CONNECT BROADBAND

Quadrant Televentures Limited

70th Annual Report 2016-17

CORPORATE INFORMATION

BOARD OF DIRECTORS
Arvind Ramnath Somani
Babu Mohanlal Panchal
Lalita Sharma (Nominee of IDBI Bank Ltd.)
Mitu Mehrotra Goel
Vinay Kumar Monga

CHIEF FINANCIAL OFFICER
Munish Bansal

COMPANY SECRETARY & MANAGER
Amit Verma

AUDITORS

M/s Khandelwal Jain & Co.
Chartered Accountants

INTERNAL AUDITORS
M/s Ernst & Young- LLP

BANKERS
IDBI Bank Ltd.
LIC of India
State Bank of India
(Erstwhile State Bank of Patiala)
Oriental Bank of Commerce
Kotak Mahindra Bank
(Erstwhile ING Vysya Bank Ltd.)
Punjab National Bank
HDFC Bank Ltd.
ICICI Bank Ltd.

REGISTERED OFFICE
Autocars Compound, Adalat Road
Aurangabad – 431005, Maharshtra

REGISTRAR & SHARE TRANSFER AGENTS
Cameo Corporate Services Ltd
Subramanian Building No.1
Club House Road, Anna Salai
Chennai - 600002
E-mail:investor@cameoindia.com
Tele: +91-44-28460390-394

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GO GREEN APPEAL TO SHAREHOLDERS

Dear Shareholder, if you are still receiving the physical copy of Annual Report, we request you to share your email address, so that Annual Report and other communications may be sent electronically. E-mail address may be communicated at **investor@cameoindia.com** or at **secretarial@infotelconnect.com.**

SAVE TREES SAVE EARTH

NOTICE

NOTICE is hereby given that the Seventieth (70th) Annual General Meeting of Quadrant Televentures Limited (the "Company") will be held on Friday, 1st September, 2017 at 2:30 P.M. at the Registered Office of the Company at Autocars Compound, Adalat Road, Aurangabad - 431 005, (Maharashtra) to transact the following businesses: -

ORDINARY BUSINESS: -

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the financial year ended on March 31, 2017 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Mitu Mehrotra Goel (DIN 05188846), who retires by rotation at the ensuing Annual General Meeting, and being eligible, offers herself for re-appointment.
3. To ratify appointment of Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of M/s. Khandelwal Jain & Co., Chartered Accountants, Mumbai (Firm Registration No. 105049W) as Statutory Auditors of the Company who holds office from the conclusion of 67th Annual General Meeting until the conclusion of the 72nd Annual General Meeting, be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, on such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS: -

4. To consider and approve the related party transactions in terms of the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment or modification thereof) and all the applicable provisions of the Companies Act, 2013 read with Rules made there under and as recommended and approved by the Audit Committee at its meeting held on June 29, 2017 and subject to such other approvals, sanctions, permissions as may be required, the consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into transaction(s) with M/s Quadrant Enterprises Private Limited, Promoter Group entity and Associate Company and related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013, and the rules made there under and Accounting Standard – 18 (AS-18) issued by the Institute of Chartered Accountants of India, by way of loan/advance in one or more tranches during the period from 15th September, 2017 to 14th September, 2018 for an amount not exceeding Rs. 250 Crore (Rupees Two Hundred fifty Crore Only).

   RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize the terms and conditions of Related Party Transactions with M/s Quadrant Enterprises Private Limited and to do all such acts, deeds and things as may be necessary, usual or expedient for giving effect to this Resolution and also to agree to any amendments thereto from time to time as it may think fit.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, if any required, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."
5. To consider and approve the appointment and regularisation of Mr. Arvind Ramnath Somani as Director / Independent Director (Non-Executive) of the Company and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Mr. Arvind Ramnath Somani (DIN - 02695136), who was appointed by the Board of Directors as an Additional Director (Independent Non-executive) of the Company with effect from March 29, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act 2013 ("Act") in respect of whom the Company has received a notice in writing from a Shareholder of the Company under Section 160 of the Act proposing candidature of Mr. Arvind Ramnath Somani for the office of Director of the Company, be and is hereby appointed a Director (Independent Non-Executive) of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act 2013 and the Rules made there under read with Schedule IV to the Companies Act, 2013, Mr. Arvind Ramnath Somani (DIN - 02695136), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director (Independent Non-Executive) of the Company not liable to retire by rotation, to hold office for a period of five consecutive years from 29th March, 2017 to 28th March 2022.
6. To consider and ratify the remuneration to be paid to M/s Sanjay Gupta and Associates, Cost Auditors of the Company and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Sanjay Gupta and Associates, Firm Registration No. 000212, Cost Accountant in Whole-Time practice appointed as the Cost Auditor of the Company by the Board of Directors, for conducting the Audit of the Cost Records of the Company for the financial year commencing on 1st April, 2017 at a remuneration of Rs.70,000/- (Rupees Seventy Thousands Only) excluding Service Tax, traveling and other out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."
7. To consider and approve the Issue of Unsecured Zero Coupon Compulsorily Convertible Debentures (convertible into preference shares) in terms of the provisions of Section 55, 62(3) and 71 of Companies Act, 2013 and in this regard to consider and, if thought fit, to pass the following resolution as a **Special Resolution**: -

"**RESOLVED THAT** pursuant to the provisions of Section 55, 62(3), 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rules made thereunder and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements, and other applicable provisions, if any, of the Securities and Exchange Board of India, the applicable rules, notifications, guidelines, policies, procedures issued by various authorities including but not limited to the Government of India, the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI") and other competent authorities, and subject to the necessary approvals, permissions, sanctions and consents as may be required from any regulatory and other appropriate authorities (including but not limited to the SEBI, Corporate Debt Restructuring Empowered Group (CDR-EG), RBI, the Government of India etc.) and all such other approvals (including approvals of the existing lenders of the Company, if any) and agreed to by the Board of Directors (hereinafter referred to as the "Board"), (which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution) and in compliance to Master Restructuring Agreement ("MRA") entered between the Company and CDR Lenders on September 4, 2005 and Scheme of Settlement/ Change of Management approved under CDR Package ("CDR Package") by and between the Company and the Lenders of the Company ("CDR Lenders") which has been approved by the Corporate Debt Restructuring Empowered Group ("CDR EG") in its meeting held on July 27, 2009, and communicated to the CDR Lenders by the Corporate Debt Restructuring Cell ("CDR Cell") vide its Letter of Approval dated August 13, 2009 ("CDR LOA") (including any modifications to the terms thereof) as approved by the CDR Lenders and the Company and amendments, if any, consent of the members be and is hereby accorded to the Board to offer, issue and allot 8,60,000 (Eight Lacs Sixty Thousand) Unsecured Zero Coupon Compulsorily Convertible Debentures (hereinafter referred to as "Zero Coupon CCD's") of face value of Rs.1,000/- (Rupees One Thousand Only) each in one or more tranches for an amount not exceeding Rs.86,00,00,000/- (Rupees Eighty Six Crores Only) to M/s Videocon Telecommunications Limited (hereinafter referred to as "VTL") by way of conversion of Advances made by VTL from time to time into the Company in compliance to the terms of CDR Package and Agreement, by way of preferential issue on the following terms and conditions and in such manner as may be determined by the Board in its absolute discretion:-

i) the said Zero Coupon CCDs shall be "interest free" during the currency of CDR loans of the Company.

ii) the said Zero Coupon CCDs shall be unsecured and each Zero Coupon CCDs shall be compulsorily convertible into 86,00,000 (Eighty Six Lacs) 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares (hereinafter referred as "2% NCRPS") of face value of Rs.100/- (Rupees One Hundred Only) each, at par, at a price of Rs.100/- (Rupees One Hundred Only) each, aggregating to Rs.86,00,00,000/- (Rupees Eighty Six Crores) and redeemable at par.

iii) since the entire obligations under CDR is to be settled/ cleared by the year 2024 as per the CDR letter dated August 13, 2009, accordingly, the conversion of Zero Coupon CCDs into 2% NCRPS shall not happen before the Settlement Date (hereinafter referred as "Settlement Date") i.e. April 1, 2025 as mutually agreed between the parties.

RESOLVED FURTHER THAT 86,00,000 (Eighty Six Lacs) 2% NCRPS of face value of Rs. 100/- (Rupees One Hundred Only) each, shall be issued at par, at a price of Rs. 100/- (Rupees One Hundred Only) each, aggregating to Rs. 86,00,00,000/- (Rupees Eighty Six Crore Only) and redeemable at par upon conversion of Zero Coupon CCDs on the following terms and conditions;

- **Dividend:** The said Preference Shares shall carry a right to dividend of 2% per annum.
- **Priority with respect to payment of dividend or repayment of capital vis-a-vis equity shares:** The said Preference Shares shall carry a preferential right vis-à-vis Equity Shares with respect to payment of dividend or repayment of capital in case of winding up.
- **Participation in surplus fund:** The said Preference Shares shall be non-participating in the surplus funds.
- **Participation in surplus assets and profits, on winding up which may remains after the entire capital has been repaid:** The said Preference Shares shall be non-participating in surplus assets and profits on winding up which may remains after the entire capital has been repaid.
- **The payment of dividend on cumulative or non-cumulative basis:** The said Preference Shares shall be paid dividend on non-cumulative basis.
- **The conversion of preference shares into equity shares:** The Preference Shares will be non convertible.
- **The Voting rights:** The preference Shares shall carry voting rights only in respect of matters as per the provisions of Section 47(2) of the Companies Act 2013.
- **The Redemption of Preference Shares**: The said Preference Shares shall be redeemed in 5 (five) yearly equal installments payable on 31st March of each year, at par, as mutually agreed between parties and as approved by the Board and, subject to necessary approvals as may be required.

RESOLVED FURTHER THAT Board be and is hereby authorized to do all such acts, deeds and things as the Board may deem fit and proper and shall allot and issue the requisite number of fully paid-up 2% NCRPS upon conversion of Zero Coupon CCDs in the Company to VTL.

RESOLVED FURTHER THAT the Zero Coupon CCDs and 2% NCRPS to be issued and allotted upon conversion of Zero Coupon CCDs shall be in physical or dematerialised form and subject to the provision of Memorandum and Articles of Association and shall rank pari-passu with the existing preference shares of the Company in all respects;

RESOLVED FURTHER THAT the common seal of the Company, if required to be affixed in India on any agreement, undertaking, deed or other document, the same be affixed in the presence of anyone Director and Company Secretary or any other person as may be authorised by the Board in accordance with the Article of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to agree, make and accept all such term(s), condition(s) and alteration(s) as it may deem fit, including condition(s), modification(s) and alteration(s) stipulated or required by any relevant authorities or by their bye-laws, rules regulations or guidelines and the Board is also hereby authorised to resolve and settle all questions, difficulties or doubts that may arise in regard to such offer, issue and allotment, to finalise and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have given approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors or any other Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution."

By Order of the Board of Directors of
QUADRANT TELEVENTURES LIMITED

AMIT VERMA
COMPANY SECRETARY
MEMBERSHIP NO.A27981

Place: Gurgaon
Dated: June 29, 2017

NOTES: -

1. **IN TERMS OF THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY, THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN BE A PROXY FOR MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN AN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE MEETING IS ENCLOSED.**

2. In terms of the provisions of Section 102 of the Companies Act, 2013, the Statement setting out material facts in respect of all Special Businesses to be transacted at the meeting is annexed and forms part of the Notice.

3. Copies of Notice of 70th Annual General Meeting together with Annual Report are being sent by electronic mode to all the members whose email addresses are registered with the Company/Depository Participant(s) and for Members who have not registered their email addresses, physical copies of the Annual Report are being sent by the permitted mode, to those members who hold shares in physical form and whose names appear in the Company's Register of Members on Friday, 23rd June, 2017 and as regards shares held in the electronic form, to those beneficial owners of the shares as at the close of business hours on Friday, 23rd June, 2017 as per the particulars of beneficial owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Upon request, printed copy of Annual Report will be supplied to those share holders to whom Annual Report has been sent through Electronic Mode.

4. Corporate Members intending to send authorized representative(s) to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.

5. Details as per the Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting is appended to the Notice.

6. For convenience of the Members and proper conduct of meeting, entry to the place of meeting will be regulated by attendance slip, which is annexed to the Annual Report, Members are requested to sign at the place provided on the attendance Slip, and hand it over at the entrance of the venue.

7. Members who hold shares in dematerialized form are requested to write their Client ID and Depository Participant ID and those who hold shares in physical form are requested to write their Folio Number on the Attendance Slip and bring their attendance slip, as enclosed, alongwith their copy of Annual Report to the Meeting.

8. Members holding shares in dematerialized form are requested to notify immediately any change of address to their Depository Participants (DPs) and those who hold shares in physical form are requested to write to the Company's Registrar & Share Transfer Agents, M/s. Cameo Corporate Services Ltd., "Subramanian Building" No. 1, Club House Road, Anna Salai, Chennai - 600 002.

9. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 25th August, 2017 to Friday, 1st September, 2017 (both days inclusive) for the purpose of the Meeting.

10. In terms of and in compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility as an alternate to all its Members to enable them to cast their vote electronically instead of casting the vote at the Meeting. The Members who have casted their votes by remote e-voting may participate in the Meeting even after exercising their right to vote through remote e-voting but they shall not be allowed to cast vote again at the Meeting. For this purpose, the Company has entered into an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their votes electronically. The Company is also providing facility for voting by Ballot at the Annual General Meeting apart from providing remote e-voting facility for all those members who are present at the general meeting but have not casted their votes by availing the remote e-voting facility.

11. The remote e-voting facility shall be opened from Tuesday, 29th August, 2017 at 9.00 a.m. to Thursday, 31st August, 2017 till 5.00 p.m., both days inclusive. The remote e-voting facility shall not be allowed beyond 5.00 p.m. Thursday, 31st August, 2017. During the period when facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date, may opt for remote e-voting. Provided that once the vote on a resolution is casted by the member, he shall not be allowed to change it subsequently or cast the vote again.

The notice of the meeting is also being placed on the website of the Company viz. www.connectzone.in and on the website of CDSL viz. www.cdslindia.com .

12. The Company has fixed Friday, 25th August, 2017, as the cutoff date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or in the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are attached herewith and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting.

13. Mrs. Gayathri R. Girish, Practicing Company Secretary (C.P. No. 9255) failing whom Mr. S.K. Dak, Practicing Company Secretary (C.P. No. 7687) has been appointed as the Scrutinizer for conducting the voting by ballot at the Meeting and remote e-voting process in fair and transparent manner.

    The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes casted by Ballot at the Meeting, thereafter unblock the votes casted through remote e-voting in the manner provided in the Rules and make, not later than 3 days of conclusion of the Meeting, consolidated Scrutinizer's Report of remote e-voting and voting by Ballot at the Meeting, of the total votes casted in favour or against, if any, to the Chairman of the Meeting and the Chairman or a person as may be authorized by him in writing shall declare the result of the voting forthwith and all the resolutions as mentioned in the Notice of the Meeting shall be deemed to be passed on the date of the Meeting. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.connectzone.in and on the website of CDSL at www.cdslindia.com, immediately after the results are declared by the Chairman.

14. Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date i.e. Friday, 25th August, 2017, may obtain the User ID and Password by sending an email request to secretarial@infotelconnect.com. Members may also call on +91 172 5090000 or send a request to Mr. Amit Verma, Company Secretary, by writing to him at Quadrant Televentures Limited at B-71, Industrial Area, Phase VII, Mohali – 160055.

15. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Friday, 25th August, 2017, the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or at the Meeting by Ballot.

16. In case of joint holders attending the Meeting, and who have not exercised their right to vote by remote e-voting facility, only such joint holder who is higher in the order of names shall be entitled to vote.

17. Non-resident Indian Members are requested to inform M/s. Cameo Corporate Services Limited, Registrar and Share Transfer Agent of the Company, immediately whenever there is a change in their residential status on return to India for permanent settlement together with the particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin code number, if not furnished earlier.

18. The relevant documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company on all working days between 12.00 Noon to 3.00 p.m. up to the date of the Annual General Meeting.

19. Members desiring any information relating to the Financial Statements/ Director's Report are requested to send their queries to the Company Secretary - 7 days before the date of the meeting so as to enable the Management to reply at the Meeting.

20. Members who hold the shares in physical form under the multiple folio's, in identical names or joint accounts in the same order or names, are requested to send the share certificates to Registrar and Share Transfer Agent of the Company namely M/s. Cameo Corporate Services Ltd., "Subramanian Building", No.1, Club House Road, Anna Salai, Chennai - 600 002, for consolidation into a single folio.

21. GREEN INITIATIVE:

    Members who have not registered their e-mail address so far are requested to register their E-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.

    Shareholders are requested to send any investor complaints at the Email ID for the Investor Grievance / Redressal division at secretarial@infotelconnect.com.

22. The equity shares of the Company are tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories i.e., NSDL and CDSL. Taking into consideration the enormous advantages offered by the Depository Systems, Members are requested to avail the facility of dematerialization of the Company's shares on either of the Depositories, as aforesaid.

    The Annual Report of the Company will be made available on the Company's website at www.connectzone.in and also on the website of BSE Limited at www.bseindia.com.

23. Members are requested to kindly bring their copy of the Annual Report to the Meeting.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MODE

The process and manner for voting by electronic means and the time schedule including the time period during which the votes may be casted is as under:

(i) The voting period begins on Tuesday, 29th August, 2017 at 9.00 a.m. to Thursday, 31st August, 2017 till 5.00 p.m., both days inclusive. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date of Friday, 25th August, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com

(iv) Click on "Shareholders".

(v) 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.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number, given in Postal Ballot Form, in the PAN field. • The sequence number shall be the same for voting through remote e-voting for the Postal Ballot Resolution and resolutions to be passed at the AGM • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DIVIDEND BANK DETAILS OR DATE OF BIRTH	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. If both the details are not recorded with the depository or Company please enter member ID/folio number in the Dividend Bank details field as mentioned in instruction (v).

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

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant Quadrant Televentures Limited on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. 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.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(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, under help section or write an email to helpdesk.evoting@cdslindia.com. In case the shareholders have any grievances connected with the voting by Postal Ballot / AGM including electronic means, the Shareholders may also call on +91 172-5090000 or send a request to Mr. Amit Verma, Company Secretary, by writing to him at Quadrant Televentures Limited at B-71, Industrial Area, Phase-VII, Mohali 160055 or send an email to secretarial@infotelconnect.com.

By Order of the Board of Directors of
QUADRANT TELEVENTURES LIMITED

AMIT VERMA
COMPANY SECRETARY
MEMBERSHIP NO.A27981

Place: Gurgaon
Dated: June 29, 2017

A STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Your Company provides various Telecommunication services including Data and Internet Connectivity across wire-line technology, Fixed Line services and Managed Services. The Company provides broadband services through its fiber optic cable laid across Punjab and the Company has also entered into co-location agreements with other operators in order to expand its network.

For smooth operations of the Company, to meet the capital expenditure proposed to be incurred and to meet any shortfall in cash flows and to ensure adequate availability of working capital and additional fund requirement, the Company need to raise funds. Further, the Corporate Debt Restructuring Cell (CDR Cell) had vide its letter no.CDR(JCP)563/2009-10 dated August 13, 2009 approved a Corporate Debt Restructuring Package (CDR Package) for the Company, in order to write off the losses and also to enable the Company to service its debts. In terms of the CDR Package the promoter shall make necessary arrangements of funds as may be required for smooth operations of the Company.

Accordingly, it is proposed to raise funds from M/s. Quadrant Enterprises Private Limited (“QEPL”), the Promoter Group Entity and Associate Company of the Company and Related Party of the Company within the meaning of Section 2(76) of the Companies Act, 2013, and the Rules made there under and Accounting Standard – 18 (AS-18) issued by the Institute of Chartered Accountants of India, by way of loans/advances in one or more tranches during the period from 15th September, 2017 to 14th September, 2018 for an amount not exceeding Rs. 250 Crore (Rupees Two Hundred fifty Crore Only).

The Audit Committee of the Company in its meeting held on 29th June, 2017 considered and given its omnibus approval in line with the policy on Related Party Transactions of the Company for availing financial assistance by way of loans/advances from QEPL up to an amount not exceeding Rs. 250 Crore during the period from 15th September, 2017 to 14th September, 2018.

In terms of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material related party transactions shall require approval of the shareholders through resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

In view of the above, approval of the Shareholders by way of Ordinary Resolution is being sought in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The relevant necessary documents shall be available for inspection to the Members during the course of voting at the Registered Office of the Company during the office hours.

Additional information regarding Related Party Transaction: -

i. **Name of the Related Party :-** M/s Quadrant Enterprises Private Limited, Promoter Group entity and Associate Company and related party of the company within the meaning of Section 2(76) of the Companies Act, 2013, and the Rules made there under and Accounting Standard – 18 (AS-18) issued by the Institute of Chartered Accountants of India.

ii. **Name of the Director or key managerial personnel who is related, if any :** None of the Directors or Key Managerial Personnel is related with Quadrant Enterprises Private Limited.

iii. **Nature of Relationship :** Not Applicable

iv. **Nature, Material terms, monetary value and particulars of the contract or arrangement:**

The Company proposes to avail loan/advance in one or more tranches during the period from 15th September, 2017 to 14th September, 2018 for an amount not exceeding Rs. 250 Crore (Rupees Two Hundred Fifty Crore Only). The terms and conditions of loan/advance shall be fixed by the Board of Directors of the Company on the recommendation of Audit Committee from time to time.

v. **Any other information relevant or important for the members to take a decision on the proposed resolution :**

For smooth operations of the Company, to meet the capital expenditure proposed to be incurred and to meet any shortfall in cash flows and to ensure adequate availability of working capital and additional fund requirement, the Company need to raise funds. Further, the Corporate Debt Restructuring Cell (CDR Cell) had vide its letter no.CDR(JCP)563/2009-10 dated August 13, 2009 approved a Corporate Debt Restructuring Package (CDR Package) for the Company, in order to write off the losses and also to enable the Company to service its debts. In terms of the CDR Package the promoter shall make necessary arrangements of funds, as may be required for smooth operations of the Company. Hence, it is proposed to enter into transaction with M/s. Quadrant Enterprises Private Limited, Promoter Group Entity and Associate Company and Related Party of the Company within the meaning of Section 2(76) of the Companies Act, 2013, and the Rules made there under and Accounting Standard – 18 (AS-18) issued by the Institute of Chartered Accountants of India.

Your Directors recommend the proposed resolution as set out at Item No. 4 of the Notice for the approval of the shareholders of the Company by way of an Ordinary Resolution.

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

Item No. 5

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, the Board of Directors of the Company in its meeting held on 29th March, 2017, appointed Mr. Arvind Ramnath Somani as an Additional Director (Independent - Non Executive) with effect from 29th March, 2017. In terms of the provisions of Section 161(1) of the Act, Mr. Arvind Ramnath Somani would hold office up to the date of the ensuing Annual General Meeting.

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, it is proposed to appoint Mr. Arvind Ramnath Somani as a Director / Independent Director (Non-Executive) in respect of whom the Company has received a notice from a Shareholder of the Company proposing candidature of Mr. Arvind Ramnath Somani for the office of the Director (Independent Non-Executive) for a period of five consecutive years term from 29th March, 2017 upto 28th March, 2022.

Brief resume of Mr. Arvind Ramnath Somani, nature of his expertise in specific functional areas, names of companies in which he holds directorship and the membership/ chairmanship of Board Committees, shareholding in the company and relationship between the Directors inter-se as required under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are annexed to this Notice.

The Company has received from Mr. Arvind Ramnath Somani consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, intimation in Form DIR-8 in terms of Companies (Appointment & Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013 and a declaration to the effect that he meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Arvind Ramnath Somani, Independent Director fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and he is independent of the Company's management.

All the relevant documents in connection with the appointment of Mr. Arvind Ramnath Somani, are available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days upto the date of the Annual General Meeting.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Arvind Ramnath Somani as an Independent Director.

Your Directors recommend the proposed resolution as set out at Item No. 5 of the Notice for the approval of the shareholders of the Company by way of an Ordinary Resolution.

None of the Directors except Mr. Arvind Ramnath Somani and/or Key Managerial Personnel of the Company and/or their relatives is in any way, concerned or interested financially or otherwise, in this resolution.

Item No. 6

The Board on the recommendation of Audit Committee has reappointed M/s Sanjay Gupta and Associates, Cost Accountants (Firm Registration No.000212), as Cost Auditors of the Company to conduct the audit of Cost Records of the Company in respect of Telecommunication Services for the financial year commencing from 1st April, 2017 to 31st March, 2018.

The Board of Directors of the Company, on the recommendation of the Audit Committee, has decided to pay a remuneration of Rs.70,000/- (Rupees Seventy Thousands Only) excluding Service Tax and other Taxes and other out of pocket expenses at actual to M/s Sanjay Gupta and Associates, for the financial year commencing from 1st April, 2017 to 31st March, 2018.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration to be paid to the Cost Auditors shall be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee and the same has to be subsequently ratified by the Shareholders of the Company at a general body meeting.

Accordingly, consent of the members is being sought by passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration as payable to the cost Auditors for the financial year commencing from 1st April, 2017 to 31st March, 2018.

Your Directors recommend the proposed resolution as set out at Item No. 6 of the Notice for the approval of the shareholders of the Company by way of Ordinary Resolution.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way, concerned or interested financially or otherwise, in this resolution.

Item No. 7

The Company had submitted a proposal for settlement/change of management of the Company under the CDR mechanism to the CDR empowered group and it was approved by the CDR empowered group in its meeting dated July 27, 2009, as intimated to the Company by the CDR cell vide its letter dated August 13, 2009 ("August 2009 Letter"). The August 2009 Letter, *inter alia*, provided for induction of a strategic investor / new promoter of the Company with change of management from existing promoters to Videocon and transfer of Company's shares by the existing promoters of the Company to Videocon at zero value/ nominal value.

Pursuant to the terms of CDR package for induction of a strategic investor/ change of management, as sanctioned by the CDR Cell in terms of the CDR Package approved vide letter No.CDJ (JCP) No.563/2009-10 dated August 13, 2009, Videocon through its group company M/s Quadrant Enterprises Private Limited, has acquired the entire equity stake of Himachal Futuristic Communications Limited ('HFCL') comprising of 32,67,05,000 (Thirty Two Crores Sixty Seven Lac and Five Thousand) equity shares of the Company ('Shares') amounting to 53.3605% (approximately fifty three percent) of the issued, subscribed and paid up equity share capital of the Company, from the erstwhile Promoters, Himachal Futuristic Communications Limited (HFCL). The aforesaid transfer of the said equity shares was effected w.e.f. April 3, 2010.

As per the terms of Settlement Co-operation Agreement dated September 12, 2009 ("Settlement Co-operation Agreement") entered into between the Company, Videocon and Lenders, the Videocon is under obligation to make necessary arrangement of funds (including fresh equity), as may be required for smooth operations of the Company to meet the capital expenditure (as per cash flows) and any shortfall in cash flows during currency of CDR loans.

Clause 6 of the Settlement Co-operation Agreement dated 12th September, 2009 and Clause C(6) of the Annexure-I to the 13th August 2009 Letter is reproduced below:

"*Videocon shall make necessary arrangement of funds including fresh equity, as may be required for smooth operations of Infotel*, to meet any shortfall in cash flows during the currency of the loans availed by Infotel from the Lenders. Internal generations of funds by Infotel shall be utilized on priority towards meeting CDR debt obligations.*"

*Infotel stands for "Quadrant Televentures Limited"/ "the Company"

In furtherance of obligations under the CDR package, Settlement and Co-operation Agreement and mutual understanding through formalized agreement entered into by and between the Company, Videocon Industries Limited (VIL) and Videocon Telecommunications Limited (VTL), the VTL has, from time to time, granted/infused advances into the Company for the following purposes:-

i) Fund the entry fee for using GSM Technology under the existing Unified Access Services Licensee (UASL) in Punjab Service Area;

ii) Meeting shortfall in cash flows during the currency of CDR loans;

iii) Supporting the QTL's business operations from time to time

Recently, the Shareholders of the Company in its meeting held on 29th March, 2017 approved the issue of 1,20,00,000 Unsecured Zero Coupon Compulsorily Convertible Debentures of face value of Rs.1,000/- each convertible into 12,00,00,000 (Twelve Crore) 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of face value of Rs. 100/- each for an amount not exceeding Rs.1,200,00,00,000/- to M/s Videocon Telecommunications Limited (VTL) against conversion of outstanding advances made by VTL from time to time into the Company in compliance with CDR package.

Subsequently, the Board of Directors of the Company in its meeting held on 29th March, 2017, approved the allotment of Unsecured Zero Coupon Compulsorily Convertible Debentures to M/s Videocon Telecommunications Limited.

Now, the Company is seeking fresh approval of Shareholders for conversion of balance outstanding advances of Rs.86,00,00,000 (Rupees Eighty Six Crores) made by VTL from time to time into the Company.

The Board of the Directors of the Company at its meeting held on 29th June, 2017, subject to the approval of Shareholders (including approvals of the existing Lenders of the Company, if any), approved the proposal to issue 8,60,000 (Eight Lacs Sixty Thousand) Unsecured Zero Coupon Compulsorily Convertible Debentures (hereinafter referred to as "Zero Coupon CCD's") of face value of Rs.1,000/- (Rupees One Thousand Only) each in one or more tranches for an amount not exceeding Rs.86,00,00,000/- (Rupees Eighty Six Crores Only) to M/s Videocon Telecommunications Limited (VTL) against conversion of outstanding advances made by VTL into the Company on the following terms and conditions: -

i) the said Zero Coupon CCDs shall be "interest free" during the currency of CDR loans of the Company.

ii) the said Zero Coupon CCDs shall be unsecured and each Zero Coupon CCDs shall be compulsorily convertible into 86,00,000 (Eighty Six Lacs) 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares (hereinafter referred as "2% NCRPS") of face value of Rs.100/- (Rupees One Hundred Only) each, at par, at a price of Rs.100/- (Rupees One Hundred Only) each, aggregating to Rs. 86,00,00,000 (Eighty Six Crore only) and redeemable at par.

iii) since the entire obligations under CDR is to be settled/cleared by the year 2024 as per the CDR letter dated August 13, 2009, accordingly, the conversion of Zero Coupon CCDs into 2% NCRPS shall not happen before the Settlement Date (hereinafter referred as "Settlement Date") i.e. April 1, 2025 as mutually agreed between the parties.

A statement of disclosure as required under Rule 9 (3) of the Companies (Share Capital and Debentures) Rules, 2014 and the terms of issue of 2% NCRPS upon conversion of Zero Coupon CCDs, is annexed to this Notice.

The Company shall increase its Authorised Preference Share Capital suitably in consideration of the proposed conversion of Zero Coupon CCDs into 2% NCRPS.

In accordance with the provisions of Companies Act, 2013 read with rules made thereunder, the approval of Shareholders through Special Resolution is being sought for to create, issue and allot, on preferential basis, 8,60,000 (Eight Lacs Sixty Thousand) "Zero Coupon CCDs" of face value of Rs.1,000/- (Rupees One Thousand Only) each in one or more tranches for an amount not exceeding Rs.86,00,00,000/- (Rupees Eighty Six Crore Only) to M/s Videocon Telecommunications Limited against conversion of the outstanding advances, convertible into 86,00,000 (Eighty Six Lacs) 2% NCRPS of Rs.100/-(Rupees One Hundred only) each, at par, at a price of Rs.100/- (Rupees One Hundred only) each and redeemable at par.

The relevant necessary documents shall be available for inspection to the Members during the course of voting at the Registered Office and Corporate Office of the Company during the office hours.

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

By Order of the Board of Directors of
QUADRANT TELEVENTURES LIMITED

AMIT VERMA
COMPANY SECRETARY
MEMBERSHIP NO.A27981

Place: Gurgaon
Dated: June 29, 2017

A statement of disclosure as required under Rule 9 (3) of the Companies (Share Capital and Debentures) Rules, 2014 and the terms of issue of 2% NCRPS upon conversion of Zero Coupon CCDs, are as under: -

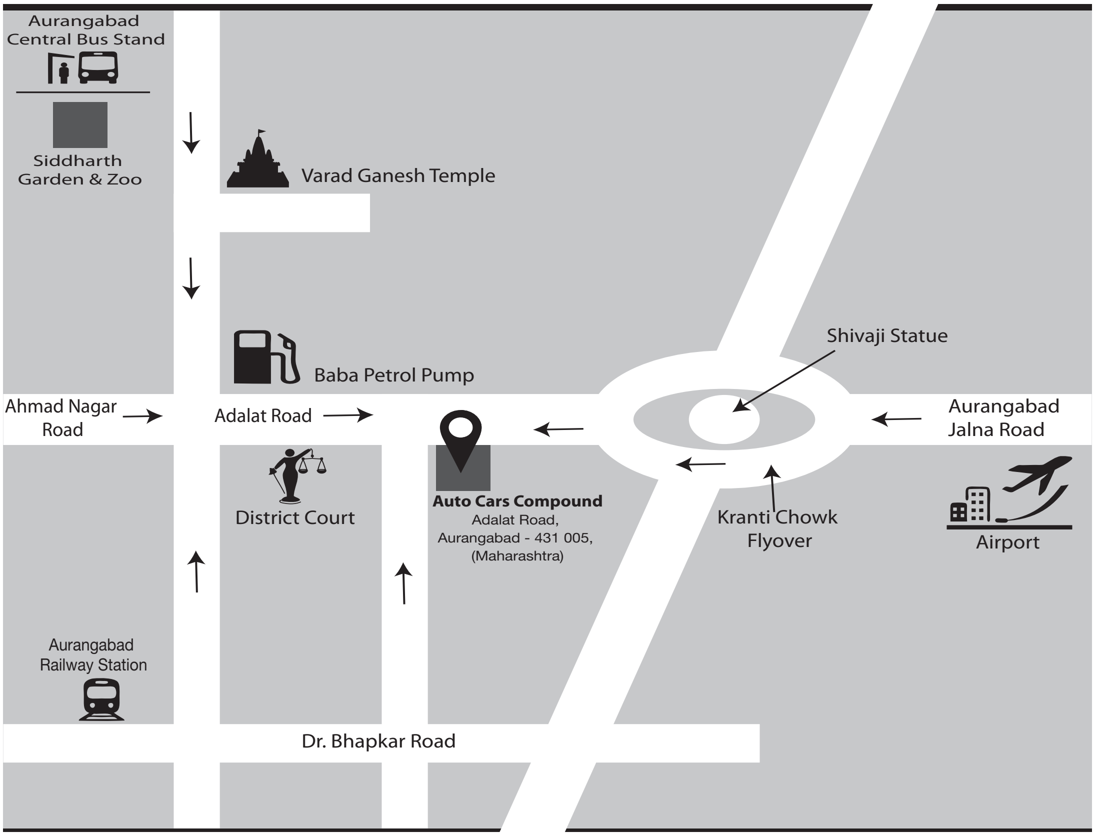
<table>
<tr><td>1.</td><td>The size of the issue and number of preference shares to be issued and nominal value of each share;</td><td colspan="3">86,00,000 (Eighty Six Lacs) 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of nominal value of Rs. 100/- (Rupees One Hundred Only), aggregating to Rs. 86,00,00,000 (Rupees Eighty Six Crore Only) upon conversion of Zero Coupon CCDs.</td></tr>
<tr><td>2.</td><td>The nature of such shares i.e. cumulative or non - cumulative, participating or non - participating , convertible or non – convertible</td><td colspan="3">2% Non-Cumulative, Non-participating, Non-Convertible, Redeemable Preference Shares</td></tr>
<tr><td>3.</td><td>The objectives of the issue;</td><td colspan="3">Settlement of debts/ obligations</td></tr>
<tr><td>4.</td><td>The manner of issue of shares;</td><td colspan="3">2% NCRPS will be issued and allotted on preferential basis in accordance with the provisions of Companies Act, 2013 and the Rules made thereunder.</td></tr>
<tr><td>5.</td><td>The price at which such shares are proposed to be issued;</td><td colspan="3">2% NCRPS will be issued at par i.e. Rs. 100/- each</td></tr>
<tr><td>6</td><td>The basis on which the price has been arrived at;</td><td colspan="3">2% NCRPS will be issued at par i.e. Rs. 100/- each</td></tr>
<tr><td>7.</td><td>The terms of issue, including terms and rate of dividend on each share, etc.;</td><td colspan="3">2% NCRPS shall be issued only upon conversion of Zero Coupon CCDs, after settlement of entire obligations under CDR which is to be settled/cleared by the year 2024 or after April 1, 2025 (“settlement date”), whichever is later, for a period of 5 years and shall carry dividend of 2% per annum on paid up value of NCRPS on non-cumulative basis, if declared.</td></tr>
<tr><td>8.</td><td>The terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion;</td><td colspan="3">2% NCRPS shall be redeemed in 5 (five) yearly equal installments payable on 31st March of each year, at par, as mutually agreed between parties and as approved by the Board and, subject to necessary approvals as may be required in accordance with the provisions of Section 55 of the Act, out of profits available or out of proceeds of a fresh issue of shares made for the purpose of redemption or combination of both.
Terms of conversion is not applicable, since 2% NCRPS are non-convertible.</td></tr>
<tr><td>9.</td><td>The manner and modes of redemption;</td><td colspan="3">2% NCRPS shall be redeemed in 5 (five) yearly equal installments payable on 31st March of each year, at par in conformity with the relevant provisions of law and the Articles and Association of the Company as per the terms and conditions of the redemption of such shares out of profit and/or out of fresh issue of capital or combination of both.</td></tr>
<tr><td rowspan="12">10.</td><td rowspan="12">The current shareholding pattern of Equity Share Capital of the company; (As on 31st March, 2017)</td><td>Category</td><td>No. of Shares held of Rs.1/- each</td><td>% of holding</td></tr>
<tr><td>PROMOTERS HOLDINGS</td><td>3,267,057,49</td><td>53.36</td></tr>
<tr><td>PUBLIC HOLDING</td><td></td><td></td></tr>
<tr><td>Institution</td><td></td><td></td></tr>
<tr><td>-Banks /Financial Institution</td><td>179,434,183</td><td>29.30</td></tr>
<tr><td>Non Institution</td><td></td><td></td></tr>
<tr><td>-Individual</td><td>27,747,715</td><td>4.54</td></tr>
<tr><td>-Body Corporate</td><td>75,720,826</td><td>12.36</td></tr>
<tr><td>-NRI/OCB</td><td>3,19,459</td><td>0.05</td></tr>
<tr><td>-Any Other</td><td>23,32,336</td><td>0.39</td></tr>
<tr><td>TOTAL</td><td>612,260,268</td><td>100.00</td></tr>
<tr><td colspan="3"></td></tr>
<tr><td>11.</td><td>The expected dilution in equity share capital upon conversion of preference shares.</td><td colspan="3">Nil, since the 2% NCRPS are non-convertible</td></tr>
<tr><td rowspan="10">12.</td><td rowspan="10">The current Shareholding Pattern of Preference Shareholders of the Company as on 31st March, 2017.</td><td>Category/ Name of Preference share holders</td><td>Number of Preference Shares held of Rs.100/- each</td><td>% of holding</td></tr>
<tr><td colspan="3">Banks/Financial Institutions</td></tr>
<tr><td>IDBI Bank Limited</td><td>1,05,69,187</td><td>47.01</td></tr>
<tr><td>Life Insurance Corporation of India</td><td>19,81,165</td><td>8.81</td></tr>
<tr><td>Oriental Bank of Commerce</td><td>19,81,254</td><td>8.81</td></tr>
<tr><td>Kotak Mahindra Bank (erstwhile ING Vysya Bank Limited)</td><td>7,92,519</td><td>3.53</td></tr>
<tr><td>State Bank of Patiala</td><td>6,60,418</td><td>2.94</td></tr>
<tr><td colspan="3">Body Corporate</td></tr>
<tr><td>Shree Dhoot Trading & Agencies Ltd.</td><td>65,00,000</td><td>28.90</td></tr>
<tr><td>TOTAL</td><td>2,24,84,543</td><td>100.00</td></tr>
</table>

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING
(Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**)**

Name of Director	Mr. Arvind Ramnath Somani	Ms. Mitu Mehrotra Goel
Director Identification Number (DIN)	02695136	05188846
Date of Birth	14.07.1954	03.09.1976
Age	63 Years	40 Years
Date of Appointment	29.03.2017	30.09.2014
Educational Qualification	B. Com (Hons)	M. Com., MBA (Finance), LLB
Nature of Expertise in specific functional areas	Over 24 years of experience in the field of Logistics activity	Over 16 years of experience in the field of Taxation, Finance & Accounts
Disclosure of relationship between directors inter-se	NIL	NIL
Name of Listed Companies in which holds the directorship and the membership of committees of the board	NIL	NIL
No. of Share held by Directors in the Company	NIL	NIL

Route Map to the Venue of the AGM

Autocars Compound,
Adalat Road, Aurangabad - 431 005, (Maharashtra)



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 70th (Seventieth) Annual Report together with the Audited Accounts and Auditors Report for the Financial Year ended on 31st March, 2017.

SUMMARY OF FINANCIAL RESULTS

The Company's financial results for the year ended 31st March, 2017 is summarized below: -

(Rs. In millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
I. Revenue from operations	5277.92	5583.72
II. Other Income	34.49	44.58
III. Total Income(I+II)	5312.41	5628.31
IV. Expenses		
Networks operation Expenditure	3744.97	3791.32
Employee Benefits Expenses	724.31	741.61
Sales & Marketing Expenditure	303.93	283.58
Finance Cost	289.16	272.98
Depreciation and Amortization Expenses	1178.63	1334.00
Other Expenses	592.19	552.91
Total Expenses	6833.19	6976.40
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)	(1520.77)	(1348.10)
VI. Exceptional Item	-	-
VII. Profit/(Loss) before extraordinary items and tax (V-VI)	(1520.77)	(1348.10)
VIII. Extraordinary items	-	-
IX. Profit/(Loss) before tax (VII-VIII)	(1520.77)	(1348.10)
X. Tax expenses		
(1) Current Tax	-	-
(2) Deferred Tax	-	-
XI. Profit (Loss) for the period from continuing operations (IX-X)	(1520.77)	(1348.10)
XII. Profit/(Loss) from discontinuing operations	-	-
XIII. Tax expenses of discontinuing operations	-	-
XIV. Profit/(Loss) from Discontinuing operations (after tax)(XII-XIII)	-	-
XV. Profit /(Loss) for the period(XI-XIV)	(1520.77)	(1348.10)

FINANCIAL PERFORMANCE REVIEW

The Company's revenue declined by 5.48% from Rs.5583.72 million in 2015-16 to Rs.5277.92 million in 2016-17. Consequently, the operating losses increased from Rs.1348.10 million during 2015-16 to Rs. 1520.77 million during the year ended 31.03.2017.

However, the total expenses during 2016-17 decreased to Rs. 6833.19 Million as against to Rs.6976.40 million in the previous year.

BUSINESS OPERATIONS

Your Company holds Unified Access Services License (UAS License) and ISP Licence Category-A for providing Telephony Services in the Punjab Telecom Service Area comprising of the State of Punjab, Union Territory of Chandigarh and Panchkula Town of Haryana.

GSM Business of the Company was in continuous losses which increased further due to launch of 4G services by leading competitors in the market, who are offering free talk time and data, so in order to sustain and curtail the losses, the Company has decided to discontinue its GSM Services from the midnight of 15th February, 2017. However switches were kept operational to facilitate Mobile Number Portability (MNP) to GSM subscribers of the Company till 18th April, 2017 as per the directions/advice received from TRAI vide its letter dated 17th February, 2017.

Currently, the Portfolio of services provided by the Company includes Fixed Voice (Landline) services, DSL (Internet) services and Leased Line services in the Punjab Telecom Circle.

The Company provides broadband services through its fiber optic cable laid across Punjab and the Company has also entered into co-location agreements with other operators in order to expand its network.

As at 31.03.2017, the Company had a total subscriber base of 4,68,018 customers includes 262,891 fixed-line customers and 205,127 Broadband Customers.

MARKETING INITIATIVES

During the year, various marketing initiatives were taken in order to enhance the brand visibility through various programs such as Young Munch Contest, Connect Super Jodi Contest etc, in order to connect to and reach out to a larger segment of the populace especially the younger segment of society.

CORPORATE DEBT RESTRUCTURING SCHEME (CDR SCHEME)

The Corporate Debt Restructuring Cell (CDR Cell) had vide its letter no.CDR(JCP)563/2009-10 dated August 13, 2009 approved a Corporate Debt Restructuring Package (CDR Package) for the company, in order to write off the losses and also to enable the company to service its debts. As of March 31, 2017, the Company has duly complied with all the terms and conditions as stipulated in the CDR Package.

However, due to continuous losses and financial constraints, the Company has defaulted/delayed in the interest payments accrued towards Lenders on account of Secured Non-Convertible Debentures (NCDs) issued to Lenders as per CDR terms for the period January, 2017 to April, 2017 and principal repayment of Secured NCDs accrued for the month of April, 2017 and May, 2017, till the date of signing of this report. The Company is in discussions with Lenders for appropriate recourse in the matter.

EQUITY SHARE CAPITAL AND LISTING OF SHARES

The paid-up Equity share capital of the Company is Rs.61,22,60,268/- comprising of 61,22,60,268 equity shares of Re.1/- each. The Company's shares are listed on BSE Limited and are actively traded.

STATUS UPDATE ON SHIFTING OF REGISTERED OFFICE OF THE COMPANY

Board of Directors of the Company in its meeting held on 27th May, 2016 approved the shifting of Registered Office of the Company from Autocars Compound, Adalat Road, Aurangabad - 431 005, Maharashtra to B-71, Industrial Area, Phase VII, Mohali, Punjab and the same was also subsequently approved by the shareholders of the Company on 21st July, 2016.

As per the provisions of the Companies Act 2013, the Company has filed the petition/application with Regional Director, Western Region, Mumbai on 9th January, 2017.

The Company's Petition /Application is under review for approval with Regional Director.

MATERIAL CHANGES

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company i.e. 31st March 2017 and till the date of signing of this Report i.e. May 23, 2017.

Further, 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.

DIVIDEND

As on 31.03.2017, the Company had accumulated losses. Your Directors, therefore, have not recommended any dividend for the financial year 2016-17.

TRANSFER TO RESERVES

During the year under review, no amount has been transferred to reserves.

ISSUE OF DEBENTURES

During the year under review, the Company issued 1,20,00,000 (One Crore Twenty Lakh) Unsecured Zero Coupon Compulsorily Convertible Debentures of face value of Rs. 1,000/- (Rupees One Thousand Only) each convertible into 12,00,00,000 (Twelve Crore) 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of face value of Rs. 100/- (Rupees One Hundred Only) each, for an amount not exceeding Rs. 1,200,00,00,000/- (Rupees Twelve Hundred Crore Only) to Videocon Telecommunications Limited, pursuant to conversion of Advances made by Videocon Telecommunications Limited from time to time, in compliance with CDR Package.

Extracts of the terms and conditions of issue of aforesaid Debentures forms part of the Corporate Governance Report.

FIXED DEPOSITS

Your Company has not accepted / renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

HUMAN RESOURCE DEVELOPMENT

Human Resource Development is considered to be vital in any organisation for the effective implementation of its business plans. Constant endeavors' are being made by the Company through various HR policies and processes aimed for professional growth and opportunities and recognitions of the employees in order to effectively motivate the employees at all levels in the drive for growth and expansion of the business. Regular innovative programs for learning and development are also drawn up constantly in order to create an encouraging and conducive work environment for empowering the employees at all levels and maintaining a well structured reward and recognition mechanism. The Company encourages its employees to strengthen their entrepreneurial skills in order to enhance the Organization's productivity and creativity.

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

The Company, being in the telecommunications sector is not involved in carrying on any manufacturing activity; accordingly, the information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to Conservation of Energy, Technology Absorption and Foreign Exchange earnings/ outgo are not applicable.

However, the following information would give adequate idea of the continuous efforts made by the Company in this regard:

(i) Energy Conservation:

(a) Electricity is used for the working of the Company's telephone exchanges and other network infrastructure equipment. The Company regularly reviews power consumption patterns across its network and implements requisite changes in the network or processes in order to optimize power consumption and thereby achieve cost savings.

(b) Reduction in the running of the Diesel Generator (DG) Sets during power cuts it its various tower sites.

(ii) Technology Absorption: The Company has not imported any technology. The Company has not yet established separate Research & Development facilities.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, there were no foreign exchange earnings; the total foreign exchange outgo was to the tune of Rs.130.49 millions, which was on account of Import of Capital Equipment, finance charges and travel expenses.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is appended as Annexure-2 to the Board's Report.

The Company does not have any employee whose particulars are required to be furnished under Section 197 of the Companies Act, 2013, read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The remuneration paid to all Key Managerial Personnel is in accordance with remuneration policy adopted by the Company.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of Section 177(9) of the Companies Act, 2013 and the Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (URL: http://www.connectzone.in/corporate_governance.php).

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9, is provided in Annexure-1 which forms part of this report.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Related Party Transactions and the same is posted on the Company's URL: http://www.connectzone.in/corporate_governance.php

Information on transaction with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not provided since there are no related party transactions with related party during financial year 2016-17.

CORPORATE SOCIAL RESPONSIBILTY

In terms of the provisions of Section 135 read with Schedule VII and the Rule made thereunder, every Company having net-worth of Rs. 500 Crore or turnover of Rs.1,000 Crore or Net Profit of Rs.5 Crore is required to constitute Corporate Social Responsibility Committee.

The Company does not meet any of the above criteria. As such the Company is not required to constitute Corporate Social Responsibility Committee and comply with the requirements of Section 135 read with Schedule VII and the Rules made thereunder.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the period under review, the Company has not provided any loan, guarantee or investment pursuant to the provisions of Section 186 of the Companies Act, 2013.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of Independent directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. The familiarization programme adopted by the Company is posted on the website of the Company's URL: http://www.connectzone.in/corporate_governance.php

REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination & Remuneration Committee (NRC) is responsible for formulating the criteria for determining qualification, positive attributes and independence of Directors. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

In line with this requirement, the Board has adopted the Policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees and the same has been disclosed in the Corporate Governance Report, which forms part of the Directors' Report. The same is also available on the Company's website URL: http://www.connectzone.in/corporate_governance.php

NUMBER OF MEETING OF THE BOARD

Seven Meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

THE DETAILS OF DIRECTORS WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

During the year under review, Mr. Rahul Amarnath Sethi resigned from the Directorship of the Company w.e.f. March 10, 2017 and Mr. Arvind Ramnath Somani appointed as Independent Director in place of Mr. Rahul Amarnath Sethi pursuant to the provisions of Section 149 of the Companies Act, 2013, for a term of five consecutive years w.e.f. March 29, 2017.

In terms of the provisions of Section 152 (6) of the Companies Act, 2013 and the Rules made there under, Ms. Mitu Mehrotra Goel, Director retires by rotation and being eligible, has offered, herself for re-appointment. The Board recommends her re-appointment at the ensuing Annual General Meeting.

A brief profile of Directors seeking confirmation/appointment, nature of expertise in specific functional area, name of other companies in which they holds Directorship(s) and Membership(s)/ Chairmanship(s) of the Committees of the Board of Directors and the particulars of the shareholding as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Notice.

During the year, the non-executive director of the Company had no pecuniary relationship or transactions with the Company.

THE DETAILS OF KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

No change took place in Key Managerial Personnel for the period under review and till the date of signing of this Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all Independent Directors of the Company Confirming that they meet with the criteria of independence, as prescribed under section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct.

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, the Company had, on 30th September, 2014, appointed M/s Khandelwal Jain & Co., Chartered Accountants (Firm Registration No.105049W), as Statutory Auditors of the Company for a period of 5 years from the conclusion of Sixty Seventh (67th) Annual General Meeting of the Company until the conclusion of Seventy Second (72nd) Annual General Meeting of the Company.

As per the provisions of Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, such appointment made by the company shall be subject to ratification in every Annual General Meeting upto the end of the tenure of appointment of the auditors.

M/s. Khandelwal Jain & Co., Chartered Accountants, Mumbai have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014.

The Board recommends the ratification of the appointment of M/s. Khandelwal Jain & Co., Chartered Accountants, Mumbai from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration as shall be fixed by the Board of Directors of the Company.

COST AUDITOR

The Central Government had directed vide its order no.52/26/CAB-2010 dated 6th November, 2012 to conduct a Cost Audit in respect of the specified products viz., Telecommunication Industry.

The Board of Directors of the Company has accorded its approval for the appointment of M/s Sanjay Gupta & Associates, Cost Accountants, New Delhi as Cost Auditors for the Financial Year 2017-18, as the Cost Auditor of the Company, to conduct audit of the Cost Accounting Records maintained by the Company for the financial year commencing on 1st April, 2017 and ending on 31st March, 2018, subject to the approval of the Central Government.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution for ratification of the remuneration amounting to Rs.70,000/- (Rupees Seventy Thousands Only) plus applicable service tax and out of pocket expenses payable to the Cost Auditors for financial year commencing on 1st April, 2017.

In compliance with the provisions of the Companies (Cost Audit Report) Rules, 2011 and General Circular No. 15/2011 issued by Government of India, Ministry of Corporate Affairs, Cost Audit Branch, we hereby submit that, the Company has filed the Cost Audit Report for the financial year ended on 31st March, 2016 within the prescribed timeline. As regards, to the financial year ended on 31st March, 2017, the due date for filing the Cost Audit Report is 27th September, 2017 and the Company shall file the same on or before due date.

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company has appointed M/s Sanjay Gupta & Associates, Cost Accountants, New Delhi as Cost Auditors for the Financial Year 2017-18.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Mr. Dinesh Bhandari (CP No.:10300, FCS: 5887), Practicing Company Secretary to undertake the secretarial audit of the company for the financial year 2017-18. The Practicing Company Secretary has submitted the Report on the Secretarial Audit conducted by him for the financial year 2016-17 which is annexed to this Board Report as Annexure-3.

The Report does not contain any qualification, reservation or adverse remark.

INTERNAL AUDITORS

M/s Ernst and Young performs the duties of internal auditors of the Company and their report is reviewed by the Audit Committee from time to time.

CASH FLOW STATEMENT

As per the requirements of the Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Cash Flow Statement as prepared in accordance with the Accounting Standard on Cash Flow Statement (AS 3) issued by the Institute of Chartered Accountants of India, is given along with the Balance Sheet and Statement of Profit and Loss.

AUDIT COMMITTEE

In compliance with the provisions of Section 177 of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has constituted an Audit Committee. The composition, scope and powers of the Audit Committee together with details of meetings held during the year under review, forms part of the Corporate Governance Report.

The recommendations of the Audit Committee are accepted by the Board.

RISK MANAGEMENT POLICY

The Company has a robust Risk Management policy to identify, evaluate business risks and opportunities. This policy seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The policy defines the risk management approach across the organization at various levels including documentation and reporting. The Company has identified various risks and also has mitigation plans for each risk identified.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

As of March 31, 2017, there was no Unclaimed Dividend due for transfer to the Investor Education and Protection Fund (IEPF) of the Central Government, after the expiry of seven years.

SUBSIDIARY COMPANIES

The Company had disinvested its stake in its wholly owned subsidiary, namely Videocon Intelligent Security Private Limited (Formerly Quadrant Telenet Services Private Limited) on August 12, 2016. Accordingly, Videocon Intelligent Security Private Limited ceased to be a subsidiary company of the Company w.e.f. August 12, 2016.

As on the date of signing of this Report, the Company, has no subsidiary.

As on 31st March, 2017, the Company has no subsidiary Company, hence the information in AOC-1 pursuant to the provisions of Section 129(3) of the Companies Act, 2013 is not applicable.

JOINT VENTURES/ASSOCIATE COMPANIES

As of March 31, 2017, the Company has one Associate Company i.e Quadrant Enterprises Private Limited. However, there are no Joint Ventures of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

As on 31st March, 2017, the Company has no subsidiary Company and the consolidated financial statements has not been compiled since the Company had disinvested its stake in its wholly owned subsidiary namely M/s Videocon Intelligent Security Private Limited (Formerly Quadrant Telenet Services Private Limited) w.e.f. August 12, 2016. Accordingly, Videocon Intelligent Security Private Limited ceased to be a subsidiary company of the Company w.e.f. 12th August, 2016. Hence, the provisions relating to consolidation of accounts is not applicable to the Company.

AUDITORS' REPORT

The Statutory Auditors of the Company, M/s Khandelwal Jain & Co., Chartered Accountants, have submitted the Auditors' Report which has observation on Standalone Financial Statements for the period ended March 31, 2017.

MANAGEMENT'S EXPLANATION TO THE AUDITORS' QUALIFICATIONS/OBERSERVATIONS: -

1) ***Auditors' Qualification in the Standalone Auditor's Report***

   Point No.4 and 5 of the Auditor's Report which summarizes the basis of Qualification and Qualified Opinion "*As mentioned in Note No. 30 to the financial statements, the Company has not determined the impairment loss, if any, on its fixed assets. As the impairment loss. If any, in terms of Accounting Standard 28 – 'Impairment of Assets' has not been determined, we are unable to express any opinion as to the effect thereof on the financial statements for the year.*

   In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion in paragraph 4 above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state *of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date."*

Management's Explanations to the Auditor's Qualification in the Standalone Auditor's Report

The Company could not ascertain the value of assets pertaining to GSM business for the purpose of determining the loss on impairment due to ongoing negotiations with buyers for getting suitable realizable value of the assets. The Management is hopeful that the Company will realize appropriate value of the assets on its sale and quantify the loss on impairment, if any. The treatment of the same will be reflected in the financial statements accordingly.

2) Auditors' Qualification in the Annexure to the Standalone Auditor's Report

Point No. VIII of the Annexure to Auditor's Report which summarizes the basis of Qualification "*According to the information and explanations given to us and records examined by us, the Company has defaulted in repayment of dues to banks as follows:*

Particulars	*Interest (Rupees)*	*Delay in days – Range*
Amount paid before the year end	*267,697,907*	*60 to 89 days*
Amount outstanding as at 31st March 2017 and subsequently paid.	*51,676,065*	*0 to 59 days*

Management's Explanations to *Auditors' Qualification in the Annexure to the Standalone Auditor's Report*

Due to continuous losses and financial constraints, the Company has defaulted/ delayed the interest payments accrued towards Lenders on account of Secured Non-Convertible Debentures (NCDs) issued to Lenders as per CDR terms for the period January, 2017 to April, 2017 and principal repayment of Secured NCDs accrued for the month of April, 2017 and May, 2017, till the date of signing of this report. The Company is in discussions with Lenders for appropriate recourse in the matter.

3) Auditors' Observation in the Standalone Auditor's Report

Point No.6 of the Auditor's Report which summarises the basis of Emphasis of Matter *"We draw attention to Note No. 28 to the financial statements, the Company has incurred a net loss of Rs. 1,520,774,811 during the year, the accumulated losses as at March 31, 2017 amounted to Rs. 19,159,182,563 resulting in, the erosion of its net worth and has current liabilities in excess of current assets by Rs. 1,836,596,292 as at March 31, 2017. These factors raise a doubt that the Company will not be able to continue as a going concern. The management is confident of generating cash flows from continue business operations through increasing subscribers' base and with the support of significant shareholders to fund its operating and capital fund requirements. Accordingly, these statements have been prepared on a going concern basis. Our opinion is not qualified in respect of this matter."*

Management's Explanations to *Auditors' Observation in the Standalone Auditor's Report*

The accumulated losses of the Company as at March 31, 2017 are more than fifty percent of its net worth as at that date. The losses are due to declining market of the fixed line business and high operating costs. The management is confident of generating cash flows from business operations through increasing subscribers' base and other value added services and reducing losses gradually. Further with the support of significant shareholders to fund its operating and capital expenditure. Management is confident of meeting its funds requirement.

PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

POLICY ON PREVENTION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has framed a) Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and b) Code of Fair Disclosure. The Company's Code, inter alia, prohibits purchase and/or sale of shares of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods.

CORPORATE GOVERNANCE

The Company is committed to maintain highest standards of Corporate Governance. The detailed report on Corporate Governance, Management Discussion and Analysis Report as well as Corporate Governance Compliance Certificate are attached pursuant to the requirements of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and form part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Directors state that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The Directors has selected such accounting policies and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit and loss of the Company for that period;

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

(d) The Directors had prepared the annual accounts on a going concern basis;

(e) The Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively;

(f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors wish to express their gratitude for the wholehearted support received throughout the year from the Department of Telecommunications, Financial Institutions, Banks, Lenders and the various Central and State Government Departments, Business Associates, Shareholders and Subscribers.

The Directors also extend their appreciation to the employees for their continuing support and unstinting efforts in ensuring an excellent all round operational performance.

For and on behalf of the Board of Directors

	Mitu Mehrotra Goel	**Vinay Kumar Monga**
Place: Gurgaon	**Director**	**Director**
Date: May 23, 2017	**(DIN: 05188846)**	**(DIN: 03029345)**

Annexure 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended 31st 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:

i) CIN:L00000MH1946PLC197474

ii) Registration Date: 02/08/1946

iii) Name of the Company: QUADRANT TELEVENTURES LIMITED

iv) Category/Sub Category of the Company: COMPANY LIMITED BY SHARES/INDIAN NON GOVERNMENT COMPANY

v) Address of the registered office and contact details: AUTOCARS COMPOUND, ADALAT ROAD, AURANGABAD-431005
Ph: 0240-2320754
E-mail Address : secretarial@infotelconnect.com

vi) Whether listed company (Yes/No): YES

vii) Name, Address and Contact Details of Registrar and Transfer Agent, if any:
Cameo Corporate Services Limited
'Subramaniam Building No.1, Club House Road, Anna Salai, Chennai-600002

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SI. No.	Name and Description of main products/services	NIC Code of the Product/Service*	% to total turnover of the company
1.	Basic Telephone Services	611	13%
2.	Internet and Broadband Services	611	41%
3.	Cellular Mobile Telephone Services	612	46%

*Note: - As per National Industrial Classification 2008 – Ministry of Statistics and Programme implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Quadrant Enterprises Private Limited 171-C, Floor-17, Plot-224, C Wing, Mittal Court, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400 021	U32109MH2009PTC191649	Associate Company	49.47%	2(6)
2.	Videocon Intelligent Security Private Limited* (Formerly Quadrant Telenet Services Private Limited) B-71, INDUSTRIAL AREA, PHASE-VII, MOHALI, PUNJAB-160055	U74110PB2015PTC039352	Subsidiary	100%	2(87)

*Ceased to be Subsidiary w.e.f 12.08.2016

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2016)				No. of Shares held at the end of the year (As on 31-03-2017)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(I) Indian									
a) Individual/HUF	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Bodies Corp	326,705,000	0	326,705,000	53.3604	326,705,749	0	326,705,749	53.3605	0.0001
e) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Any other…									
Sub-total(A)(1):-	**326,705,000**	**0**	**326,705,000**	**53.3604**	**326,705,749**	**0**	**326,705,749**	**53.3605**	**0.0001**
(2) Foreign									
a) NRIs- Individuals									
b) Other- Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any other…	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-Total(A)(2):-		0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)									
	0	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.00**
	326,705,000	**0**	**326,7050,00**	**53.3604**	**326,705,749**	**0**	**326,705,749**	**53.3605**	**-0.0001**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	00.000	0	0	0	0.0000	0.0000
b) Banks/FI	168,692,236	0	168,692,236	27.5523	168,536,978	0	168,536,978	27.5270	-0.0253
C) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	10,772,205	0	10,772,205	1.7594	10,772,205	0	10,772,205	1.7594	0.0000
g) FIIs	125,000	0	125,000	0.0204	125,000	0	125,000	0.0204	0.0000
h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Others(Specify)									
Sub-total(B)(1):-	**179,589,441**	0	**179,589,441**	**29.3322**	**179,434,183**	0	**179,434,183**	**29.3068**	**-0.0253**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	77,735,603	516,309	78,251,912	12.7808	75,201,742	516,309	75,718,051	12.3669	-0.4139
ii) Overseas	0	2,775	2,775	0.0004	0	2,775	2,775	0.0004	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	19,543,659	623,219	20,166,878	3.2938	19,870,987	620,217	20,491,204	3.3468	0.053
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5,204,339	0	5,204,339	0.8500	7,256,511	0	7,256,511	1.1852	0.3352
iii) Others(specify)									
Clearing members	56,524	0	56,524	0.0092	17,971	0	17,971	0.0029	-0.0062
Hindu divided families	1,959,616	0	1,959,616	0.3200	2,314,365	0	2,314,365	0.3780	0.0579
Non resident indians	316,954	2,490	319,444	0.0521	316,969	2,490	319,459	0.0521	0.0000
Trusts	4,339	0	4,339	0.0007	0	0	0	0	-0.0007
Sub-total (B)(2):-	**104,821,034**	**1,144,793**	**105,965,827**	**17.3073**	**104,978,545**	**1,141,791**	**106,120,336**	**17.3325**	**0.0252**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**284,410,475**	**1,144,793**	**285,555,268**	**46.6395**	**284,412,728**	**1,141,791**	**285,554,519**	**46.6394**	**-0.0001**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**611,115,475**	**1,144,793**	**612,260,268**	**100**	**611,118,477**	**1,141,791**	**612,260,268**	**100**	**0**

(ii) Shareholding of Promoters

SI 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	Quadrant Enterprises Private limited	326,705,000	53.3604	35.7209	302,905,169	49.4732	35.7209	-3.8872
2	Nippon Investment and Finance Company Pvt. ltd.	0	0.0000	0.0000	23,800,580	3.8873	3.8872	3.8872
	Total	**326,705,000**	**53.3604**	**35.7209**	**326,705,749**	**53.3605**	**39.6081**	**0**

(iii) **Change in Promoter's Shareholding' (please specify, if there is no change) :**

SI. 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
1.	**Quadrant Enterprises Pvt. Ltd.**				
	At the beginning of the year	326,705,000	53.3604	326,705,000	53.3604
	At the End of the year	302,905,169	49.4732	302,905,169	49.4732
2.	**Nippon Investment and Finance Company Private Limited**				
	At the beginning of the year	0	0.0000	0	0.0000
	At the End of the year	23,800,580	3.8873	23,800,580	3.8873

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

SI. No	Top 10 Shareholders *	Shareholding at the beginning of the year 01-04-2016		Cumulative Shareholding 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	IDBI Bank	118,271,641	19.3172	118,271,641	19.3172
2	Oriental Bank of Commerce	22,977,832	3.7529	22,977,832	3.7529
	Oriental Bank of Commerce	12,245,494	2.0000	12,167,494	1.9873
3	Mantu Housing Projects Ltd	21,000,000	3.4299	21,000,000	3.4299
4	Masitia Capital Services Ltd.	13,015,565	2.1258	13,015,565	2.1258
5	Kotak Mahindra Bank Ltd	11,776,238	1.9234	11,698,980	1.9107
6	Life Insurance Corporation Of India	10,772,205	1.7594	10,772,205	1.7594
7	Moolsons Holding Private Ltd.	7,085,179	1.1572	7,085,179	1.1572
8	Madanlal Ltd.	5,082,251	0.8300	5082251	0.8300
9	INDSEC SEC & FIN Ltd.	4,840,000	0.7905	4,840,000	0.7905
10	MKJ Enterprises Limited	4,547,488	0.7427	4,547,488	0.7427
	MKJ Enterprises Limited	0	0.0000	2,507,000	0.4094

*The shares of the Company are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(v) **Shareholding of Directors and Key Managerial Personnel**

For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NO SHARES ARE HELD BY DIRECTORS AND KMP DURING THE YEAR 2016-2017			
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g allotment/transfer/bonus/ sweat equity etc):				
At the End of the year				

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment ***(Amount in Rs.)***

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	**3,362,959,176**	**2,675,475,986**	-----	**6,038,435,162**
ii) Interest due but not paid	-----	-----	-----	------
iii) Interest accrued but not due	-----	-----	-----	------
TOTAL (I+II+III)	**3,362,959,176**	**2,675,475,986**	-----	**6,038,435,162**
Change in indebtedness during the financial year				
• Addition*	----	**12,000,000,000**	-----	**12,000,000,000**
• Reduction	**(433,722)**	-----	-----	**(433,722)**
NET CHANGE	**(433,722)**	**12,000,000,000**	-----	**11,999,566,278**
Indebtedness at the end of the financial year				
i) Principal amount	**3,362,525,454**	**14,675,475,986**	-----	**18,038,001,440**
ii) Interest due but not paid	-----	-----	-----	------
iii) Interest accrued but not due	-----	-----	-----	------
TOTAL (I+II+III)	**3,362,525,454**	**14,675,475,986**	-----	**18,038,001,440**

*Note: In furtherance of obligations under the CDR package, Settlement and Co-operation Agreement and mutual understanding through formalized Agreement entered into by and between the Company, Videocon Industries Limited (VIL) and Videocon Telecommunications Limited (VTL), the VTL has granted/infused advances of Rs.1200 Crores into the Company from time to time. During the financial year, the Company obtained shareholders approval for conversion of aforesaid advances into Unsecured Zero Coupon Compulsory Convertible Debentures, convertible into 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. *Remuneration to Managing Director, Whole-time Directors and/or Manager:*

(Amount in Rs.)

SI. NO	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Amit Verma	
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	 9,14,602 ----- -----	 9,14,602 ----- -----
2.	Stock option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify…	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	9,14,602	9,14,602
	Ceiling as per the Act	Remuneration paid is within the ceiling prescribed under the Companies Act 2013.	

B. *Remuneration to other directors:*

(Amount in Rs.)

SI. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	**Mr. Arvind Ramnath Somani***	**Mr. Rahul Amarnath Sethi****	**Mr. Babu Mohanlal Panchal**	**Mr. Vinay Kumar Monga**	
	• Fee for attending board/committee meetings • Commission • Others, please specify	10,000 ---- ----	30,000 ---- ----	65,000 ---- ----	75,000 ---- ----	
	Total (1)	10,000	30,000	65,000	75,000	1,80,000
2.	Other Non-Executive Directors	**Mrs. Mitu Mehrotra Goel**	**Mrs. Lalita Sharma (Nominee of IDBI Bank)**	**-**	-	
	• Fee for attending board/committee meetings • Commission • Others, please specify	45,000 ---- ----	40,000 ---- ----	-	-	
	Total (2)	45,000	40,000	-	-	85,000
	Total (B)=(1+2)	55,000	70,000	65,000	75,000	2,65,000
`	Total Managerial Remuneration					
	Overall Ceiling as per the Act	The sitting fee has been paid within the limit prescribed by Companies Act, 2013.				

**Mr. Arvind Ramnath Somani was appointed as Independent Director on the Board of the Company w.e.f. March 29, 2017.*

***Mr. Rahul Amarnath Sethi ceased to be the Director of the Company w.e.f. March 10, 2017.*

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

(Amount in Rs.)

SI. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary & Manager u/s 2(53)	CFO	Total
			Mr. Amit Verma	Mr. Munish Bansal	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961		9,14,602	14,07,559	23,22,161
	(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	NIL	NIL	NIL	Nil
3.	Sweat Equity	NIL	NIL	NIL	Nil
4.	Commission - As % of profit - Others, specify…	NIL	NIL	NIL	Nil
5.	Others, Please Specify	NIL	NIL	NIL	Nil
	Total		**9,14,602**	**14,07,559**	**23,22,161**

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	---------	---------	---------	---------	---------
Punishment	---------	---------	---------	---------	---------
Compounding	Section-136 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that no instrument creating the charge was available at the Registered Office of the Company and hence there is a violation of Section 136 of the Companies Act, 1956. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/STA(PD)/ Insp/209A/197474/4434 dated 26th September, 2014 served on the Company and its present and former Directors and Company Secretary and Manager under Section 269 of the Companies Act, 1956, directed to give explanation for alleged violation of the provisions of Section 136 of the Companies Act, 1956. The Company has made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 136 of the Companies Act, 1956 with ROC, Maharashtra. The Hon'ble Company Law Board Mumbai Bench in its hearing held on 17th May, 2016 compounded the offence committed under Section 136 and imposed penalty of Rs.20,000/- on the Company.	Rs. 20,000/-	Hon'ble Company Law Board, Mumbai Bench	

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)
	Section-138 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that the Company has issued a debentures in lieu of outstanding loans to the charge holders and has filed Form No. 10. However, no charge has been satisfied by filing Form no. 17 with the Registrar of Companies in this regard with respect to original charge registered in favour of charge holder. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/ STA(PD)/ Insp/ 209A /197474 /4429 dated 26th September, 2014 served on the Company and its present and former Directors and Company Secretary and Manager under Section 269 of the Companies Act, 1956, directed to give explanation for alleged violation of the provisions of Section 138(1) of the Companies Act, 1956. The Company has made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 138 of the Companies Act, 1956 with ROC, Maharashtra. The compounding in respect of Section 138 could not be compounded as the offence was not made good by the Company by complying with the requirements of the Act. The Company was not able to file the particulars of satisfaction of charge due to non-receipt of NOC for the purpose of satisfaction of charge, hence, the offence was not compounded by the Honb'le Company Law Board Bench in its hearing held on 17th May, 2016 and dismissed the Compounding Application filed by the Company, its present and former Directors for Compounding of Offence under Section 138(1) of the Companies Act, 1956, granting liberty to the Company to file fresh application, vide its order dated 18th May, 2016.	**NIL**	Hon'ble Company Law Board, Mumbai Bench	
	Section-163 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that the Register of Members, index of Members and copies of Annual Return are kept at the Corporate office at B-71, Industrial Focal Point, Phase-VII, Mohali Punjab 160055 instead of keeping it at its Registered Office. The Company has not passed and filed any special resolution with the Registrar for keeping Register of Members, copies of Annual Return etc at its Corporate Office in terms of requirement of Section 163(1) of the Companies Act, 1956, hence there is a violation of Section 163(1) of the Companies Act, 1956. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/ STA(PD)/ Insp/ 209A/ 197474/ 4440 dated 26th September, 2014 served on the Company and its present and former Directors and Company Secretary and Manager under Section 269 of the Companies Act, 1956, directed to give explanation for alleged violation of the provisions of Section 163(1) of the Companies Act, 1956. The Company has made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 163 of the Companies Act, 1956 with ROC, Maharashtra. The Hon'ble Company Law Board Mumbai Bench in its hearing held on 17th May, 2016 compounded the offence committed under Section 163 and imposed penalty of Rs.20,000/- on the Company.	Rs. 20000/-	Hon'ble Company Law Board, Mumbai Bench	
	Section-193 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that the minutes of Board Meeting and General Meetings were in loose and put in the binder. The pages of the minutes books were not consecutively numbered and also not dated as required under the provisions of Section 193(1) of the Companies Act, 1956 hence there is a violation of Section 193(6) of the Companies Act, 1956. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/STA(PD)/ Insp/209A/197474/4451 dated 26th September, 2014 served on the Company and its present and former Directors and Company's Company Secretary and Manager under Section 269 of the Companies Act, 1956 directed to give explanation for alleged violation of the provisions of Section 193 of the Companies Act, 1956. The Company has made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 193 of Companies Act, 1956 with ROC, Maharashtra. The Hon'ble Company Law Board Mumbai Bench in its hearing held on 17th May, 2016 compounded the offence committed under Section 193 and imposed penalty of Rs.500/- on the Company.	Rs. 500/-	Hon'ble Company Law Board, Mumbai Bench	

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. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	Section-136 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that no instrument creating the charge was available at the Registered Office of the Company and hence there is a violation of Section 136 of the Companies Act, 1956. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/ STA(PD)/ Insp/ 209A/ 197474/ 4434 dated 26th September, 2014 served on the Company and its present and former Directors and Company Secretary and Manager under Section 269 of the Companies Act, 1956, directed to give explanation for alleged violation of the provisions of Section 136 of the Companies Act, 1956. The present and former Directors, Manager under Section 269 of Companies Act, 1956 and Company Secretary, who are Officers in default, have made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 136 of the Companies Act, 1956 with ROC, Maharashtra. The Hon'ble Company Law Board Mumbai Bench in its hearing held on 17th May, 2016 compounded the offence committed under Section 136 and imposed penalty of Rs.20,000/- each on the Company's present and former Directors and Company Secretary and Manager of the Company.	Rs. 100,000/- (Rs.20,000/- each on the Company's present and former Directors and Company Secretary & Manager of the Company)	Hon'ble Company Law Board, Mumbai Bench	
	Section-138 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that the Company has issued a debentures in lieu of outstanding loans to the charge holders and has filed Form No. 10. However, no charge has been satisfied by filing Form no. 17 with the Registrar of Companies in this regard with respect to original charge registered in favour of charge holder. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/STA(PD)/ Insp/209A/197474/4429 dated 26th September, 2014 served on the Company and its present and former Directors and Company Secretary and Manager under Section 269 of the Companies Act, 1956, directed to give explanation for alleged violation of the provisions of Section 138(1) of the Companies Act, 1956. The present and former Directors, Manager under Section 269 of Companies Act, 1956 and Company Secretary, who are Officers in default, have made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 138 of the Companies Act, 1956 with ROC, Maharashtra. The compounding in respect of Section 138 could not be compounded as the offence was not made good by the Company by complying with the requirements of the Act. The Company was not able to file the particulars of satisfaction of charge due to non-receipt of NOC for the purpose of satisfaction of charge, hence, the offence was not compounded by the Honb'le Company Law Board Bench in its hearing held on 17th May, 2016 and dismissed the Compounding Application filed by the Company, its present and former Directors for Compounding of Offence under Section 138(1) of the Companies Act, 1956 granting liberty to the Company to file fresh application, vide its order dated 18th May, 2016.	NIL	Hon'ble Company Law Board, Mumbai Bench	

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)
	Section-163 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that the Register of Members, index of Members and copies of Annual Return are kept at the Corporate office at B-71, Industrial Focal Point, Phase-VII, Mohali Punjab 160055 instead of keeping it at its Registered Office. The Company has not passed and filed any special resolution with the Registrar for keeping Register of Members, copies of Annual Return etc at its Corporate Office in terms of requirement of Section 163(1) of the Companies Act, 1956, hence there is a violation of Section 163(1) of the Companies Act, 1956. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letterNo. ROC/STA(PD)/ Insp/209A/197474/4440 dated 26th September, 2014 served on the Company and its present and former Directors and Company Secretary and Manager under Section 269 of the Companies Act, 1956, directed to give explanation for alleged violation of the provisions of Section 163(1) of the Companies Act, 1956. The present and former Directors, Manager under Section 269 of Companies Act, 1956 and Company Secretary, who are Officers in default, have made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 163 of the Companies Act, 1956 with ROC, Maharashtra. The Hon'ble Company Law Board Mumbai Bench in its hearing held on 17th May, 2016 compounded the offence committed under Section 163 and imposed penalty of Rs.20,000/- each on the Company's present and former Directors and Company Secretary and Manager of the Company.	Rs. 100,000/- (Rs.20,000/- each on the Company's present and former Directors and Company Secretary & Manager of the Company)	Hon'ble Company Law Board, Mumbai Bench	
	Section-193 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that the minutes of Board Meeting and General Meetings were in loose and put in the binder. The pages of the minutes books were not consecutively numbered and also not dated as required under the provisions of Section 193(1) of the Companies Act, 1956 hence there is a violation of Section 193(6) of the Companies Act, 1956. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/ STA(PD)/ Insp/ 209A/ 197474/ 4451 dated 26th September, 2014 served on the Company and its present and former Directors and Company's Company Secretary and Manager under Section 269 of the Companies Act, 1956 directed to give explanation for alleged violation of the provisions of Section 193 of the Companies Act, 1956. The present and former Directors, Manager under Section 269 of Companies Act, 1956 and Company Secretary, who are Officers in default, have made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 193 of Companies Act, 1956 with ROC, Maharashtra. The Hon'ble Company Law Board Mumbai Bench in its hearing held on 17th May, 2016 compounded the offence committed under Section 193 and imposed penalty of Rs.500/- each on the Company's present and former Directors and Company Secretary and Manager of the Company.	Rs. 2500/- (Rs.500/- each on the Company's present and former Directors and Company Secretary & Manager of the Company)	Hon'ble Company Law Board, Mumbai Bench	

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)
	Section-217 of the Companies Act, 1956	The Books of Account of the Company were inspected by an Officer of the Central Government under Section 209A of the Companies Act, 1956 and during the course of inspection it was noticed that in the Auditors Report for the financial year ended March 31, 2011, auditors made the observation that *"without qualifying our opinion we draw attention to note 1 (c) of Schedule 21 to the financial statements. The Company has incurred a loss of Rs. 2,236,667,344/- during the year (accumulated loss of Rs. 13,636,994,938/-) resulting into erosion of its net worth, and has a net current liabilities of Rs. 6,588,544,442/- as at March 31, 2011. These factors raise a doubt that the Company will not be able to continue as a going concern. The management is confident of generating cash flows from business operations through increasing subscribers' base and with the support of significant shareholders to fund its operating and capital fund requirements. Accordingly, these statements have been prepared on a going concern basis."* Accordingly, the Board of Directors had not given fullest information in its report on every reservation, qualification or adverse remark contained in Auditors Report. Though the Auditor has not qualified the above matter but it will certainly fall under 'reservation' or 'adverse remarks' hence there is a violation of Section 217(3) of the Companies Act, 1956. In view of the above facts, pointed out by the Inspecting Officer, the learned Registrar of Companies – Maharashtra, Mumbai vide his letter No. ROC/ STA(PD)/ Insp/ 209A/ 197474/ 4446 dated 26th September, 2014 served on the Company's present and former Directors and Company Secretary and Manger under Section 269 of the Companies Act, 1956 directed to give explanation for alleged violation of the provisions of Section 217(3) of the Companies Act, 1956. The present and former Directors, Manager under Section 269 of Companies Act, 1956 and Company Secretary, who are Officers in default, have made *Suo- moto* Joint and composite Application under section 621A for compounding of the offence committed u/s 217 of Companies Act, 1956 with ROC, Maharashtra. The Hon'ble Company Law Board Mumbai Bench in its hearing held on 17th May, 2016 compounded the offence committed under Section 217 and imposed penalty of Rs.20,000/- each on the Company's present and former Directors and Company Secretary and Manager of the Company.	Rs. 100,000/- (Rs.20,000/- each on the Company's present and former Directors and Company Secretary & Manager of the Company)	Hon'ble Company Law Board, Mumbai Bench	
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

Place: Gurgaon	**Mitu Mehrotra Goel** **Director** **(DIN: 05188846)**	**Vinay Kumar Monga** **Director** **(DIN: 03029345)**
Date: May 23, 2017		

Annexure 2

REMUNERATION RELATED DISCLOSURES, PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

<table>
<tr><td>Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year</td><td>All the Directors of the Company are Non-Executive and they are entitled for payment of sitting fee only on account of Board Meetings / Committee Meetings attended by them from time to time.

Since, the Company is not paying any remuneration to its Directors therefore the ratio of remuneration of each director to the median remuneration of the employee cannot be derived.</td></tr>
<tr><td>Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;</td><td>The Company has the appraisal cycle of April to March. The increments generally released are effective from 1st April every year.

The detail of remuneration paid to Key Managerial Personnel of the Company is as under: -
<table>
<tr><th>Name</th><th>Designation</th><th>Remuneration paid FY 2016-17 (In Rs. Lacs)</th><th>Remuneration Paid in FY 2015-16 (In Rs. Lacs)</th><th>% Increase/ (Decrease) in Remuneration from previous year</th></tr>
<tr><td>Mr. Amit Verma</td><td>Company Secretary and Manager u/s 2(53)</td><td>9.14</td><td>5.91</td><td>54.65%</td></tr>
<tr><td>Mr. Munish Bansal</td><td>Chief Financial Officer</td><td>14.07</td><td>12.43</td><td>13.19%</td></tr>
<tr><td>Mr. Ashu Ratan Khare*</td><td>Chief Financial Officer</td><td>---</td><td>0.85</td><td>NA#</td></tr>
<tr><td>Mr. Kapil Bhalla**</td><td>Company Secretary and Manager u/s 2(53)</td><td>---</td><td>6.69</td><td>NA#</td></tr>
</table>
*Resigned as Chief Financial Officer of the Company w.e.f. 15th April, 2015

**Resigned as Company Secretary and Manager u/s 2(53) of Companies Act 2013 of the Company w.e.f. 23rd June, 2015

Resigned during the Financial Year 2015-16

Considering the additional roles, responsibilities and duties assigned to Mr. Amit Verma as Manager u/s 2(53) of the Company Act, 2013, the increase in the Remuneration, commensurate with the prevailing industry norms and the same is also as per HR policy of the Company.</td></tr>
<tr><td>Percentage increase in the median remuneration of employees in the financial year;</td><td>The Median remuneration of the employees of the Company during the financial year 2016-17 was Rs.5,51,448 and Rs. Rs.4,86,996/- for the financial year 2015-16

In the financial year, there was an increase of 13.23% in the median remuneration of employees.</td></tr>
<tr><td>Number of permanent employees on the rolls of company;</td><td>502 (as on 31st March, 2017)</td></tr>
<tr><td>Explanation on the relationship between average increase in remuneration and company performance;</td><td>The Company's revenue declined by 5.47% during the financial year whereas the increase in median remuneration of employees was 13.23%. The average increase in the median remuneration was in line with the prevailing Industry norms.</td></tr>
<tr><td>Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;</td><td>Factors including Individual's performance, Company's performance, competitive compensation market scenario and Inflation rate are considered while recommending increase in the fixed remuneration of employees.

The total remuneration of Key Managerial Personnel decreased by Rs.2.52 Lacs from Rs. 25.88 lacs in 2015-16 to Rs. 23.36 lacs in 2016-17. During the year, the Turnover of the Company decreased by 5.48% and the operating losses increased by 12.80 % during the Financial Year 2016-17.</td></tr>
</table>

Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	The Market capitalisation of the Company as on 31st March, 2017 was Rs.184.90 Crores and as on 31st March, 2016 was Rs Rs.164.08 Crores. Price earnings ratio of the period cannot be calculated as the earning per share is negative. The Company's Stock Price as at March 31, 2017 was Rs.3.02 per equity share of Re.1/- each. The Company has not made any public offer in the recent past and accordingly, comparison of Public Offer price and the current market price of the Company's shares will not be relevant.
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average percentile increase made in the salaries of the employees other than managerial personnel in the financial year 2016-17 was approximately 10% whereas percentile increase in the managerial remuneration is due to additional roles, responsibilities and duties assigned to them and the increase in the Remuneration is commensurating with the prevailing industry norms and the same is also as per HR policy of the Company.
Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	The total remuneration of Key Managerial Personnel decreased by Rs.2.52 Lacs from Rs. 25.88 lacs in 2015-16 to Rs. 23.36 lacs in 2016-17. During the year, the Turnover of the Company decreased by 5.48% and the operating losses increased by 12.80 % during the Financial Year 2016-17.
Key parameters for any variable component of remuneration availed by the directors;	There is no variable component of remuneration which is availed by the Directors during the financial year 2016-17.
Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and	Not applicable
Affirmation that the remuneration is as per the remuneration policy of the Company.	It is affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Mitu Mehrotra Goel
Director
(DIN: 05188846)

Vinay Kumar Monga
Director
(DIN: 03029345)

Place: Gurgaon
Date: May 23, 2017

Annexure -3

Secretarial Audit Report for the Financial Year Ended March 31, 2017

To
The Members of Quadrant Televentures Limited (CIN: L00000MH1946PLC197474)
Aurangabad, Maharashtra.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of :

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder to the extent of Regulation 55A;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares and Takeovers (Amendment) Regulations, 2013 ;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amended thereon.;

d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sectors/ industry are :

(a) The Indian Telegraph Act, 1885

(b) The Telecom Regulatory Authority of India Act, 1997 and Rules and Regulations made thereunder.

(c) The Indian Wireless Telegraphy Act, 1933

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations mentioned above in this report.

We further report that compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial record and books of accounts has not been reviewed in this Audit, since the same has been subject to review by statutory financial audit and other designated professionals.

Further note that Statutory Auditor of Company has given qualified opinion along with basis on the Financial statements as on 31.3.3017, which are reproduced herein below :

Basis of Qualified Opinion

As mentioned in Note No. 30 to the financial statements, the Company has not determined the impairment loss, if any, on its fixed assets. As the impairment loss. If any, in terms of Accounting Standard 28 – 'Impairment of Assets' has not been determined, we are unable to express any opinion as to the effect thereof on the financial statements for the year.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion in paragraph 4 above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

Further, as per point VIII of Annexure-A to the Independent Auditors' Report, the Company has defaulted in repayment of dues to banks which is reproduced herein below: -

Particulars	*Interest (Rupees)*	*Delay in days – Range*
Amount paid before the year end	*267,697,907*	*60 to 89 days*
Amount outstanding as at 31st March 2017 and subsequently paid.	*51,676,065*	*0 to 59 days*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance

with applicable laws, rules, regulations and guidelines.

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

CS. Dinesh Bhandari
Practising Company Secretary
Membership No. FCS No.: 5887
Certificate of Practice No.: 10300

Date : 23/05/2017

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

Annexure -A

The Members
Quadrant Televentures Limited
Autocars Compound
Adalat Road, Aurangabad -431005
Maharashtra.

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

CS. Dinesh Bhandari
Practising Company Secretary
Membership No. FCS No.: 5887
Certificate of Practice No.: 10300

Date : 23/05/2017

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2016-17

(As required under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Corporate Governance assumes increasing importance in establishing credibility and trust for long term sustainability of a business enterprise. It encompasses the effective management of relationships among constituents of the ecosystem - shareholders, management, staff members, customers, vendors, Governments regulatory authorities and community at large. These relationships can be strengthened through corporate fairness, transparency, empowerment and compliance with the law in letter and spirit. The Company takes proactive approach and revisits its governance practices from time to time so as to meet business and regulatory needs.

1. Company's Philosophy and Principles on Corporate Governance

Philosophy

The Company's philosophy on Corporate Governance comprises of Transparency, Accountability, Integrity, Fairness, Purposefulness, Trust, Communication and Quality with ultimate aim of value creation for all Stakeholders are the focus of Company's growth strategy.

Principles

Company has laid a strong foundation for making Corporate Governance as the way of life by implementing a Corporate Governance Policy. The Policy is based on highest standard of Corporate Governance practices, which apart from fulfilling the requirements of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, laid stress on complete transparency, business ethics and social obligations of the Company. The Company's philosophy on Corporate Governance is based on the following two core basic principles:

- Management must have executive freedom to drive the enterprise forward without undue restraints.
- This freedom of Management should be exercised within the framework of effective accountability

The Corporate Governance in the Company, based on the principles and philosophy as mentioned above, takes place at three interlinked levels i.e.,

a) Strategic supervision by the Board of Directors.

b) Monitoring by various Committees of the Board of Directors.

c) Periodical Reporting and Disclosures.

2. Board of Directors

(A) Composition of the Board

As on March 31, 2017, the Board of Directors of the Company consists of five Directors, including three Independent Directors and a Nominee Director as per the details mentioned in the table given below. The Board Members possess requisite management skills and adequate experience and expertise. The Board directs and reviews the overall business operations of the Company; the day-to-day affairs are being managed by the Business Heads.

None of the directors are members in more than ten Committees and/or Chairman of more than five Committees across all companies in which they are directors. All Directors have made necessary disclosures regarding Committee position.

Board of Directors as at 31.03.2017

Name of the Director	Category	No. of other Directorships #	No. of other Committee Memberships *	No. of other Committee Chairmanships *
Mr. Arvind Ramnath Somani*	Independent Director	NIL	NIL	NIL
Mr. Rahul Amarnath Sethi**	Independent Director	NIL	NIL	NIL
Mr. Babu Mohanlal Panchal	Independent Director	NIL	NIL	NIL
Mr. Vinay Kumar Monga	Independent Director	NIL	NIL	NIL
Ms. Mitu Mehrotra Goel	Non-executive Director	NIL	NIL	NIL
Mrs. Lalita Sharma Nominee of IDBI Bank Limited	Non-executive Director	NIL	NIL	NIL

Excludes Directorship(s) held in private limited companies and foreign companies.

**Mr. Arvind Ramnath Somani was appointed as Independent Director on the Board of the Company w.e.f. March 29, 2017 in place of Mr. Rahul Amarnath Sethi.*

***Mr. Rahul Amarnath Sethi has resigned from the Board of the Company w.e.f. March 10, 2017.*

Note:

**Only Includes Membership / Chairmanship in other Public Limited Companies and excludes Private Companies and foreign Companies.*

Committees considered are Audit Committee and Stakeholders Relationship Committee.

No Director is related to any other Director on the Board in terms of the definition of relative given under the Companies Act, 2013.

(B) Information Placed before the Board

During the year 2016-17, information as mentioned in Part – A of Schedule II under Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were placed before the Board which includes the following matters: -

- Minutes of all Committee Meetings;
- Annual & Quarterly, Audited & Un-audited Financial Results of the Company;
- Annual Operating Plans, Budgets and updates thereon;
- Information on recruitment, resignation and remuneration of all senior officers just below the Board level including appointment of Chief Financial Officer, Manager and Company Secretary;
- Show cause, demand, prosecution notices, penalty notices, if any which are materially important, have significant financial implications.
- Material default in financial obligations, if any, to and by the Company or substantial non-payment for goods sold or services rendered by the Company;
- Non-compliance of any regulatory and statutory requirements or listing requirements and shareholder service, if any.

- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- Legal Compliance reports and Certificates.
- Accounts of the subsidiary Companies.
- Minutes of Unlisted Subsidiary Companies

(C) Code of Conduct

The Company has a Code of Conduct for members of the Board and Senior Management. The Code lays down, in detail, the standards of business conduct ethics and governance.

A copy of the Code has been put on the Company's website, (URL: http://*www.connectzone.in/corporategovernance.php)*

The Code has been circulated to all the members of the Board and Senior Management and they have affirmed compliance of the same. A declaration signed by the Manager as defined u/s 2(53) of the Companies Act, 2013 to this effect forms part of this report.

(D) Number of Board Meetings held, dates and attendance; including attendance at the last Annual General Meeting:

The Board meets every quarter to review and discuss the operations and operating results and financials apart from other items pertaining to statutory compliances and routine administrative items on the agenda.

Additional board meetings are held whenever required. During the financial year ended 31.03.2017, 7 (Seven) Board Meetings were held and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held are as follows: -

27th May, 2016, 12th August, 2016, 11th November, 2016, 20th December, 2016, 13th February, 2017, 01st March ,2017 and 29th March, 2017.

One separate meeting of Independent Directors was also held on 13th February 2017, which was attended by all the Independent Directors.

The 69th Annual General Meeting (AGM) of the shareholders was held on July 21, 2016.

ATTENDANCE AT BOARD MEETINGS/AGM IN THE FINANCIAL YEAR-2016-2017			
Name of the Director	**No. of Board Meetings Held/ Attended**		**Last AGM attended (Yes/No)**
	Held	**Attended**	
Mr. Arvind Ramnath Somani*	1	1	N.A.
Mr. Rahul Amarnath Sethi**	7	4	Yes
Mr. Babu Mohanlal Panchal***	7	6	Yes
Ms. Mitu Mehrotra Goel	7	6	No
Mr. Vinay Kumar Monga	7	7	No
Mrs. Lalita Sharma (Nominee of IDBI Bank Ltd)	7	4	No

**Mr. Arvind Ramnath Somani was appointed as Independent Director on the Board of the Company w.e.f. March 29, 2017.*

***Mr. Rahul Amarnath Sethi has resigned from the Board of the Company w.e.f. March 10, 2017.*

****Chairman of the Audit Committee*

(E) Brief Profile of Directors seeking appointment/re-appointment:

The brief profile of director seeking appointment/re-appointment is appended to the Notice convening the Seventieth Annual General Meeting.

(F) Familiarization Programme for Independent Directors

In terms of the Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a familiarisation program for the independent directors. The Familiarisation Program aims at helping the independent directors to understand the Company, its management, roles & responsibilities in the company, operations of the Company etc. Accordingly, the Company has been following the practice which has helped its independent directors to equip themselves with the Company.

The details relating to the Familiarization Programme have been uploaded on the website of the Company viz. (URL:http:// *www.connectzone.in/corporategovernance.php)*

3. Committees of the Board of Directors

The Board has constituted various Committees for smooth and efficient operations of Company's activities. The Committees meet at regular intervals to review their respective areas of operation. The draft minutes of the proceedings of each Committee meeting are circulated to the members of that Committee for their comments and thereafter, confirmed by the respective Committee in its next meeting. The proceedings of all such Committee meetings are regularly placed before the Board.

(A) AUDIT COMMITTEE:

As on 31.03.2017, the Audit Committee comprised of the following members:

Name	Designation	Category
Mr. Babu Mohanlal Panchal	Chairman	Independent
Mr. Arvind Ramnath Somani	Member	Independent
Mr. Vinay Kumar Monga	Member	Independent
Mrs. Lalita Sharma	Member	Nominee Director of IDBI Bank Limited

The constitution of the Audit Committee is in line with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. Mr. Babu Mohanlal Panchal - a Qualified Chartered Accountant is the Chairman of the Audit Committee. The Committee meets regularly and the Statutory Auditors, the Internal Auditors, and other senior officers including the Chief Financial Officer (CFO) are permanent invitees to the Committee Meetings. The quorum for the Audit Committee is two independent members. The Company Secretary is the *de-facto* Secretary of the Committee. The Chairman of the Audit Committee was present at the Annual General Meeting held on July 21, 2016.

During the year under review, 4 (Four) Audit Committee meetings were held on the following dates:

27th May 2016, 12th August 2016, 11th November 2016 and 13th February, 2017

The Attendance of the members at the Audit Committee Meetings was as under: -

Name of the Members	No. of Meetings held during the tenure	No. of Meetings Attended
Mr. Babu Mohanlal Panchal	4	4
Mr. Vinay Kumar Monga	4	4
Mrs. Lalita Sharma (Nominee of IDBI Bank)	4	4
Mr. Arvind Ramnath Somani*	NIL	NIL

**Mr. Arvind Ramnath Somani was nominated as Member of the Committee w.e.f. March 29, 2017.*

Broad Terms of reference, as stipulated by the Board, to the Audit Committee are as follows:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees and payment for any other service.
- Approval of appointment of the Cost Auditor & Internal Auditor.
- Reviewing, with the management, the annual financial plans and financial statements before submission to the Board for approval, with particular reference to:
  - **a.** Matters which are required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - **b.** Changes, if any, in accounting policies and practices and reasons for the same
  - **c.** Major accounting entries involving estimates based on the exercise of judgment by management
  - **d.** Significant adjustments made in the financial statements arising out of audit findings.
  - **e.** Compliance with listing and other legal requirements relating to financial statements.
  - **f.** Disclosure of any related party transactions.
  - **g.** Modified opinion (s), if any, in the draft Audit Report.

Reviewing, with the management, among others, the following matters:

- Quarterly financial statements before submission to the Board for approval.
- Statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or right issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Performance of Statutory Auditors, including Cost Auditor and Internal Auditors adequacy of the internal control systems.
- Adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle blower mechanism/Vigil Mechanism.
- Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.

The Audit Committee has been mandatory authorized to review the following Information:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions, submitted by the management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of internal auditors / chief internal Auditor.
- Statement of deviations;

(a) Quarterly statement including report of monitoring agency, if applicable, submitted to Stock exchange in terms of Regulation 32(1)

(b) Annual statement of funds utilized for the purpose other than those stated in the offer documents/prospectus/notice in terms of Regulation 32(7)

Whistle Blower Policy/Vigil Mechanism

The Board has adopted a Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding its accounting, auditing, internal controls or disclosure practices. It gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. More details are available on website (URL:http://*www.connectzone.in/corporategovernance.php)*

(B) NOMINATION AND REMUNERATION COMMITTEE

As on 31.03.2017, the Nomination and Remuneration Committee comprised of the following members: -

Name	Designation	Category
Mr. Vinay Kumar Monga	Chairman	Independent Non-executive
Mr. Arvind Ramnath Somani*	Member	Independent Non-executive
Mr. Rahul Amarnath Sethi**	Member	Independent Non-executive
Mr. Babu Mohanlal Panchal	Member	Independent Non-executive
Ms. Mitu Mehrotra Goel	Member	Non-executive

**Mr. Arvind Ramnath Somani was nominated as Member of the Committee w.e.f. March 29, 2017.*

***Mr. Rahul Amarnath Sethi ceased to be member of the Committee w.e.f. March 10, 2017.*

The Company Secretary is the de-facto Secretary to the committee.

During the year under review, 2 (Two) Nomination and Remuneration Committee meeting were held on 12th August 2016 and 29th March 2017

The Attendance of the members at the Nomination and Remuneration Committee Meetings was as under: -

Name of the Members	No. of Meetings held during the tenure	No. of Meetings Attended
Mr. Rahul Amarnath Sethi	2	1
Mr. Babu Mohanlal Panchal	2	2
Mr. Vinay Kumar Monga	2	2
Ms. Mitu Mehrotra Goel	2	2

The terms and reference of Nomination and Remuneration Committee as per the Companies Act 2013 is as follows: -

1. The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

2. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees (senior management).

3. The Committee shall, while formulating the policy ensure that:-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Remuneration Policy:

The Company has formulated the remuneration policy. The details of this policy are available on the Company's website viz. (URL: http://*www.connectzone.in/corporategovernance.php)*

Performance evaluation criteria:

Board has already put in place a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board/Key Management Personnel/Senior Management. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The evaluation of the performance was on the basis of the contributions and suggestions made to the Board/Management with respect to financial strategy, business operations etc.

Directors Remuneration:

a. No other remuneration is paid to the Non-Executive Directors.

b. The Company pays sitting fees to all the Non-Executive Directors at the rate of Rs. 5,000/- for each meeting of the Board and/or Committee. However, no Sitting Fees is paid for Share Transfer In-House Committee meetings.

The details of sitting fees paid to Directors during the financial year 2016-17 were as under: -

Sr. No.	Name of the Director	Sitting Fee
1	*Mr. Arvind Ramnath Somani	10,000
1	Mr. Rahul Amarnath Sethi	30,000
2	Mr. Babu Mohanlal Panchal	65,000
3	Ms. Mitu Mehrotra Goel	45,000
4	Mr. Vinay Kumar Monga	75,000
5	**Mrs. Lalita Sharma (Nominee Director)	40,000

**Nominee Director's sitting fee was paid to IDBI Bank Limited

Stock Option:

The Company has not issued any Stock Options

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE

The **Stakeholders Relationship Committee** – which is a Board level Committee, approves the transfer/transmission/ transposition in excess of 5,000 shares pertaining to any single shareholder;

As on 31.03.2017, the Stakeholders Relationship Committee comprised of the following members: -

Name	Designation	Category
Mr. Vinay Kumar Monga	Chairman	Independent Non-executive
Mr. Arvind Ramnath Somani*	Member	Independent Non-executive
Mr. Rahul Amarnath Sethi**	Member	Independent Non-executive
Mr. Babu Mohanlal Panchal	Member	Independent Non-executive
Ms. Mitu Mehrotra Goel	Member	Non-executive

**Mr. Arvind Ramnath Somani was nominated as Member of the Committee w.e.f. March 29, 2017.*

***Mr. Rahul Amarnath Sethi ceased to be member of the Committee w.e.f. March 10, 2017.*

During the year under review, 1 (One) Stakeholders Relationship Committee meetings was held on 16th July 2016.

The Attendance of the members at the Stakeholders relationship Committee Meeting was as under: -

Name of the Members	No. of Meetings held during the tenure	No. of Meetings Attended
Mr. Arvind Ramnath Somani	NIL	NIL
Mr. Rahul Amarnath Sethi	1	NIL
Mr. Babu Mohanlal Panchal	1	NIL
Mr. Vinay Kumar Monga	1	1
Ms. Mitu Mehrotra Goel	1	1

Terms of reference and Scope of the Committee:

- To look into the redressal of shareholders complaints in respect of transfer / transmission / transposition /split of shares, issue of duplicate share certificates and non-receipt of dividend etc.
- To oversee the performance of Registrar and Share Transfer Agent and recommends measures for overall improvement in quality of investor services etc.

This Committee meets on need basis to approve the share transfers / transmission in excess of 5,000 shares pertaining to any single shareholder as well as the issue of duplicate share certificates. In respect of requests received for “Loss of shares”, only the Stakeholders Relationship Committee is empowered to issue the duplicate share certificates.

Status of Investor Complaints

Details of Investor Complaints received and redressed during the year ended March 31, 2017:

Particulars	Received	Redressed	Pending as on 31.03.2017
Investors Complaint	NIL	NIL	NIL

Share Transfer Details:

The number of Shares transferred during the period under review:

S. No.	Particulars	Equity
a)	Number of Transfers	4
b)	Average no. of Transfers per month	0.33
c)	Number of Shares transferred	480

Share Transmission Details:

The number of Shares transmissions during the period under review:

S. No.	Particulars	Equity
a)	Number of Transmissions	3
b)	Number of Shares Transmitted	1837

Demat/Remat of Shares:

S. No.	Particulars	Equity
a)	Number of Demat requests approved	NIL
b)	Number of Shares Dematerialized	NIL
c)	Percentage of Shares Dematerialized	NIL
d)	Number of Rematerialization request approved	NIL
e)	Number of Shares Rematerialized	NIL

(D) Share Transfer In-house Committee (STIC)

Besides the Stakeholders Relationship Committee which consists of Board Members, there is another in-house Committee known as the Share Transfer In-House Committee (STIC), which meets for the approval of transfer/transmission/ transposition/split of physical shares for quantities up to 5,000 shares pertaining to any single shareholder, in each individual transaction, and to take on record / note the remat / demat of shares done by the Registrar and Share Transfer Agent (RTA) in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to expedite the process for transfer/transmission of shares, apart from the redressal of shareholders’ complaints.

As of March 31, 2017, the Share Transfer In-house Committee comprised of the following members: -

Name	Designation	Category
Ms. Mitu Mehrotra Goel	Chairman	Non-executive
Mr. Babu Mohanlal Panchal	Member	Independent
Mr. Vinay Kumar Monga	Member	Independent
Mr. Munish Bansal	Member	Chief Financial Officer
Mr. Amit Verma	Member	Company Secretary & Manager u/s 2(53) of Companies Act 2013

However, this Committee is not empowered to issue duplicate shares in case of loss of share certificate(s) but is only authorized to issue duplicate certificate(s) in cases where mutilated / torn / partially burnt original shares certificates are surrendered to the Company.

(E) RISK MANAGEMENT COMMITTEE: -

The Company had voluntarily constituted the Risk Management Committee under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to monitor and review the risk management plan.

The Company has adopted the Risk Management policy. The Company has in place a comprehensive framework for risk management for assessment of risk and minimize their adverse impact on the activities of the Company. The details of this policy are available on the Company's website viz. (URL: http://*www.connectzone.in/corporategovernance.php)*

Composition of the Committee: -

The composition of the Committee as on 31st March, 2017 was as under: -

Name	Designation	Category
Ms. Mitu Mehrotra Goel	Chairman	Non-Executive Director
Mr. Vinay Kumar Monga	Member	Independent
Mr. Babu Mohanlal Panchal	Member	Independent

The Company Secretary is the de-facto Secretary of the Committee.

No meeting was held during the period under review.

(F) FINANCE AND GENERAL AFFAIRS COMMITTEE: -

The Board of Directors of the Company had constituted "Finance and General Affairs Committee" to consider and approve the general matters in the day-to-day ordinary course of business.

The composition of the Committee is as under: -

Name	Designation	Category
Ms. Mitu Mehrotra Goel	Chairman	Non-Executive Director
Mr. Vinay Kumar Monga	Member	Independent
Mr. Babu Mohanlal Panchal	Member	Independent

The Company Secretary is the de-facto Secretary of the Committee.

Terms of Reference and Scope of the Committee: -

The Committee is entrusted with various powers relating to Banks including Opening & Closing of Bank Accounts / Corporate Debt Restructuring / Legal Matters / Authorisations to deal with various Statutory Authorities/ Departments, and matters of general natures in the ordinary course of business.

No meeting held during the period under review.

4. General Body Meetings

- The location and time of the last three Annual General Meetings was as under:

AGM	Date	Location	Time	Special Resolution Passed
69th	21.07.2016	Autocars Compound, Adalat Road, Aurangabad, 431005, Maharashtra	2:30 PM	1
68th	28.09.2015	Autocars Compound, Adalat Road, Aurangabad, 431005, Maharashtra	2:30 PM	NIL
67th	30.09.2014	Autocars Compound, Adalat Road, Aurangabad, 431005, Maharashtra	12:00 Noon	3

- **Postal Ballot**

During the financial year under review, one special resolution was passed through Postal Ballot, particulars of which are set out hereunder:

Resolution No.	Particulars of Resolution passed	Section of Companies Act 2013 under which the resolution was passed
1	Shifting of registered office of the Company from Autocars Compound, Adalat Road, Aurangabad – 431005, State of Maharashtra to Plot no. B-71, Industrial Area, Phase VII, Mohali - 160055, State of Punjab	Section 13 read with Section 12

The Board of Directors of the Company had appointed Ms. Gayathri R. Girish, Practicing Company Secretary as a Scrutinizer for conducting the Postal Ballot (Physical and E-voting) process in a fair and transparent manner.

Notice of the Postal Ballot, together with a Statement setting out the material facts of the item of Special Business pursuant to the provisions of Section 102 of the Companies Act, 2013, Postal Ballot Form and self-addressed envelope, postage paid by the Company were dispatched to all the shareholders of the Company and all other persons entitled to receive the same. Further, the Company had also provided the e-voting facility to enable the shareholders to cast their votes electronically.

The procedure for postal ballot was as per Section 110 and other applicable provisions of the Companies Act, 2013 read together with Rule 22 of the Companies (Management and Administration) Rules, 2014.

The result of the Postal Ballot was declared at Annual General Meeting on Thursday, 21st July, 2016, at 2.30 P.M. at the Registered Office of the Company. The Resolution passed through Postal Ballot deemed to have been passed at the Annual general Meeting, for the purpose of compliance in terms of provisions of Companies Act 2013.

Voting Results of the Postal Ballot

Particulars	Number of Valid Votes Received	Votes in favour	% of voting in favour	Votes Against	% of voting Against	Abstain from Voting (No. of Shares)
Special Resolution	456,692,833	456,691,992	100%	841	0%	Nil

Extra Ordinary general Meeting

During the financial year under review, an Extra Ordinary General Meeting was convened on March 29, 2017 for passing special resolution, particulars of which are set out hereunder:

Resolution No.	Particulars of Resolution passed	Section of Companies Act 2013 under which the resolution was passed
1	Issuance of 1,20,00,000 (One Crore Twenty Lakh) Unsecured Zero Coupon Compulsory Convertible Debentures of face value of Rs. 1,000/- (Rupees One Thousand Only) each, convertible into 12,00,00,000 (Twelve Crore) 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of face value of Rs.100/- (Rupees One Hundred Only) each, in one or more tranches for an amount not exceeding Rs.1,200,00,00,000/- (Rupees Twelve Hundred Crore Only) pursuant to conversion of Advances made from time to time by M/s Videocon Telecommunications Limited, in compliance with CDR Package, to M/s Videocon Telecommunications Limited.	Section 55, 62(3) and 71

Voting Results at the EGM

Particulars	Number of Members whose votes are Valid	Votes in favour	% of voting in favour	Votes Against	% of voting Against	Abstain from Voting (No. of Shares)
Special Resolution	39	448,422,059	100%	Nil	0%	Nil

Extracts of terms and condition of issue of aforesaid Zero Coupon CCDs

- the said Zero Coupon CCDs shall be "interest free" during the currency of CDR loans of the Company.
- the said Zero Coupon CCDs shall be unsecured and each Zero Coupon CCDs shall be compulsorily convertible into 12,00,00,000 (Twelve Crores) 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares (hereinafter referred as "2% NCRPS") of face value of Rs.100/- (Rupees One Hundred Only) each, at par, at a price of Rs.100/- (Rupees One Hundred Only) each, aggregating to Rs.1200,00,00,000 (Twelve Hundred Crores only) and redeemable at par.
- since the entire obligations under CDR is to be settled/ cleared by the year 2024 as per the CDR letter dated August 13, 2009, accordingly, the conversion of Zero Coupon CCDs into 2% NCRPS shall not happen before the Settlement Date (hereinafter referred as "Settlement Date") i.e. April 1, 2025 as mutually agreed between the parties.

Terms and conditions of issue of 2% NCRPS upon conversion of Zero Coupon CCDs are as under: -

- Dividend: The said Preference Shares shall carry a right to dividend of 2% per annum.
- Priority with respect to payment of dividend or repayment of capital vis-a-vis equity shares: The said Preference Shares shall carry a preferential right vis-à-vis Equity Shares with respect to payment of dividend or repayment of capital in case of winding up.
- Participation in surplus fund: The said Preference Shares shall be non-participating in the surplus funds.
- Participation in surplus assets and profits, on winding up which may remains after the entire capital has been repaid: The said Preference Shares shall be non-participating in surplus assets and profits on winding up which may remains after the entire capital has been repaid.
- The payment of dividend on cumulative or non-cumulative basis: The said Preference Shares shall be paid dividend on non-cumulative basis.
- The conversion of preference shares into equity shares: The Preference Shares will be non convertible.
- The Voting rights: The preference Shares shall carry voting rights only in respect of matters as per the provisions of Section 47(2) of the Companies Act 2013.
- The Redemption of Preference Shares: The said Preference Shares shall be redeemed in 5 (five) yearly equal installments payable on 31st March of each year, at par, as mutually agreed between parties and as approved by the Board and, subject to necessary approvals as may be required.

Resolution Proposed to be passed through Postal Ballot

The Company is in the process of getting approval of Shareholders through Special Resolution by way of Postal Ballot for authorizing the Board of Directors to sell, transfer, lease/ slump sale or otherwise dispose-off the GSM Assets of the Company.

Procedure for conducting Postal Ballot

The Postal Ballot is being conducted in accordance with the provision of Section 110 and other applicable provisions of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) to seek approval from the Shareholders. The result of the Postal Ballot would be declared on Friday, 1st September, 2017, at 2.30 P.M. at the 70th Annual General Meeting of the Company and will be displayed on the website of the Company and also on the website of CDSL and will be intimated to Stock exchange.

The board has appointed Ms. Gayathri R Girish, Practicing Company Secretary failing whom Mr. S.K. Dak, Practicing Company Secretary as the Scrutinizer for conducting the process of voting through Postal Ballot in a fair and transparent manner. The resolution passed by way of Postal Ballot shall be deemed to be passed at the Annual General Meeting, for the purpose of compliance, in terms of the provisions of the Companies Act, 2013.

5. **Disclosures**

(a)	Materially significant related party transactions i.e. transactions of the Company with Promoters, Directors, Management, Subsidiaries or Relatives etc. that may have potential conflict with the interests of the Company at large.	There are no transactions which may have potential conflicts with the interest of the company at large. Transactions with the related parties are disclosed in Note no.41 of the Notes forming part of the financial statement in the Annual Report. A Policy on Related party transactions is posted on the Company's website – (URL: http://*www.connectzone.in/corporategovernance.php)*
(b)	Non compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the last three years.	NIL
(c)	Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee	The Company has implemented Whistle Blower Policy and it is hereby affirmed that no personnel have been denied access to the Audit Committee. A policy on Vigil Mechanism is posted on the Company's website – (URL: http://*www.connectzone.in/corporategovernance.php)*
(d)	Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:	The Company has complied with all the mandatory requirements and adopted the following non mandatory requirements like: - i) The Company has constituted Internal Complaints Committee to redress complaints pertaining to sexual harassment of women at work place. ii) The Company has constituted sub-committee of Stakeholders Relationship Committee under the nomenclature of Share Transfer In-house Committee (STIC) iii) Constitution of Sub-committee of the Board under nomenclature of Finance and General Affairs Committee to consider and approve the general matters in the day-to-day ordinary course of business. iv) The Company has voluntarily constituted Risk Management Committee to monitor and review the risk management plan.

6. **Means of Communication**

The Quarterly Results, Shareholding Pattern, Corporate Governance and other corporate communications to BSE Limited is filed through BSE Listing Centre, for dissemination on their website. Moreover, all material information about the Company is also promptly filed through BSE Listing Centre.

A. Annual Report containing, inter alia, Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

B. Annual Report, Quarterly Financial Results, Shareholding Pattern, etc of the Company as on March 31, 2017 were also posted on the website of the Company: *www.connectzone.in*.

7. **Management Discussion and Analysis Report**

Management Discussion and Analysis Report forms part of the Annual Report.

8. **General Shareholder Information**

a. **70th Annual General Meeting**

The 70th Annual General Meeting of the Company is proposed to be held as per the following schedule:

Day	Friday
Date	1st September, 2017
Time	2:30 P.M.
Venue	Autocars Compound , Adalat Road, Aurangabad – 431005 , Maharashtra

b. **Financial Year and Financial Calendar**

Financial Year : 1st April to 31st March

c. **Financial Calendar of the Company (Tentative)**

Results for the First Quarter	On or before 14th August, 2017
Results for the Second Quarter	On or before 14th November, 2017
Results for the Third Quarter	On or before 14th February, 2018
Results for the Fourth Quarter	On or before 30th May, 2018
Annual General Meeting for the financial year ending March 31, 2018	On or before 30th September, 2018

d. **Dates of Book Closure**

Company's Register of Members and Share Transfer Books will remain closed from Friday, 25th August, 2017 to Friday, 1st September, 2017 (both days inclusive) for the purpose of Annual General Meeting.

e. **Dividend payment date:**

The Board has not recommended any dividend for the financial year ended March 31, 2017.

f. **Listing of Equity Shares on Stock Exchanges**

Company's shares are listed on **BSE Limited (BSE)**

As at March 31, 2017, the issued, subscribed and paid up equity share capital of the Company consists of 612,260,268 equity shares of Re1/- each. The Company has paid the requisite Listing Fee up to 31.03.2018.

g. **Scrip Code**

BSE : 511116

h. **Stock Price Data**

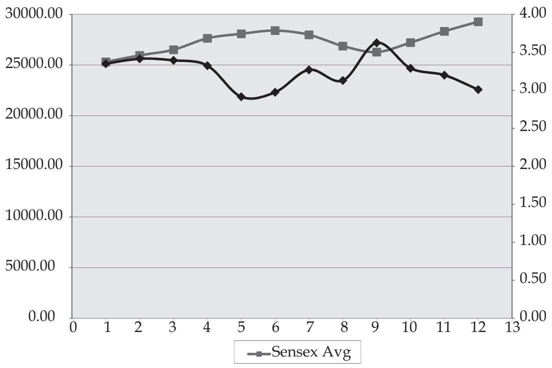
The reported high and low closing prices of the Company's shares traded during the fiscal 2016-2017 on the Bombay Stock Exchange are given below:

Month	High	Low
Apr 16	4.24	2.46
May 16	4.07	2.76
Jun 16	3.77	3.02
Jul 16	3.80	2.85
Aug 16	3.23	2.60

Sep 16	3.30	2.65
Oct 16	3.62	2.92
Nov 16	3.70	2.56
Dec 16	4.25	3.00
Jan 17	3.98	2.60
Feb 17	3.60	2.80
Mar 17	3.50	2.52

Performance in comparison to BSE Sensex

QTL Share Price and BSE Sensex movement



i. **Registrar & Share Transfer Agents**

M/s. Cameo Corporate Services Ltd.
Subramanian Building, No. 1, Club House Road,
Anna Salai, Chennai - 600 002
Tel: 91-44-28460390-394
Fax: 91-44-28460129
E-mail: investor@cameoindia.com.

j. **Share Transfer System**

Applications for transfer of shares held in physical form are received at the office of the Registrar & Share Transfer Agents of the Company. All valid transfers are processed within 15 days from the date of receipt. The Company has pursuant to the Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, submitted within stipulated time, certificate of half yearly basis confirming due compliance of share transfer formalities by the Company from practicing Company Secretary.

k. **Distribution of Shareholding as on 31st March 2017**

Shareholding of Nominal Value	Shareholders		Shareholding	
Rs.	Number	% of total	Rs.	% of total
1 - 5000	13,623	93.6095	8,627,396	1.4091
5001 - 10000	435	2.9890	3,460,301	0.5651
10001 - 20000	228	1.5666	3,397,773	0.5549
20001 - 30000	72	0.4947	1,839,563	0.3004
30001 - 40000	43	0.2954	1,514,919	0.2474
40001 - 50000	37	0.2542	1,741,185	0.2843
50001 - 100000	53	0.3641	4,092,795	0.6684
100001 & Above	62	0.4260	587,586,336	95.9700
Total :	**14,553**	**100.0000**	**612,260,268**	**100.0000**

Shareholding Pattern as on 31st March 2017

Category Code	Category of shareholders	No. of Share-holders	Total no. of shares	As a percentage of (A+B+C)
A	Shareholding of Promoter and Promoter Group			
1	Indian Bodies Corporate	2	326,705,749	53.3605
2	Foreign	0	0	0
	Sub Total (A)	**2**	**326,705,749**	**53.3605**
B	**Public Shareholding**			
1	Institutions	8	179,434,183	29.3166
2	Non-Institutions:			
	-Bodies Corporate	278	75,720,826	12.3674
	- Individuals	14,191	30,062,080	4.9100
	-Others	74	337,430	0.0551
	Sub - Total (B)	**14,551**	**285,554,519**	**46.6491**
	TOTAL (A)+(B)	**14,553**	**612,260,268**	**100.00**
C	Shares held by Custodians and against which Depository Receipts have been issued	0	0	N.A.
	GRAND TOTAL (A)+(B)+(C)	**14,553**	**612,260,268**	**100.00**

l. **Dematerialization of Shares**

As on 31st March 2017, 99.81% of the issued Equity Share Capital of the Company is held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

m. **Outstanding GDR/ADR or Warrants**

As on date there are no Global Depository Receipts (GDR), American Depository Receipts (ADR) or Warrants pending conversion and likely to impact the equity share capital of the Company

n. **Corporate Office**
B-71, Phase VII, Industrial Focal Point,
Mohali - 160 055 (Punjab)

o. **Registered Office Address**
Autocars Compound, Adalat Road,
Aurangabad – 431005, Maharashtra

p. **Address for correspondence**
Mr. Amit Verma
Company Secretary,
QUADRANT TELEVENTURES LIMITED
B-71, Phase VII, Industrial Focal Point,
Mohali - 160 055 (Punjab)
Tel. No. 0172- 5090000
E-mail Address : secretarial@infotelconnect.com

q. **Website Address - www.connectzone.in**

r. **CIN No. - L00000MH1946PLC197474**

DECLARATION

The Board of Directors laid down a code of conduct for all the Board Members and senior management which is posted on the website of the Company. Board members and senior management have affirmed compliance with the code of conduct.

For QUADRANT TELEVENTURES LIMITED

Amit Verma
Company Secretary & Manager
u/s 2(53) of the Companies Act, 2013

Place: Gurgaon
Date: May 23, 2017

CERTIFICATION

To,

The Board of Directors

Quadrant Televentures Limited.

We, Amit Verma, Company Secretary & Manager as defined u/s 2(53) of the Companies Act 2013 and, Munish Bansal, Chief Financial Officer (CFO) certify to the Board that:

(a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2017 and that to the best of our knowledge and belief:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

   (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.

(b) To best of our knowledge and belief, no transactions entered are fraudulent, illegal or violate of the Company's code of conduct.

(c) We accept the responsibility for establishing and maintaining internal controls for financial reporting evaluate the effectiveness, disclosing the deficiencies in the design or operation of internal controls, if any, to the Auditors and the Audit Committee and take steps to rectify these deficiencies.

(d) We have indicated wherever applicable to the Auditors and the Audit Committee:

   (i) Significant changes in internal control over financial reporting during the year.

   (ii) Significant changes in accounting policies, the same have been disclosed in the notes to the financial statements; and

   (iii) Instances of significant frauds, which we became aware,

For Quadrant Televentures Limited

(Munish Bansal)
Chief Financial Officer

(Amit Verma)
Company Secretary & Manager
U/S 2(53)

Place: Gurgaon

Date: May 23, 2017

CERTIFICATE BY PRACTICING COMPANY SECRETARY

On Compliance with the conditions of Corporate Governance under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Members of

Quadrant Televentures Limited
Aurangabad, Maharashtra

We have examined the compliance of conditions of Corporate Governance by Quadrant Televentures Limited (the company) for the year ended on 31st March 2017 as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit not an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information, and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as per the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Dinesh Bhandari
Practicing Company Secretaries

(DINESH BHANDARI)
M.No.5887
C.P.NO.10300

Date: May 23, 2017

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report comprises of:

- Industry Overview
- Opportunities and Threats
- Segment-wise and Product-wise performance
- Outlook
- Risks and concerns
- Internal control system and their adequacy
- Discussion on financial performance with respect to operational performance
- Material development in Human Resources/Industrial Relations front, including number of people employed

BUSINESS OVERVIEW

Quadrant Televentures Limited is a Unified Access Services Licensee and an Internet Service Provider in the Punjab Telecom Circle comprising of the State of Punjab, the Union Territory of Chandigarh and the Panchkula town of Haryana. The Company started its operations as a fixed line service provider under the brand name "CONNECT" in the year 2000. Subsequently, the Company was granted the UASL License (Unified Access Services License) in the Punjab Telecom Circle in 2003. In September 2007, the Company had launched its CDMA based full mobility services under the brand name "PING". In March 2010, the Company has also launched its GSM based Mobile Services in Punjab Telecom Circle. Apart from the UASL License, the Company also holds the ISP (Internet Service Provider) License Category –A (PAN INDIA) and the IP-1 (Infrastructure Provider-Category -1) License for providing services in the Punjab Telecom Circle.

GSM Business of the Company was in continuous losses which increased further due to launch of 4G services by leading competitors in the market who are offering free talk time and data, so in order to sustain and curtail the losses Company has decided to discontinue its GSM Services/business w.e.f. the midnight of February 15, 2017. However switches were kept operational to facilitate Mobile Number Portability (MNP) to GSM subscribers of the Company till April 18, 2017 as per the directions/advice received from TRAI vide its letter dated February 17, 2017.

Currently, the Company is providing Fixed Voice (Landline) services, DSL (Internet) services and Leased Line services in the Punjab Telecom Circle.

As at 31.03.2017, the company had a total subscriber base of 468018 customers includes 262891 fixed line customers and 205127 broadband customers.

The Company with its extensive optic fiber cable network of over 3800 km, provides services in over 150 cities / towns covering 52 of the 55 Short Distance Charging Areas ("SDCA") of Punjab Telecom Circle, as defined by the Department of Telecommunications, Government of India.

Key Business and Financial highlights for the financial year ended 31.03.2017 are as under:

- Broadband customer base increased by 5.13% to 205,127 (previous year 195,115)
- Fixed Voice/ Landline Subscriber base decreased by 0.78% to 262,891(previous year 264,963)
- During the financial year 2016-17, the gross revenue was Rs.5312.41 million, which was lower by 5.61 % as compared to previous year.

ECONOMY AND INDUSTRY OVERVIEW

Macro Economic Situation

According to the Economic Survey 2016-17 of Government of India, the gross domestic product (GDP) is pegged at 6.5 % down from 7.6% in last financial year 2015-16. India has the second fastest growing services sector with compound annual growth rate (CAGR) of 21 per cent.

India is currently the world's second-largest telecommunications market and has registered exceptional growth in the past few years. The reasons for growth of the telecom sector in India are proactive measures undertaken by the Government of India, active participation of the private sector, and wireless technology.

The key factors which are likely to fuel growth are a growing subscriber base, mobile applications and technologically advanced end-user oriented devices as well as launch of 3G and 4G/LTE services by Operators.

- Development of broadband networks and access to high speed internet services to customers through laying optical fiber either underground or on network of power utilities.
- Achieving 'Digital India' objectives and targets by building telecom infrastructure and increasing internet connectivity across rural areas.

  The National Telecom Policy-2012 has targeted 100 per cent tele-density and 600 million broadband connections by 2020. It has visualized doubling the current telecom capacity and increasing its reach to 95 per cent of India while providing broadband level of internet capability.

  Department of Telecommunications (DoT) is promoting a vision of 'green telecom' by which it plans to convert 50 per cent of urban and 30 per cent of rural towers to renewable energy.

  Hon'ble Prime Minister, Shri Narendra Modi, has laid emphasis on National e-governance plan and has given its approval for Digital India. Digital India is an ambitious pet programme of Government of India projected at Rs.1,13,000 crores.

Full Mobile Number Portability and work towards One Nation Free Roaming.

- Recognize telecom as Infrastructure Sector to realize its true potential of ICT for development & continued adoption of green policy & the use of renewable sources for sustainability.
- Provide affordable and reliable broadband-on-demand by the year 2015 and to achieve 175 million broadband connections by the year 2017 and 600 million by the year 2020 at minimum 2 Mbps download speed and making available higher speeds of at least 100 Mbps on demand.
- Increase rural tele-density from the current level of around 39 to 70 by the year 2017 and 100 by the year 2020.
- To ensure simplified Merger & Acquisition, Spectrum Sharing and Spectrum Trading regime in telecom service sector while safeguarding adequate competition.
- Ensure adequate availability of spectrum and its allocation in a transparent manner through market related processes. Make available additional 300 MHz spectrum for IMT services by the year 2017 and another 200 MHz by 2020. DoT is also doing harmonization of existing bands in order to facilitate/ consolidation of available bands.
- Enhanced and continued adoption of green policy in telecom and incentivize use of renewable energy sources for sustainability.
- Protect consumer interest by promoting informed consent, transparency and accountability in quality of service, tariff, usage etc.

Overview of Indian Telecom Industry in the year 2016 and outlook for year 2017

The year 2016 is a landmark year in the Indian telecom industry. The much awaited sector consolidation set-in. Some of the key drivers for market consolidation include increasing pressure on profitability, hyper-competition, spectrum trading and sharing guidelines and favorable M&A policy. In addition, the sector also witnessed a number of spectrum trading and sharing deals.

In August 2016, spectrum auction took place with the largest quantum of spectrum being made available by the Government of India. However, the auctions witnessed muted response, primarily on account of high reserve prices. Total 2,355 megahertz (MHz) spectrum across seven bands put up for auction, only 40% of the spectrum got sold with no activity seen in 700MHz and 900MHz band. Telecom operators bid selectively to plug coverage gaps and enhance spectrum portfolio, especially for 4G services.

In another significant development, 2016 saw the entry of a Greenfield 4G operator, introducing aggressive tariff plans, with free voice calls and low-cost data. It is expected to usher in exponential growth in data. Leading operators have launched 4G services in select circles, which would further boost data growth.

The Indian telecoms sector has traditionally been voice driven. Commoditizing voice calls and offering tiered data tariffs would shift the business model from a voice to a data centric one.

India is already one of the largest smart phone markets in the world in terms of volume. India's smart phone penetration stood at 24% of total connections in 2015. The average handset price for smart phones has been declining, with an entry-level 4G smart phone available for INR2,999. Prices are expected to further reduce helping drive data usage.

The average data consumption per user is increasing, with increased adoption of smart phones and availability of content. For example, 3G data consumption per user has grown to 753 MB/month in 2015 as compared to 338 MB/month in 2011. The overall network traffic growth is expected to mirror the increases in average data consumed on a handset as more people start using advanced data services. The overall data traffic grew by 50% y-o-y in 2015, driven by an 85% surge in 3G data traffic, according to the Nokia Mobile Broadband Index.

Mobile banking transactions are on the rise due to increased smart phone adoption. Between FY13 and FY16, mobile banking transaction volume and transaction value have increased at a CAGR of 90% and 306%, respectively. This reflects that wireless smart devices are becoming a preferred medium for banking transactions.

In addition, the digital payments ecosystem is growing by leaps and bounds in India. This is largely possible as India is transitioning to a digital economy. Digital wallets witnessed exponential growth in the back of the recent demonetization drive by the Government of India. The proportion of mobile wallet transaction volume to total payment transactions has increased from 0.4% in FY13 to 4% in FY16, and is expected to grow significantly in future. Further, with the launch of Payments Bank by a leading operator in 2016, financial inclusion for the unbanked would get a major boost.

Mobile tariff in the sector - How is it going to impact sector in 2017?

For a large part of 2016, mobile tariffs remained steady. However, with the disruptive entry of a new operator, the sector witnessed innovative tariff structures. The biggest impact is the advent of unlimited voice calls along with tiered data plans for a fixed rental.

The entry level unlimited voice call tariff (primarily on-net and in few cases all call) is similar for most of the operators and range between INR145 and INR 149. Along with unlimited voice, 300 MB of mobile data is bundled. This price point is expected to resonate with a majority of the population, as it is closer to the monthly average revenue per user (ARPU) for access services at INR141 (for quarter ending June 2016) and that of operator voice ARPU. For INR345 to INR350, most of the operators are offering unlimited voice calls to all networks. The year 2016 ushered in bundled voice and data integrated plans. Increasingly, this is going to be the norm in 2017, with more innovative and segmented packages in the offering.

Headline mobile data tariffs have largely remained stable, but operators have increased data allowance significantly. Effectively, the price per GB is declining. For higher data denominations over 2GB, the price cuts had been up to 67%, while for data recharges of 1GB or lower, price cuts of up to 45% had been initiated. In the short term, mobile data revenue growth is likely to be affected, due to the lower tariff.

However, in the long term lower tariffs are not sustainable, with high spectrum fees and ongoing capex requirements. To put it into perspective, the cumulative bid in spectrum auctions since 2010 amounted to INR3.5 lakh crore, which is quite significant considering sector revenue of approximately INR2.6 lakh core (FY16). As a result, the sector debt level has increased to approximately INR4.2 trillion after the 2016 spectrum auctions.

Moreover, the financial distress of operators and continuous pressures on profitability have set-in sector consolidation. The Indian telecoms sector is likely to stabilize to a five to six players in the long term. Further decline in data tariffs and erosion of domestic voice revenue would impact operators' profitability and sustainability.

As compared to developed and emerging telecoms market, India boasts of one of the lowest data tariffs. For instance, data rate for 1 GB data in India before tariff revision was priced at US$3.5. In comparison, the cost of 1 GB data equates to: US$30 in Japan; US$18 in Korea; US$15 in UK, China and Germany; US$10 in the US; US$7,5 in Spain; US$6 in South Africa.

What is the level of pressure on tele-companies margin due to dip in tariff?

Considering that wireless voice revenues accounted for approximately 65% of the total circle revenues in India in FY16, offering free voice is likely to have the biggest impact on operator revenue. Going forward, data revenues are likely to cannibalize voice revenues as well. This is adversely going to impact margins of operators. Customer acquisition cost would increase for operators owing to increased competition. In addition, operators are likely to face increased pressures to retain customers, offering freebies and larger allowances, adversely impacting margins.

With prevalent pricing pressures due to free offers and lower tariffs, operators are likely to witness stagnant EBITDA growth for the next six to eight quarters. It is going to be impacted by near-term decline in wireless data revenue growth. Data revenue growth is likely to decline to 2% q-o-q and 13% y-o-y by 4Q17, as compared to 50% y-o-y growth in 4Q16. In addition, voice and data realization are expected to drop significantly over the next few quarters. Overall, margins are expected to decline by 250 to 300 basis points in 2017 and remain under pressure in 2018 as well.

With lower incremental revenue and stagnating EBITDA, profitability of operators is expected to remain subdued. A lot would depend on the data volume growth of all operators, once the sector EBITDA is stabilized.

Growth & Market Trends

Indian Telecom market had 1,188.55 million connections as on February 28, 2017 (as against 1043.29 million telecom subscribers as at January 2016). With 1,164.20 million wireless connections there is a growth rate of 1.19% which puts the telecom sector on strong footing.

The share of private sector in total telephony is 89.79%. Overall tele-density has reached 92.59%. Urban Tele-density is about 171.86%, whereas rural tele-density is at 56.35 % which is also steadily increasing. Broadband connections have also crossed 261.31 million connections. However the number of Landline users has decreased mainly due to the increasing use of mobile handsets due to convenience of use and accessibility and features like telephony directory and SMS coupled with cheaper or more affordable tariffs.

4G as a technology shows fastest growth (as compared to 2G and 3G roll-out) with a much faster evolving network, device and content eco-system. 60% of the incremental data payload from 2015 levels was contributed by 4G. In a short span of a year 4G has already reached 1400+ MB compared to ~850 MB of 3G. 3G remains a significant growth engine, contributing 63% of total data payload. 2G volumes dipped by 13% in 2016 but remains the main carrier for voice telephony. 172% of growth in 4G device ecosystem. Video alone contributed to 55% - 65% of mobile data traffic. According to an MBit Index study by Nokia Siemens Networks (NSN).

Broadband

Increase in Broadband connectivity is being seen as an integral driver of improved socio-economic performance. Broadband services empower masses and allow individuals to access new career and educational opportunities, help businesses reach new markets and improve efficiency and enhance the Government's capacity to deliver critical services like health, banking and commerce to all of its citizens.

Insights

- Broadband telephony in India has a great opportunity.
- When mobile broadband picks up, there will be greater scope for development.
- Wireless data services have captivated a major chunk of internet customers in India. Given the significant economic and social benefits, expanding affordable access to broadband has become a high priority for the Government. Various schemes have been launched by the Government for providing broadband connectivity to rural & remote areas
- With increase in penetration of smart devices, fixed line broadband demand is also increasing and multi device usage on Wi-Fi fuelling this demand.

KEY INDUSTRY DEVELOPMENTS

REGULATORY DEVELOPMENTS / CHANGES

Telecom Regulatory Authority of India (TRAI) and Department of Telecommunications (DoT) had declared certain policy measures in the previous year which included key regulatory changes and developments undertaken by the TRAI and DoT. A number of recommendations on various telecom issues were made by TRAI during 2015-16 which, inter-alia include:-

- 30th May 2016 TRAI issued Pre- Consultation Paper on Net Neutrality.
- 10th June 2016 TRAI issued Consultation Paper on Cloud Computing
- 22nd June 2016 TRAI issued Consultation Paper on Internet Telephony (VoIP)
- 12th July 2016 TRAI Recommendation on Clarifications / Reconsideration of Recommendations on Valuation and Reserve Price of Spectrum in the 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz and 2500 MHz bands

- 05th August,2016 TRAI issued Consultation Paper on Review of network related Quality of Service standards for Cellular Mobile Telephone Service.
- 19th August 2016 TRAI issued Consultation paper on Spectrum Usage Charges and Presumptive Adjusted Gross Revenue for Internet Service Providers and Commercial Very Small Aperture Terminal Service Providers
- 18th October 2016 TRAI issued Consultation Paper on Spectrum, Roaming and QoS related requirements in Machine-to-Machine (M2M) Communications
- 13th November 2016 TRAI issued Consultation Paper on Issues related to closure of Access services
- 20th January 2017 TRAI Recommendation on Verification of existing mobile subscribers through Aadhaar based e-KYC services and Permitting outstation Aadhaar card holders for e-KYC of mobile subscribers
- 07th March 2017 TRAI Recommendations on "Spectrum Usage Charges and Presumptive Adjusted Gross Revenue for Internet Service Providers and Commercial Very Small Aperture Terminal Service Providers"
- 14th March 2017 TRAI seeks comments on "Ease of Doing Telecom Business in India"

Differential pricing Data service: The differential pricing strategy means certain customers pay less for the same product than others pay. The discounted prices may come in the form of a temporary discount or a permanent lower price for a particular group of people. In other situations, the price may start high for everyone and gradually lower when longer the product is on the market.

Regulation imposing net neutrality would limit new business ideas and concepts and could be considered against free market rules.

Sponsored content and "pay-to-play" schemes may go against the net neutrality spirit, but they can help companies improve the overall service they offer. Heavier internet users may be charged more. With that extra money ISPs could increase the bandwidth for all internet users.

Thanks to sponsorships some mobile telecom operators may offer free internet access to some contents. This may enable those who don't have data contracts on their smart phones to surf some areas in the internet for free. Similarly, it would reduce the consumption of other users' data allotments.

Regulation for net neutrality may limit the tools of governments and ISPs to fight against online "piracy". Material infringing copyright laws will be easily shared using P2P software. ISPs or governments won't be able to block or filter these contents, if net neutrality is fully respected. Similarly net neutrality rules make more difficult to monitor and control controversial adult content.

Some defenders of net neutrality question government intervention. For them it should emerge organically or naturally but not imposed through laws.

Regulatory Levies (USO fund, SUC, License fees, Service Tax)

Regulatory costs or fees are an essential aspect of the efficiency and quality of regulations. The regulatory framework plays a critical role in the orderly growth of the telecommunication industry, with Government of India and TRAI balancing the interests of both the consumers and the service providers.

Main Focus

- Simplify the licensing framework and liberalization of spectrum to further extend converged high quality services across the nation.
- To rationalize taxes, duties and levies affecting the sector and work towards providing a stable fiscal regime to stimulate investments and making services more affordable.
- To identify areas where existing regulations may impose unnecessary burden and take consequential remedial steps in line with international best practices for propelling nation to emerge as a global leader.
- Industry bodies representing mobile service providers and tower companies want an 'essential services' status to be given to telecom infrastructure companies. The associations have demanded that the telecom sector be treated at par with other infrastructure providers such as energy and power and be given tax benefits for a 20-year period.

Virtual Network Operator:- Virtual Network Operators (VNOs) are service delivery operators, who do not own the underlying core network(s) but rely on the network and support of the infrastructure providers for providing telecom services end to end users / customers. VNOs can provide any or all telecom services which are being provided by the existing telecom service providers. Telecom commission approved the policy.

Spectrum Sharing: As license and spectrum are considered as two different assets as per the DoT, and so these two cannot be dealt with in the same M&A deal. There exist a different guidelines for spectrum sharing for effective use of existing airwaves and also reduce call drops and cost of operations of telecom operators besides improving quality of calls. The department of telecommunications (DoT) on 24th September 2015 notified the spectrum sharing rules that were approved by the Cabinet and has allowed the sharing of all liberalized spectrum.

Bharatnet: As India gears up to reap the benefits of rapid technological change and digitization, there is renewed and urgent focus on universal Internet provision. The expansion of Internet access has the potential to revolutionize lives by substantially reducing the cost of accessing information, enhancing productivity and reducing transaction costs, the Government of India, in its flagship initiative "Digital India", explicitly targets universal broadband access in both rural and urban areas. Internet is "network effects", its value increases as more people are connected.

Telecom as essential services

The Essential Services Maintenance (ESMA) is a central law which was established to ensure the delivery of certain services, which if obstructed would affect the normal life of the people. This include services like public transport and health services. The discretion on the execution of ESMA mostly lies with the State governments and hence a state ESMA exist with slight variations from the central law in its provisions.

Key Highlights of Spectrum sharing guidelines:

The spectrum sharing is allowed only among two telecom operators in the same frequency band within the same telecom circle and can be shared only between two spectrum holders.

The spectrum sharing can be done on liberalized spectrum only. In the case of telecom companies operators holding administratively allocated spectrum want to share their spectrum, then they will need to pay one-time spectrum charge demanded by DoT.

Permission for spectrum sharing will be available for up to balance period of the license or up to the period of right to use spectrum, whichever is earlier.

Total quantum of spectrum, shall not exceed the limit prescribed in case of mergers of licenses. The spectrum cap shall be applicable for both the licensees individually.

Spectrum obtained through auction, spectrum sharing will be permitted only if the auction conditions provide for the same.

Parties sharing the spectrum will be deemed to be sharing their entire spectrum for the purpose of charging.

Spectrum usage charges will be levied on both the operators individually but on the total spectrum held by both the operators together.

Leasing of spectrum is not permitted. The right to share the spectrum shall be subject to the fulfillment of the relevant license conditions and any other conditions that may be specified by the licensor/ Government from time to time.

Spectrum Liberalisation:

The department of telecommunications (DoT) on 05th November 2015 notified the spectrum liberalization rules and has allowed the liberalization of administratively allocated spectrum.

Key Highlights of Spectrum Liberalisation guidelines:

Existing CMTS/UAS/UL with access service authorization licensees may liberalise their entire administratively allocated spectrum holding in 800 & 1800 MHz band in a service area for balance validity perid of right to use spectrum.

Administratively allotted spectrum in 800 and 1800 MHz bands refers to the spectrum allotted prior to right to use spectrum in November 2012. The spectrum will be required to be liberalized for the balance period of right to use the same after payment of auction determined price prorated for the balance validity period. The entry fee paid will be pro-rated for the balance validity period of the right to use spectrum and will be deducted from the total amount to be paid by the TSP for liceralising the spectrum.

Spectrum Trading:

The DoT has also allowed the telecom operators to trade spectrum. Till now, only government was allowed to allocate spectrum to telecom firms through auctions. Spectrum trading will enable telecom companies, who have a lower subscriber base or un-utilized spectrum, to trade or share it. This move will ultimately benefit the end consumer through better services.

Key Highlights of Spectrum trading guidelines:

- Spectrum trading allowed only between two access service providers holding CMTS license, UASL and UL with authorization of Access service in license service area.
- All access spectrum brand earmarked for access service by the licensor will be treated as tradable spectrum bands.
- Only outright transfer of right to use the spectrum the seller to the buyer shall be permitted. Leasing of spectrum is not permitted.
- Spectrum trading shall be permitted only in the 800, 900, 1800, 2100, 2300 and 2500 MHz.
- Spectrum trading will not alter original validity of spectrum assignment applicable to the traded block spectrum.
- Licensee trading the spectrum shall jointly give prior intimation for trading the right to use of spectrum at least 45 days.

Merger and Acquisition: Mergers and Acquisitions (M&A) are strategic move made by the top management of the company in order to attain efficiency and grow inorganically. M&A ideally results in economies of scale and increased market share.

TRAI Recommendations: Telecom Regulatory Authority of India (TRAI) is of the view that while on one hand mergers encourage efficiencies of scope and scale and hence are desirable, care has to be taken that monopolies do not emerge as a consequence.

DoT Guidelines: The Ministry of Communications and Information Technology, Department of Telecommunications ("DoT") has issued the guidelines on mergers and transfers of telecom companies on 21st February 2014. Key aspects of these guidelines are:

- Merger of licenses shall be restricted to the same service area.
- Merger and Acquisitions or restructuring allowed holding CMTS/Basic service License/UASL/Basic service License with UASL/Cellular Service License with UASL.
- Different amount of entry fee if any as per the guidelines for migration to UASL dated 11.11.2013.
- Merger of license will be permitted subject to the condition that there are three operators in that service area.
- Prior approval of the DOT will be necessary for merger of the license will be given period of four weeks from date of submission of application.
- Merger and acquisition or restructuring for monopoly market in the given service area shall not be permitted.
- After Merger the total amount of Spectrum held by operator shall not exceed 15 MHZ per operator per service area.
- Spectrum utilization charges beyond 10+10 MHz for GSM and 5+5 MHz for CDMA/ETDMA based system.
- All dues will have to clear by either of the two parties before Merging.
- Operator having market share greater or equal to 30% of the relevant market as one having "Significant Market Power" (SMP)its reference inter connect offer (RIO). The merged entity becomes an SMP post merger then extent rules and regulations applicable to SMPs would also apply to merged entity.

- Any Dispute resolution shall be lie with TDSAT constituted by TRAI (Amendment) Act 2000.

No Prohibition on 'Number of Service Providers' in the Market.

The M&A Guidelines lay down that the resultant entity cannot hold more than 25 % of the total spectrum assigned for access services and 50 % of spectrum assigned in a given band in every circle. The merged entity will be allowed to have up to 50 % market share in any circle calculated on the basis of the subscriber base and Adjusted Gross Revenue. Acquirer to pay difference between the market price of spectrum and the entry fee paid by the target for the non-liberalized spectrum.

Key Regulatory Challenges:

- Significant costs inclusive of inconsistent fees structure involved in grant of Right of way (RoW) across all Indian states due to absence of national policy on establishment of telecom infrastructure.
- Delayed approvals from regulatory authorities affecting telecom infrastructure build activities and network rollout obligations due to absence of streamlined time bound procedures for granting RoW.
- Stringent electromagnetic radiation emission norms, which require companies to limit the radiation to one-tenth of the International norms (ICNIRP), resulting in shutdown of sites or lowering of signal strength/power levels of radio base station impacting quality of services and customer inconvenience.
- Difficulties in setting up of mobile towers due to lack single window clearance system for all new and pending applications with subsequent increase in penalty from INR 5 lacs to INR 10 lacs for violation of EMF radiation norms, per BTS per Service Provider.
- Possible coercive action on cell sites without prior notice and consent of State TERM cells due to absence of streamlined DoT's tower guidelines and procedures in all Indian states.
- Huge capital investment and operational challenges to meet 'Go Green' – 2020 targets by building an ecosystem of telecom grade reliable renewable energy technologies such as solar power solutions in consideration with or without power grid facilities/electricity connection and reducing diesel consumption.
- Ambiguity while entering into transactions such as mergers and acquisitions (M&As), spectrum trading and sharing due to different or multiple Spectrum Usage Charge (SUC) rates applicable for spectrum assigned at different points of time.
- Significant percentage of Adjusted Gross Revenue (AGR) – 5% out of total license fee (i.e. 8%) is being paid as Spectrum Usage Charge across spectrum holdings (except BWA) by Telecom Service Providers (TSP) which is presently non-uniform in nature. A weighted average mechanism is used to calculate the SUC for companies who have some spectrum bought through auctions and some which were allotted without auctions
- Presently, the TSP pay 8 per cent of their AGR as license fee to the government, of which significant percentage (i.e. 5 %) go towards Universal Service Obligation Fund (USO Fund) and the rest 3% to the government. Reduction of the percentage in USO Fund to 3% as fees has been recommended and the same is awaited for approval.
- In spite of present high regulatory fee structure, the Spectrum Usage Charges (SUC) rates of each TSP post-sharing will increase by 0.5 percent of the aggregate gross revenue of the TSP.
- As per the draft guidelines on spectrum trading, license fee and SUC is suggested to be imposed on the amount received from trading amounts, apparently resulting in double taxation as the levies are being charged in addition to levies paid on the usage of spectrum
- Ambiguity in the definition of the AGR has been a contentious issue since 2003, where the license agreement has been argued as very broad covering non-core revenue including income received from non-telecom operations and other investments.
- Non-availability of tax incentives and re-introduction of tax holiday benefits (i.e. under section 80IA) with the intention to promote "Make in India" to TSPs, and extending the same to infrastructure provider and telecom equipment vendors.

Key wish list of Telecom Industry: -

A. Spectrum Cost and Allocation

- Clear spectrum roadmap (quantum, auction of other bands, trading guidelines etc.)
- Resolution of legal issues related to spectrum pending in various courts of law.
- Single window approval for Right of Way norms for fibre network connectivity.
- Expedite spectrum harmonization, adopt uniform rules for towers and Row
- Expedite spectrum harmonization, liberalization and allocation of the same with even bands to address service quality issues
- Relaxation in spectrum sharing cap to handle connectivity issues for ICR and roaming services.
- Clarity on Indirect Tax on spectrum trading transactions.

B. Need relaxation and clarity on Taxes

- Reversal of the 2012 retrospective amendment to the income tax laws and
- Rationalization and simplification of the tax structure.
- Tax incentives to boost manufacturing in line with the Make-in-India initiative.
- Clarity on Sales Tax on sales of SIM card and Recharge vouchers.

C. Focus on ease of business

- Relaxation in royalty on payments towards provision of bandwidth, leased line, INTEC, roaming charges
- Solution to contradictions between EMF guidelines and refund to subscribers on call drops.

- Credit of duties paid for tower/shelter components under CENVAT Credit Rules.
- Implementation of 'Unified' access service licensing.
- Timely clearance on towers for network expansion

OPPORTUNITIES AND THREATS

Opportunities

India is currently the world's largest second-highest telecommunications market and has registered exceptional growth in the past few years. The reasons for growth of the telecom sector in India are proactive measures undertaken by the Government of India, active participation of the private sector and wireless technology.

The key factors which are likely to fuel growth are a growing subscriber base, mobile applications and technologically advanced end-user oriented devices as well as launch of 3G and 4G/LTE services by the operators: -

- Development of broadband networks and access to high speed interest services to customers through laying optical fiber either underground or on network of power utilities.
- Achieving 'Digital India' objectives and targets by building telecom infrastructure and increasing internet connectivity across rural areas.

To achieve 'Digital India' objective - the Company is putting all initiatives to maintain the quality of services and retainability of the subscribers of the Company in view of the prevailing preferences of the subscriber and competition in the market.

Threats

The competition in Punjab has always been very high; Currently all leading operators, namely, Airtel, Aircel, Vodafone, Idea, Tata and Reliance as well as the state run BSNL are very well established in the Punjab. Despite this competition, the company is making all out efforts in increasing the Subscriber base and revenues.

High level of competition causes tremendous pressure on new customer acquisitions, retention of existing customers and tariffs. The Deployment of 4G Technology also poses a threat to the existing Business

Outlook

The Company foresees high degree of competition in the years to come, especially in the mobile telephony segment. In terms of subscriber base, all existing mobile operators have shown a healthy growth pattern and no single major operators holds sway over the market.

The Company derives a substantial part of its earnings from wireline (copper based network) services.

RISKS & CONCERNS

As is the case with any infrastructure project, the Company is also exposed to a number of risks. Some key risks have been mentioned below:

1. **Financing Risks**

   The Company has made substantial investments in laying the core network infrastructure and launch of services in Punjab circle. However, to attract new customers, and to offer new / better services, the Company needs to continually make further investment in the expansion / up gradation of its network and the deployment of additional telecommunication services infrastructure entails significant capital expenditure.

   Company's operating results and financial condition depends, among other things, on securing timely and significant financial resources at competitive rates to fund these expansions which are currently being funded by the Promoters.

2. **Market and Competition Risk**

   The Company faces stiff competition for the mobile segment from other services providers in Punjab Circle. Most of the Company's competitors are already well-established brand names with an already existing all-India customer base, and potential to cross subsidize long-distance tariffs and intra-network tariffs.

3. **Regulatory Risks**

   Telecom Policies in the areas of allocation of spectrum, EMF radiation, rollout obligation, Green technology issues, security guidelines and the decision to charge One Time Spectrum Charges within the contracted amount of spectrum etc. have all led to an increase in the costs as well as widespread litigation which is pending before various courts.

   The Company's licenses are for fixed periods and are subject to renewal of License for additional terms as well as availability of the bandwidth – both of which come at higher costs determined at the discretion of the Government – as well as the dynamic demand-supply forces in the market.

   In the ordinary course of business, the Company is required to obtain various regulatory approvals, which mostly are recurring in nature viz., SACFA / WPC approval for frequency allocation, Right of Way for laying network cables, testing approval for interconnection with BSNL, TRAI approval for interconnection agreements and tariffs etc.

   The Company obtains such approvals and would continue to apply for these approvals in future also delays in such approvals may result in time delays and cost overrun which could have an adverse effect on the business and operations of the Company. Stringent regulatory norms also add to the financial burden on the service providers by way of heavy penalties which are imposed by the Regulators as well as continuous technological up-gradation costs which the operators are required to continuously incur for providing additional facilities to the Subscribers.

4. **Risk of Rapid Technological Changes**

The telecommunication services industry is characterized by rapid technological change. Given the fast pace of technological innovation in the telecommunication sector, the Company faces the risk of its technology becoming obsolete and may need to invest significantly large amounts to continuously upgrade its network for better and more efficient service to the subscribers.

5. **Dependence on Key Personnel**

The Telecom business is dependent on key senior executives and the loss of any of the Team could have a material adverse effect on the Company's business, operating results and financial condition.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The company has a very stringent internal control system in order to ensure that all assets and revenue streams are adequately safeguarded and protected against loss from unauthorized use or its disposition and that transaction are authorized, recorded and reported correctly. The Internal control is supplemented by an extensive internal audit, continuous review by the management and audit committee with well documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

An independent firm of Chartered Accountants is entrusted with the internal audit function for this purpose.

The Internal Auditors continuously evaluate the Internal Control Systems which are evaluated by the Audit Committee for appropriate actions and corrections, wherever necessary.

The management reviews and evaluates detailed revenue budgets for various products and departments and the actual performance is measured on monthly basis and a detailed analysis of the variances is carried out by a periodical review by the Board in order to set right any material deviations. In addition a budgetary control on all items of capital expenditure ensures that actual spending is in line with the capital budget.

ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

It has been Company's endeavor to expand the operations geographically and also in terms of providing new value added services. The Company has expanded its wireline services to 150 cities / towns of Punjab and widened its wireless footprint to cover the whole of Punjab Circle.

The revenue from telecom service has decreased by 5.48 % from Rs.5583.72 million in 2015-16 to Rs.5277.92 million during the current year. The total expenses have decreased to Rs. 6833.19 Million as against Rs. 6976.40 million in 2015-16. Consequently, the Losses from Telecom Services increased from Rs. 1348.10 million in the year 2015-16 to Rs.1520.77 million in 2016-17.

Revenue at a glance is as follows:

(Rs. in millions)

Parameter	**FY 2016-17**	**FY 2015-16**
Unified Access Services	1,959.83	2,758.47
Internet Services	2,691.68	2,281.49
Interconnect Usage Charges	490.1.	433.31
Infrastructure Services	136.31	110.46
Other Income	34.49	44.58
Total	**5,312.4**	**5,628.31**

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Key Financial Indicators

Telecom Business

(Rs. in millions)

Parameter	**FY 2016-17**	**FY 2015-16**
Revenue from Telephony Service	5,277.919	5,583.726

On Gross Basis

(Rs. in millions)

Parameter	**FY 2016-17**	**FY 2015-16**
Gross Income	5,312.41	5,628.31
Loss for the year	(1520.77)	(1348.10)

Major Expenses at a glance are as follows:

(Rs. in millions)

Parameter	**FY 2016-17**	**FY 2015-16**
Network Operations Expenditure	3,744.97	3,791.32
Employee Benefit Expenditure	724.31	741.61
Sales & Marketing Expenditure	303.93	283.59
Administration & Other Expenditure	592.19	552.91
Finance Cost	289.16	272.99
Total	**5,654.56**	**5,642.42**

Share Capital

The Authorised Share Capital of the company is Rs.15000 million. Against this, the Paid up Share Capital is Rs.2860.71 million comprising of Rs.612.26 million by way of Equity Shares and Rs.2248.45 million by way of Cumulative Redeemable Preference Shares (CRPS).

Secured Loans/ Non Convertible Debentures

Pursuant to the CDR Scheme, 25% of Secured Loans had been repaid and 25% of Secured Loans had been converted into Preference Share Capital during 2011-12; the remaining 50% of the Secured Loans amounting to Rs.3196.91 million were converted into Non Convertible Debentures allotted to the Banks/Financial Institution as on January 21, 2013 in compliance with the terms and conditions of the CDR Scheme.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE

As the company reorganizes to gain competitive edge, our human resources play a key role in helping us deal with a fast-changing competitive environment. We strongly believe in the quality and productivity of our employees.

The Company has current manpower strength of 502 as against 719 during the previous year - with an average age of employees being 35 years. The company has a professionally qualified work force out of which more than 72% are professionals drawn from various fields including Engineers, MBA's, C.As / C.S.s etc. By adopting new and dynamic Human Resource Practices, it has always been our endeavor to become 'Employer of Choice' by adding value to our organization through: -

1. Effectively managing and utilizing the human resource.
2. Employing dynamic 'Performance appraisal' techniques and 'compensation Policies' to judge and reward competencies.
3. Developing competencies to enhance individual and organizational performance.
4. Managing the implementation and integration of technology through improved staffing, training and communication with employees.

The organization has taken a lot of initiatives for the employees. Organizational Development Intervention and continuous inputs are being designed for the employees at all levels for individual growth as also to ensure achievement of business success on sustainable basis.

CAUTIONARY STATEMENT

The management discussion and analysis Report describes the Company's objectives, projections, estimates and expectations which are 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ substantially or materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions as well as entry of new players in the Circle in which the Company operates, apart from the changes in government regulations, policies, tax laws and other incidental factors. Further, the Company retains the flexibility to respond to fast-changing market conditions and business imperatives. The Company may therefore need to change any of the plans and projections that may have been outlined in this report, depending on the actual market conditions.

For and on behalf of the Board of Directors

	Mitu Mehrotra Goel	**Vinay Kumar Monga**
Place: Gurgaon	**Director**	**Director**
Date: May 23, 2017	**(DIN: 05188846)**	**(DIN: 03029345)**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF,

QUADRANT TELEVENTURES LIMITED

1 Report on the Financial Statements

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

2 Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

4 Basis of Qualified Opinion

As mentioned in Note No. 30 to the financial statements, the Company has not determined the impairment loss, if any, on its fixed assets. As the impairment loss. If any, in terms of Accounting Standard 28 – 'Impairment of Assets' has not been determined, we are unable to express any opinion as to the effect thereof on the financial statements for the year.

5 Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matter described in the Basis for Qualified Opinion in paragraph 4 above*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

6 Emphasis of Matters

We draw attention to Note No. 28 to the financial statements, the Company has incurred a net loss of Rs. 1,520,774,811 during the year, the accumulated losses as at March 31, 2017 amounted to Rs. 19,159,182,563 resulting in, the erosion of its net worth and has current liabilities in excess of current assets by Rs. 1,836,596,292 as at March 31, 2017. These factors raise a doubt that the Company will not be able to continue as a going concern. The management is confident of generating cash flows from continue business operations through increasing subscribers' base and with the support of significant shareholders to fund its operating and capital fund requirements. Accordingly, these statements have been prepared on a going concern basis. Our opinion is not qualified in respect of this matter.

7 Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the Annexure

"A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2) As required by Section 143 (3) of the Act, we report that:

(a) We have sought and, *except for the matters described in the Basis of Qualified Opinion paragraph 4*, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) *Except for the possible effects of paragraph 4 the matter described in the Basis of Qualified Opinion above*, 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) *Except for the possible effects of paragraph 4 the matter described in the Basis of Qualified Opinion above*, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

(f) On the basis of the written representations received from the Directors as on 31st March, 2017, and 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 subsection (2) of Section 164 of the Companies Act, 2013;

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

a. The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No. 25 and 27 of the financial statements;

b. The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for material foreseeable losses, if any on long term contracts in the books of account as required under any applicable law / Accounting Standard and as at March 31, 2017, the Company did not have any outstanding long term derivative contracts as referred to in Note No. 27 of the financial statements;

c. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the company.

d. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these were in accordance with the books of accounts maintained by the Company as referred to in Note No. 43 of the financial statements.

For KHANDELWAL JAIN & Co
Chartered Accountants
Firm's Registration No. 105049W

Naveen Jain
(Partner)
Membership No. 511596

Place: Gurgaon
Date: May 23, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in paragraph 7(A) of the Independent Auditors' Report of even date to the Members of **Quadrant Televentures Limited** on the financial statements for the year ended 31st March, 2017, we report that:

I. (a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and as informed, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties are held in the name of the company.

II. As per the information furnished, the Inventories have been physically verified by the management at reasonable intervals during the period. In our opinion, having regard to the nature and location of stocks, the frequency of physical verification is reasonable. In our opinion, the discrepancies noticed on physical verification of stocks were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.

III. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) (a) and (b) of the Order are not applicable.

IV. In our opinion and according to the information and explanations given to us, the company has, in respect of loans, investments, guarantees, and security, complied with the provisions of section 185 and 186 of the Companies Act, 2013.

V. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.

VI. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

VII. (a) According to the information and explanations given to us and records examined by us, the Company has generally been regular in depositing undisputed statutory dues with the appropriate authorities in respect of provident fund, employees' state insurance, income-tax, VAT, service tax, excise duty and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, no dues are outstanding, which have not been deposited on account of disputes.

VIII. *According to the information and explanations given to us and records examined by us, the Company has defaulted in repayment of dues to banks as follows:*

Particulars	*Interest (Rupees)*	*Delay in days – Range*
Amount paid before the year end	*267,697,907*	*60 to 89 days*
Amount outstanding as at 31st March 2017 and subsequently paid.	*51,676,065*	*0 to 59 days*

IX. As per information given to us, no money was raised by way of initial public offer or further public offer (including debt instruments) and no term loan has been taken during the year by the company.

X. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

XI. According to the information and explanation given to us and the books of accounts verified by us, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with the Schedule V to the Companies Act.

XII. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.

XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

XIV. According to information and explanations given to us, the Company during the year has not made any preferential allotment as private placement of shares or fully or partly convertible debentures. Accordingly, paragraph 3(xiv) is not applicable.

XV. According to the information and explanation given to us and certified by the management the company has not entered into any non-cash transaction with directors or persons connected with him.

XVI. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For KHANDELWAL JAIN & Co
Chartered Accountants
Firm's Registration No. 105049W

Naveen Jain
(Partner)
Membership No. 511596

Place: Gurgaon
Date: May 23, 2017

ANNEXURE "B" TO THE AUDITORS' REPORT

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

TO THE MEMBERS OF

QUADRANT TELEVENTURES LIMITED

We have audited the internal financial controls over financial reporting of **QUADRANT TELEVENTURES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal financial controls over financial reporting (the "Guidance Note") and the standards on auditing as specified under Section 143 (10) of the companies act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by 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 were 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 control 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 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, 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 the 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; (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 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 KHANDELWAL JAIN & Co
Chartered Accountants
Firm's Registration No. 105049W

Naveen Jain
(Partner)
Membership No. 511596

Place: Gurgaon
Date: May 23, 2017

BALANCE SHEET AS AT MARCH 31, 2017

(Unless And Otherwise Stated, All Amounts Are In Rupees)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	2,860,714,568	2,860,714,568
(b) Reserves and surplus	2	(19,090,616,055)	(17,569,841,244)
		(16,229,901,487)	**(14,709,126,676)**
(2) Non-current liabilities			
(a) Long-term borrowings	3	17,552,693,882	5,872,384,786
(b) Other Long term liabilities	4	1,032,719,936	1,115,604,522
(c) Long-term provisions	5	53,662,414	57,051,083
		18,639,076,232	**7,045,040,391**
(3) Current liabilities			
(a) Short-term borrowings	6	165,616,654	166,050,376
(b) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises ; and	7	318,040	215,507
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	7	607,893,954	304,274,188
(c) Other current liabilities	8	2,008,314,538	13,228,834,202
(d) Short-term provisions	9	3,338,165	6,588,337
		2,785,481,351	**13,705,962,610**
TOTAL		**5,194,656,096**	**6,041,876,325**
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	3,671,988,422	3,904,030,969
(ii) Intangible assets	10	220,707,544	580,235,925
(iii) Capital work-in-progress	10	281,478,369	421,301,893
(b) Non-current investments	11	-	100,000
(c) Long-term loans and advances	12	71,596,702	143,807,057
		4,245,771,037	**5,049,475,844**
(2) Current assets			
(a) Inventories	13	25,806,506	29,951,854
(b) Trade receivables	14	307,682,634	446,037,358
(c) Cash and cash equivalents	15	178,375,593	247,548,731
(d) Short-term loans and advances	16	427,255,617	266,949,197
(e) Other current assets	17	9,764,709	1,913,341
		948,885,059	**992,400,481**
TOTAL		**5,194,656,096**	**6,041,876,325**
See accompanying notes to the financial statement	1-50		

As per our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm registration number: 105049W

Naveen Jain
Partner
Membership No. 511596

For and on behalf of the Board

Mitu Mehrotra Goel
Director
(DIN No. 05188846)

Babu Mohanlal Panchal
Director
(DIN No. 01806193)

Amit Verma
Company Secretary & Manager
Membership No. A27981

Munish Bansal
Chief Financial Officer
Membership No. 98820

Place : Gurgaon
Date : May 23, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Unless And Otherwise Stated, All Amounts Are In Rupees)

	Particulars	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
I.	Revenue from operations	**18**	5,277,919,871	5,583,726,890
II.	Other income	**19**	34,494,836	44,582,169
III.	**Total Revenue (I + II)**		**5,312,414,707**	**5,628,309,059**
IV.	**Expenses:**			
	Network Operation Expenditure	**20**	3,744,971,795	3,791,321,128
	Employee Benefits Expenses	**21**	724,312,188	741,613,343
	Sales & Marketing Expenditure	**22**	303,926,889	283,587,321
	Finance Cost	**23**	289,159,694	272,985,738
	Depreciation and Amortization Expenses	**10**	1,178,633,081	1,334,000,148
	Other Expenses	**24**	592,185,871	552,906,208
	Total Expenses		**6,833,189,518**	**6,976,413,886**
V.	Profit / (Loss) before tax (III- IV)		**(1,520,774,811)**	**(1,348,104,827)**
VI.	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
VII.	**Net Profit / (Loss) from Continuing & Discontinuing Operations**		**(1,520,774,811)**	**(1,348,104,827)**
VIII.	Profit / (Loss) from continuing operations before tax	**29**	(193,529,895)	(481,469,933)
IX.	Income Tax Expense		-	-
X.	Profit / (Loss) from continuing operations after tax		**(193,529,895)**	**(481,469,933)**
XI.	Profit / (Loss) from Discontinuing operations before tax	**29**	(1,327,244,916)	(866,634,894)
XII.	Income Tax Expense		-	-
XIII.	Profit / (Loss) from Discontinuing operations after tax		**(1,327,244,916)**	**(866,634,894)**
XIV.	**Net Profit / (Loss) from Continuing & Discontinuing Operations**		**(1,520,774,811)**	**(1,348,104,827)**
XV.	Earnings per equity share: (Face Value of Rs.1/- each)	**35**		
	(1) Basic			
	(a) Continuing Operations		(0.32)	(0.79)
	(b) Total Operations		(2.48)	(2.20)
	(2) Diluted			
	(a) Continuing Operations		(0.32)	(0.79)
	(b) Total Operations		(2.48)	(2.20)
	See accompanying notes to the financial statement	**1-50**		

As per our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm registration number: 105049W

Naveen Jain
Partner
Membership No. 511596

For and on behalf of the Board

Mitu Mehrotra Goel
Director
(DIN No. 05188846)

Babu Mohanlal Panchal
Director
(DIN No. 01806193)

Amit Verma
Company Secretary & Manager
Membership No. A27981

Munish Bansal
Chief Financial Officer
Membership No. 98820

Place : Gurgaon
Date : May 23, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Unless and otherwise stated, all amounts are in rupees)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) for the year before Prior Year Expenditure and Tax	**(1,520,774,811)**	**(1,348,104,827)**
Adjustments for:		
Depreciation and Amortisation	1,178,633,081	1,334,000,148
Foreign exchange Loss/ (Gain)	-	2,104,968
Loss/ (Gain) on Sold / Discarded Fixed Assets/CWIP	153,316,336	57,611,534
Bad Debts Written Off	66,974,851	41,020,103
Provision for Doubtful Debts	-	53,890,350
Finance Expenses	289,159,694	272,985,738
Interest Income	(14,703,293)	(26,537,052)
Operating profit before working capital changes	**152,605,858**	**386,970,962**
Adjustment for changes in working capital:		
(Increase) / Decrease in Trade Receivables	71,379,873	(76,845,316)
(Increase) / Decrease in Other Current Assets	(184,311,387)	109,821,097
(Increase)/ Decrease in Inventory	4,145,348	(7,777,185)
Increase / (Decrease) in Trade and other current liabilities	710,774,620	1,156,512,119
Cash generated from operations	**754,594,313**	**1,568,681,676**
Direct Taxes paid (Net)	24,004,967	86,832,793
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**778,599,280**	**1,655,514,469**
CASH FLOW FROM INVESTING ACTIVITIES		
Adjustment for changes in:		
Purchase of fixed assets & CWIP	(589,097,015)	(1,375,785,860)
Proceeds from sale of fixed assets & CWIP	-	533,623
Repayment of Long Term Loans & Advances	55,312,078	-
Sale of Investment	100,000	100,000
Fixed deposits	(11,109,900)	(11,278,418)
Interest Received	12,292,251	25,395,070
NET CASH USED IN INVESTING ACTIVITIES (B)	**(532,502,586)**	**(1,361,035,585)**
CASH FLOW FROM FINANCING ACTIVITIES		
Increase (Repayment) of Borrowings	(433,722)	60,209,374
Repayment of Public Deposits	-	-
Interest paid	(325,946,010)	(305,042,375)
NET CASH USED IN FINANCING ACTIVITIES (C)	**(326,379,732)**	**(244,833,001)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(80,283,038)**	**49,645,883**
Cash and Cash Equivalents at the beginning of the year	**134,276,909**	**84,631,026**
Cash and Cash Equivalents at the end of the year	**53,993,871**	**134,276,909**
Cash and Cash Equivalents		
Cash in Hand	10,135,798	16,388,571
Cheques in Hand	3,871,011	9,300,738
In Current Accounts	39,987,062	108,587,600
Cash and Cash Equivalents	**53,993,871**	**134,276,909**

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement notified under Companies (Accounting Standard) Rules 2006, ('as amended').
2. Figures in brackets indicate cash outflow.
3. Previous year figures have been regrouped and recast wherever necessary to conform to current year classification.

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

For and on behalf of the Board

For Khandelwal Jain & Co.
Chartered Accountants
Firm registration number: 105049W

Naveen Jain
Partner
Membership No. 511596

Mitu Mehrotra Goel
Director
(DIN No. 05188846)

Amit Verma
Company Secretary & Manager
Membership No. A27981

Babu Mohanlal Panchal
Director
(DIN No. 01806193)

Munish Bansal
Chief Financial Officer
Membership No. 98820

Place : Gurgaon
Date : May 23, 2017

NOTES FORMING PARTS OF THE ACCOUNTS

NOTE 1 - SHARE CAPITAL	As at 31.03.2017	As at 31.03.2016
Authorised:		
12,000,000,000 (March 31, 2016 - 12,000,000,000 equity share of Rs.1/- each) equity shares of Rs.1/- each.	12,000,000,000	12,000,000,000
30,000,000 (March 31, 2016 - 30,000,000) preference shares of Rs.100/- each.	3,000,000,000	3,000,000,000
	15,000,000,000	**15,000,000,000**
Issued, Subscribed and Paid up :		
612,260,268 (March 31, 2016 - 612,260,268 equity share of Rs. 1/- each) equity shares of Rs.1/- each fully paid.	612,260,268	612,260,268
6,500,000 (March 31, 2016 - 6,500,000) 2% Cumulative Redeemable Preference shares ('CRPS') of Rs 100 each fully paid.	650,000,000	650,000,000
15,984,543 (March 31, 2016 - 15,984,543) 2% Cumulative Redeemable Preference Shares ('CRPS') of Rs.100/- each fully paid.	1,598,454,300	1,598,454,300
	2,860,714,568	**2,860,714,568**

(a) Of the above

(i) 83,070,088 equity shares of Rs 10/- each were allotted on October 16, 2004, pursuant to the Corporate Debt Restructuring ('CDR') Scheme. Out of these, 63,373,110 equity shares of Rs 10/- each were issued by the Company to Industrial Development Bank of India ('IDBI'), at par and the balance of 12,171,778 and 7,525,200 equity shares of Rs 10/- each to Oriental Bank of Commerce ('OBC') and ING Vysya Bank Limited ('ING'), respectively, at a premium of Rs. 0.50 per equity share as per provisions of applicable law.

(ii) 8,67,43,116 equity shares of Rs.10/- each were issued on July 08, 2009, consequent to the conversion of Optionally Fully Convertible Debentures (OFCDs) pursuant to the Corporate Debt Restructuring (CDR) Cell.

(b) Of the above

(i) 6,500,000, 7.5 per cent CRPS were allotted on October 16, 2004, pursuant to the CDR Scheme, where under the specified part of the amount due to CRPS Holder by the Company was converted into 7.5 per cent CRPS redeemable after the repayment of Rupee Term Loan (in Financial Year 2016-17). As per the CDR Scheme , prior approval of the lenders would be required to declare dividend on 7.5 per cent CRPS and all the voting rights attached to the CRPS to be assigned in favour of the term lenders. On June 24, 2005 as per revised CDR Scheme, the dividend percentage was reduced to 2 per cent from 7.5 per cent with effect from date of issuance of CRPS. The CDR dated August 13, 2009 does not stipulate any reference to aforesaid CRPS. Accordingly the CRPS shall be redeemable after the full settlement of dues to term lenders i.e. in Financial Year 2024-25 as against earlier stipulated repayment in Financial Year 2016-17. (with reference to CDR dated June 24,2005).

(ii) 15,984,543, 2% Cumulative Redeemable Preference Shares of Rs. 100/- fully paid up, aggregating up to Rs. 1,598,454,300 were allotted on November 9, 2010 to the Banks and Financial Institution, namely, IDBI Bank Limited, Life Insurance Corporation of India, Oriental Bank of Commerce, ING Vysya Bank and State Bank of Patiala in terms of the Corporate Debt Restructuring Package (CDR Package) approved by the Corporate Debt Restructuring Cell (CDR Cell) vide their letter dated August 13, 2009, in conversion of 25% of their outstanding loans; the CRPSs shall be redeemed (yearly) over a period of four years commencing from March 31, 2021 at a premium of 34% p.a.

(iii) Due to accumulated losses incurred by the Company, the provision for dividend on CRPS of Rs. 650,000,000 and Rs.1,598,454,300 and Premium on redemption of CRPS of Rs 1,598,454,300 is not required and hence not provided for in the financials.

(c) The details of Shareholders holding more than 5 percent shares as at 31.03.2017 are as under

Name of Share Holder	No. of Shares as at 31.03.2017	% held as at 31.03.2017	No. of Shares as at 31.03.2016	% held as at 31.03.2016
Equity Shares				
Quadrant Enterprises Pvt Ltd.	302,905,169	49.47	326,705,000	53.36
IDBI Bank Ltd.	118,271,641	19.32	118,271,641	19.32
Oriental Bank of Commerce	35,145,326	5.74	35,223,326	5.75

NOTES FORMING PARTS OF THE ACCOUNTS

Name of Share Holder	No. of Shares as at 31.03.2017	% held as at 31.03.2017	No. of Shares as at 31.03.2016	% held as at 31.03.2016
Preference Shares				
IDBI Bank Ltd.	10,569,187	47.01	10,569,187	47.01
Shree Dhoot Trading & Agencies Ltd.	6,500,000	28.91	6,500,000	28.91
Oriental Bank of Commerce	1,981,254	8.81	1,981,254	8.81
Life Insurance Corporation of India	1,981,165	8.81	1,981,165	8.81

(d) The reconciliation of the number of Shares outstanding as at 31.03.2017 is set out below:

Particulars	Figures As At 31.03.2017	Figures As At 31.03.2016
Number of Equity shares at the beginning	612,260,268	612,260,268
Add: Shares issued during the year	-	-
Number of Equity Shares at the end	**612,260,268**	**612,260,268**
Number of Preference shares at the beginning	22,484,543	22,484,543
Add: Shares issued during the year	-	-
Number of Preference Shares at the end	**22,484,543**	**22,484,543**

NOTE 2 - RESERVES AND SURPLUS	As at 31.03.2017	As at 31.03.2016
Capital Reserve:		
Balance at the beginning and end of the year	34,032,776	34,032,776
Securities Premium		
Balance at the beginning and end of the year	22,633,732	22,633,732
Statutory Reserve		
Balance at the beginning and end of the year	11,900,000	11,900,000
Profit & Loss A/c:		
Opening Balance	(17,638,407,752)	(16,290,302,925)
Add: Transfer from Statement of Profit & Loss	(1,520,774,811)	(1,348,104,827)
Closing Balance	(19,159,182,563)	(17,638,407,752)
Total	**(19,090,616,055)**	**(17,569,841,244)**

NOTE 3 - LONG TERM BORROWINGS	As at 31.03.2017	As at 31.03.2016
Secured		
Redeemable Secured Non Convertible Debentures (NCDs) Pursuant to Revised CDR (Refer point no. a., b., c. below)	2,877,217,896	3,196,908,800
Unsecured		
Zero percent Non Convertible Debentures ('NCDs') (erstwhile OFCDs) (Refer point no. d. below)	166,776,100	166,776,100
Loans from Body Corporate [Refer Note 32]	2,508,699,886	2,508,699,886
Zero Coupon Compulsorily Convertible Debentures (CCDs) convertible into 2% Non-cumulative, Non-convertible, Redeemable Preference Shares (NCRPS) (Refer point no. e below)	12,000,000,000	-
Total	**17,552,693,882**	**5,872,384,786**

a. Yield of Interest and Premium on redemption of Secured Non-Convertible Debentures is 8% p.a.

NOTES FORMING PARTS OF THE ACCOUNTS

b. Redeemable Secured Non-Convertible Debentures as per CDR is secured by first pari passu charge on movable and immovable fixed assets and first pari passu charge on Current Assets, assignment of license / contracts and fully detailed in Note 31 (a).

c. Redemption Schedule of the Secured Non Convertible Debentures.

Financial Year	Amount of Non Convertible Debenture
2017-18	319,690,904
2018-19	319,690,904
2019-20	639,381,809
2020-21	639,381,809
2021-22	639,381,809
2022-23	639,381,809

d. On October 16, 2004, the Company issued 1,667,761 Zero Percent Non Convertible Debentures ('NCDs') of Rs 100 each in lieu of interest accrued on term loans from a financial institution and a bank for the period April 1, 2003 to December 31, 2003. The 'NCD's earlier redeemable at par on March 31, 2014, then at par on March 31, 2016, are now redeemable at par on March 31, 2024 after repayment of the term loans as per CDR Schemes.

e. Unsecured Zero Coupon Compulsorily Convertible Debentures (CCDs) convertible into 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares (NCRPS) issued to M/s Videocon Telecommunications Limited in compliance with CDR Terms and fully detailed in note no. 32 (e).

NOTE 4 - OTHER LONG TERM LIABILITIES	As at 31.03.2017	As at 31.03.2016
Interest accrued but not due on borrowings	858,787,476	895,573,792
Security Deposits		
- From Subscribers	9,679,717	12,427,338
- From Others	39,848,878	43,993,085
Advance From Customers and Unaccrued Income	124,403,865	163,610,307
Total	**1,032,719,936**	**1,115,604,522**

NOTE 5 - LONG TERM PROVISIONS	As at 31.03.2017	As at 31.03.2016
Provision for employee benefits.		
Leave Encashment / Availment	25,779,938	28,694,006
Gratuity	27,882,476	28,357,077
Total	**53,662,414**	**57,051,083**

NOTE 6 - SHORT TERM BORROWINGS	As at 31.03.2017	As at 31.03.2016
Secured		
Working Capital Loan from Scheduled Banks	165,616,654	166,050,376
Total	**165,616,654**	**166,050,376**

Working capital loan is secured by first charge on entire receivables, current assets and fixed assets of the Company on pari passu basis with other member banks with rate of interest ranging from 14.60% to 16.95%.

NOTES FORMING PARTS OF THE ACCOUNTS

NOTE 7 - TRADE PAYABLE	**As at 31.03.2017**	**As at 31.03.2016**
Due to Micro / Small & Medium Enterprises	318,040	215,507
Due to others	607,893,954	304,274,188
Total	**608,211,994**	**304,489,695**

NOTE 8 - OTHER CURRENT LIABILITIES	**As at 31.03.2017**	**As at 31.03.2016**
Current Maturities of Long Term Borrowings (Refer Note 3 (c))	319,690,904	-
Advances from		
- Customers and Unaccrued Income	43,172,499	204,615,616
- Others [Refer Note 32 (e)]	193,974,935	11,900,191,685
Book Bank Overdraft	35,006,680	65,881,859
Statutory Dues Payable	34,479,192	33,650,245
Other Payables		
- For Salary	80,137,516	70,216,295
- For Expenses	624,791,621	450,796,444
- For Capital Goods	153,530,043	477,221,090
- For License Fees	418,788,023	26,260,968
- To Distributors/Retailers	53,067,060	-
Interest accrued and due *	51,676,065	-
Total	**2,008,314,538**	**13,228,834,202**

* Interest accrued and due include Rs. 27,151,830 due on 01-Feb'2017 and Rs. 24,524,235 due on 01-Mar'2017 has not been paid till date.

NOTE 9 - SHORT TERM PROVISIONS	**As at 31.03.2017**	**As at 31.03.2016**
Provision for employee benefits.		
- Leave Encashment / Availment	1,586,532	2,499,802
- Gratuity	1,751,633	4,088,535
Total	**3,338,165**	**6,588,337**

NOTES FORMING PART OF THE ACCOUNTS

Note 10: FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
TANGIBLE ASSETS	As at 01.04.2016	Additions during the period	Sale/ Adjustment during the period	As at 31.03.2017	As at 01.04.2016	Depreciation for the period	On Sale/ Adjustment	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land - Freehold	16,142,623	-	-	16,142,623	-	-	-	-	16,142,623	16,142,623
Land - Leasehold	8,896,419	-	-	8,896,419	1,569,789	92,160	-	1,661,949	7,234,470	7,326,630
Building	190,919,098	-	-	190,919,098	54,413,516	3,754,505	-	58,168,021	132,751,077	136,505,582
Leasehold Improvements	84,632,000	1,414,725	9,022	86,037,703	77,795,990	1,683,718	8,181	79,471,527	6,566,176	6,836,010
Network Equipment	7,396,935,911	383,158,818	367,477,054	7,412,617,675	4,353,483,422	566,180,505	357,473,342	4,562,190,585	2,850,427,090	3,043,452,489
Optical Fibre Cable and Copper Cable	4,918,819,731	177,544,480	35,022,546	5,061,341,665	4,473,499,905	155,559,903	33,941,930	4,595,117,878	466,223,787	445,319,826
Telephone Instruments at Customers Premises	604,568,024	28,300,645	3,400,347	629,468,322	392,234,704	67,894,032	2,786,934	457,341,802	172,126,520	212,333,320
Computers	342,485,030	637,089	16,263,098	326,859,021	317,802,507	14,329,573	16,232,435	315,899,645	10,959,376	24,682,523
Office Equipment	51,772,271	826,998	200,828	52,398,441	49,408,256	1,351,837	182,062	50,578,031	1,820,410	2,364,015
Furniture & Fixture	51,271,836	307,572	-	51,579,408	42,878,515	1,233,630	-	44,112,145	7,467,263	8,393,321
Vehicles	15,717,392	-	-	15,717,392	15,042,762	405,000	-	15,447,762	269,630	674,630
Sub Total	**13,682,160,335**	**592,190,327**	**422,372,895**	**13,851,977,767**	**9,778,129,366**	**812,484,863**	**410,624,884**	**10,179,989,345**	**3,671,988,422**	**3,904,030,969**
Previous Year	**12,809,436,452**	**1,258,478,960**	**385,755,077**	**13,682,160,335**	**9,195,709,655**	**967,642,653**	**385,222,942**	**9,778,129,366**	**3,904,030,969**	**3,613,726,798**

INTANGIBLE ASSETS	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at 01.04.2016	Additions during the period	Sale/ Adjustment during the period	As at 31.03.2017	As at 01.04.2016	Amortisation for the period	On Sale/ Adjustment	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Computer Software	338,189,787	6,619,837	-	344,809,624	267,875,901	27,644,777	-	295,520,678	49,288,946	70,313,886
Licence Entry Fees	2,355,658,603	-	-	2,355,658,603	2,147,795,549	136,207,057	-	2,284,002,606	71,655,997	207,863,054
Licence Entry Fees GSM	1,517,500,000	-	-	1,517,500,000	1,215,441,015	202,296,384	-	1,417,737,399	99,762,601	302,058,985
Sub Total	**4,211,348,390**	**6,619,837**	**-**	**4,217,968,227**	**3,631,112,465**	**366,148,218**	**-**	**3,997,260,683**	**220,707,544**	**580,235,925**
Previous Year	**4,193,311,011**	**19,196,567**	**1,159,188**	**4,211,348,390**	**3,265,914,158**	**366,357,495**	**1,159,188**	**3,631,112,465**	**580,235,925**	**927,396,854**
Grand Total	**17,893,508,725**	**598,810,164**	**422,372,895**	**18,069,945,994**	**13,409,241,831**	**1,178,633,081**	**410,624,884**	**14,177,250,028**	**3,892,695,966**	**4,484,266,894**
Capital Work-In-Progress	-	-	-	-	-	-	-	-	**281,478,369**	**421,301,893**

As on March 31,2017 telephone instruments aggregating to a net book value of Rs. 116,712,728 (March 31, 2016 – Rs. 104,536,215) and other assets aggregating to net book value of Rs 1,040,013,377 (March 31, 2016 – Rs 897,539,340) are located at customer premises and at other operator's sites, respectively.

NOTES FORMING PARTS OF THE ACCOUNTS

NOTE 11 - NON CURRENT INVESTMENTS	As at 31.03.2017	As at 31.03.2016
Investment in Wholly Owned Subsidiary Company:(Unquoted)		
Nil [March 31, 2016 - 10,000 equity shares of Rs 10/- each fully paid up in Videocon Intelligent Security Private Limited (earlier known as Quadrant Telenet Services Private Limited)*]	-	100,000
Total	**-**	**100,000**

* Videocon Intelligent Security Private Limited ceased to be subsidiary of the Quadrant Televentures Limited w.e.f. August 12, 2016.

NOTE 12 - LONG TERM LOANS AND ADVANCES	As at 31.03.2017	As at 31.03.2016
Unsecured, considered good		
Capital Advances	6,115,111	23,013,387
Security Deposits	30,085,957	85,043,488
Advances Recoverable in cash or in kind or for value te be received	35,395,634	35,750,182
Doubtful		
Security Deposits	-	1,186,199
Advances Recoverable in cash or in kind or for value te be received	-	802,642
Less: Provision For Doubtful Advances	-	(1,988,841)
Total	**71,596,702**	**143,807,057**

NOTE 13 - INVENTORIES	As at 31.03.2017	As at 31.03.2016
Inventory held for installation and maintenance of network	25,806,506	29,951,854
Total	**25,806,506**	**29,951,854**

NOTE 14 - TRADE RECEIVABLES	As at 31.03.2017	As at 31.03.2016
Trade Receivables Outstanding for a period exceeding six months:		
Secured, Considered Good *	3,008,399	2,992,481
Unsecured, Considered Good	4,652,617	4,095,366
Doubtful	197,071,319	216,612,519
Others		
Secured, Considered Good *	1,251,103	1,308,388
Unsecured, Considered Good **	298,770,514	437,641,123
Doubtful	18,963,219	12,960,433
	523,717,171	**675,610,310**
Less: Provision for Doubtful Trade Receivables	(216,034,537)	(229,572,952)
Total	**307,682,634**	**446,037,358**

* Trade Receivables are secured to the extent of deposit received from the subscribers.

** Includes Rs 177,200,114 (March 31, 2016 - Rs 216,306,682) of unbilled revenues, the invoices for which have been raised subsequent to March 31, 2017 [Refer Note 26 (2.11)].

NOTES FORMING PARTS OF THE ACCOUNTS

NOTE 15 - CASH AND CASH EQUIVALENTS	As at 31.03.2017	As at 31.03.2016
Cash and Cash Equivalents		
Cash in Hand	10,135,798	16,388,571
Cheques in Hand	3,871,011	9,300,738
In Current Accounts	39,987,062	108,587,600
Fixed Deposit Less than 3 Months	-	-
Other Bank Balance*		
Fixed Deposit more than 3 Months but Less than 12 Months	124,381,722	113,271,822
Fixed Deposit more than 12 Months	-	-
Total	**178,375,593**	**247,548,731**

*Balances with banks to the extent held as margin money are of Rs. 124,381,722 (March 31, 2016 Rs. 113,271,822).

NOTE 16 - SHORT TERM LOANS & ADVANCES	As at 31.03.2017	As at 31.03.2016
TDS Recoverable	66,101,199	90,106,166
Balance with Customs, Excise and Service Tax	71,885,037	85,141,014
Security Deposits	55,848,238	-
Advances Recoverable in cash or in kind or for value te be received	233,421,143	91,702,017
Total	**427,255,617**	**266,949,197**

NOTE 17 - OTHER CURRENT ASSETS	As at 31.03.2017	As at 31.03.2016
Interest Accrued on Fixed Deposits	4,324,383	1,913,341
Assets Held for Sale	5,440,326	-
Total	**9,764,709**	**1,913,341**

NOTE 18 - REVENUE FROM OPERATIONS	For the year ended 31.03.2017	For the year ended 31.03.2016
Sale of services;		
From Unified Access Services	1,959,828,434	2,758,466,680
From Interconnection Usage Services	490,100,341	433,308,065
From Infrastructure Services	136,314,252	110,462,769
From Internet Services	2,691,676,844	2,281,489,376
Total	**5,277,919,871**	**5,583,726,890**

NOTE 19 - OTHER INCOME	For the year ended 31.03.2017	For the year ended 31.03.2016
Interest Income on FDRs including TDS Rs. 579,933 (March 31, 2016 - Rs. 224,121)	8,692,374	10,691,946
Interest Income on Income Tax Refund	6,010,919	15,845,106
Sale of Scrap	2,471,324	1,518,652
Rental Income	16,274,802	15,289,335
Foreign exchange fluctuation	693,298	-
Miscellaneous Income	352,119	1,237,130
Total	**34,494,836**	**44,582,169**

NOTES FORMING PARTS OF THE ACCOUNTS

NOTE 20 - NETWORK OPERATION EXPENDITURE	For the year ended 31.03.2017	For the year ended 31.03.2016
Interconnect Usage Charges	1,704,091,824	1,785,156,367
Other Value Added Service charges	59,661,277	80,589,298
Port Charges	22,607,815	12,928,799
Testing and Technical Survey Expenses	-	963,602
Licence Fees on Revenue Share Basis	233,933,825	100,528,387
Royalty and Licence Fees to Wireless Planning Commission	23,358,237	21,061,992
Stores and Spares Consumed	101,226,859	132,446,703
Rent Node site	87,019,017	82,890,558
Infrastructure Sharing Rent	570,936,752	629,277,088
Electricity and Water -Network	316,580,830	413,237,516
Security Charges	1,807,531	1,650,015
Repair & Maintenance - Network	483,971,754	404,237,666
Bandwidth Charges	139,776,074	126,353,137
Total	**3,744,971,795**	**3,791,321,128**

NOTE 21 - EMPLOYEE BENEFITS EXPENSES	For the year ended 31.03.2017	For the year ended 31.03.2016
Salaries, Wages and Bonus	673,874,982	685,306,947
Employer's Contribution to Provident and other Funds	19,800,417	18,454,183
Leave Encashment / Availment	3,756,800	3,411,788
Gratuity	11,152,836	10,751,989
Staff Welfare Expenses	14,909,145	21,848,694
Recruitment & Training Expenses	818,008	1,839,742
Total	**724,312,188**	**741,613,343**

NOTE 22 - SALES & MARKETING EXPENDITURE	For the year ended 31.03.2017	For the year ended 31.03.2016
Sales and Business Promotion	35,269,877	52,650,579
Advertisement Expenses	93,910,827	96,127,839
Customers Acquisition Costs	174,746,185	134,808,903
Total	**303,926,889**	**283,587,321**

NOTE 23 - FINANCE COST	For the year ended 31.03.2017	For the year ended 31.03.2016
Interest Charges		
- Banks	18,135,613	8,041,177
- Non Convertible Debentures	263,028,176	256,453,459
- Others	454,536	1,128,758
Bank Guarantee Commission	4,042,914	3,982,024
Trustees Fee	750,000	750,000
Monitoring Fees	1,000,000	1,000,000
Other Finance Charges	1,748,455	1,630,320
Total	**289,159,694**	**272,985,738**

NOTES FORMING PARTS OF THE ACCOUNTS

NOTE 24 - OTHER EXPENSES		For the year ended 31.03.2017	For the year ended 31.03.2016
Foreign exchange fluctuation		-	2,104,968
Payments to the auditor			
- Audit Fees		1,750,000	1,750,000
- Tax Audit Fees		480,000	480,000
- Other services		225,000	245,075
- Reimbursement of expenses		113,485	121,306
Prior period Adjustments		-	648,910
Legal and Professional Expenses		16,521,963	20,259,627
Travelling and Conveyance		109,576,421	107,007,091
Communication Expenses		8,185,048	6,873,500
Rent		33,228,494	32,185,236
Security Charges		9,647,544	11,339,943
Repairs and Maintenance - Building		693,362	723,363
Repairs and Maintenance - Others		18,290,468	20,791,745
Electricity and Water		25,626,163	28,556,816
Insurance		8,692,266	8,938,296
Rates and Taxes		7,128,303	9,761,405
Freight & Cartage		9,462,421	8,003,993
Printing and Stationary		2,693,343	3,207,498
Billing and Collection Expenses		114,379,519	130,548,654
Directors' Fees		275,672	302,020
Loss/ (Gain) on sale and Discarded of Fixed Assets/CWIP		153,316,336	57,611,534
Bad Debts Written off	82,502,106		
Less: Provision for Doubtful Debts	(15,527,255)	66,974,851	41,020,103
Provision for Doubtful Debts		-	53,890,350
Miscellaneous Expenses		4,925,212	6,534,775
Total		**592,185,871**	**552,906,208**

NOTE 25 - CONTINGENT LIABILITIES	As at 31.03.2017	As at 31.03.2016
Estimated value of contracts remaining to be executed on capital account and not provided for net of capital advances Rs. 6,115,111 (March 31, 2016 Rs. 23,013,387)	80,292,524	63,687,802
Bank Guarantees given against Bid Bonds/Performance/Advance		
Financial Bank Guarantees	108,565,613	85,708,613
Performance Bank Guarantees	69,237,627	96,649,236
Income tax matters under appeal Principal Amount	-	7,004,687
Income tax matters under appeal Interest Amount	-	9,036,046
Claims against the Company not acknowledged as debts	12,889,913	11,070,773
Dividend on 2% Cumulative Redeemable Preference Shares ('CRPS') of Rs 1,598,454,300	255,752,688	223,783,602
Others [Refer Note 27 (a to m)]	1,827,331,138	1,592,199,811
Total	**2,354,069,503**	**2,089,140,570**

26. BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES

1. Background

(a) Nature of business and ownership

Quadrant Televentures Limited (Formerly known as HFCL Infotel Limited) ('the Company' or 'QTL'), Unified Access Services Licensee for Punjab Telecom Circle (including Chandigarh and Panchkula), is providing complete telecommunication services, which includes voice telephony, internet services, broadband data services and a wide range of value added service viz., Centrex, Leased lines, VPNs, Voice mail, etc. The services were commercially launched in October 2000. As at 31.03.2017, the Company had a total subscriber base of 4,68,018 customers includes 262,891 fixed-line customers and 205,127 broadband customers.

The Company was incorporated on August 2, 1946 with the name of The Investment Trust of India Limited (ITI) which was subsequently changed to HFCL Infotel Limited on May 12, 2003. This was done pursuant to a Scheme of amalgamation (the Scheme), approved by the Hon' ble High Court of the Punjab and Haryana at Chandigarh and Hon' ble High Court of the State of Tamil Nadu at Chennai on March 6, 2003 and March 20, 2003, respectively, whereby the *erstwhile* HFCL Infotel Limited (name earlier allotted to the transferor Company) ('*erstwhile* HFCL Infotel') was merged with the Company with effect from September 1, 2002. As per the Scheme envisaged, the Company's then existing business of hire purchase, leasing and securities trading was transferred by way of slump sales to its wholly owned subsidiary, Rajam Finance & Investments Company (India) Limited ('Rajam Finance') with effect from September 1, 2002. Rajam Finance was renamed as The Investment Trust of India Limited with effect from June 17, 2003 and it ceased to be the subsidiary of the Company with effect from September 30, 2003, due to allotment of fresh equity by Rajam Finance to other investors.

The Company, during the year ended March 31, 2004, surrendered its license granted by Reserve Bank of India ('RBI') to carry out NBFC business. RBI confirmed the cancellation of the NBFC license as per their letter dated May 24, 2004.

On September 24, 2010 the name of Company was changed From HFCL Infotel Limited to Quadrant Televentures Limited.

During the year, the Company had surrender CDMA Spectrum on May 30, 2016 and Microwave Spectrum for CDMA Services for Punjab Service Area and had discontinued its GSM Services w.e.f February 15, 2017. At present, the Company is running its Wireline and ISP Services in Punjab Circle (including Chandigarh and Panchkula).

(b) License Fees

The Company obtained licence for Basic Telephony Service for the Punjab Telecom Circle (including Chandigarh and Panchkula) by way of amalgamation of the *erstwhile* HFCL Infotel with the Company. *Erstwhile* HFCL Infotel had obtained this licence under fixed license fee regime under National Telecom Policy ('NTP') 1994, valid for a period of 20 years from the effective date, and subsequently migrated from the fixed license fee regime to revenue sharing regime upon implementation of NTP 1999. Further to the Telecom Regulatory Authority of India's ('TRAI') recommendations of October 27, 2003 and the Department of Telecommunications ('DoT') guidelines on Unified Access (Basic & Cellular) Services Licence ('UASL') dated November 11, 2003, the Company migrated its licence to the UASL regime with effect from November 14, 2003. A fresh License Agreement was signed on May 31, 2004. Pursuant to this migration, the Company became additionally entitled to provide full mobility services. Quadrant Televentures Limited also entered into Unified Licence Agreement No. 821-125/2014-DS dated January 6, 2015, and amendments thereto, with DoT to establish maintain and operate internet service on all India basis (PAN India).

During the year ended March 31, 2008, the Company has deposited the entry fee to the Department of Telecommunication ('DOT') for the use of GSM Technology in addition to CDMA technology being used under the existing (UASL) for the Punjab Service Area. The UASL has since been amended to incorporate the license for use of GSM technology on January 15, 2008 vide DOT's letter number F.No.10-15/2004/BS.II/ HITL/ Punjab/17 dated January 15, 2008. The Company has launched its GSM services on March 29, 2010 in Punjab Circle.

With effect from August 1, 1999, the Company is required to pay revenue share license fees as a fraction of Adjusted Gross Revenue ('AGR') on UASL, The revenue share fraction other than income from Internet Services was set at 10 per cent of AGR with effect from August 1, 1999 and was reduced to 8 per cent of AGR with effect from April 1, 2004. In addition, spectrum charges calculated at 3.55% per cent of the AGR earned through the wireless technology is payable under the license agreement.

As per the new ISP License agreement no. 821-125/2014-DS dated January 6, 2015, the revenue share from ISP services was set at 8 per cent of AGR and is required to be paid on income from Internet revenue except revenue from pure internet service ('AGR' under Internet Service License).

2. <u>Summary of significant accounting policies</u>

2.1 Basis of preparation of Financial Statements

The financial statements are prepared and presented under historical cost convention using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 2013, including the mandatory Accounting Standards as prescribed by the Companies (Accounting Standards) Rules 2006.

2.2 Fixed Assets

Fixed assets are stated at cost (net of cenvet credit if availed) less impairment loss, if any, and accumulated depreciation. The Company capitalises direct costs including taxes (excluding cenvat), duty, freight and incidental expenses directly attributable to the acquisition and installation of fixed assets. Capital work-in-progress is stated at cost.

2.3 Inventory

Inventory is valued at cost or net realisable value whichever is low. Cost is calculated on FIFO basis

2.4 Depreciation

Depreciation is provided pro-rata to the period of use (except for Telephone Instruments, being ready for use are depreciated from the beginning of the month, following the month of purchase), on the straight line method based on the estimated useful life of the assets, as follows:

Asset	Useful life (in years)
Leasehold Land	Over the lease term
Buildings	Office Building 30 years Others 60 years
Leasehold Improvements	10 years or over the lease term, whichever is lower
Network Equipment (other than batteries) Batteries (i)	9.67 years 5 years
Testing Equipments (included in Network Equipments) (i)	5 years
Optical Fibre Cable and Copper Cable (i)	15 years
Telephone Instruments	5 years
Computers	3 years
Software	5 years
Office Equipments	5 years
Furniture and Fixture	10 years, except in case issued to employees, where asset is depreciated in 5 years
Vehicles - Motor Cars (i)	4 years
Fixed Assets costing less than Rs 5,000 (other than Telephone Instruments)	Fully depreciated when they are ready for use.

(i) For these classes of assets based on internal assessment and technical evaluation, the management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of Companies Act 2013.

(ii) Depreciation on the amount capitalized on up-gradation of the existing assets is provided over the balance life of the original asset.

2.5 Borrowing Costs

Borrowing costs that are attributable to the acquisition and construction of a qualifying asset are capitalised as a part of the cost of the asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

2.6 Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.7 Intangibles

All expenditure on intangible items are expensed as incurred unless it qualifies as an intangible asset as defined in Accounting Standard 26. The carrying value of intangible assets is assessed for recoverability by reference to the estimated future discounted net cash flows that are expected to be generated by the asset. Where this assessment indicates a deficit, the assets are written down to the market value or fair value as computed above.

2.8 Licence Fees

(i) Licence Entry Fee

The Licence Entry Fee has been recognised as an intangible asset and is amortised equally over the remaining period of licence from the date of commencement of commercial operations. Licence entry fees includes interest on funding of licence entry fees, foreign exchange fluctuations on the loan taken upto the date of commencement of commercial operations.

The carrying value of license entry fees are assessed for recoverability by reference to the estimated future discounted net cash flows that are expected to be generated by the asset. Where this assessment indicates a deficit, the assets are written down to the market value or fair value as computed above.

(ii) Revenue Sharing Fee

Revenue Sharing Fee, currently computed at the prescribed rate of Adjusted Gross Revenue ('AGR') is expensed in the Statement of Profit and Loss in the year in which the related income from providing unified access services and Internet Services are recognised.

An additional revenue share towards spectrum charges is computed at the prescribed rate of the service revenue earned from the customers who are provided services through the CDMA and GSM technology. This is expensed in the Statement of Profit and Loss in the year in which the related income is recognised.

2.9 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long term investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments. Current investments are carried at lower of cost and fair value and determined on an individual investment basis.

2.10 Provisions

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

2.11 Revenue Recognition

Revenue from unified access services are recognised on services rendered and is net of rebates, discounts and service tax. Unbilled revenues resulting from unified access services provided from the billing cycle date to the end of each month are estimated and recorded. Revenues from unified access services rendered through prepaid cards are recognised based on actual usage by the customers. Billings made but not expected to be collected, if any, are estimated by the management and not recognised as revenues in accordance with Accounting Standard on Revenue Recognition ('AS 9').

Revenue on account of internet services and revenue from infrastructure services are recognised as services are rendered, in accordance with the terms of the related contracts.

2.12 Interconnection Usage Revenue and Charges

The TRAI issued Interconnection Usage Charges Regulation 2003 ('IUC regime') effective May 1, 2003 and subsequently amended the same twice with effect from February 1, 2004 and February 1, 2005. Under the IUC regime, with the objective of sharing of call revenues across different operators involved in origination, transit and termination of every call, the Company pays interconnection charges (prescribed as Rs per minute of call time) for all outgoing calls originating in its network to other operators, depending on the termination point of the call i.e. mobile, fixed line, and distance i.e. local, national long distance and international long distance. The Company receives certain interconnection charges from other operators for all calls terminating in its network

Accordingly, interconnect revenue are recognised on those calls originating in another telecom operator network and terminating in the Company's network. Interconnect cost is recognised as charges incurred on termination of calls originating from the Company's network and terminating on the network of other telecom operators. The interconnect revenue and costs are recognised in the financial statement on a gross basis and included in service revenue and network operation expenditure, respectively.

2.13 Foreign Currency Transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. 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; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year.

2.14 Employee Benefits

Effective April 1, 2007, the Company has adopted the Revised Accounting Standard - 15 'Employee Benefits'. The relevant policies are:

Short Term Employee Benefits

Short term employee benefits are recognised in the period during which the services have been rendered.

Long Term Employee Benefits

Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the employees' state insurance schemes, which are also defined contribution schemes recognised and administered by the Government of India.

The Company's contributions to both these schemes are expensed in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.

Leave Encashment

The Company has provided for the liability at period end on account of unavailed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuation in accordance with Accounting Standard 15 (revised), "Employee Benefits " The Company makes annual contributions to the LIC for the Gratuity Plan in respect of employees. The present value of obligation under gratuity is determined based on actuarial valuation at period end using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a) Short term compensated absences are provided for on based on estimates.

b) Actuarial gains and losses are recognised as and when incurred

2.15 Taxation

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain or virtually certain, as the case may be, that future taxable income will be available against which such deferred tax assets can be realised.

2.16 Operating Leases

Where the Company is the lessee

Leases of assets under which the lessor effectively retains all the risks and rewards of ownership are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

2.17 Earning Per Share

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earning per share, the number of shares comprises the weighted average shares considered for deriving basic earning per share, and also the weighted average number of shares, if any which would have been used in the conversion of all dilutive potential equity shares. The number of shares and potentially dilutive equity shares are adjusted for the bonus shares and the sub-division of shares, if any.

2.18 Segment Reporting

Identification of segments:

The primary reporting of the Company has been performed on the basis of business segments. The analysis of geographical segments is based on the areas in which the Company's products are sold or services are rendered.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

The Corporate and other segment include general corporate income and expense items, which are not allocated to any business segment.

2.19 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.20 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is provable that there will be an out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

27. NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Commitments and contingent liabilities not provided for in respect of:

(a) The Wireless Finance Division of Department of Telecommunications has claimed an outstanding of Rs 29,585,211 towards the Spectrum Charges dues from year 2001 to year 2005 vide their letter 1020/48/2005-WFD dated October 7, 2005. The Company has submitted its reply to the department on October 25, 2005 confirming the total due of Rs 29,472 only and paid the said amount. The Wireless Finance Division of Department of Telecommunications has subsequently claimed Rs 39,310,176 vide letter number 1020/48/2005-WFD dated September 13, 2006 towards the Spectrum Charges dues from year 2001 to year 2006. The Company has submitted a detailed reply on October 31, 2006. During the year ended March 31, 2008, out of the above demand, the Company has deposited Rs 1,801,241 under protest towards the interest due till August 31, 2006. Wireless Finance Division of Department of Telecommunications has updated their claim to Rs 70,604,092 towards Spectrum Charges dues from January 1, 2000 to September 30, 2008 vide letter number 1020/29/WR/07-08 dated October 24, 2008. The Company has once again made a written representation vide its letter dated December 8, 2008 and August 12, 2009. Subsequently DOT has revised their demand to Rs 70,528,239 vide Letter No 1020/48/WFD/2005-06/ Dated September 6, 2010 to which the Company has made representations vide letter dated September 23, 2010, February 3, 2011 and March 17, 2011. Subsequently DOT has revised their demand to Rs 149,960,749 vide Letter No 1020/48/WFD/2005-06/ Dated January 3, 2013 to which the Company has made representations vide letter dated January 18, 2013. The reply of which has not been received. Based on the legal opinion, the Company is confident that no liability would accrue regarding the same in future.

(b) During the year ended March 31, 2007, Bharat Sanchar Nigam Limited ('BSNL') has raised supplementary bill dated August 10, 2006 for Rs 167,614,241 towards Inter-connect Usage Charges ('IUC') and Access Deficit Charges ('ADC') for the period November 14, 2004 to August 31, 2005 on the Company. BSNL further raised invoices to the tune of Rs 99,346,533 on similar grounds for the period September 1, 2005 to February 28, 2006.These charges are on account of unilateral declaration of the Company's Fixed Wireless and Wire line Phone services as Limited Mobility Services by BSNL. The Company has submitted its reply to BSNL on August 23, 2006 asking for the calculation/basis for the additional amount raised towards IUC and ADC by BSNL for Rs 167,614,241. Subsequently, BSNL issued a disconnection notice on August 26, 2006 which required the payment of Rs 208,236,569 (including Rs 167,614,241). The Company has submitted details to BSNL for payments already made for Rs 40,622,328. The Company has approached Hon'ble TDSAT on the subject matter and a stay order was granted on Company's petition no 232 of 2006 against the disconnection notice on September 21, 2006. BSNL Jalandhar Office subsequently raised a supplementary bill dated March 20, 2007 for Rs 5,206,780, to which the Company has submitted its reply on March 23, 2007 intimating that the matter being sub-judice and pending decision by the Hon'ble TDSAT, no coercive action be taken against the Company. The hearing on the matter has been completed and the Hon'ble TDSAT has pronounced the judgment on May 21, 2010 in Company's favour and has directed that BSNL and the Company should exchange relevant information and reconcile the differences. BSNL went for appeal in Hon'ble Supreme Court vide CA No-7435 of 2010. The matter is yet to be listed in SC for hearing. In the absence of information from BSNL, the Company is not in a position to determine the liability with respect to this matter. The Company, based on expert legal opinion, believes that there would be no financial liability against such bills and accordingly, has not recorded any liability towards the IUC and ADC supplementary bills during the period ended March 31, 2017.

(c) The Company was in receipt of a demand of Rs 433,158,340 from Bharat Sanchar Nigam Limited ('BSNL') on December 20, 2008 on account of unilateral revision of access charges vide its letter dated April 28, 2001 for the period from June 2001 to May 2003, in contravention of the Interconnect Agreement and TRAI Regulations. The Company, Association of Unified Service Providers of India 'AUSPI' (erstwhile Association of Basic Telephone Operators 'ABTO') and other Basic Service Operators contested aforesaid revision in the rates of access charges before Telecom Dispute Settlement Appellate Tribunal ('TDSAT'). TDSAT vide its reasoned and detailed judgement dated April 27, 2005 allowed the refund claims and struck down the unilateral revision in the rates of access charges by BSNL and held that Telecom Regulatory Authority of India ('TRAI') is the final authority for fixing of access charges and access charges would be payable as rates prescribed by the TRAI and as per the Interconnect agreements. BSNL preferred an appeal in Hon'ble Supreme Court against the order of TDSAT and an interim stay was granted on October 19, 2006 Therefore aggrieved by such unilateral action on the part of BSNL by raising aforesaid demand and disturbing the status-quo, applications were moved by the Company, AUSPI and other Operators in the Hon'ble Supreme Court vide C.A No.5834-5836 of 2005 that was listed for hearing on February 9, 2009 and Hon'ble Supreme Court passed an order clarifying its previous order of October 19, 2006 and stayed the refunds claim against the BSNL there by upholding the TDSAT order dated April 27, 2005 whereby BSNL is refrained from raising the access charges demand. The BSNL went for appeal in Hon'ble Supreme Court vide C.A No 5834-5836 of 2005 BSNL Vs ABTO & Others. The matter was Tagged with CA-5253 of 2010 to decide the preliminary objection raised by TRAI on the TDSAT"s jurisdiction. Next date of hearing is awaited. The Company based on the legal opinion believes that there would be no financial liability against this demand and has accordingly not recorded any liability towards access charges during the period ended March 31, 2017.

(d) The Company was in receipt of demand of Rs. 7,000,000 from Department of Telecommunications ('DoT'), Licensing Group (Access Services) vide their letter dated October 21, 2009 for issuance of SIM cards on fake ID in Punjab Service Area, where in the Licensee was required to ensure adequate verification of each and every customer before enrolling him as a subscriber. The Company has replied to DoT vide letter dated November 14, 2009 that the levy of penalty imposed by DoT was based on verification done by an agency other than the DOT – TERM Cells and the exercise was carried out suo moto and in complete disregard of the established procedures and guidelines laid by DoT. Accordingly the Company has requested DoT to have this validation done by the DOT – TERM Cell. The Company believes that there would be no financial liability against this demand and has accordingly not recorded any liability towards penalty during the period ended March 31, 2017.

(e) As per The Telecommunication Interconnect Usage Charges Regulations 2003, intra circle carriage charges payable per minute for all intra circle calls irrespective of the distance between originating and terminating points. However, Bharat Sanchar Nigam Limited ('BSNL') was charging additional amounts based on distance for the period October 2007 to March 2009 which was against the telecommunication Interconnect Usage Charges Regulations 2003 of TRAI. The matter was raised to Hon'ble TDSAT by service providers to which Hon'ble TDSAT vide it's order dated May 21, 2010 upheld the demand of BSNL. The liability of the Company on basis of BSNL demand amounted to Rs 4,110,959. Subsequently TRAI appealed against the order of TDSAT in the Hon'ble Supreme Court vide C,A No 271-281 of 2011. The matter is sub-judice and the final decision of the Hon'ble Supreme Court in the matter is still awaited.

(f) The Company was in receipt of a Show Cause Notice amounting to Rs 1,020,00,000 dated May 17, 2013 from Department of Telecommunications ('DOT') purportedly for the non-compliance with Electro Magnetic Frequency Radiation Norms ('EMF Radiation Norms') prescribed by DOT. The Company on May 21, 2013 has represented to DOT that the Company is fully compliant with the specified limits of the EMF Radiation Norms and the Company has also submitted the 'Self Certifications' in respect of all the 204 Base Transceiver Station ('BTS') set up in the Punjab Telecom Circle as mentioned in the Show Cause Notice well within the stipulated last date of March 31, 2011 as prescribed by DOT. Company filled petition in TDSAT vide petition No. 294 of 2013. The matter tagged with Petition No 271 of 2013 and vide TDSAT judgment dated March 29, 2016 impugned penalty demands are set aside and Directed to DoT frame a fresh scheme in light of recommendations.

(g) The DOT (Term Cell) Punjab has issued another Show Cause Notice to the company making a demand for Rs. 3,23,500,000 DOT vide letter number 8-8/EMR-QTL/TERM-PB/2013/15C dated December 30,2013, wherein the TERM Cell, Punjab has imposed a penalty for alleged non compliance for Emission Magnetic Frequency ("EMF') radiation norms with respect to 647 Base Transreceiver Stations ('BTSs') as per list attached with said letter, in terms of the Unified Access Services ('UAS') License granted to the company. The Company has since submitted its response to the TERM Cell vide letter dated January 8, 2014, in reply to above, the Term Cell had issued an amended Show Cause Notice vide letter no. 8-8/EMR-QTL/TERM-PB/2013/24C dated August 7, 2014 superseding its earlier Show Cause Notice and revising the amount of penalty to Rs. 2,670,00,000 for 534 BTS sites (in place of earlier show cause demanding 32,35,00,000 for 647 BTS sites). We filed a case in TDSAT and the matter is listed vide Petition No. 423 of 2014 and pending for hearing.

(h) The Company had received a Show Cause Notice/ Demand Letter dated 11-08-2015 pertaining to the SAF Non compliance of about 5317 SAFs for the year 2013 with penalty of Rs. 18,46,25,000/-. We have got examined all the SAFs pointed out by DOT/TERM and the number of non compliant SAFs reduced to 4564. In the meantime we have represented the case with DDG (TERM) to re examine all the referred cases. The non compliances had been occurred due to one of the distributor in Punjab who manipulated the large numbers of ID which were beyond the control of operators. In the present case all the SAFs of one of the distributors of all the operators in Punjab are non-complied due to the ID problem. The matter is being re-examined by TERM and other departments to assess as how to protect the TSPs interest in case of such non compliance is done by the Distributors. Industry is working on it by taking appropriate checking mechanisms in place to avoid such non compliance happening henceforth in any manner. Also industry is taking appropriate legal action against the defaulting distributors without affecting the normal business of the companies. DOT Term reduced the penalty CAF to Rs.154,225,000 for 3956 no of CAFs in default. So Company has filed petition in TDSAT vide petition No.13 of 2016 and pending for final arguments.

(i) BSNL has raised demand for Infra charges levied and Point of Interconnection (POI) augmentation. QTL had filled petition vide petition No. 503 of 2014. The matter was admitted and stay was granted and POI augmentation was allowed. Further there was two weeks time given to BSNL and BSNL revised Demand note for Rs. 1,600,000 for infra charges from 2009 onwards. But it was not paid and challenged in TDSAT. Further date is awaited and the Company is confident that no liability would accrue regarding the same in future.

(j) BSNL had raised demand of Rs. 269,000,000 on the Company under Clause 6.4.6 of the Interconnect Agreement in connection with the FWT Services being provided by the Company. The Company had challenged the demand through Petition No. 232 of 2006. The TDSAT vide order dated 21-05-2010 had set aside the demand raised by BSNL. BSNL therefore filed an Appeal the Hon'ble Supreme Court civil appeal no. 7435 of 2010 and connected with 7434 of 2010 and awaited for hearing.

(k) The Company is in receipt demand of Rs. 1,40,000,000 of Show Cause Notice dated September12, 2016 from Department of Telecommunications ('DoT') for non fulfilment of First and Second phase roll-out obligations of Unified Access Service License ('UASL') Agreement for Punjab Service Area, where in the licensee as per the terms of the license agreement was required to ensure that at least 10% of the District Headquarter / Towns are covered in the first year and 50% of the District Headquarter will be covered with in the three years of effective dated of License. The date of migration to UASL which commences from the date of Test Certificate issued by Telecom Engineering Centre ('TEC') As stated by DoT in the Show Cause Notice issued, the Company has violated the conditions of UASL and accordingly Liquidated Damages of Rs 1,40,000,000 has been imposed and company submitted its representation on November 24, 2016. The Company believes that there would be no financial liability against this demand and has accordingly not recorded any liability towards penalty during the year ended March 31, 2017.

(l) The company is in receipt demand notice of Rs.70,000,000 of Show Cause Notice dated 13th June, 2016 from Department of Telecommunication ("DoT") for Levy of Liquidated Damages (LD) on provisional Basis for default in Compliance of 1st phase as well as second phase of rollout obligation in respect of dual Technology (Second) spectrum (GSM). AS per NTP -99 was amended introducing two new categories of License and UASL 2007. Principle approval to use GSM Technology (Second Technology) in addition to CDMA technology under the existing UASL (S) was granted to the licensee vide letter No.20-100/2007/Spectrum/AS-I/3 dated 18.10.2007. The company shall meet the roll-out obligation and other stipulation of the UAS license. As The Company was not fulfilled the 1st Phase Roll out obligation. As per directed to show-cause notice within 21 days from the date of issue of this notice liquidated damages amounting to total Rs. 70,000,000 on provisional basis. Company filed reply letter against show cause notice on legal ground on 31.08.2016. The company believes that there would be no financial liability against this demand and has accordingly not recorded any liability towards penalty during the year ended March 31, 2017.

(m) The Company was in receipt of a Show Cause Notice for assessment of License Fee from Department of Telecommunications ('DOT') purportedly for disallowance of deductions claimed in audited AGR for the year 2007-08 amounting to Rs 45,485,603 vide letter no. CCA/PB/Verification/HFCL/2007-08/782 dated January 15, 2015, for the year 2008-09 amounting to Rs 30,214,809 vide letter no. CCA/PB/Verification/HFCL/2007-08/782 dated January 5, 2015, for the year 2011-12 amounting to Rs. 9,092,661 vide letter no. 17-7/2014/LFA/Quadrant dated December 30'2016, for the year 2012-13 amounting to Rs 3,028,932 vide letter no. 17-8/2014/LFA-Quadrant dated April 20, 2015 and for the year 2013-14 amounting to Rs. 46,000,933 vide letter no. 17-40/2016/LFA-Quadrant dated January 23, 2017 and for the year 2014-15 amounting to Rs. 7,157,842 vide letter no. 17-41/2016/LFA-Quadrant dated February 02, 2017. The Company had made a written representations for the year 2007-08 and 2008-09 vide its letter dated February 19, 2016, for the year 2012-13 vide its letter dated May 07, 2015 for the year 2013-14 vide its letter dated February 06, 2017 and for the year 2014-15 vide its letter dated February 14, 2017. The company was also in receipt of demand of Spectrum Charges of the year 2012-13 in respect of CDMA service amounting to Rs. 6,279,256 vide letter no. Spec/2013-14/538 and GSM Service amounting to Rs. 229,12,294 vide letter no. Spec/2013-14/540 dated July 25, 2014 on account of MWA spectrum charges, for the year 2013-14 in respect of GSM Service amounting to Rs. 14,677,526 vide letter no. CCA/PB/Verification/Quadrant/Assessment/Spec/2013-14/2024 dated February 03, 2016 and CDMA service amounting to Rs. 66,463 vide letter no. CCA/PB/Verification/Quadrant/Assessment/Spec/2013-14/2028 dated February 05, 2016, for the year 2014-15, for the year 2014-15 in respect of CDMA Service amounting to Rs. 31,242 vide letter no. CCA/PB/Verification/Quadrant/Assessment/Spec/2013-14/2042 dated February 12, 2016 and GSM service amounting to Rs. 1,385,874 vide letter no. CCA/PB/Verification/Quadrant/Assessment/Spec/2013-14/2043 dated February 12, 2016, for the year 2015-16 in respect of CDMA service amounting to Rs. 23,049 vide letter no. CCA/PB/Quadrant/Assessment/Spec/2015-16/2370 dated July 13, 2016 and GSM Service amounting to Rs. 27,216,484 vide letter no. CCA/PB/Quadrant/Assessment/Spec/2015-16/2371 dated July 13, 2016, for the year 2008-09 to 2011-12 in respect of CDMA Service amounting to Rs. 14,898,329 vide letter no. CCA/PB/Quadrant/Assessment/2008-09 to 2010-11/2565 dated Sep 14, 2016 and for the GSM Services amounting to Rs. 8,904,793 vide letter no. CCA/PB/Quadrant/Assessment/2008-09 to 2010-11/2564 dated Sep 14, 2016. The Company had made a written representation for the year 2012-13 vide letter no. QTL/Spectrum/12-13/04 for CDMA and QTL/Spectrum/12-13/05 for GSM dated August 5, 2014, for the year 2013-14 vide its letter no. QTL/Spectrum/13-14/01 dated February 17, 2016 and for the year 2014-15 vide its letter no. QTL/Spectrum/14-15/01 dated February 23, 2016, for the year 2015-16 vide letter no. QTL/Spectrum/15-16/01 dated July 26, 2016 in respect of CDMA Services vide letter no. QTL/Spectrum/15-16/01 dated July 26, 2016 and for the year 2008-09 in respect of CDMA Services vide letter no. QTL/Spectrum/2008-09 to 2011-12/-01 dated Sep 28, 2016 and for GSM Services vide letter no. QTL/Spectrum/2008-09 to 2011-12/-01 dated Sep 28, 2016. The Company is confident that no liability would accrue regarding the same in future.

(n) The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities / Statutory Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

(o) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.

(p) As at March 31, 2017 the Company did not have any outstanding long term derivative contracts.

28. During the year ended March 31, 2017, the Company has incurred losses of Rs 1,520,774,811 resulting into accumulated loss of Rs 19,159,182,563 as at March 31, 2017 which has completely eroded its net worth and has current liabilities in excess of current assets by Rs. 1,836,596,292. The ability of the Company to continue as a going concern is substantially dependent on its ability to generate the funds form its continuing business and the management in view of its business plans and support from significant shareholders is confident of generating cash flows to fund the operating and capital requirements of the Company. Accordingly, these statements have been prepared on a going concern basis.

29. Discontinued Operation

The Company had obtained licence for Basic Telephone Services for the Punjab Telecom Circle in the year 1997 for a period of 20 years which is valid up to Sep 29, 2017. The Company during the year ended 31.03.2008 has deposited the entry fee to the Department of Telecommunication (DOT) for the use of GSM Technology in addition to Wireline and CDMA Technology being used under the existing UASL for Punjab Telecom Circle, the Company launched its GSM Mobile Services in Punjab Telecom Circle on March 29, 2010.

Pursuant to Clause 4.1 of the UASL License, the Company represented to DOT vide letter dated Sep 02, 2015 and Nov 09, 2015 for extension of GSM Spectrum and License period respectively for another 10 years, which was refused by DOT vide its letter dated Nov 18, 2015 and Dec 01, 2015 respectively. The Company aggrieved by the decision of DOT approached Telecom Disputes Settlement & Appellate Tribunal (TDSAT) and filed petition dated Sep 14, 2016 for seeking relief/ justice against the orders passed by DOT. As of now, the Company's petition is pending before TDSAT.

GSM business of the Company was in continuous losses which increased further due to launch of 4G services by leading competitors in the market who are offering free talk time and data. In order to curtail the losses and sustain the business, the Company has decided to discontinue its GSM Services/ Business w.e.f. the midnight of Feb 15, 2017.

The written down value of GSM License Fee (intangible assets) and GSM Network Assets to be disposed-off are Rs. 99,762,601/- and Rs. 1,547,026,983 respectively as of the balance sheet date.

The total revenue, expenses and pre-tax losses in respect of the ordinary activities attributable to the discontinued GSM operations during the current financial year are Rs. 1,844,612,074/-, Rs. 3,171,856,990/- and 1,327,244,916/, respectively. No tax expense or credit has been recognized in relation to this discontinuing operation.

The cash flows attributable to operating, investing, and financing activities of the discontinued operation during the current year are as under:

Cash flows from operating activities:	Rs. (1012,242,438)
Cash flows from investing activities:	Rs. (Nil)
Cash flows from financing activities:	Rs. (Nil)

Particulars	Discontinuing Operations		Continuing Operations		Total Operations	
	F.Y. 2016-17	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2015-16
Revenue from operations	1,844,612,074	2,610,972,907	3,433,307,797	2,972,753,983	5,277,919,871	5,583,726,890
Other income	-	-	34,494,836	44,582,169	34,494,836	44,582,169
Total Revenue (I + II)	**1,844,612,074**	**2,610,972,907**	**3,467,802,633**	**3,017,336,152**	**5,312,414,707**	**5,628,309,059**
Expenses:						
Network Operation Expenditure	2,530,322,626	2,972,214,926	1,214,649,169	819,106,202	3,744,971,795	3,791,321,128
Employee Benefits Expenses	169,451,726	171,716,041	554,860,462	569,897,302	724,312,188	741,613,343
Sales & Marketing Expenditure	105,945,602	139,246,190	197,981,287	144,341,131	303,926,889	283,587,321
Depreciation and Amortization Expenses	164,724,684	113,514,482	1,013,908,397	1,220,485,666	1,178,633,081	1,334,000,148
Other Expenses	201,412,352	80,916,162	390,773,519	471,990,046	592,185,871	552,906,208
Total expenses	**3,171,856,990**	**3,477,607,801**	**3,372,172,834**	**3,225,820,347**	**6,544,029,824**	**6,703,428,148**
Impairment Loss	-	-	-	-	-	-
Pre-tax profit from operating activities	**(1,327,244,916)**	**(866,634,894)**	**95,629,799**	**(208,484,195)**	**(1,231,615,117)**	**(1,075,119,089)**
Interest Expense	-	-	289,159,694	272,985,738	289,159,694	272,985,738
Profit (Loss) before tax	**(1,327,244,916)**	**(866,634,894)**	**(193,529,895)**	**(481,469,933)**	**(1,520,774,811)**	**(1,348,104,827)**
Income Tax Expense	-	-	-	-	-	-
Profit (Loss) from operating activities after tax	**(1,327,244,916)**	**(866,634,894)**	**(193,529,895)**	**(481,469,933)**	**(1,520,774,811)**	**(1,348,104,827)**

On the basis of directions/advice received from TRAI vide its letter dated Feb 17, 2017 switches were kept operational to facilitate Mobile Number Portability (MNP) to GSM subscribers of the Company till Apr 18, 2017, accordingly, tangible and intangible fixed assets related to discontinued operation were not derecognized during the year and depreciation on the same has been provided till March 31, 2017.

30. The Company is in process of determining the impairment loss, if any, on its Fixed Assets related to GSM operations in terms of Accounting Standard 28 – 'Impairment of Assets'. The requisite accounting effect, if any, will be given upon such ascertainment/determination.

31. Secured Loans

a. As per the CDR Scheme approved on March 10, 2004 and subsequently approved on June 4, 2005, the Lenders had signed Master Restructuring Agreement ('MRA') for restructuring of their Debts and Security Trusteeship Agreement, whereby the Lenders had entered into an agreement and appointed IDBI Trusteeship Services Limited (herein after referred as "ITSL") as their custodian of security. On November 11, 2005, the charges were registered in favour of the ITSL for Rupee Term Loans, for providing Specific Credit Facility, for Working Capital Assistance and Zero percent Secured OFCDs. The same are secured by first pari passu charge on immovable properties of the Company situated at Kandivali (East), Mumbai and properties situated at Mohali & Jalandhar under equitable mortgage, first pari passu charge of hypothecation of movable properties of the Company including movable plant & machinery, machinery spares, tools & accessories and other movables including book debts by way of hypothecation, both present and future. Further, the same are also secured by assignment of all rights, title, benefits, claims and interest in, under the project documents, insurance policies, all statutory, government and regulatory approvals, permissions, exemptions and waivers on pari passu basis. Subsequently, pursuant to the reworked restructuring scheme approved under CDR mechanism on June 24, 2005, the Company had entered into amendatory Master Restructuring Agreement and amendatory Security Trusteeship Agreement ('STA') on March 9, 2006, whereby Centurion Bank of Punjab had also joined as one of the lenders and has agreed to appoint ITSL as their custodian for security and signed the STA in line with other lenders in consortium.

On the request of the Company, Corporate Debt Restructuring Cell ('CDR') vide their letter no CDR (JCP) No. 138 / 2009-10 ('CDR Letter') dated May 20, 2009 had approved the interim revised restructuring package. The revised restructuring package inter alia includes funding of interest from July 1, 2008 to October 31, 2009 on simple interest basis. Funded Interest on Term Loan ('FITL') would not carry any interest and the FITL shall be repaid in 16 equal monthly installments commencing from December 1, 2009, and has rescheduled the principle installments from August 1, 2008 to November 1, 2009 so as to be repayable from December 1, 2009 to March 1, 2011. Corporate Debt Restructuring ('CDR') cell vide their letter no CDR (JCP) No 563 / 2009-10 dated August 13, 2009 had approved a new restructuring scheme, which includes the induction of strategic investor / change of management and settlement proposal for Term Lenders. All the term lenders had given their acceptance to the new restructuring scheme. The new restructuring scheme was made effective from April 1, 2009 and accordingly an amount of Rs 373,097,077 towards FITL from July 1, 2008 to March 31, 2009 has been considered as term loan.

In pursuant to the new restructuring scheme vide letter no. CDR (JCP) No 563 / 2009-10 dated August 13, 2009, The Company had allotted 15,984,543, 2 % Cumulative Redeemable Preference Shares of Rs.100/- each aggregating to Rs.1,598,454,300 on November 9, 2010, to Financial Institution / Banks in conversion of 25% of their outstanding loans as on April 01, 2009.

In compliance with the aforesaid new restructuring scheme dated August 13, 2009 the Company had repaid on July 06, 2010 and July 07, 2010 an amount of Rs 1,598,454,522 being 25% of their outstanding loans as on April 01, 2009.

In compliance with the aforesaid new restructuring scheme dated August 13, 2009, the Company had allotted 31,969,088 Redeemable Secured Non -Convertible Debenture ('NCD') of Rs.100 each aggregating to Rs.3,196,908,800 on January 21,2013, to Financial Institution / Banks in conversion of 50% of their outstanding loans as on April 01, 2009.

In terms of CDR Package dated August 13, 2009 stipulating the reduction of paid up capital and pursuant to the Order of the Hon'ble Bombay High Court dated July 4, 2014 under Section 100 to 105 of Companies Act, 1956, which was duly registered by the Registrar of Companies, Mumbai on Sept 3, 2014, the paid up value of the 61,22,60,268 equity shares stood reduced from Rs. 10/- per share to Rs. 1/- per share w.e.f. Sept 3, 2014; Consequently, paid up equity share capital also stood reduced from Rs. 612.26 Crore to Rs. 61.22 Crore and the Accumulated Losses were written-off to the extent of Rs. 551.03 Crore on Sept 3, 2014. The trading of Equity Shares with reduced face value of Re.1/- per share has commenced on December 29, 2014 at BSE Ltd.

b. The above mentioned security has been further extended to the amount of secured loans and working capital assistance, together with the interest, compound interest, additional interest, default interest, costs, charges, expenses and any other monies payable by the Company in relation thereto and in terms with MRA and STA entered into between the lenders and ITSL.

The Company has complied with all the terms and conditions of Corporate Debt Restructuring Scheme as approved by the CDR Cell letter dated August 13, 2009.

32. Unsecured Loans

a. On October 16, 2004, the Company issued 1,667,761 zero percent Non Convertible Debentures ('NCDs') of Rs 100/- each in lieu of interest accrued on term loans from a financial institution and a bank for the period April 1, 2003 to December 31, 2003. The 'NCD's earlier redeemable at par on March 31, 2014, then at par on March 31, 2016, and now redeemable at par on March 31, 2024 after repayment of the term loans as per CDR Schemes.

b. The Company under the terms of the agreement dated May 1, 2007 had taken convertible loan to facilitate expansion and development of businesses amounting to Rs 499,499,886 from Infotel Digicomm Private Limited. The convertible loan was repayable on demand with an option to convert the Loan into Equity Shares, subject to getting necessary approvals and subject to applicable pricing guidelines as per SEBI and other laws and regulations. On September 16, 2009 Infotel Digicomm Private Limited ('IDPL') had entered into an assignment agreement with Domebell Electronics India Private Limited ('DEIPL'), wherein IDPL had assigned the above convertible loan of Rs 499,499,886 to DEIPL. All the terms and conditions relating to the convertible loan remained the same. The interest accrues at the end of each quarter. During the year ended March 31, 2010 the Company had provided for interest amounting to Rs 14,984,997 @ 12% to IDPL for the three months ended June 30, 2009. DEIPL on the basis of the assignment agreement dated September 16, 2009 had a right on the interest accruing from July 1, 2009 onwards. DEIPL have agreed to waive off the interest from July 1, 2009 till March 31, 2017, therefore no provision for such interest has been made by the Company. Consequent to the addendum to the assignment agreement, the convertible loan from DEIPL is now repayable after 9 years from the date of assignment agreement dated September 16, 2009.

c. The Company under the terms of the agreement dated May 1, 2007 had taken buyer's credit facility to facilitate funding of the telecom project amounting to Rs 410,740,832 from Infotel Business Solutions Limited. The loan carries 12% interest and was repayable on demand. Infotel Business Solutions Limited had the option to convert the loan including interest accrued into equity shares, subject to applicable pricing guidelines as per SEBI and other laws and regulations. On September 16, 2009 Infotel Business Solutions Limited ('IBSL') had entered into an assignment agreement with Domebell Electronics India Private Limited ('DEIPL'), wherein IBSL had assigned the above buyer's credit facility of Rs. 410,700,000 to DEIPL. All the terms and conditions relating to the buyer's credit facility remained the same. The interest accrues at the end of each quarter. During the year ended March 31, 2010 the Company had provided for interest amounting to Rs 12,322,225 @ 12% to IBSL for the three months ended June 30, 2009. and accordingly DEIPL on the basis of the assignment agreement dated September 16, 2009 had a right on the interest accruing from July 1, 2009 onwards DEIPL has agreed to waive off the interest from July 1, 2009 till March 31, 2017, therefore no provision for such interest has been made by the Company. Consequent to the addendum to the assignment agreement, the convertible loan from DEIPL is now repayable after 9 years from the date of assignment agreement dated September 16, 2009.

d. The Company had taken an unsecured loan on July 06, 2010 of Rs.1,598,500,000 @ 8% per annum, the interest accrues at the end of each quarter. The lender has agreed to waive off the interest from July 06, 2010 to March 31, 2017, therefore no provision for said interest has been made by the Company. The aforesaid unsecured loan is repayable on demand after 8 years from the commencement of the unsecured loan.

e. The Company has issued 1,20,00,000 Unsecured Zero Coupon Compulsory Convertible Debentures of face value of Rs.1,000/- each convertible into 12,00,00,000 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of face value of Rs.100/- each against advance of Rs. 12,193,974,935/- (As at 31st March, 2016 Rs.11,900,191,685/-) received from M/s Videocon Telecommunications Limited to fund the entry fee for using GSM Technology and to support business operations for Punjab Service Area on the following terms and conditions:

- Zero Coupon CCDs shall be converted into 2% NCRPS at par, after settlement of entire obligations under CDR. Since the entire obligations under CDR is to be settled/cleared by the year 2024 as per CDR letter dated August 13, 2009, accordingly, the conversion of Zero Coupon CCDs into 2% NCRPS shall not happen before the Settlement Date (hereinafter referred as "Settlement Date") i.e. April 1, 2025.
- 2% NCRPS shall be redeemed in 5 yearly equal instalments payable on 31st March of each year, at par, as mutually agreed between parties and as approved by the Board and, subject to necessary approvals as may be required in accordance with the provisions of Section 55 of the Act, out of profits available or out of proceeds of fresh issue of shares made for the purpose of redemption or combination of both.

33. Trade Payables include amount payable to Micro and Small Enterprises as at March 31, 2017 of Rs 318,040 (March 31, 2016 – Rs. 215,507). The 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 and records available with the Company.

Information for the supplier covered under the Micro, Small and Medium Enterprise Development Act, 2006, as at March 31, 2017 is as under –

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Principal amount	318,040	215,507
Interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
The amount of interest paid by the buyer in terms of Section 16 of MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each account year	-	-
The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year.	-	-

34. Segmental Reporting

The primary reporting of the Company has been performed on the basis of business segments. The Company has only one business segment, which is provision of unified telephony services. Accordingly, the amounts appearing in these financial statements relate to this primary business segment. Further, the Company provides services only in the State of Punjab (including Chandigarh and Panchkula) and, accordingly, no disclosures are required under secondary segment reporting.

35. Earning Per Share

The calculation of earning per share is based on the loss for the year and number of shares is shown below.

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Loss for the year from continuing operations (in Rs)	(193,529,895)	(481,469,933)
Loss for the year from total operations (in Rs)	(1,520,774,811)	(1,348,104,827)
Weighted average number of equity shares	612,260,268	612,260,268
EPS – basic and diluted from continuing operations (in Rs)	(0.32)	(0.79)
EPS – basic and diluted from total operations (in Rs)	(2.48)	(2.20)

36. Operating leases

Company as a Lessee

a. The Company has entered into various cancelable lease agreements for leased premises. Gross rental expenses for the year ended March 31, 2017 is Rs 120,247,510 (March 31, 2016 – Rs 115,075,794).

b. The Company has entered into site sharing agreements with other operators for sharing of their infrastructure sites. During the year, the Company has incurred Rs 570,936,752 (March 31, 2016 – Rs 629,277,088) towards infrastructure GSM sharing expenses.

Further lease payments under non-cancellable operating leases are as follows:-

Particulars	As at 31.03.2017*	As at 31.03.2016
Payable not later than one year	Nil	404,326,731
Payable later than one year and not later than five years	Nil	608,668,742
Payable more than five years	Nil	51,003,733
Total	**Nil**	**1,063,999,206**

Treated as NIL consequent to discontinuation of GSM business operations w.e.f. 15th February, 2017.

Company as a Lessor

a. The Company has entered into cancellable site sharing agreements with other operators for sharing of its infrastructure sites. During the year, the Company has accrued Rs 590,009,294 (March 31, 2016 – Rs 47,688,706) towards site sharing revenue.

b. The Company has entered into a non-cancellable lease arrangement to provide approximately 8,680.67 Fiber pair kilometers of dark fiber on indefeasible right of use (IRU) basis for a period of 15 years. The gross block, accumulated depreciation and depreciation expense of the assets given on IRU basis is not readily determinable and hence not disclosed. In respect of such leases, rental income of Rs 73,690,458 (March 31, 2016 – Rs 62,774,063) has been recognized in the Statement of Profit and Loss for the period ended March 31, 2017.

Further lease receipts (under non-cancellable operating leases) will be recognized in the Statement of Profit and Loss of subsequent years as follows:-

Particulars	As at 31.03.2017	As at 31.03.2016
Receivable not later than one year	38,806,906	38,806,907
Receivable later than one year and not later than five years	95,332,974	115,500,453
Receivable later than five years	27,320,283	45,959,810
Total	**161,460,263**	**200,267,170**

37. In absence of any taxable income, no provision for the current tax has been made. Also, in view of losses and unabsorbed depreciation, considering the grounds of prudence, deferred tax assets is recognized to the extent of deferred tax liabilities and balance deferred tax assets have not been recognized in the books of accounts.

38. The Company's voice calling services (Wireline) is presently covered under UASL License which is going to expire on 29th September, 2017. To continue Voice Calling Services (Wireline) for Punjab Circle, the Company is required to migrate its existing UASL Licence under UL guidelines.

The Company has already filed an application on 3rd February, 2017 with DoT for migration of existing UASL Licence under UL guidelines. The application is acknowledged by DoT and the same is under review.

39. The Company had filed application for Compounding in respect of offences under various sections of the Companies Act, 1956 before the Hon'ble Company Law Board.

The Company was not able to file the particulars of satisfaction of charge due to non-receipt of NOC for the purpose of satisfaction of charge, hence, the offence was not compounded by the Honb'le Company Law Board Bench in its hearing held on 17th May, 2016 and dismissed the Compounding Application filed by the Company, its present and former Directors for Compounding of Offence under Section 138(1) of the Companies Act, 1956 vide its order dated 18th May, 2016.

However, the compounding applications filed in respect of Section 136, 163, 193 and 217 of the Companies Act, 1956 was allowed by the Hon'ble Company Law Board bench and imposed penalties of Rs 343,000/- on the Company and also on its present and former Directors and Manager & Company Secretary.

The Company, it's present and former Directors and Manager & Company Secretary deposited the necessary compounding fee with the Hon'ble Company Law Board and the Company has received final orders regarding compounding of offence under Section 136, 163, 193 and 217 of the Companies Act, 1956.

40. Debenture Redemption Reserve

Pursuant to the CDR scheme on October 16, 2004, the Company had issued unsecured Zero percent Non Convertible Debenture ('NCD') (Erstwhile OFCDs) aggregating to Rs 166,776,100. Pursuant to the new restructuring scheme dated August 13, 2009 the Company had allotted secured Non Convertible Debenture ('NCD') for Rs.3,196,908,800/- to Financial institution and Banks on January 21, 2013, equivalent to 50% of their outstanding loans as on April 01, 2009. As per section 71(4) of the Companies Act, 2013, a debenture redemption reserve ('DRR') is to be created to which adequate amounts are to be credited out of the profits of each year until such debentures are redeemed.

During the year ended March 31, 2017, the Company has incurred loss of Rs. 1,520,774,811. Due to which the Company has not created Debenture redemption reserve.

41. Related Party Disclosures

As required under Accounting Standard 18 on "Related Party Disclosures", the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

a) Name of Related Parties and its relationship:

Name	Relationship
Quadrant Enterprises Private Limited	Holding Company till 13th April, 2016
Quadrant Enterprises Private Limited	Associate Company w.e.f. 13th April, 2016
Videocon Intelligent Security Pvt. Ltd. (Formerly Quadrant Telenet Services Private Limited)	Wholly Owned Subsidiary till 12th August, 2016
(Company Secretary & Manager) Mr. Amit Verma w.e.f. 1st July, 2015	Key Managerial Persons (KMPs)
(Chief Financial Officer) Mr. Munish Bansal w.e.f. 15th April, 2015	Key Managerial Persons (KMPs)

b) Transactions/Outstanding balances with Related Parties.

	2016-17		2015-16	
Particulars	Wholly Owned Subsidiary	KMP	Wholly Owned Subsidiary	KMP
Debit notes received by us	--	--	23,876	--
Purchase of Services	--	--	28,927,138	--
Remuneration paid	--	2,322,161	--	1,884,103
Closing Balance as at Balance Sheet date	--	--	--	--

Managerial remuneration paid to KMP include Rs. 1,407,559 paid to Mr. Munish Bansal (P.Y. – Rs 12,93,016) as a Chief Financial Officer and Rs 914,602 paid to Mr. Amit Verma (P.Y. – Rs 591,087) as a Manager.

42. Employee Benefits

a. During the year, the Company has recognized the following amounts in the Statement of Profit and Loss

Defined Contribution Plans

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Employer's Contribution to Provident Fund *	19,178,305	17,928,055
Employer's Contribution to ESI *	449,412	351,568

* Included in Employer's Contribution to Provident and Other Funds, Refer Note 21

Defined Benefit Plans

The employee's gratuity fund scheme managed by Life Insurance Corporation of India and ICICI Lombard General Insurance Company Limited is a defined benefit plan and the same is 100% funded. The present value of obligation is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

Experience adjustments are Nil and have not been disclosed as required under para 120 of Accounting Standard 15 relating to Employee benefits.

Particulars	2016-17		2015-16	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	4,943,447	7,620,517	5,101,211	7,425,717
Interest cost	2,471,535	2,475,680	2,359,490	2,594,663
Expected Return on plan assets	(109,901)	-	(95,934)	-
Actuarial (gain) / loss	(5,616,584)	(5,897,478)	3,387,222	(6,608,592)
Past service cost	-	-	-	-
Curtailment and Settlement cost / (credit)	-	-	-	-
Net cost	**1,688,497**	**4,198,719**	**10,751,989**	**3,411,788**

b. The assumptions used to determine the benefit obligations are as follows:

Particulars	2016-17		2015-16	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount Rate	7.00%	7.00%	8.00%	8.00%
Expected Rate of increase in Compensation levels	6.00%	6.00%	6.00%	6.00%
Expected Rate of Return on Plan Assets	8.00%	8.00%	8.00%	8.00%
Expected Average remaining working lives of employees (years)	7.83 Years	7.83 Years	7.77Years	7.77Years

c. Reconciliation of opening and closing balances of benefit obligations and plan assets

Particulars	2016-17		2015-16	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Change in Projected Benefit Obligation (PBO)				
Projected benefit obligation at beginning of year	34,735,429	30,751,887	27,749,003	31,443,113
Current service cost	4,943,447	7,620,517	5,101,211	7,209,268
Interest cost	2,471,535	2,475,680	2,359,490	2,594,663
Benefits paid	(5,619,970)	(7,584,136)	(3,479,061)	(3,886,565)
Past service cost	-	-	-	-
Actuarial (gain) / loss	(5,918,504)	(5,897,478)	3,004,786	(6,608,592)
Projected benefit obligation at year end	**30,611,937**	**27,366,470**	**34,735,429**	**30,751,887**
Change in plan assets :				
Fair value of plan assets at beginning of year	2,289,817	-	1,055,380	-
Expected return on plan assets	109,901	-	95,934	-
Actuarial gain / (loss)	(301,920)	-	(382,436)	-
Employer contribution	-	-	-	-
Contribution by plan participants	-	-	5,000,000	-
Settlement cost	-	-	-	-
Benefits paid	(5,619,970)	(7,584,136)	(3,479,061)	-
Fair value of plan assets at year end	**(3,522,172)**	**(7,584,136)**	**2,289,817**	**-**
Net funded status of the plan	**(34,134,109)**	**(34,950,606)**	**(32,445,612)**	**(30,751,887)**
Net amount recognized	**(34,134,109)**	**(34,950,606)**	**(32,445,612)**	**(30,751,887)**

Particulars	2016-17		2015-16	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Fair value of plan assets :				
Fair value of plan assets at beginning of year	2,289,817	-	1,055,380	-
Actual return on plan assets	(192,019)	-	(286,502)	-
Employer contribution	-	-	5,000,000	-
Contribution by plan participants	-	-	-	-
Settlement cost	-	-	-	-
Benefits paid	(5,619,970)	(7,584,136)	(3,479,061)	-
Fair value of plan assets at year end	**(3,522,172)**	**(7,584,136)**	**2,289,817**	**-**

d) The expected rate of return on plan assets was based on the average long-term rate of return expected to prevail over the next 15 to 20 years on the investments made by the LIC. This was based on the historical returns suitably adjusted for movements in long-term government bond interest rates. The discount rate is based on the average yield on government bonds of 20 years.

e) The estimates of rate of escalation in salary considered in actuarial valuation , taken into account inflation, seniority, promotion and other relevant factors including demand and supply in the employment market. The above information is certified by the actuary.

f) The disclosure requirement as per para 120 (n) of Accounting Standard – 15 `Employee Benefits' as below: -

Particulars	Gratuity			Leave Encashment		
	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15
Defined benefit obligation	27,366,470	34,735,429	27,749,003	34,735,429	30,751,887	52,858,796
Plan assets	(7,584,136)	2,289,817	1,055,380	-	-	-
Surplus / (deficit)	(34,950,606)	(32,445,612)	(26,693,623)	(34,735,429)	(30,751,887)	(52,858,796)
Experience adjustments on plan liabilities		-	-	-	-	-
Experience adjustments on plan assets		-	-	-	-	-

43. As required by the notification of Ministry of Corporate Affairs dated 30.03.2017, detail of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 are as under:-

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	20,617,500	141,000	20,758,500
(+) Permitted receipts	Nil	131,294,830	131,294,830
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in Banks	20,617,500	127,285,423	147,902,923
Closing cash in hand as on 30.12.2016	Nil	4,150,407	4,150,407

44. Expenditure in foreign currency (on accrual basis)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Travel Expenses	2,657,133	4,015,295
Others	779,120	1,439,338
Total	**3,436,253**	**5,454,633**

45. Foreign Currency Exposure that have not been hedged by derivative instrument at the year end is given below: -

Particulars	Currency	As at 31.03.2017		As at 31.03.2016	
		Foreign Currency	Equivalent Rs.	Foreign Currency	Equivalent Rs.
Trade Payable	US$	1,477,293	97,442,255	1,954,435	131,728,908
Advance given to Supplier	US$	156,468	10,320,629	246,794	16,633,902
Total		**1,633,761**	**107,762,884**	**2,201,229**	**148,362,810**

46. CIF value of imports

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Import of capital equipment (other than telephone instruments)	119,482,319	362,454,722
Import of telephone instruments	5,231,194	4,936,749
Components and Spares	2,340,168	1,059,711
Total	**127,053,681**	**368,451,182**

47. Consumption of Stores & Spares

Particulars	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Value	%	Value	%
Indigenous	10,125,193	99.80	132,317,098	99.90
Imported	201,666	0.20	129,605	0.10
Total	**101,226,859**	**100.00**	**132,446,703**	**100.00**

48. In the opinion of the Board and to the best of their knowledge and belief, the value of realization in respect of the Current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities is adequate and not in excess of amount reasonably required.

49. Balances of some of the trade receivables and trade payables are subject to confirmations from the respective parties and consequential reconciliations/adjustments arising there from, if any. The management however doesn't expect any material variances.

50. Previous year's figures have been regrouped and reclassified wherever necessary and the figures have been rounded off to the nearest rupee.

As Per our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm registration number: 105049W

For and on behalf of the Board of Directors of Quadrant Televentures Limited

Naveen Jain
Partner
Membership No.511596

Mitu Mehrotra Goel
Director
(DIN No. 05188846)

Babu Mohanlal Panchal
Director
(DIN No. 01806193)

Amit Verma
Company Secretary & Manager
(M. No. A27981)

Munish Bansal
Chief Financial Officer
(M. No. 98820)

Place: Gurgaon

Date: May 23, 2017

PROXY FORM

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

QUADRANT TELEVENTURES LIMITED

CIN: L00000MH1946PLC197474

Regd. Office: Autocars Compound, Adalat Road, Aurangabad – 431005 (Maharashtra)

Phone No. 91-240-2320750-51, **E-mail:** secretarial@infotelconnect.com, **Website:** www.connectzone.in

70th Annual General Meeting – 1st September, 2017

Name of the Member(s)	
Registered address	
Email ID	
Folio No. / Client ID	
DP ID	

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

Name : …………………………………………………………………………………… Email ID : ……………………………………………………

Address : ……

……………………………………………………………………………………………Signature: ……………………………………………………..

Or failing him/her

Name : …………………………………………………………………………………… Email ID : ……………………………………………………

Address : ……

……………………………………………………………………………………………Signature: ……………………………………………………..

Or failing him/her

Name : …………………………………………………………………………………… Email ID : ……………………………………………………

Address : ……

……………………………………………………………………………………………Signature: ……………………………………………………..

(contd…….)

As my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 70th Annual General Meeting of the Company scheduled to be held on Friday, September 1st, 2017 at 2.30 P.M. at the Registered Office of the Company at Autocars Compound, Adalat Road, Aurangabad – 431 005 Maharashtra at any adjournments thereof in respect of such resolution as are indicated below: -

Resolution Number	**Resolution**
Ordinary Business:	
1.	To adopt the Standalone Audited Statement of Profit and Loss for the financial year ended on March 31, 2017 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2.	To appoint a Director in place of Ms. Mitu Mehrotra Goel (DIN 05188846), who retires by rotation at the ensuing Annual General Meeting, and being eligible, offers herself for re-appointment.
3.	To ratify the appointment of Auditors and to fix their remuneration.
Special Business:	
4.	To consider and approve the related party transactions in terms of the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5.	To consider and approve the appointment and regularization of Mr. Arvind Ramnath Somani (DIN 02695136) as Director/ Independent Director (Non-Executive) of the Company.
6.	To ratify and confirm the payment of remuneration to Cost Auditors of the Company.
7.	To consider and approve the issuance of 8,60,000 (Eight Lacs Sixty Thousands) Unsecured Zero Coupon Compulsory Convertible Debentures of face value of Rs. 1,000/- (Rupees One Thousand Only) each convertible into 86,00,000 (Eighty Six Lacs) 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of face value of Rs. 100/- (Rupees One Hundred Only) each, in one or more tranches for an amount not exceeding Rs. 86,00,00,000/- (Rupees Eighty Six Crores Only) to Videocon Telecommunications Limited, pursuant to conversion of Advances made by Videocon Telecommunications Limited from time to time, in compliance with CDR Package.

Signed this…………………………….. day of 2017

Affix
Revenue
Stamp
Re. 1

…………………………………
Signature of the shareholder

…...……………………………
Signature of the Proxy Holder

Notes:

1. 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.
2. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
3. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated

ATTENDANCE SLIP

QUADRANT TELEVENTURES LIMITED

CIN: L00000MH1946PLC197474

Regd. Office: Autocars Compound, Adalat Road, Aurangabad – 431005 (Maharashtra)

Phone No. 91-240-2320750-51 **E-mail:** secretarial@infotelconnect.com**, Website:** www.connectzone.in

70th Annual General Meeting – 1st September, 2017

Regd.Folio No. / Client ID No	
DP ID No.	
No of shares held	

I certify that I am a registered shareholder /proxy for the registered Shareholder of the Company.

I hereby record my presence at the 70th Annual General Meeting of the Company held on Friday, September 1, 2017 at 2.30 P.M. at the Registered Office of the Company at Autocars Compound, Adalat Road, Aurangabad – 431005 Maharashtra.

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Member's/proxy's Name in Block Letters   *Member's/Proxy signature*

Note: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL

Registered Post / Speed Post / Courier

If undelivered, please return to

Quadrant Televentures Limited
Regd. Office : Autocars Compound, Adalat Road, Aurangabad - 431005, Maharashtra