

ANNUAL REPORT  
2015 - 2016



Convergence Technology ...

**Arraycom**  
Convergence Technologies  
Arraycom (India) Ltd.

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

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

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

**Mr. Varun A. Parekh**  
*Director* (DIN: 06960749)

**Mr. Bipin C. Vasavada**  
*Director* (DIN: 01432243)

**Mr. R. N. Patel**  
*Director* (DIN: 03067717)

### PRESIDENT

**Mr. Arvind Waikar**

### CFO & COMPANY SECRETARY

**Mr. Lalit P. Sanghvi**

### AUDITORS

**J. T. Shah & Co., Chartered Accountants**  
201, Lalita Complex, Navrangpura,  
Ahmedabad - 380 009.

### BANKERS

State Bank of India  
GIDC Electronic Estate Branch,  
Sector-25, Gandhinagar- 382 019.

### REGISTERED OFFICE & FACTORY

Plot No. B-13, 13/1 & 14,  
Electronics Estate, GIDC, Sector-25,  
Gandhinagar - 382 023 (Gujarat)  
**Tel.:** (079) 23287030-32-33  
**Fax:** (079) 23287031  
**E-mail:** admin@arraycom.co.in  
**Website :** www.arraycom.co.in

### CIN

U32109GJ1992PLC039667

### REGISTRAR & SHARE TRANSFER AGENT

**MCS Share Transfer Agent Limited**  
101, Shatdal Complex, 1st Floor,  
Opp. Bata Show Room, Ashram Road,  
Ahmedabad-380009.  
**Tel.:** (079) 26580461/62/63  
**Fax :** (079) 26581296  
**Email :** mcsahmd@gmail.com

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### 23RD ANNUAL GENERAL MEETING

**Date :** 27th September, 2016  
**Day :** Tuesday  
**Time :** 4:00 P.M.  
**Place :** At the Registered Office :  
Plot No. B-13, 13/1 & 14,  
Electronics Estate,  
GIDC, Sector - 25,  
Gandhinagar - 382023.  
Gujarat



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

**NOTICE**

**NOTICE** is hereby given that the **23<sup>RD</sup> ANNUAL GENERAL MEETING** of the members of **ARRAYCOM (INDIA) LIMITED** will be held as under:

Date : 27<sup>th</sup> September, 2016

Day : Tuesday

Time : 4.00 P.M.

Place : At the Registered Office of the Company at:

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

to transact the following business:

**ORDINARY BUSINESS:**

1. To receive and adopt Audited Balance Sheet as on 31<sup>st</sup> March, 2016; the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with all annexures and attachments thereto including the Auditors' Report and the Directors' Report thereon and to pass the following Resolution, with or without modification, as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Balance Sheet as on 31<sup>st</sup> March, 2016; the Statement of Profit and Loss and Cash Flow Statement for the Financial Year ended on 31<sup>st</sup> March, 2016 together with all annexures and attachments thereto including the Directors' Report and Auditors' Report of the Company for the Financial Year 2015-16 which have already been circulated to the Members and as laid before this meeting, be and the same are hereby approved and adopted."

2. To appoint a Director in place of Mr. Ranchhodbhai N. Patel (DIN: 03067717), who retires by rotation and, being eligible, offers himself for re-appointment and to pass the following Resolution, with or without modification, as an Ordinary Resolution:

**"RESOLVED THAT** the retiring Director, Mr. Ranchhodbhai N. Patel (DIN: 03067717), be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

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

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

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

**SPECIAL BUSINESS:**

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

**RE-APPOINTMENT OF MRS. GORSI A. PAREKH AS MANAGING DIRECTOR OF THE COMPANY FOR A PERIOD OF THREE YEARS W.E.F. 30<sup>TH</sup> MARCH, 2016 AND REVISION IN THE TERMS OF REMUNERATION PAYABLE TO HER W.E.F. 1<sup>ST</sup> JULY, 2016:**

**"RESOLVED THAT** in accordance with the provisions of Section 196, 197 & 203 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 (including any statutory modification and re-enactment thereof, for the time being in force) approval of members be and is hereby granted for the re-appointment of Mrs. Gors A. Parekh as Managing Director of the Company for a period of three years with effect from 30<sup>th</sup> March, 2016 and for the revision in the terms of remuneration payable to her as Managing Director of the Company with effect from 1<sup>st</sup> July, 2016 for the remaining period of her tenure i.e. upto 29<sup>th</sup> March, 2019.

**RESOLVED FURTHER THAT** the terms and conditions of such re-appointment including the remuneration and perquisite payable to Mrs. Gors A. Parekh shall be as mentioned herein below:

1.	Salary	<p><b>For the period from 30<sup>th</sup> March, 2016 to 30<sup>th</sup> June, 2016:</b> Rs.3,00,000/- (Rupees Three Lacs only) [Basic Rs.2,00,000/- and HRA and Other allowances Rs. 1,00,000/-] per month.</p> <p><b>For the period from 1<sup>st</sup> July, 2016 to 29<sup>th</sup> March, 2019:</b> Rs.4,00,000/- (Rupees Four Lacs only) [Basic Rs.2,25,000/- and HRA and Other allowances Rs. 1,75,000/-] per month subject to over all ceiling of Rs.48,00,000/- per annum as per the applicable slab based on effective capital of the Company in compliance of Para A of Section II of Part II of Schedule V of the Companies Act, 2013.</p>
2.	Commission	1% commission on the Net Profit of the Company not exceeding the total annual salary.
3.	Other payments and provisions which shall not be included in the computation of the ceiling on remuneration	<p>Contribution towards Provident Fund and Superannuation Fund: Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceilings on perquisites to the extent these are either single or put together not taxable under the Income tax Act. Gratuity payable shall not exceed half month's salary for each completed year of the service.</p> <p>Car: Provision of Company's car for business and personal use.</p> <p>Telephone: Provision of telephone at residence.</p>
4.	Reimbursement of expenses	<p>Entertainment expenses: Reimbursement of entertainment expenses actually incurred for the business of the Company subject to reasonable ceiling as may be fixed from time to time by the Board.</p> <p>Travelling expenses: Reimbursement of travelling expenses actually and properly incurred for the business of the Company subject to reasonable ceiling as may be fixed from time to time by the Board.</p>
5.	Minimum Remuneration	In the event of loss, absence or inadequacy of profits, the remuneration aforesaid shall not exceed the maximum permissible under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the extent and scope of salary and perquisites as specified in this Resolution may be altered or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Managing Director without the matter being referred to the Company in General Meeting again.

**RESOLVED FURTHER THAT** the Board of Directors are at liberty to alter and vary the terms and conditions of the remuneration and perquisites so as to include any modification or re enhancement thereof, for the time being in force or any amendments or modification that may hereafter be made thereto by the Central Government as may be agreed between the Board of Directors and Mrs. Gors A. Parekh.

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and is/are hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable and expedient to give effect to this Resolution."



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

**RE-APPOINTMENT OF MRS. KALAWATI J. PAREKH AS WHOLE TIME DIRECTOR OF THE COMPANY FOR A PERIOD OF THREE YEARS W.E.F. 1<sup>ST</sup> APRIL, 2016 AND REVISION IN THE TERMS OF REMUNERATION PAYABLE TO HER W.E.F. 1<sup>ST</sup> JULY, 2016:**

**“RESOLVED THAT** in accordance with the provisions of Section 196, 197 & 203 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 (including any statutory modification and re-enactment thereof, for the time being in force) approval of members be and is hereby granted for the re-appointment of Mrs. Kalawati J. Parekh as Whole Time Director of the Company for a period of three years with effect from 1<sup>st</sup> April, 2016 and for the revision in the terms of remuneration payable to her as Whole Time Director of the Company with effect from 1<sup>st</sup> July, 2016 for the remaining period of her tenure i.e. upto 31<sup>st</sup> March, 2019.

**RESOLVED FURTHER THAT** the terms and conditions of such re-appointment including the remuneration and perquisite payable to Mrs. Kalawati J. Parekh shall be as mentioned herein below:

1.	Salary	<p><b>For the period from 1<sup>st</sup> April, 2016 to 30<sup>th</sup> June, 2016:</b> Rs. 2,50,000/- (Rupees Two Lacs Fifty Thousand Only)[Basic Rs.1,25,000/- and HRA and Other allowances Rs. 1,25,000/-] per month.</p> <p><b>For the period from 1<sup>st</sup> July, 2016 to 31<sup>st</sup> March, 2019:</b> Rs.3,00,000/- (Rupees Three Lacs only) [Basic Rs.1,50,000/- and HRA and Other allowances Rs. 1,50,000/-] per month subject to over all ceiling of Rs.36,00,000/- per annum as per the applicable slab based on effective capital of the Company in compliance of Para A of Section II of Part II of Schedule V of the Companies Act, 2013.</p>
2.	Commission	1% commission on the Net Profit of the Company not exceeding the total annual salary.
3.	Other payments and provisions which shall not be included in the computation of the ceiling on remuneration	<p>Contribution towards Provident Fund and Superannuation Fund: Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceilings on perquisites to the extent these are either single or put together not taxable under the Income tax Act. Gratuity payable shall not exceed half month's salary for each completed year of the service.</p> <p>Car: Provision of Company's car for business and personal use.</p> <p>Telephone: Provision of telephone at residence.</p>
4.	Reimbursement of expenses	<p>Entertainment expenses: Reimbursement of entertainment expenses actually incurred for the business of the Company subject to reasonable ceiling as may be fixed from time to time by the Board.</p> <p>Travelling expenses: Reimbursement of travelling expenses actually and properly incurred for the business of the Company subject to reasonable ceiling as may be fixed from time to time by the Board.</p>
5.	Minimum Remuneration	In the event of loss, absence or inadequacy of profits, the remuneration aforesaid shall not exceed the maximum permissible under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the extent and scope of salary and perquisites as specified in this Resolution may be altered or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Whole Time Director without the matter being referred to the Company in General Meeting again.

**RESOLVED FURTHER THAT** the Board of Directors are at liberty to alter and vary the terms and conditions of the remuneration and perquisites so as to include any modification or re-enhancement thereof, for the time being in force or any amendments or modification that may hereafter be made thereto by the Central Government as may be agreed between the Board of Directors and Mrs. Kalawati J Parekh.

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and is/are hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable and expedient to give effect to this Resolution."

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

**Place :** Gandhinagar  
**Date :** 26<sup>th</sup> August 2016

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

**NOTES:**

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

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

2. **Book closure**

The Company is not required to declare any book closure.

3. **Nomination facility**

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

4. **Dematerialisation of shares**

Members are requested to convert their holdings in physical form to dematerialised form for eliminating the risk and for better convenience.

5. The Notice of the 23<sup>rd</sup> AGM and instructions for remote e-voting along with the attendance slip and proxy form are being sent by electronic mode to all the members whose email addresses are registered with Company/ Depository Participant(s) unless member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode and they are requested to register their email address with Company/Depository Participant(s).
6. Members are requested to notify immediately any change in their address to the Company at its Registered Office & factory at B-13, 13/1 & 14, Electronics Estate, GIDC, Sector - 25, Gandhinagar - 382 023.
7. Members are requested to bring their copy of the Annual Report along with them to the Annual General Meeting.
8. Members desiring any information as regards the annual accounts are requested to write to the Company at least 7 days before the date of the meeting, so as to enable the management to keep the information ready.

## 9. E-VOTING

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically on all resolutions set forth in the notice convening 23<sup>rd</sup> Annual General Meeting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The complete details of the instructions for e-voting are annexed to this notice.

## 10. Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013

### ITEM NO. 4

Mrs. Gors A. Parekh was re-appointed as Managing Director of the Company for a period of three years from 30<sup>th</sup> March, 2013 in the meeting of the Board of Directors of the Company held on 28<sup>th</sup> March, 2013 which appointment was later on approved by the members of the Company at the General Meeting held on 6<sup>th</sup> September, 2013. The Company has benefited immensely out of her rich experience in the field of general administration, finance and management of human resources.

In view of this, the Board of Directors at their meeting held on 29<sup>th</sup> March, 2016 re-appointed Mrs. Gors A. Parekh as Managing Director for a further period of three years with effect from 30<sup>th</sup> March, 2016 and further in their meeting held on 25<sup>th</sup> July, 2016 also accorded their approval for revision in the terms of remuneration payable to her as Managing Director of the Company with effect from 1<sup>st</sup> July, 2016 for the remaining period of her tenure i.e. upto 29<sup>th</sup> March, 2019.

Re-appointment and the payment of remuneration to its Managing Director including any increase/revision in the remuneration payable to Managing Director require the approval of the members of the Company at the next General Meeting as per applicable provisions of the Companies Act, 2013.

The draft of the terms and conditions are already set out in the draft Resolution incorporated in the notice of the Annual General meeting.

Mrs. Gors A. Parekh is interested in this Resolution since it relates to her re-appointment as Managing Director of the Company. Mrs. Kalawati J. Parekh and Mr. Varun A. Parekh are also interested in this Resolution as they are relatives of Mrs. Gors A. Parekh.

Except above, none of the Directors or KMP or their relatives are in any way concerned or interested in the Resolution except to the extent of their respective shareholding in the Company.

Additional information required to be given as per sub Para (B) of Para 1 of Section II of part II of Schedule V of the Companies Act, 2013 is separately given in the annexure attached herewith.

### ITEM NO. 5

The Board of Directors had elevated Mrs. Kalawati J. Parekh, as Whole Time Director of the Company for three years w.e.f. 1<sup>st</sup> April, 2013 in their meeting held on 28<sup>th</sup> March, 2013 which appointment was later on approved by the members of the Company at the General Meeting held on 6<sup>th</sup> September, 2013.

Looking to the contribution made by her for the growth of the Company, the Board of Directors at their meeting held on 29<sup>th</sup> March, 2016 re-appointed Mrs. Kalawati J. Parekh as Whole Time Director for a further period of three years with effect from 1<sup>st</sup> April, 2016 and further in their meeting held on 25<sup>th</sup> July, 2016 also accorded their approval for revision in the terms of remuneration payable to her as Whole Time Director of the Company with effect from 1<sup>st</sup> July, 2016 for the remaining period of her tenure i.e. upto 31<sup>st</sup> March, 2019.

It may please be noted that since Mrs. Kalawati J. Parekh is of 73 years age, continuation of her employment as Whole Time Director requires the approval of members by way of a Special Resolution. Section 196(3) read with Schedule V Part I (c) of the Companies Act, 2013, inter alia, provides that no Company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole Time Director or Manager unless it is approved by the members by passing a Special Resolution.

Keeping in view that Mrs. Kalawati J. Parekh has rich and varied experience in the field of commercial activities and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mrs. Kalawati J. Parekh as Whole Time Director.

The draft of the terms and conditions are already set out in the draft Resolution incorporated in the notice of the Annual General meeting.

Mrs. Kalawati J. Parekh is interested in this Resolution since it relates to her re-appointment as Whole Time Director of the Company. Mrs. Gorsri A. Parekh is also interested in this Resolution as relative of Mrs. Kalawati J. Parekh.

Except above, none of the Directors or KMP or their relatives are in any way concerned or interested in the Resolution except to the extent of their respective shareholding in the Company.

Additional information required to be given as per sub Para (B) of Para 1 of Section II of part II of Schedule V of the Companies Act, 2013 is separately given in the annexure attached herewith.

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

**Place :** Gandhinagar  
**Date :** 26<sup>th</sup> August 2016

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

**Additional information required to be given alongwith a Notice calling Annual General Meeting as per sub Para (B) of Para 1 of Section II of Part II of Schedule V of the Companies Act, 2013 is given hereunder:**

<b>I.</b>	<b>General Information:</b>					
(1)	Nature of Industry	Electronics, System Integration in the fields of communication, broadcast, telemetry, Navigational aids, Solar generation plants etc. and E-Learning.				
(2)	Date or expected date of commencement of commercial production	The Company has been in the business since 1994.				
(3)	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable				
(4)	Financial performance based on given indicators	(₹ in lacs)				
		2011-12	2012-13	2013-14	2014-15	2015-16
	Turnover	4103.40	3370.59	5597.02	5804.83	1239.18
	Net profit/ (loss) as per Statement of Profit & Loss	262.80	57.80	121.18	134.78	44.44
	Amount of Dividend paid	50.00	-	-	-	-
	Rate of Dividend declared	10%	-	-	-	-
	Earnings before taxes	274.05	70.45	155.58	167.28	55.75
	% of EBT to turnover	6.68%	2.09%	2.78%	2.88%	4.50%



(5)	Foreign investments or collaborations, if any.	NIL
<b>II. Information about the appointee 1:</b>		
(1)	Background details	<p>Name: Mrs. Gors A Parekh  Designation: Managing Director  Husband's name: Late Mr. Atul J. Parekh  Nationality: Indian  Date of Birth: 12<sup>th</sup> August, 1965  Qualifications: M.A., Diploma in Business Management  Experience: In the field of general administration, finance and management of human resources.</p>
(2)	Past remuneration	The gross remuneration paid to her in the year 2015-16 was Rs. 36,00,000/- p.a.
(3)	Recognition or awards	<p>(a) She has been awarded 'Best Women Entrepreneur of the year' by leading Gujarati daily, 'Nav Gujarat Samay' which is a publication of Times of India group in February 2015.</p> <p>(b) She has been awarded by FLO (FICCI Ladies Organisation) which is Women Wing of FICCI (Federation of Indian Chambers of Commerce &amp; Industries) as ICON of Entrepreneurship Excellence award in April 2015.</p> <p>(c) She has been awarded Outstanding Business Performance Award, "Swayamsiddha 2015-16" in manufacturing category by Business Women Wing of GCCI (Gujarat Chamber of Commerce &amp; Industries) on 20<sup>th</sup> December, 2015.</p>
(4)	Job profile and her suitability	The Managing Director shall be responsible for the management of the whole of the affairs of the Company and to do all acts and things, which, in the ordinary course of business, she considers necessary or proper or in the interest of the Company. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.
(5)	Remuneration proposed	A gross remuneration of Rs. 48,00,000/- per annum. There is change in the remuneration package of the Managing Director of the Company. In case of profit, it is also proposed to pay commission @ 1% on the net profit.
(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of her origin)	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to her is just adequate.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	The Company had taken office premises on leave and licence basis for which rent was being paid to the Managing Director and her relative. The said leave and licence arrangement was discontinued w.e.f. 1 <sup>st</sup> October 2015. Except this rent payment and managerial remuneration, the Managing Director has no other pecuniary relationship with the Company. Mrs. Gors Parekh is a relative of Whole Time Director Mrs. Kalawati J. Parekh and Director Shri Varun A. Parekh.

<b>III.</b>	<b>Information about the appointee 2:</b>	
(1)	Background details	<p>Name: Mrs. Kalawati J Parekh  Designation: Whole Time Director  Husband's name: Mr. Jaisukhlal J. Parekh  Nationality: Indian  Date of Birth: 10<sup>th</sup> December, 1942  Qualifications: Undergraduate  Experience: In the field of commercial activities</p>
(2)	Past remuneration	The Gross remuneration paid to her in the year 2015-16 was Rs.30,00,000/- p.a.
(3)	Recognition or awards	NIL
(4)	Job profile and her suitability	The Whole Time Director shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to her by the Board of Directors from time to time. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.
(5)	Remuneration proposed	A gross remuneration of Rs. 36,00,000/- per annum. There is change in the remuneration package of the Whole Time Director of the Company. In case of profit, it is also proposed to pay commission @ 1% on the net profit.
(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of her origin)	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to her is just adequate.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Except for Managerial Remuneration the Whole Time Director has no other pecuniary relationship with the Company. Mrs. Kalawati J. Parekh is a relative of Managing Director Mrs. Gorsi A. Parekh.
<b>IV</b>	<b>Other information:</b>	
(1)	Reasons of loss or inadequate profits	<p>After the devastating fire in the year 2002, the Company incurred heavy loss due to high incidence of Interest, Depreciation and substantial reduction of sales turnover. To mitigate this situation, the Company diversified its activities in the field of E-Learning and also put in vigorous efforts for strengthening its System Integration business. As a result since last three financial years, Company has been earning satisfactory profits. The Company has ventured into System Integration for setting up solar power generation plants.</p>
(2)	Steps taken or proposed to be taken for improvement	
(3)	Expected increase in productivity and profits in measurable terms	

## V. Disclosures:

### Mrs. Gors A Parekh

The remuneration package of Mrs. Gors A. Parekh and other details such as her duties etc. have been disclosed above. The Company does not have any scheme for grant of stock options.

As per the provisions of Sections 196, 197 & 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, consent of the Company by a Special Resolution is necessary for holding office as Managing Director of the Company on remuneration.

The Board commends for the approval by the members for the extension of term of Managing Director and payment of remuneration to her (including revision in terms of remuneration).

Mrs. Gors A. Parekh is interested in this Resolution since it relates to her re-appointment as Managing Director of the Company. Mrs. Kalawati J. Parekh and Mr. Varun J. Parekh are also interested in this Resolution as they are relatives of Mrs. Gors A. Parekh.

### Mrs. Kalawati J Parekh

The remuneration package of Mrs. Kalawati J. Parekh and other details such as her duties etc. have been disclosed above. The Company does not have any scheme for grant of stock options.

As per the provisions of Section 196(3) read with Schedule V Part I (c) and all other applicable provisions, if any, of the Companies Act, 2013, no Company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole Time Director or Manager unless it is approved by the members by passing a Special Resolution.

The Board commends for the approval by the members for the extension of term of Whole Time Director and payment of remuneration to her (including revision in terms of remuneration).

Mrs. Kalawati J Parekh is interested in this Resolution since it relates to her re-appointment as Whole Time Director of the Company. Mrs. Gors A. Parekh is also interested in this Resolution as she is relative of Mrs. Kalawati J. Parekh.

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

**Place :** Gandhinagar

**Date :** 26<sup>th</sup> August, 2016

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

## INSTRUCTIONS FOR E-VOTING:

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

- (i) The Remote E-voting period begins on 24<sup>th</sup> September, 2016 (Saturday) at 9.00 a.m. (IST) and ends on 26<sup>th</sup> September, 2016 (Monday) at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> September, 2016 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on 26<sup>th</sup> September, 2016.
- (ii) The shareholders should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL : 16 digits beneficiary ID
  - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) · Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</p> <ul style="list-style-type: none"> <li>In case the folio number is less than 8 digits enter the applicable number of '0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the Depository Participant or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN (for **ARRAYCOM (INDIA) LIMITED**) on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions Details.
- (xiv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the existing password, then Enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.

- A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Any person who acquires the shares of the Company and becomes the Member of the Company after dispatch of the notice and holding shares as on the cut-off date of 20<sup>th</sup> September, 2016 may obtain the login Id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting, then person becoming member can use their existing user ID and password for casting their vote.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxii) The Company shall be making arrangements for the members to cast their votes in respect to the businesses through poll/ballot, for members attending the meeting who have not cast their vote by remote voting.
- (xxiii) The Company has appointed Mr. Manoj Hurkat, a Practicing Company Secretary, Ahmedabad as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxiv) The scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in presence of at least two witnesses not in employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes casted in favour or against, if any, to the Chairperson or a person authorized by her in writing who shall countersign the same and Chairperson shall declare the results of voting forthwith, which shall not be later than 5:00 p.m., of 29<sup>th</sup> September, 2016.
- (xxv) The result declared, along with the Scrutinizer's Report shall be placed on the Company's website: [www.arraycom.co.in](http://www.arraycom.co.in) and on the website of CDSL after the result is declared by the Chairperson.



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

**DIRECTORS' REPORT**

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

Your Directors are pleased to present their 23<sup>rd</sup> Annual Report together with Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2016.

**FINANCIAL HIGHLIGHTS**

(₹ In Lacs)

Particulars	2015-16	2014-15
<b>Revenues (Net)</b>	<b>1261.70</b>	5841.08
<b>Operational Profit / (Loss) Before Finance Cost, Depreciation and Taxes</b>	<b>(73.85)</b>	509.63
Less: Finance Cost	<b>87.65</b>	238.15
Depreciation and Amortization Cost	<b>103.67</b>	104.20
Provision for Taxation/Short provision relating to earlier years	<b>11.31</b>	32.50
<b>Operational Profit / (Loss) After Finance Cost, Depreciation and Taxes</b>	<b>(276.48)</b>	134.78
Less: Exceptional Income	<b>320.92</b>	—
<b>Net Profit for the year</b>	<b>44.44</b>	134.78

**DIVIDEND**

Your Directors thought it prudent not to recommend any dividend for the year ended 31<sup>st</sup> March 2016.

**OPERATIONAL PERFORMANCE**

- The revenues of the Company for the year 2015-16 substantially declined to ₹ 12.62 crores as against ₹58.41 crores achieved in the last year.
- EBIDTA (before Exceptional Income) has been ₹(0.74) crore as against ₹5.10 crores in the last year.
- The Company earned PAT of ₹0.44 crore after Exceptional Income as against ₹1.35 crores in the last year.

**OUTLOOK**

The Indian Economy in general has been adversely affected due to the overall deflationary trends in the global market. The low prices of crude oil and other commodities have helped to control the cost of manufacture to some extent. However, the growth momentum has been lukewarm coupled with high level of inflation.

The Company witnessed major setback in its System Integration business because of low level of order booking and delay in completion of projects. In the current year, the Company has increased tender participation with its bids worth ₹49.00 crores which are under evaluation. The Company further plans to participate in tenders worth approx. ₹270.00 crores in current financial year as the outflow of tender inquiries by the Govt. customers has increased substantially. The tenders worth ₹12.21 crores in which the Company's bids were adjudged as lowest one could not be billed during the financial year 2015-16 in view of delay in placement of orders by customers.

In Epath division, the Company has fared well with sizable increase of 228% in sales volume as compared to last financial year. The Company has successfully completed the work assigned for the Pragna project under the Sarva Shiksha Abhiyan Scheme. The Electronic Material division (TFM) witnessed 19% fall in the Sales volume as compared to last year due to slow down in demand.

The current year outlook seems to be moderately better in view of orders on hand worth ₹15.37 crores in System Integration division, which is expected to be billed in current financial year. The Company hopes to strengthen its order book further based on the huge tender participation resorted by it in the current financial year.

As a part of diversification initiative, the Company has tied up with overseas manufacturer of solar paste to initially promote their products in the local market. Similarly, the Company has also registered as Channel Partner under the grid connected roof top and small solar power plants programme with the Ministry of New and Renewable Energy (MNRE), Govt. of India so as to take up Solar Power Generation projects as System Integrator. The Company has discontinued its activities at Power Semiconductor Division (PSD) in view of its operations becoming non viable.

## **FINANCE**

State Bank of India has sanctioned enhanced working capital facilities, both fund based and non-fund based, aggregating to ₹49.64 crores as compared to ₹42.69 crores sanctioned last year to meet the increased fund requirements. The Company has repaid unsecured business loan of ₹104.00 lacs during the year under report. The Company has also repaid ₹224.34 lacs to the Promoter & CMD of the Company who had contributed short term funds to meet short fall in working capital last year. The Company has availed vehicle loan for an amount of ₹14.50 lacs during the year under report. The Company has been regular in repayment of all its dues towards working capital limits and loans.

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

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

## **MATERIAL CHANGES AND COMMITMENT**

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

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

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

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

Pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. Ranchhodbhai Nanjibhai Patel (DIN: 03067717), Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself to be re-appointed as Director of the Company.

The Board recommends the re-appointment of Mr. Ranchhodbhai Nanjibhai Patel (DIN: 03067717) as Director of the Company liable to retire by rotation.

The Board of Directors in their meeting held on 29-03-2016 re-appointed Mrs. Gors A. Parekh (DIN : 00343194) as Managing Director of the Company for a period of 3 years w.e.f. 30-03-2016.

The Board of Directors in their meeting held on 29-03-2016 re-appointed Mrs. Kalawati J. Parekh (DIN : 00343326) as Whole Time Director of the Company for a period of 3 years w.e.f. 01-04-2016.

Both the re-appointments with the revision in the terms of remuneration have been made upon the terms & conditions mentioned in the Notice of 23<sup>rd</sup> Annual General Meeting.

The Board recommends the re-appointments and revision in the terms of remuneration of Managing Director and Whole Time Director.

There has been no change in the Key Managerial Person (KMP).

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company;

3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts on a going concern basis; and
5. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The Board of Directors duly met 5 (five) times in the year 2015-16.

#### **SHARE CAPITAL**

There was no change in the Paid-up Share Capital of the Company which was ₹5.00 crores as on 31<sup>st</sup> March 2016. During the year the Company has not issued any equity shares with differential voting rights or sweat equity shares or granted employee stock options.

#### **AUDITORS & AUDITORS' REPORT**

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

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

As regards observations made by the Auditors in para 4 of the Annexure 'A' to the Auditors' Report, attention of the members is invited to note No. 30 (b) – Notes forming part of financial statements under the head "Contingent liabilities", which is self explanatory.

As regards observations made by the Auditors in para 7 (a) of the Annexure 'A' to the Auditors' Report, it is to state that statutory payments aggregating to ₹1.03 lacs towards TDS, VAT and Service Tax were delayed due to temporary snag in the online payment system which were subsequently deposited in full along with requisite interest in compliance with statutory requirements.

As regards observations made by the Auditors in para 7 (c) of the Annexure 'A' to the Auditors' Report, attention of the members is invited to note No. 30 (d), 30 (e) and 30 (f) – Notes forming part of financial statements under the head "Contingent liabilities", which is self explanatory.

#### **INTERNAL FINANCIAL CONTROL**

The Company is having adequate internal financial controls system in place and the same has been operating effectively.

#### **REGULATORY ORDERS**

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

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

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

#### **AUDIT COMMITTEE**

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

Mrs. Gors A. Parekh

Mrs. Kalawati J. Parekh

Mr. Bipin Vasavada

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

Mrs. Gors A. Parekh

Mr. Bipin Vasavada

Mr. Ranchhodbhai N. Patel

## RISK MANAGEMENT

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

## PARTICULARS OF EMPLOYEES

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

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

<b>(A)</b>	<b>Conservation of energy</b>	
	(i) the steps taken or impact on conservation of energy	The revenue generation from the manufacturing activities has been nominal. The major contribution is forthcoming from System Integration and E-learning business, which does not involve manufacturing activities. Thus, the details regarding Energy Conservation, Technology Absorption and R & D are not relevant.
	(ii) the steps taken by the company for utilizing alternate sources of energy	
	(iii) the capital investment on energy conservation equipments	
<b>(B)</b>	<b>Technology absorption</b>	
	(i) the efforts made towards technology absorption	Technology availed under the tie-up arrangement for manufacture of thick film material has been fully absorbed.
	(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	The Company availed the benefit of new products developed which have substituted the imported products.
	(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	No technology imported in last three years hence other details are not applicable.
	(iv) the expenditure incurred on Research and Development	Expenditure on R & D is an integral part of Company's regular activity, hence the same is not separately identifiable.
<b>(C)</b>	<b>Foreign exchange earnings and Outgo</b> The Foreign Exchange earned in terms of actual inflows during the year And The Foreign Exchange outgo during the year in terms of actual outflows	—  ₹ 102.47 lacs

## **DEPOSITS**

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

## **EXTRACT OF ANNUAL RETURN**

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

## **RELATED PARTY TRANSACTION**

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

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

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

## **ACKNOWLEDGEMENT**

Your Directors would like to put on record their appreciation for the unstinted support extended by its valued Customers, Suppliers, Business Associates, various Government Agencies, Banks, Auditors and other stakeholders. Your Directors extend their gratitude to the Members of the Company for the confidence reposed by them.

**For and on behalf of the Board,**

**Place :** Gandhinagar  
**Date :** 26<sup>th</sup> August, 2016

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



**Annexure-1**  
**CIN: U32109GJ1992PLC039667**

**FORM No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2016**  
[Pursuant to section 92(3) of the Companies Act, 2013 and  
rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	U32109GJ1992PLC039667
<b>Registration Date</b>	18/06/1992
<b>Name of the Company</b>	Arraycom (India) Limited
<b>Category of the Company</b>	Public Company
<b>Sub Category of the Company</b>	Limited by Shares & having Share Capital
<b>Address</b>	Plot No.B-13, 13/1 & 14, Electronics Estate, GIDC, Sector-25, Gandhinagar – 382023
<b>Contact Details</b>	079- 23287030/ 32 / 33 / 36
<b>Whether Shares Listed</b>	No
<b>Details of Registrar and Transfer Agent</b>	
<b>Name</b>	MCS Share Transfer Agent Limited
<b>Address</b>	101, Shatdal Complex, 1 <sup>st</sup> Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380009
<b>Contact Details</b>	(079) 26580461 / 62 / 63

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

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

Sr. No.	Name and description of main products /services	NIC code of the product/service	% of total turnover of the company
1	E-learning	855	54.60%
2	System Integration in the fields of Satellite Communication and Broadcasting	613 & 749	27.17%
3	Electronic Materials (TFM)	261	17.54%

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

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

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

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>A. Promoters &amp; Promoters Group</b>									
<b>1 Indian</b>									
a Individual/ HUF	3307520	217869	3525389	70.5080	3307895	217019	3524914	70.4985	(0.0095)
b Central Govt	—	—	—	—	—	—	—	—	—
c State Govt(s)	—	—	—	—	—	—	—	—	—
d Bodies Corporate	—	—	—	—	—	—	—	—	—
e Banks / Financial Institutions	—	—	—	—	—	—	—	—	—
f Any Other	—	—	—	—	—	—	—	—	—
Sub-total (A) (1)	3307520	217869	3525389	70.5080	3307895	217019	3524914	70.4985	(0.0095)
<b>2 Foreign</b>									
a NRIs - Individuals	—	—	—	—	—	—	—	—	—
b Other - Individuals	—	—	—	—	—	—	—	—	—
c Bodies Corporate	—	—	—	—	—	—	—	—	—
d Banks / Financial Institutions	—	—	—	—	—	—	—	—	—
e Any Other...	—	—	—	—	—	—	—	—	—
Sub-total (A) (2)	—	—	—	—	—	—	—	—	—
<b>Total shareholding of Promoter (A) = (A) (1)+(A) (2)</b>	3307520	217869	3525389	70.5080	3307895	217019	3524914	70.4985	(0.0095)
<b>B. Public Shareholding</b>									
<b>1 Institutions:</b>									
a Mutual Funds	—	—	—	—	—	—	—	—	—
b Banks / Financial Institutions	—	100	100	0.0020	—	100	100	0.0020	—
c Central Govt	—	—	—	—	—	—	—	—	—
d State Govt(s)	—	—	—	—	—	—	—	—	—
e Venture Capital Funds	—	—	—	—	—	—	—	—	—
f Insurance Companies	—	—	—	—	—	—	—	—	—
g FIIs	—	—	—	—	—	—	—	—	—
h Foreign venture Capital Funds	—	—	—	—	—	—	—	—	—
i Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B) (1)	—	100	100	0.0020	—	100	100	0.0020	—

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>2 Non Institutions:</b>									
a Bodies Corporate									
i) Indian	83850	30300	114150	2.2830	86400	30300	116700	2.3340	0.0510
ii) Overseas	—	—	—	—	—	—	—	—	—
b Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	435671	863513	1299184	25.9838	436658	858838	1295496	25.9100	(0.0738)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	23050	27200	50250	1.0050	52850	—	52850	1.0570	0.0520
c Others (specify)									
- Hindu Undivided Families	8050	—	8050	0.1610	8250	—	8250	0.1650	0.0040
- Non Resident Individual	2862	—	2862	0.0572	1675	—	1675	0.0335	(0.0237)
Sub-total (B)(2)	553483	921013	1474496	29.4900	585833	889138	1474971	29.4995	0.0095
Total Public Shareholding (B) = (B)(1) + (B) (2)	553483	921113	1474596	29.4920	585833	889238	1475071	29.5015	0.0095
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	—	—	—	—	—	—	—	—	—
<b>Grand Total (A+B+C)</b>	<b>3861003</b>	<b>1138982</b>	<b>4999985</b>	<b>100</b>	<b>3893728</b>	<b>1106257</b>	<b>4999985</b>	<b>100</b>	<b>—</b>

**(ii) SHAREHOLDING OF PROMOTERS:**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	Mr. Jaisukhlal J. Parekh	343750	6.8750	6.8750	—	—	—	(100.0000)
2	Mrs. Kalawati J. Parekh	834205	16.6842	—	834205	16.6842	—	—
3	Mrs. Gors A. Parekh	2119934	42.3988	17.8001	2493209	49.8643	17.6000	7.4655
4	Mr. Varun A. Parekh	48700	0.9740	—	48700	0.9740	—	—
5	Ms. Parita A. Parekh	148800	2.9760	—	148800	2.9760	—	—
6	Mr. Atul Jaisukhlal Parekh (Deceased)	30000	0.6000	0.6000	—	—	—	(100.0000)
	Total	3525389	70.5080	25.2751	3524914	70.4985	17.6000	(0.0095)

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3525389	70.5080	3525389	70.5080
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)				
	Date of Increase(+)/decrease(-)				
	Purchase on 10-04-2015	250	0.0050	3525639	70.5129
	Purchase on 20-05-2015	250	0.0050	3525889	70.5179
	Sale on 10-07-2015	(1000)	(0.0200)	3524889	70.4979
	Sale on 15-09-2015	(343750)	(6.8750)	3181139	63.6229
	Purchase on 15-09-2015	343750	6.8750	3524889	70.4979
	Sale on 17-09-2015	(300)	(0.0060)	3524589	70.4919
	Sale on 19-09-2015	(75)	(0.0015)	3524514	70.4905
	Sale on 21-09-2015	(50)	(0.0010)	3524464	70.4895
	Purchase on 23-09-2015	450	0.0090	3524914	70.4985
	Total	(475)	(0.0095)	3524914	70.4985

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Indbank Mer.Bkg. Ser.Ltd	75000	1.5000	75000	1.5000
2	Prakashbhai K. Vaghela	17750	0.3550	16750	0.3350
3	Suashish Finance Ltd	15000	0.3000	15000	0.3000
4	Chirag Popatlal Jain Manali Chirag Jain	13750	0.2750	13750	0.2750
5	Sonal Mansukhlal Shah	11900	0.2380	11900	0.2380
6	Nayna Rajesh Parekh	10450	0.2090	10450	0.2090
7	Ramesh Goverdhan Surjan Alka B Surjan	10000	0.2000	10000	0.2000
8	Umesh Kantilal Jain Vaishali Umesh Jain	10000	0.2000	10000	0.2000
9	Popatlal Hukumichand Jain	10000	0.2000	10000	0.2000
10	Harkishan Chimanlal Shah/ Mala Harkishan Shah/Rasesh Harkishan Kachalia	9300	0.1860	9300	0.1860

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

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mrs. Gorsî A. Parekh	2119934	42.3988	2493209	49.8643
2.	Mrs. Kalawati J. Parekh	834205	16.6842	834205	16.6842
3.	Mr. Varun A. Parekh	48700	0.9740	48700	0.9740
4.	Mr. Lalit P. Sanghvi – CFO & Company Secretary	25	0.0005	25	0.0005



## V. INDEBTEDNESS:

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

(₹ In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	634.31	1545.59	-	2179.90
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	6.50	-	6.50
Total (i+ii+iii)	634.31	1552.09	-	2186.40
<b>Change in Indebtedness during the financial year</b>	-			
• Addition	14.50	-	-	14.50
• Reduction	572.04	1496.71	-	2068.75
Net Change	(557.54)	(1496.71)	-	(2054.25)
<b>Indebtedness at the end of the financial year</b>	-			
i) Principal Amount	76.77	55.38	-	132.15
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	76.77	55.38	-	132.15

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

### A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

(₹ In lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mrs. Gorsu A. Parekh (MD)	Mrs. Kalawati J. Parekh (WTD)	
1.	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36.00	30.00	66.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission			
	- as % of profit	—	—	—
	- Others, specify...	—	—	—
5.	Others, please specify	—	—	—
	<b>Total (A)</b>	<b>36.00</b>	<b>30.00</b>	<b>66.00</b>
	Ceiling as per the Act	Within prescribed limit of Schedule V of the Companies Act, 2013.	Within prescribed limit of Schedule V of the Companies Act, 2013.	Within prescribed limit of Schedule V of the Companies Act, 2013.

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

**B. REMUNERATION TO OTHER DIRECTORS:**

(₹ In lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Shri Bipin Vasavada	Shri R.N. Patel	Shri Varun Parekh	
<b>1.</b>	<b>Independent Directors</b>				
	• Fee for attending board / committee meetings (Net of TDS)	0.09	0.12	0.03	0.24
	• Commission	—	—	—	—
	• Others, please specify	—	—	—	—
	<b>Total (1)</b>	0.09	0.12	0.03	0.24
<b>2.</b>	<b>Other Non-Executive Directors</b>				
	• Fee for attending board / committee meetings	—	—	—	—
	• Commission	—	—	—	—
	• Others, please specify	—	—	—	—
	<b>Total (2)</b>	—	—	—	—
	<b>Total (B)=(1+2)</b>	<b>0.09</b>	<b>0.12</b>	<b>0.03</b>	<b>0.24</b>

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

(₹ In lacs)

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

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

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

## FINANCIAL HIGHLIGHTS

(₹ in Lacs)

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Sale of Goods &amp; Services</b>					
- Domestic (net of excise duty & service tax )	1239.18	5804.57	5597.02	3370.59	4103.40
- Exports	-	0.26	-	-	-
<b>Total (Excluding Other Income)</b>	1239.18	5804.83	5597.02	3370.59	4103.40
<b>Gross Profit/(Loss)</b>	(161.50)	271.48	242.24	125.35	326.52
Depreciation	103.67	104.20	86.66	54.90	53.30
<b>Profit/(Loss) before tax and prior period Items</b>	(265.17)	167.28	155.58	70.45	273.22
Surplus/ (Deficit) pertaining to prior period	-	-	-	-	0.83
Exceptional Item	320.92	-	-	-	-
<b>Profit/(Loss) before tax</b>	55.75	167.28	155.58	70.45	274.05
Tax provision/short provision for tax related to earlier year	11.31	32.50	34.40	12.65	11.25
<b>Profit/(Loss) after tax</b>	44.44	134.78	121.18	57.80	262.80
<b>Capital Employed</b>					
Share capital	500.00	500.00	500.00	500.00	500.00
Reserves & surplus	2722.96	2678.52	2543.74	2422.56	2364.76
<b>Net Worth</b>	3222.96	3178.52	3043.74	2922.56	2864.76
<b>Borrowings</b>	132.16	2174.08	2227.49	1853.74	1604.40
Earning per share of ₹ 10/- each (₹ per share)	0.89	2.70	2.42	1.16	5.26
Dividend per share of ₹10/- each	-	-	-	-	1.00
Net Worth per share of ₹10/- each (₹ per share)	64.46	63.57	60.87	58.45	57.30

## **INDEPENDENT AUDITORS' REPORT**

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

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

We have audited the accompanying standalone financial statements of **ARRAYCOM (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

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

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

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

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

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

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

### **4. Opinion**

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

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;



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

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

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

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

**Place : Ahmedabad**  
**Date : 26<sup>th</sup> August, 2016**

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

## ANNEXURE "A" TO THE AUDITORS' REPORT

Referred to in paragraph 5 (i) of our Report of even date to the Members of **ARRAYCOM (INDIA) LIMITED** for the year ended 31st March, 2016.

### 1. In respect of Fixed Assets :

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

### 2. In respect of its Inventories :

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

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

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

### 4. Loans, Investments and Guarantees:

*In our opinion, and according to the information and explanations given to us, the Company had given guarantee for loans taken by other body corporate from a financial institution having the year-end balance of ₹ 300 lacs and the maximum amount involved during the year was ₹ 300 Lacs. In our opinion Company had complied with terms and conditions of Section 185 and 186 of the Companies Act 2013.*

- 5. During the year, the Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company. Therefore clause (v) of Companies (Auditor's Report) Order, 2016 is not applicable.
- 6. As informed to us, the maintenance of cost records are not prescribed by the Central Government as per the provisions of Companies (Cost Records and Audit) Rules, 2014, for the year under review.

### 7. In respect of Statutory Dues :

- (a) According to the records of the Company, *the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, wealth tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities except that there was delay in few cases in payment of TDS, VAT and service tax.*
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues were outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.

- (c) According to the records of the Company, there are no dues of income tax, sales tax, wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any disputes other than income tax dues of ₹5.66 lacs pertaining to the A.Y. 2012-13 for which rectification application u/s 154 of the Income Tax Act, 1961 has been filed with the Office of ACIT, Mumbai and dues of differential amount of Stamp Duty of ₹ 14.45 Lacs raised by Deputy Collector, Stamp Duty Valuation Organization, Gandhinagar which has been stayed by the Honourable Gujarat High Court and Demand of Revenue Charges by GIDC of ₹6.72 Lacs against which objections have been raised by the Company.
- (d) According to the records of the Company there are no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
8. Based on our audit procedure and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to Financial Institutions, Banks or debenture holders.
  9. According to the information and explanations given to us, the Company had not raised any money by way of public issue during the year. According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, in our opinion, the term loans taken during the year were applied for the purpose for which they were obtained.
  10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officer or employees has been noticed or reported during the course of our audit.
  11. In our opinion and according to the information and explanations given to us, the Company had paid managerial remuneration which is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of The Companies Act, 2013.
  12. In our opinion and according to the information and explanations given to us, the provisions of special statute applicable to chit funds and nidhi / mutual benefit funds / societies are not applicable to the Company. Hence, clause (xii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
  13. In our opinion and according to the information and explanations given to us, the transactions entered by the Company with related parties are in compliance with the provisions of section 177 and 188 of The Companies Act, 2013 and details thereof are properly disclosed in the financial statements.
  14. In our opinion and according to the information and explanations given to us, no preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review was made by the Company and hence, clause (xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
  15. The Company had not entered in to any non-cash transactions with the directors or persons connected with him during the year, and hence clause (xv) of Companies (Auditor's Report) Order, 2016 is not applicable.
  16. In our opinion and according to the information and explanations given to us the Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934, hence clause (xvi) of Companies (Auditor's Report) Order, 2016 is not applicable.

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

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

**Place : Ahmedabad**  
**Date : 26<sup>th</sup> August, 2016**

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

Referred to in paragraph 5(ii)(f) of our Report of even date to the Members of **ARRAYCOM (INDIA) LTD** for the year ended 31st March, 2016.

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

We have audited the internal financial controls over financial reporting of **ARRAYCOM (INDIA) LTD** as of **31st March 2016**, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors’ Responsibility**

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

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

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

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Place : Ahmedabad  
Date : 26<sup>th</sup> August, 2016**

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

## BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
<b>Equity and Liabilities</b>			
<b>[1] Shareholders' Funds</b>			
[a] Share Capital	2	500.00	500.00
[b] Reserves and Surplus	3	2722.96	2678.52
		<b>3222.96</b>	<b>3178.52</b>
<b>[2] Non Current Liabilities</b>			
[a] Long Term Borrowings	4	11.27	28.00
[b] Long Term Provisions	5	22.60	12.36
		<b>33.87</b>	<b>40.36</b>
<b>[3] Current Liabilities</b>			
[a] Short Term Borrowings	6	90.81	2108.50
[b] Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	7	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7	59.83	15.37
[c] Other Current Liabilities	8	111.67	204.67
[d] Short Term Provisions	5	15.30	5.69
		<b>277.61</b>	<b>2334.23</b>
<b>Total .....</b>		<b>3534.44</b>	<b>5553.11</b>
<b>Assets</b>			
<b>[1] Non Current Assets</b>			
[a] Fixed assets :			
[i] Tangible Assets	9	2238.50	2288.03
[ii] Intangible Assets	9	149.36	144.43
		<b>2387.86</b>	<b>2432.46</b>
[b] Non Current Investments	10	0.61	0.61
[c] Long Term Loans and Advances	11	81.50	48.35
[d] Other Non Current Assets	12	18.08	16.30
		<b>2488.05</b>	<b>2497.72</b>
<b>[2] Current Assets</b>			
[a] Inventories	13	110.87	119.06
[b] Current Investments	14	156.97	-
[c] Trade Receivables	15	428.91	2392.36
[d] Cash & Bank Balances	16	101.08	214.35
[e] Short Term Loans and Advances	11	237.16	323.52
[f] Other Current Assets	17	11.40	6.10
		<b>1046.39</b>	<b>3055.39</b>
<b>Total .....</b>		<b>3534.44</b>	<b>5553.11</b>

Significant accounting policies  
Notes on financial statements

1  
2 to 43

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

**J. J. Shah**  
*Partner*  
M. No.: 45669  
Place : Ahmedabad  
Date : 26<sup>th</sup> August, 2016

For and on behalf of the Board,

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

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

**L. P. Sanghvi** *CFO & Company Secretary*  
Place : Gandhinagar  
Date : 26<sup>th</sup> August, 2016

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note No.	For the year ended 31/03/2016 ₹ in lacs	For the year ended 31/03/2015 ₹ in lacs
<b>Income</b>			
Revenue From Operations	18	1327.52	5880.37
Less :- Excise Duty and Service Tax		88.34	75.54
		1239.18	5804.83
Other Income	19	22.52	36.25
<b>Total Revenue</b>		<b>1261.70</b>	<b>5841.08</b>
<b>Expenses</b>			
Cost of Materials Consumed	20	128.87	191.56
Purchase of Stock in Trade	21	248.44	3267.99
Cost of Service For Project	22	56.68	416.31
Changes In Inventories of Finished Goods, Work In Process and Stock In Trade	23	6.40	531.78
Employee Benefit Expense	24	492.74	489.23
Finance Costs	25	87.65	238.15
Depreciation and Amortisation Expenses (Refer Note)	26	103.67	104.20
Other Expenses	27	402.42	434.58
<b>Total Expenses</b>		<b>1526.87</b>	<b>5673.80</b>
<b>Profit/(Loss) Before Exceptional Item of Income &amp; Tax</b>		<b>(265.17)</b>	<b>167.28</b>
Exceptional Item of Income	28	320.92	-
<b>Profit Before Tax</b>		<b>55.75</b>	<b>167.28</b>
<b>Less : Tax Expenses:</b>			
- Current Tax		10.70	32.50
- Short Provision For Tax Related to Earlier Years		0.61	-
<b>Profit After Tax</b>		<b>44.44</b>	<b>134.78</b>
<b>Basic &amp; Diluted Earnings Per Share of ₹ 10 Each</b>	29	<b>₹ 0.89</b>	<b>₹ 2.70</b>
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 43		

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

**J. J. Shah**  
Partner  
M. No.: 45669  
Place : Ahmedabad  
Date : 26<sup>th</sup> August, 2016

For and on behalf of the Board,

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

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

**L. P. Sanghvi** CFO & Company Secretary  
Place : Gandhinagar  
Date : 26<sup>th</sup> August, 2016



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	2015-16		2014-15	
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
<b>A: Cash from Operating Activities :</b>				
Net Profit before Taxation		55.75		167.28
Adjustment For :				
Depreciation	103.67		104.20	
(Profit)/Loss on Sale of Fixed Assets	1.05		9.33	
Interest Income	(12.14)		(30.40)	
Interest Paid	87.65		238.15	
		180.23		321.28
<b>Operating Profit Before Working Capital Changes :</b>		235.98		488.56
Adjustment For :				
Increase/(decrease) in long-term Provision	10.24		3.45	
Increase/(decrease) in short-term Provision	9.61		2.28	
Increase/(decrease) in other current liability	(93.00)		(600.46)	
Increase/(decrease) in Trade Payable	44.46		(403.83)	
Decrease/(increase) in Trade Receivable	1963.45		113.39	
Decrease/(increase) in inventories	8.19		557.62	
Decrease/(increase) in long term loans and advances	(33.14)		(4.91)	
Decrease/(increase) in short term loans and advances	86.36		(68.98)	
Decrease/(increase) in other current assets	(5.30)		(1.41)	
Decrease/(increase) in Investment	(156.97)			
Decrease/(increase) in other non-current assets	(1.78)		4.58	
		1832.12	-	(398.27)
Cash Generated From Operations		2068.10		90.29
Income Tax Paid	(11.31)		(32.50)	
Interest Paid	(87.65)		(238.15)	
		(98.96)		(270.65)
<b>Net Cash From Operating Activities (A)</b>		1969.14		(180.36)
<b>B: Cash Flow From Investment Activities :</b>				
Purchase of Fixed Assets	(65.80)		(156.41)	
Sale of Fixed Assets	5.68		10.05	
<b>Net Cash from Investment Activities (B)</b>		(60.12)		(146.36)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	2015-16		2014-15	
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
<b>C: Cash Flow From Financing Activities :</b>				
Interest Received during the year	12.14		30.40	
Repayments of Long Term Borrowings	(16.74)		-	
Proceeds From Long Term Borrowings	-		10.69	
Repayment of Short Term Borrowings	(2017.70)		-	
Proceeds From Short Term Borrowings	-		301.22	
<b>Net Cash from Financing Activities (C )</b>		(2022.30)		342.31
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		(113.27)		15.59
Cash & Cash Equivalents at the Beginning		214.35		198.76
Cash & Cash Equivalents at the End		101.08		214.35

### Notes :

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

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

**J. J. Shah**  
Partner  
M. No.: 45669  
Place : Ahmedabad  
Date : 26<sup>th</sup> August, 2016

For and on behalf of the Board,

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

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

**L. P. Sanghvi**                      *CFO & Company Secretary*  
Place : Gandhinagar  
Date : 26<sup>th</sup> August, 2016

## Significant Accounting Policies for the year ended 31st March, 2016

### a) Basis of preparation

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

### b) Use of estimates

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

### c) Fixed Assets and Depreciation

#### Fixed Assets

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

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

#### Depreciation

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

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

### d) Intangible Assets & Amortization

#### Intangible Assets

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

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

#### Amortization

Intangible assets are amortised on a straightline basis over a period of five years. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available

for use is considered by the management. The amortization period and the amortization method are reviewed at least at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

**e) Inventories**

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

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

**f) Revenue Recognition**

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

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

ii) Interest Income

Interest Income is recognized on accrual basis.

iii) Export Incentives

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

iv) Insurance Claim

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

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

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

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

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

**h) Employee Benefits**

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

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

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

**i) Provision for Current and Deferred Tax**

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

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

**j) Borrowing Cost**

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

**k) Impairment**

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

**l) Earning per Share**

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

**m) Provisions, Contingent Liabilities and Contingent Assets**

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

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

Contingent Assets are neither recognized nor disclosed in the financial statements.

**n) Excise Duty, VAT & CENVAT**

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

The CENVAT credits so taken are utilized for payment of excise duty on goods manufactured. The unutilized CENVAT credit is carried forward in the books. The VAT credits so taken are utilized for payment of sales tax on goods sold. The unutilized VAT credit is carried forward in the books.

- o) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.

## 2 Share Capital

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
i Authorised Capital: 2,00,00,000 (Previous year 2,00,00,000 ) Equity Shares of face value of ₹10/- each	2000.00	2000.00
ii Issued, Subscribed & Paid-up Capital : 49,99,985 (Previous year 49,99,985) Equity Shares of face value of ₹10/- each fully paid up	500.00	500.00
	500.00	500.00

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

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

2.3 Reconciliation of the number of shares outstanding and the amount of Share Capital as at 31/03/2016 & 31/03/2015 is set out below:

Particulars	As at 31/03/2016			As at 31/03/2015		
	No. of Shares	Face value (in ₹)	Amount (₹ in lacs)	No. of Shares	Face value (in ₹)	Amount (₹ in lacs)
Shares at the beginning	4999985	10	500.00	4999985	10	500.00
Addition during the year	-	-	-	-	-	-
Deletion during the year	-	-	-	-	-	-
Shares at the end	4999985	10	500.00	4999985	10	500.00

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

Name of Shareholder	As at 31/03/2016		As at 31/03/2015	
	No. of Shares	% held	No. of Shares	% held
Mrs. Gors A. Parekh	2493209	49.86%	2119934	42.40%
Mrs. Kalawati J. Parekh	834205	16.68%	834205	16.68%
Mr. Jaisukhlal J. Parekh	-	-	343750	6.88%

### 3 Reserves & Surplus

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
<b>Capital Reserve</b>		
Balance as per last Balance Sheet	35.00	35.00
<b>Share Premium Account</b>		
Balance as per last Balance sheet	1675.07	1675.07
<b>General Reserve</b>		
Balance as per last Balance Sheet	575.00	550.00
Amount transferred from surplus in Statement of Profit & Loss	-	25.00
	575.00	575.00
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	393.45	283.67
<b>Add :</b> Profit for the year as per Statement of Profit & Loss	44.44	134.78
	437.89	418.45
<b>Less :</b>		
Transferred to General Reserve	-	25.00
Net surplus in the Statement of Profit and Loss	437.89	393.45
	<b>2722.96</b>	<b>2678.52</b>

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



#### 4 Long Term Borrowings

	As at 31/03/2016		As at 31/03/2015	
	Non current ₹ in lacs	Current ₹ in lacs	Non current ₹ in lacs	Current ₹ in lacs
<b>Secured</b>				
Term Loan From Other Institutions	11.27	30.08	28.00	37.58
	11.27	30.08	28.00	37.58
<b>Less:-</b> Amount disclosed under Other current liabilities (Refer Note No.8)	-	30.08	-	37.58
	<b>11.27</b>	<b>-</b>	<b>28.00</b>	<b>-</b>

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

4.2 Term loans bearing interest in the range of 9.49% p. a. to 16.99% p. a. are repayable in equal monthly instalments by November 2020.

#### 5 Provisions

	As at 31/03/2016		As at 31/03/2015	
	Long term ₹ in lacs	Short term ₹ in lacs	Long term ₹ in lacs	Short term ₹ in lacs
Provisions for employee benefits				
— For unavailed leave	16.22	10.76	11.78	4.79
Forward contract payable & receivable (net)	-	-	-	0.90
Provision for gratuity	44.91	31.98	57.98	0.58
Less: Gratuity fund	(38.53)	(27.44)	(57.40)	(0.58)
	<b>22.60</b>	<b>15.30</b>	<b>12.36</b>	<b>5.69</b>

## 6 Short Term Borrowing

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
<b>From Banks</b>		
Working capital loan from bank - Secured	35.43	568.73
Suppliers'/Buyers' credit - Unsecured	-	1156.07
<b>From Others</b>		
Business Loan - Unsecured	45.38	149.36
Loan from Director- Unsecured	-	224.34
Loan from Corporate - Unsecured	10.00	10.00
	<b>90.81</b>	<b>2108.50</b>

**6.1** Working capital limit from Bank is repayable on demand, bearing interest @12.75% p.a. as per terms of sanction and is secured by 1st and exclusive charge by way of mortgage of land and building and other fixed assets. The same is further secured by hypothecation of entire current assets, personal guarantee and pledge of shares by Directors of the Company. The working capital limit is further secured by additional charge by way of mortgage of land and building belonging to a Director.

## 7 Trade payables

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	59.83	15.37
	<b>59.83</b>	<b>15.37</b>

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

## 8 Other Current Liabilities

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
Current maturity of long term borrowings (Refer note no. 4)	30.08	37.58
Advance received from customers	1.21	1.08
Other statutory dues	19.79	22.74
Unpaid Dividend	4.31	4.31
Deposits from dealers and employees	0.90	0.90
Bank overdraft - SBI Current Account	1.52	12.32
Unpaid Salary & Bonus	32.77	29.87
Other payables (includes unpaid expenses)	21.09	95.87
	<b>111.67</b>	<b>204.67</b>

(₹ in lacs)

**9 Tangible and intangible assets**

	Tangible assets								Intangible assets		
	Land- Freehold	Buildings	Plant & Machinery	Electrical Installation	Computers	Office Equipments	Furniture & Fixtures	Vehicles	Total	Software	Total
Gross block											
As at 01.04.2014	1925.59	329.59	484.35	62.26	158.09	74.65	123.56	140.75	3298.84	49.10	49.10
Additions	-	-	0.64	-	4.51	1.69	-	0.31	7.15	149.27	149.27
Deletions	-	-	-	-	(29.83)	-	-	-	(29.83)	-	-
Other adjustment (-)	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2015	1925.59	329.59	484.99	62.26	132.77	76.34	123.56	141.06	3276.16	198.37	198.37
Additions	-	-	-	-	8.39	0.06	-	17.35	25.80	40.00	40.00
Deletions	-	-	(2.89)	-	-	-	-	(5.75)	(8.64)	-	-
Other adjustment(-)	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2016	1925.59	329.59	482.10	62.26	141.16	76.40	123.56	152.66	3293.32	238.37	238.37
Accumulated depreciation											
As at 01.04.2014	-	187.35	422.88	40.66	86.11	34.03	72.37	83.24	926.64	21.69	21.69
Charge for the year	-	6.03	4.59	2.53	40.37	16.16	7.99	13.90	91.57	32.25	32.25
Deletions	-	-	-	-	(10.46)	-	-	-	(10.46)	-	-
Excess Depreciation W/back	-	-	(16.49)	(4.60)	(1.73)	(1.97)	(8.75)	(12.08)	(45.62)	-	-
Other adjustment	-	-	9.96	7.72	0.95	6.32	0.79	0.26	26.00	-	-
As at 31.03.2015	-	193.38	420.94	46.31	115.24	54.54	72.40	85.32	988.13	53.94	53.94
Charge for the year	-	6.55	4.34	2.76	22.73	10.09	8.08	14.05	68.60	35.07	35.07
Deletions	-	-	(0.30)	-	-	-	-	(1.61)	(1.91)	-	-
Excess Depreciation W/back	-	-	-	-	-	-	-	-	-	-	-
Other adjustment*	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2016	-	199.93	424.98	49.07	137.97	64.63	80.48	97.76	1054.82	89.01	89.01
Net block	-										
As at 31.3.2015	1925.59	136.21	64.05	15.95	17.53	21.80	51.16	55.74	2288.03	144.43	144.43
As at 31.3.2016	1925.59	129.66	57.12	13.19	3.19	11.77	43.08	54.90	2238.50	149.36	149.36

1. In accordance with the provisions of Schedule II of the Companies Act, 2013 in case of fixed assets which have completed their useful life as at 1st April 2014, the carrying value (net of residual value) amounting to ₹ Nil lac (Previous year ₹ 26.00 lacs) as a transitional provision has been recognised in the Statement of Profit & Loss.

2. As required by the schedule II to the Companies Act 2013, due to change in estimation for useful life of the assets, depreciation charged to statement of profit and loss is lower by ₹ Nil lac (Previous year ₹ 11.35 lacs).

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

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
<b>Investments in units of mutual funds</b>		
1929.395 Units (previous year 1929.395 units) of IDFC Premier Equity Fund Growth - (Regular Plan)*	0.60	0.60
100 shares (previous year 100 Shares) of GEZIA of ₹10 face value, fully paid-up	0.01	0.01
	<b>0.61</b>	<b>0.61</b>
* NAV of units [₹68.1584 (previous year ₹73.9420) per unit]	1.32	1.43
Cost of Units of Mutual Funds	0.60	0.60

## 11 Loans and Advances

	As at 31/03/2016		As at 31/03/2015	
	Non current ₹ in lacs	Current ₹ in lacs	Non current ₹ in lacs	Current ₹ in lacs
<b>(Unsecured, considered good)</b>				
Security deposits	3.23	1.79	3.19	4.99
Advance income tax & TDS	151.82	-	131.91	-
<b>Less : Provision for income tax</b>	(74.20)	-	(87.40)	-
Advance to suppliers	0.65	164.72	0.65	92.99
Advance to employees	-	28.85	-	27.07
Balance with government authority	-	19.64	-	182.48
Other loans and advances	-	22.16	-	15.99
	<b>81.50</b>	<b>237.16</b>	<b>48.35</b>	<b>323.52</b>

## 12 Other Non Current Assets

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
Margin money deposits with maturity for more than 12 months as on balance sheet date (Refer note no.16)	18.08	16.30
Long term receivables (unsecured, considered doubtful)	343.72	343.72
Long term advances (unsecured, considered doubtful)	38.76	-
	400.56	360.02
<b>Less: Provision for doubtful long term receivables and advances</b>	382.48	343.72
	<b>18.08</b>	<b>16.30</b>

## 13 Inventories

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
Raw materials	27.41	29.00
Work-in-process	12.32	17.39
Finished stock	40.49	42.49
Stock in trade	30.20	29.52
Stores and spares	0.45	0.66
	<b>110.87</b>	<b>119.06</b>

#### 14 Current Investment (Quoted, Trade)

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
2480.132 Units (previous year Nil units) of SBI Premier Liquid Fund - Regular Plan - Growth **	56.97	-
6026.395 Units (previous year Nil units) of SBI Treasury Advantage Fund - Regular Plan - Growth ***	100.00	-
	<b>156.97</b>	-
** NAV of units [Rs.2376.0805 (previous year Rs.Nil) per unit] Cost of Units of Mutual Funds	58.93 56.97	- -
*** NAV of units [Rs.1677.8856 (previous year Rs.Nil) per unit] Cost of Units of Mutual Funds	101.12 100.00	- -

#### 15 Trade Receivables

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
<b>(Unsecured)</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	167.10	1003.16
Considered doubtful	-	-
	167.10	1003.16
<b>Less: Provision for doubtful receivable</b>	-	-
	<b>167.10</b>	<b>1003.16</b>
Other trade receivables (considered good)	261.81	1389.20
	<b>428.91</b>	<b>2392.36</b>

#### 16 Cash & Bank Balance

	As at 31/03/2016		As at 31/03/2015	
	Non current ₹ in lacs	Current ₹ in lacs	Non current ₹ in lacs	Current ₹ in lacs
Cash and cash equivalents				
Cash on hand	-	0.94	-	0.77
Balance with banks	-	7.61	-	7.49
	-	<b>8.55</b>	-	<b>8.26</b>
Other bank balance				
Margin money deposits	18.08	92.53	16.30	206.09
Less: Margin money deposits with maturity for more than 12 months as on balance sheet date (Refer note no.12)	(18.08)	-	(16.30)	-
	-	<b>92.53</b>	-	<b>206.09</b>
	-	<b>101.08</b>	-	<b>214.35</b>

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

## 17 Other Current Assets

	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
Interest receivable	11.40	6.10
	<b>11.40</b>	<b>6.10</b>

## 18 Revenue From Operations

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
<b>Sale of products</b>		
Sale of manufactured goods	252.13	340.98
Sale of traded goods	572.06	5172.77
Sale of services	503.33	366.62
	<b>1327.52</b>	<b>5880.37</b>
<b>Less:</b>		
Excise duty & service tax	88.34	75.54
	<b>1239.18</b>	<b>5804.83</b>
<b>Details of products sold</b>		
<b>Manufactured goods sold</b>		
Thick film material		
Domestic	242.88	300.75
Exports	-	-
<b>Power Semiconductor Devices</b>		
Domestic	9.25	39.97
Exports	-	0.26
	<b>252.13</b>	<b>340.98</b>
<b>Traded goods sold</b>		
System Integration products	39.06	5010.11
E-Learning products	533.00	162.66
	<b>572.06</b>	<b>5172.77</b>
<b>Details of services sold</b>		
Installation, training, AMC & other	338.96	317.47
E-Learning	164.37	49.15
	<b>503.33</b>	<b>366.62</b>

## 19 Other Income

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
Interest income	12.14	30.40
Short term capital gain on redemption of Mutual Fund Units	10.38	-
Provision no longer required written back	-	5.85
	<b>22.52</b>	<b>36.25</b>

## 20 Cost of Raw Material Consumed

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
Inventory at the beginning of the year	29.00	36.71
<b>Add:</b> Purchase	127.28	183.85
<b>Less:</b> Inventory at the end of the year	27.41	29.00
<b>Cost of raw material consumed</b>	<b>128.87</b>	<b>191.56</b>
<b>Details of raw material consumed</b>		
Precious metal	115.25	176.41
Others	13.62	15.15
	<b>128.87</b>	<b>191.56</b>
<b>Details of inventories</b>		
Precious metal	11.23	3.07
Others	16.18	25.93
	<b>27.41</b>	<b>29.00</b>

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

Products	Year ended 31/03/2016		Year ended 31/03/2015	
	Amount ₹ in lacs	Percentage of consumption	Amount ₹ in lacs	Percentage of consumption
Imported	2.39	1.85%	2.00	1.05%
Indigenous	126.48	98.15%	189.56	98.95%
	<b>128.87</b>	<b>100.00%</b>	<b>191.56</b>	<b>100.00%</b>

## 21 Purchase of Stock in Trade

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
Trading purchase system integration	37.34	3217.52
Trading purchase E-learning	211.10	50.47
	<b>248.44</b>	<b>3267.99</b>

### 21.1 Details of purchase of stock in trade

Satellite communication and broadcast equipments	37.34	3217.52
Integrated educational networking devices	211.10	50.47

## 22 Cost of Service for Project

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
Service cost	56.68	416.31
	<b>56.68</b>	<b>416.31</b>

### 22.1 Details of cost of service

Satellite communication services	56.68	416.31
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## 23 Change in Inventories of Work in Process, Stock in Trade and Finished Goods

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
<b>Inventory at the beginning of the year</b>		
Work-in-process	17.39	14.10
Stock in trade	29.53	544.03
Finished stock	42.49	63.06
	<b>89.41</b>	<b>621.19</b>
<b>Inventory at the end of the year</b>		
Work-in-process	12.32	17.39
Stock in trade	30.20	29.53
Finished stock	40.49	42.49
	<b>83.01</b>	<b>89.41</b>
<b>(Accretion) / Decretion</b>	<b>6.40</b>	<b>531.78</b>

## 24 Employee Benefit Expenses

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
Salary, wages & bonus	461.52	445.20
Contribution to provident fund & other funds	25.21	26.65
Welfare expenses	6.01	17.38
	<b>492.74</b>	<b>489.23</b>

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

### A. Amounts recognised in the Balance Sheet are as follows

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
Present value of funded obligations	76.89	58.56	-	-
Fair value of plan assets	65.97	57.98	-	-
Funded status (surplus/(shortfall))	(10.92)	(0.58)	-	-
Present value of unfunded obligations	-	-	26.98	16.55
Unrecognised past service cost	-	-	-	-
Amounts in the balance sheet:				
Liabilities - current	10.92	0.58	10.76	4.77
non current	-	-	16.22	11.78
<b>Total liability</b>	<b>76.89</b>	<b>58.56</b>	<b>26.98</b>	<b>16.55</b>
<b>Assets (non current)</b>	<b>65.97</b>	<b>57.98</b>	<b>-</b>	<b>-</b>
<b>Net Assets/(liability)</b>	<b>(10.92)</b>	<b>(0.58)</b>	<b>(26.98)</b>	<b>(16.55)</b>

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

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
Current service cost	7.56	6.11	7.15	6.82
Past service cost	18.39	-	-	-
Interest on obligation	4.37	3.13	1.26	0.75
Expected return on plan assets	(4.64)	(3.94)	-	-
Net actuarial losses/(gains) recognised in the year	(10.35)	7.17	3.15	2.06
Losses/gains on curtailments & settlement	-	-	-	-
Total included in 'employee benefit expenses'	15.33	12.47	11.56	9.63
Actual return on plan assets	-	-	-	-

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

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
Opening defined benefit obligation	58.56	42.75	16.55	12.31
Current service cost	7.56	6.11	7.15	6.82
Interest cost	4.37	3.13	1.26	0.75
Past Service Cost	18.39	-	-	-
Actuarial losses/ (gains)	(11.99)	12.42	3.15	2.06
Benefits paid	-	(5.85)	(1.13)	(5.39)
Closing defined benefit obligation	76.89	58.56	26.98	16.55

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

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs	As at 31/03/2016 ₹ in lacs	As at 31/03/2015 ₹ in lacs
Net assets/ (liability) recognised in the Balance Sheet at the beginning of the period	(0.58)	6.89	(16.55)	(12.31)
Employer expense	(15.33)	(12.47)	(11.56)	(9.63)
Employer contributions	5.00	5.00	1.13	5.39
Acquisition/business combinations	-	-	-	-
Net assets/(liability) recognised in the Balance Sheet at the end of the period	(10.92)	(0.58)	(26.98)	(16.55)

**E. Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages)**

Particulars	Defined Benefit Obligation			
	Gratuity (Funded)		Leave encashment (Unfunded)	
	As at 31/03/2016	As at 31/03/2015	As at 31/03/2016	As at 31/03/2015
Discount rate	7.46%	7.85%	7.46%	7.85%
Expected return on plan assets	8.00%	8.00%	-	-
Annual increase in salary costs	6.00%	8.00%	6.00%	8.00%
Withdrawal rates	1.00%	1.00%	1.00%	1.00%

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

**F. Experience adjustment - Gratuity** ₹ in lacs

	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Defined benefit obligation	76.89	58.56	42.75	33.69	50.43
Plan assets	65.97	57.98	49.64	48.71	41.83
Surplus/(Deficit)	(10.92)	(0.58)	6.89	15.02	(8.60)
Experience adjustments on plan liabilities	(13.89)	12.42	6.02	(13.26)	6.89
Experience adjustments on plan assets	(1.65)	(5.26)	(0.83)	(1.29)	1.26

**G.** Gratuity Contribution expected to be paid during the year ending March 31, 2017: ₹ 10.00 Lacs.

**25 Finance Costs**

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
Interest expense	52.84	160.10
Other borrowing cost	34.81	78.05
	<b>87.65</b>	<b>238.15</b>

**26 Depreciation and Amortisation Expense**

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
Depreciation of tangible assets	68.60	71.95
Amortisation of intangible assets	35.07	32.25
	<b>103.67</b>	<b>104.20</b>

**26.1** Depreciation provided during the year is net of reversal of excess depreciation provided in earlier years of ₹ Nil lacs (previous year ₹ 45.62 lacs).

## 27 Other Expenses

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
Stores and spares	0.22	0.02
Packing & forwarding	2.11	20.11
Power and fuel	16.66	18.44
Repairs to:		
- building	1.77	-
- others	7.05	6.03
- plant & machinery	0.18	0.74
Insurance charges	6.30	9.57
Rent	17.48	28.27
Rates & taxes	5.66	19.17
Printing & stationery expenses	3.42	8.14
Advertisement expenses	0.95	0.45
Postage & telephone expenses	8.26	9.80
Travelling expenses	37.79	66.76
Legal & professional charges	135.15	209.60
Exchange rate variation	50.82	(19.71)
Excise duty difference between opening & closing stock	(0.10)	(2.16)
Auditors' remuneration:		
VAT audit	0.29	0.28
Audit fees	0.86	0.84
Tax matter	0.40	0.22
Other consultancy	0.28	0.20
Directors' sitting fees	0.26	0.18
Security charges	10.73	10.19
Loss on sale of assets	1.05	9.33
Vehicle expenses	21.11	15.53
Provision for doubtful advances	38.76	-
General charges	34.96	22.58
(Including business promotion, loading unloading etc)		
	<b>402.42</b>	<b>434.58</b>

### 27.1 Details of stores & spares consumption

	Year ended 31/03/2016		Year ended 31/03/2015	
	₹ in lacs	%	₹ in lacs	%
Indigenous	0.22	100%	0.02	100%
Imported	-	-	-	-
Total	<b>0.22</b>	<b>100%</b>	<b>0.02</b>	<b>100%</b>

## 28 Exceptional Item of Income

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
Insurance claim received against loss of inventories in the F.Y.2001-02	141.66	-
Interest received on insurance claim	179.26	-
	<b>320.92</b>	<b>-</b>

**28.1** The Company has received an amount of ₹320.92 lacs in May 2015 from insurance company towards insurance claim (₹141.66 lacs) and interest thereon (₹179.26 lacs) pursuant to the award by Hon'ble National Consumer Disputes Redressal Commission (NCDRC). This amount pertains to the claim preferred by the Company in respect of loss of inventories in the devastating fire which took place in the F.Y. 2001-02 for which loss was fully provided in the books of accounts in the year of loss. As such, the entire amount of ₹320.92 lacs has been shown as Exceptional Item of Income during the current year, i.e., the year of receipt being non-recurring in nature.

## 29 Earning Per Share

Particulars	Year ended 31/03/2016	Year ended 31/03/2015
Numerator for calculating basic and diluted earnings per share [Profit after tax] (₹ in lacs)	44.44	134.78
Weighted average number of shares used as denominator for calculation of basic and diluted earnings per share	4999985	4999985
Nominal value per share (₹)	10	10
<b>Basic and diluted earnings per share (₹)</b>	<b>0.89</b>	<b>2.70</b>

## 30 Contingent liabilities

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

- a Bank guarantees and letters of credit issued by the bank for ₹ 847.18 lacs (previous year ₹855.09 lacs).
- b Guarantee given by the Company on behalf of other Company for ₹300.00 lacs (previous year ₹300.00 lacs) against which the principal amount outstanding is ₹144.00lacs ( previous year ₹144.00 lacs).
- c
  - i) ₹ 2.35 lacs awarded against the Company by Hon'ble Senior Civil Judge-11, Tis Hazari Court, New Delhi, in an industrial dispute case against which the Company has filed writ petition in the Hon'ble Delhi High Court.
  - ii) ₹1.86 lacs awarded against the Company by Hon'ble Senior Civil Judge-4, Tis Hazari Courts, New Delhi, in an industrial dispute case against which the Company has filed writ petition in the Hon'ble Delhi High Court (previous year in aggregate ₹3.01 lacs). The Hon'ble Delhi High Court has granted stay against these orders and the Company has deposited ₹1.46 Lacs & ₹1.18 Lacs respectively with the Hon'ble High Court of Delhi.
- d Income tax demand for the A.Y. 2012-13 of ₹5.66 lacs against which application for rectification has been filed (previous year ₹5.66 lacs).
- e Stamp duty demand of ₹14.45 lacs (previous year ₹ 14.45 Lacs) from Deputy Collector, Stamp Duty Valuation Organisation, Gandhinagar in respect of sale deed No. 3637 dated 16.3.2011 executed by GIDC in favour of the Company, against which special civil application has been filed by the Company in the Hon'ble High Court of Gujarat and the Hon'ble High Court has granted stay till the disposal of the said application.
- f Demand towards revenue charges (service charges, NAA charges, lease rent & infrastructure fund) by GIDC of ₹ 6.72 lacs (previous year ₹4.88 lacs) against which certain objections have been raised by the Company.

### 31. Segment Information:

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

	F.Y. 2015-16						F.Y. 2014-15					
	TOTAL	Electronic Materials	System Integration	E-learning	Other	Un Allocated	TOTAL	Electronic Materials	System Integration	E-learning	Other	Un Allocated
<b>SEGMENT REVENUE</b>												
Sales of Product	797.97	217.34	39.06	533.00	8.57	-	5478.24	269.30	5010.11	162.66	36.17	-
Sales of Services	441.20	-	297.57	143.63	-	-	326.32	-	282.54	43.78	-	-
Exports	-	-	-	-	-	-	0.26	-	-	-	0.26	-
<b>TOTAL SEGMENT REVENUE</b>	<b>1239.17</b>	<b>217.34</b>	<b>336.63</b>	<b>676.63</b>	<b>8.57</b>	<b>-</b>	<b>5804.82</b>	<b>269.30</b>	<b>5292.65</b>	<b>206.44</b>	<b>36.43</b>	<b>-</b>
<b>% of Segment Revenue</b>	<b>100.00%</b>	<b>17.54%</b>	<b>27.17%</b>	<b>54.60%</b>	<b>0.69%</b>	<b>-</b>	<b>100.00%</b>	<b>4.63%</b>	<b>91.18%</b>	<b>3.56%</b>	<b>0.63%</b>	<b>-</b>
<b>SEGMENT ASSETS</b>												
(a) Inventories	110.87	64.45	30.20	-	16.22	-	119.06	66.04	29.53	-	23.49	-
(b) Sundry Debtors	428.91	31.72	85.93	308.74	2.52	-	2392.36	31.69	2201.92	154.66	4.09	-
(c) Cash & Bank Balance	101.08	-	-	-	-	101.08	214.35	4.32	209.91	0.12	-	-
(d) Loans & Advances	318.66	107.48	60.87	61.00	-	89.31	371.87	40.28	185.95	53.92	-	91.72
(e) Other Current Assets	29.48	-	18.08	-	-	11.40	22.40	-	16.30	-	-	6.10
(f) Fixed Assets	2387.86	22.14	1.43	224.68	-	2139.61	2432.46	24.81	-	245.29	-	2162.36
(g) Investments	157.58	-	-	-	-	157.58	0.61	-	-	-	-	0.61
Less : Current Liabilities	277.61	9.35	112.45	68.74	-	87.07	2334.23	9.75	2165.42	97.49	-	61.57
	<b>3256.83</b>	<b>216.44</b>	<b>84.06</b>	<b>525.68</b>	<b>18.74</b>	<b>2411.91</b>	<b>3218.88</b>	<b>157.39</b>	<b>478.19</b>	<b>356.50</b>	<b>27.58</b>	<b>2199.22</b>
<b>SEGMENT CAPITAL ASSETS</b>	65.80	-	-	47.53	-	18.27	156.41	-	0.90	153.74	-	1.77
<b>(Addition During the year)</b>	<b>65.80</b>	<b>-</b>	<b>-</b>	<b>47.53</b>	<b>-</b>	<b>18.27</b>	<b>156.41</b>	<b>-</b>	<b>0.90</b>	<b>153.74</b>	<b>-</b>	<b>1.77</b>

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

Details of transactions with related parties:

- An amount of ₹ 10.79 lacs (previous year ₹ 19.80 lacs) was paid as rent under leave & licence arrangement to Managing Director, Mrs. Gors A Parekh. An amount of ₹ Nil lac (previous year ₹0.14 lac) was paid as rent under leave & licence arrangement to a relative of Director.
- An amount of ₹ 36.00 lacs (previous year ₹ 36.00 lacs) was paid as managerial remuneration to Mrs. Gors A. Parekh, Managing Director of the Company.
- An amount of ₹ 30.00 lacs (previous year ₹ 30.00 lacs) was paid as managerial remuneration to Mrs. Kalawati J. Parekh, Wholtime Director of the Company.
- An amount of ₹ 20.51 lacs (previous year ₹ 20.23 lacs) was paid as consultancy fees to Shri Jaisukhlal J. Parekh, relative of directors of the Company.
- An amount of ₹ 49.46 lacs (previous year ₹ 31.20 lacs) was paid as emoluments to the CFO & Company Secretary Mr. L.P. Sanghvi, who is KMP of the Company.

- vi An amount of ₹ Nil lacs (previous year ₹ 547.75 lacs) was taken as unsecured loan from Mrs. Gorsi A Parekh, Managing Director of the Company and the year end balance of unsecured loan was ₹ Nil lacs (previous year ₹ 224.34 lacs).
- vii An amount of ₹ 224.34 lacs (previous year ₹ 448.10 lacs) was repaid towards unsecured loan taken from Mrs. Gorsi A Parekh, Managing Director of the Company.
- viii An amount of ₹ 0.03 lacs (previous year ₹ Nil lacs) was paid as sitting fees to Mr. Varun A Parekh, Director of the Company.
- 33 The amount of exchange rate difference debited to Statement of Profit and Loss is ₹50.82 lacs ( Credited ₹19.71 lacs in previous year).
- 34 The balances in respect of trade receivable, current liabilities and loans and advances are subject to confirmation and reconciliation if any.
- 35 In the opinion of the Board of Directors of the Company, the current assets and loans & advances are of the value stated in the balance sheet in the ordinary course of business. Provision for all known liabilities is made and the same is adequate and not in short/excess of amounts reasonably necessary.
- 36 On the basis of available information, there were no amounts outstanding and due for more than 30 days in excess of ₹1.00 lac to small scale undertakings.
- 37 The difference between excise duty on opening and closing stock of finished goods is recognized separately in the Statement of Profit & Loss.
- 38 Borrowing costs attributable to the acquisition or construction of Qualifying Assets amount to ₹ Nil lacs (previous year ₹ Nil lacs).
- 39 During the year, the Company has impaired the assets to the tune of ₹ Nil lacs (previous year ₹ Nil lacs).
- 40 The Company has entered into certain operating lease agreements and amounts of ₹ 17.48 lacs (previous year ₹ 28.27 lacs) paid under such agreements have been charged to the Statement of Profit and Loss. These are generally not non cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by such agreements.

**41 Expenditure Incurred in Foreign Currency**

	Year ended 31/03/2016 ₹ in lacs	Year ended 31/03/2015 ₹ in lacs
(i) CIF value of imports		
Raw materials -TFM	1.71	2.00
Trading Goods & Services -SI	91.72	3215.29
(ii) Foreign travels	9.04	-
<b>42 Earning in Foreign Exchange</b>		
Earning in foreign currency	-	6.32

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

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

**J. J. Shah**  
Partner  
M. No.: 45669  
Place : Ahmedabad  
Date : 26<sup>th</sup> August, 2016

For and on behalf of the Board,

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

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

**L. P. Sanghvi**                      *CFO & Company Secretary*  
Place : Gandhinagar  
Date : 26<sup>th</sup> August, 2016



## Arraycom (India) Ltd.

**Registered Office:** Plot No. B-13, 13/1 & 14, Electronics Estate, GIDC, Sector 25, Gandhinagar-382 023 (Gujarat)

**Form No. MGT-11**

### PROXY FORM

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

**CIN** **U32109GJ1992PLC039667**

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

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

Name of the member (s) \_\_\_\_\_

Registered address \_\_\_\_\_

E-mail Id \_\_\_\_\_

Folio No/ Client Id \_\_\_\_\_

DP ID \_\_\_\_\_

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

1. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail Id \_\_\_\_\_

Signature \_\_\_\_\_ Or Failing him,

2. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail Id \_\_\_\_\_

Signature \_\_\_\_\_ Or Failing him,

3. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail Id \_\_\_\_\_

Signature \_\_\_\_\_

[P.T.O.]

## Arraycom (India) Ltd.

(CIN: U32109GJ1992PLC039667)

**Registered Office:** Plot No. B-13, 13/1 & 14, Electronics Estate, GIDC, Sector 25, Gandhinagar-382 023 (Gujarat)

DP ID	Client Id	Folio No.	No. Of Shares held

### ATTENDANCE SLIP

23<sup>rd</sup> Annual General Meeting

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

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

I hereby record my presence at the **23<sup>rd</sup> Annual General Meeting** held at 4.00 p.m. on 27<sup>th</sup> September, 2016 at the registered office of the Company at Gandhinagar (Gujarat).

Member's/ Proxy's signature

[P.T.O.]

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on the 27<sup>th</sup> day of September, 2016 at 4.00 p.m. at Plot No B-13, 13/1 & 14, GIDC Electronics Estate, Sector 25, Gandhinagar- 382023 (Gujarat) and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No. Resolution**

**Ordinary Business**

- 1 To receive and adopt Audited Balance Sheet as at 31<sup>st</sup> March, 2016; the Profit and Loss Statement and Cash Flow Statement for the year ended on that date together with all annexures and attachments thereto including the Auditors' Report and the Directors' Report thereon.
- 2 To appoint a Director in place of Mr. Ranchhodbhai N. Patel (DIN: 03067717), who retires by rotation and being eligible, offers himself for re appointment.
- 3 To ratify the appointment of Auditors made in the 21<sup>st</sup> Annual General Meeting for holding the office from the conclusion of 21<sup>st</sup> Annual General Meeting till the conclusion of the 26<sup>th</sup> Annual General Meeting and to fix their remuneration.

**Special Business**

- 4 Re-appointment of Mrs. Gors A. Parekh as Managing Director for a period of three years w.e.f. 30<sup>th</sup> March, 2016 and revision in the terms of remuneration payable to her w.e.f. 1<sup>st</sup> July, 2016.
- 5 Re-appointment of Mrs. Kalawati J. Parekh as Whole Time Director for a period of three years w.e.f. 1<sup>st</sup> April, 2016 and revision in the terms of remuneration payable to her w.e.f. 1<sup>st</sup> July, 2016.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

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

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

Affix  
Revenue  
Stamp

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

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**Notes:**

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

## Arraycom Presence





Arraycom (India) Ltd. ■

Registered Office and Factory :  
Plot No. B-13, 13/1 & 14, GIDC Electronics Estate,  
Sector 25, Gandhinagar - 382 023 (Gujarat)  
(CIN : U32109GJ1992PLC039667)