doubtful trade receivables	4,611	3,555	1,294	-
	87,850	93,632	45,195	32,456
	97,649	97,771	45,717	34,149



Note 9 Cash & Cash equivalents

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Cash & Cash Equivalents				
Current account with Scheduled Banks in India (Axis Bank Ltd - Rs. 1,503 ('000)) (Bank of India - Rs. 497 ('000))	2,000	5,235	16,561	36,009
Total	2,000	5,235	16,561	36,009

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Other Bank Balances - Other Cash & Cash equivalents				
Balances held as margin money against bank guarantees	2,068	-	-	-
Total	2,068	-	-	-



Note 10

Other financial assets - current

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Security deposits	75	2,517	966	13,869
Unbilled Revenue	15,482	15,222	6,832	3,643
Total	15,557	17,739	7,798	17,512



Note 11 Other current assets

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Prepaid expenses	3,316	3,432	10,101	7,633
Advance to suppliers	1,699	-	-	-
Other recoverables	10	-	-	-
Service tax / CENVAT receivable	30,992	15,478	15,490	17,707
Total	36,018	18,910	25,591	25,339

Other non-current assets

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Unamortised portion of Term Loan Processing fees	-	61	183	244
Total	-	61	183	244



Note 12 Equity Share Capital

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Equity Share Capital (49,00,000 equity shares of Rs. 10/- each fully paid)	49,000	49,000	49,000	600
	49,000	49,000	49,000	600

Share Capital	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Authorised:-	No. of Shares	No. of Shares	No. of Shares	No. of Shares
Non-Cumulative Redeemable Preference Shares of Rs.100/- each	-	-	-	18
Equity Shares of Rs. 10/- each	5,000,000	5,000,000	5,000,000	9,982
TOTAL	5,000,000	5,000,000	5,000,000	10,000
Issued, Subscribed & Paid up:-				
Equity Shares of Rs. 10/- each fully paid	4,900,000	4,900,000	4,900,000	6,000
TOTAL	4,900,000	4,900,000	4,900,000	6,000

Number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	No. of Shares held	No. of Shares held	No. of Shares held	No. of Shares held
Shares outstanding at the beginning of the year (6000 Equity Shares of Rs. 100/- each have been reclassified into 60000 Equity Shares of Rs. 10/- each)	4,900,000	4,900,000	4,900,000	6,000
Shares Issued during the period	-	-	-	-
Shares bought back during the period	-	-	-	-
Shares outstanding at the end of the period	4,900,000	4,900,000	4,900,000	6,000

Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Name of Shareholder	No. of Shares held	No. of Shares held	No. of Shares held	No. of Shares held
Nelco Limited - Holding Company (100% share holding)	4,900,000	4,900,000	4,900,000	6,000



Note 13**Statement of Changes in the Reserves & Surplus - Other Equity**

Particulars	Rs. in '000	
	Indian GAAP	IND - AS
Reserves & Surplus as of 30.09.2014	4,911	5,258
Add:		
Reduction in depreciation due to revised IND-AS for the six months period Oct 14 to March 15	-	8,068
Increase in PDD due to Expected Credit Loss method for the year Oct to Mar 15	-	(1,294)
Less: Loss for the period Oct 14 to March 15	(37,147)	(37,147)
Reserves & Surplus as of 31.03.2015	(32,237)	(25,115)
Add:		
Reduction in depreciation due to revised IND-AS for the full year from Apr 15 to Mar 16	-	14,291
Effect of measuring investment at fair value - Equity Shares of Zoroastrian Bank Ltd	-	40
Less: Increase in PDD due to Expected Credit Loss method for the year Apr to Mar 16		(2,261)
Add: Profit for the year Apr 15 to Mar 16	22,502	22,502
Reserves & Surplus as of 31.03.2016	(9,735)	9,456
Add: Profit for the period as per Indian GAAP	441	441
Less: Increase in PDD due to Expected Credit Loss method for AMJ 16 quarter		(1,057)
Add: Reduction in depreciation due to revised IND-AS for the quarter Apr 16 to Jun 16		1,664
Reserves & Surplus as of 30.06.2016	(9,294)	10,504
Add: Profit for the period July to September 16	695	2,414
Reserves & Surplus as of 30.09.2016	(8,599)	12,918
Add: Profit for the period October to December 16	4,984	6,847
Reserves & Surplus as of 31.12.2016	(3,614)	19,765
Add: Profit for the period January to March 17	9,911	12,122
Reserves & Surplus as of 31.03.2017	6,297	31,887



Note 14 Borrowings - Short term

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Secured - at amortised cost				
Bank overdraft - Axis Bank Limited	-	10,367	-	-
Term Loans from Banks - Zoroastrian Bank Ltd	12,348	29,350	45,134	27,428
Current Maturities of Long term debt	33,475	15,623	15,623	9,672
Total Borrowings - Short term	45,823	55,340	60,757	37,100

Borrowings - Long term

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Secured - at amortised cost				
Term Loans from Banks - Axis Bank Limited	20,057	-	-	-
Total Borrowings - Long term	20,057	-	-	-



Note 15 Other financial liabilities - Current

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Payables for purchase of fixed assets	8,935	52,399	7,379	34,114
Total	8,935	52,399	7,379	34,114

Other financial liabilities - Non-Current

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Security Deposit from Holding Company - Nelco Limited	91,032	111,032	113,032	143,932
Total	91,032	111,032	113,032	143,932



Note 16 Trade Payables - Current

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Trade Payables:				
Total Outstanding dues of micro enterprises and small enterprises (Refer Note No 3.9)	-	-	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	105,902	95,133	71,908	38,491
	105,902	95,133	71,908	38,491



Note 17 Other current liabilities

Rs. '000

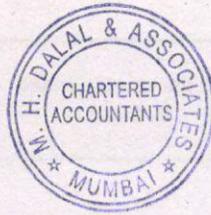
	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
(a) Other Payables				
(i) Income received in Advance	78,332	48,221	56,496	64,013
(ii) Statutory Liabilities	1,922	2,629	2,668	4,253
(iii) D.O.T. Revenue Share payable	36	351	254	9,827
	80,290	51,201	59,417	78,093



Note 18 Deferred tax assets

Rs. in '000

	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015	As at 01-Oct-2014
Deferred tax assets	7,769	5,200	-	-
	7,769	5,200	-	-



Note 19 - Revenue from Operations

Rs. '000

	For the 12 mths ended 31-Mar-17	For the 12 mths ended 31-Mar-16
(a) Sale of Services		
VSAT Bandwidth Services	799,422	690,241
Internet Services	275	596
TOTAL	799,698	690,837

Note 20 - Other Income

Rs. '000

	For the 12 mths ended 31-Mar-17	For the 12 mths ended 31-Mar-16
(a) Other Income		
Dividend Income	8	-
Interest on FD with Bank	89	17
Interest on Income Tax Refund	3,212	3,934
TOTAL	3,308	3,952



Note 21 - Operating Expenses

Rs. '000

	For the 12 mths ended 31-Mar-17	For the 12 mths ended 31-Mar-16
Licence Fees to D.O.T (As Revenue Share)	96,504	83,789
Transponder Charges	298,204	276,983
Connectivity Charges	9,371	8,972
ISP Monitoring & Support Charges	325	325
Internet Charges	1,022	800
Network Management Fees	139,177	132,049
Marketing Services Fees	117,728	71,101
TOTAL	662,331	574,019

Note 22 - Finance Costs

Rs. '000

	For the 12 mths ended 31-Mar-17	For the 12 mths ended 31-Mar-16
Interest Expense		
(i) On borrowings	19,204	18,787
(ii) Other Interest	947	2,250
Other Borrowing Costs	2,818	2,681
TOTAL	22,969	23,717



Note 23 - Other Expenses

Rs. '000

		For the 12 mths ended 31-Mar-17		For the 12 mths ended 31-Mar-16
Power and fuel		1,785		2,034
Space Charges (Rent)		11,185		10,450
Repairs to machinery		8,011		5,014
Migration Charges		-		2,000
Insurance		81		137
Expenses for increase in Share Capital		-		48
Directors Sitting Fees		400		340
(i) Miscellaneous expenses,				
Provision for Doubtful Debts		3,910		2,494
Bad Debts Written Off	2,911		3,332	
Less: Prov for Doubtful Debts made in earlier years	2,911	-	3,332	-
Professional & Legal Charges		14,200		4,965
Auditors Remuneration (Refer Note No 3.5)		379		265
Commission		8,407		6,459
Other Expenses		6,635		2,175
TOTAL		54,994		36,382

