Exicom Tele-Systems Limited
Industrial Plot No. 2A, Sector-18,
Gurgaon, Haryana - 122015, India
Tel : 0124 - 3946100
Fax : 0124 - 3946112
Email : contact@exicom.in
URL : www.exicomtelesystems.in

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting of the members of the Exicom Tele-Systems Limited will be held on Friday, the 11th day of June, 2021 at 4:00 P.M. at the Registered Office of the Company at 8, Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh - 173213 to transact, the following business:

ORDINARY BUSINESS:

1. To consider and adopt the standalone audited Financial Statements for the financial year ended 31st March, 2021 of the Company and the Reports of the Board of Directors and the Auditors of the Company thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions:

   "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To re-appoint Mr. Anant Nahata (DIN: 02216037) who retires by rotation as a Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution

   "**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Anant Nahata (holding DIN: 02216037), who retires by rotation at this meeting be and is hereby appointed as a Director (MD and CEO) of the Company."

SPECIAL BUSINESS:

3. APPROVAL OF REMUNERATION OF THE COST AUDITORS

In this regard to consider and if though fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the cost auditors M/s SKG & Co., Cost Accountants appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the Financial Year ending 31 March, 2022 be paid the remuneration of Rs. 110,000/- (Rupees One Lakh Ten Thousand Only) plus taxes as applicable & re-imbursement of out of pocket expenses.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors
For **Exicom Tele-Systems Limited**

Sangeeta Karnatak
Company Secretary
M. NO 25216
A-84/1, SFS Flat, Saket, New Delhi-110017

Place: New Delhi
Date: 07.05.2021

NOTES:

1. **The members may vote in the meeting either in person or by proxies.**

2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A person can act as proxy on behalf of members not exceeding fifty and holding in 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 total share capital of the Company carrying voting rights may appoint a single person as proxy for any other person or shareholder.

   The proxy form to be filed with company shall contain a revenue stamp of Rupee 1/- (One), duly signed both by the shareholders and proxy to be appointed and deposited with the Company as stated above. A proxy form is enclosed along with this notice.

3. **Members should bring the enclosed attendance slip duly filled in for attending the meeting along with the notice.**

4. **All documents mentioned in the accompanying notice are open for inspection at the registered office of the Company between 11 A.M. to 2 P.M. on all working days except Saturday up to the date of this Annual General Meeting.**

5. **Route-map to the venue of the meeting is provided at the end of the notice.**

6. **Members are requested to update their e-mail address with the Company.**

7. **A member may request for delivery of any document through a particular mode and the fee for the same shall be determined by the Company in the Annual General Meeting.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ('the Act')

ITEM NO. 3:

Pursuant to Section 148 of the Companies Act, 2013 read with the relevant rules thereunder, the Company is required to appoint a cost auditor to audit the cost records for the applicable products of the Company. On the recommendation of the Audit Committee at its meeting held on 07th May, 2021, the Board considered and approved the appointment of M/s SKG & Co., Cost Accountants (F. No. 000418) as the cost auditor for the FY 2021-22 at remuneration of Rs. 110,000/- (Rupees One Lakh Ten Thousand Only) plus taxes as applicable & re-imbursement of out of pocket expenses.

The Board of Directors recommends the Ordinary Resolution as set out in Item No. 3 of the Notice for the approval of the shareholders.

None of the persons specified in Section 102 of the Companies Act, 2013, viz., the Directors, Manager, Key Managerial Personnel(s), if any, and their relatives are concerned or interested in the above resolution.

Your Board recommends passing of this resolution set out in Item No 3 of this Notice.

By Order of the Board of Directors
For **Exicom Tele-Systems Limited**

Sangeeta Karnatak
Company Secretary
(M.NO 25216)
A 84/1 SFS Flat, Saket,
New Delhi, 110017

Place: New Delhi
Date: 07.05.2021

ATTENDANCE SLIP

The Folio No. and Name(s) of the Member(s) is / are to be furnished below in block letters

Folio No... No. of Shares held ....

Client ID .... DP ID ....

Full Name(s) of Member / Joint Members

1... 2..
3... 4..

Full Name of the Proxy if attending the meeting...

I hereby record my presence at the Extra Ordinary General Meeting of Exicom Tele-Systems Limited held on …………………………….

....

Signature of the Member / Joint Members / Proxy attending the Meeting

Please complete this attendance slip and hand it over at the entrance of the Meeting hall.

<u>Form No. MGT-11</u>

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: U64203HP1994PLC014541

Name of the Company: Exicom Tele-Systems Limited

Registered office: 8 Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh – 173213

Name of the Member(s): Registered address:

I/ We …………………………………being the member of the Exicom Tele-Systems Limited holding………………….shares, hereby appoint

1. Name:
   Address:
   E-mail Id:
   Signature: ……….., or failing him

2. Name: …………….
   Address:
   E-mail Id:
   Signature: ………..,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Extra Ordinary General Meeting of members of the Company, to be held on Friday, 11th June, 2021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
Ordinary Business			
1	To receive, consider and adopt the standalone Financial Statements ended 31st March, 2021 of the Company including the Audited Balance Sheet, the Statement of Profit and Loss and the cash flow statement for the year ended on that date and the Reports of the Board of Directors and the Auditors of the Company		
2.	To appoint Mr. Anant Nahata (Din:02216037) who retires from office by rotation, but being eligible, offers himself for re-election.		

Special Business:			
3.	To approve the remuneration of Cost Auditors for the financial year ending March 31, 2022		

Signed ………….

Affix Revenue

Stamp

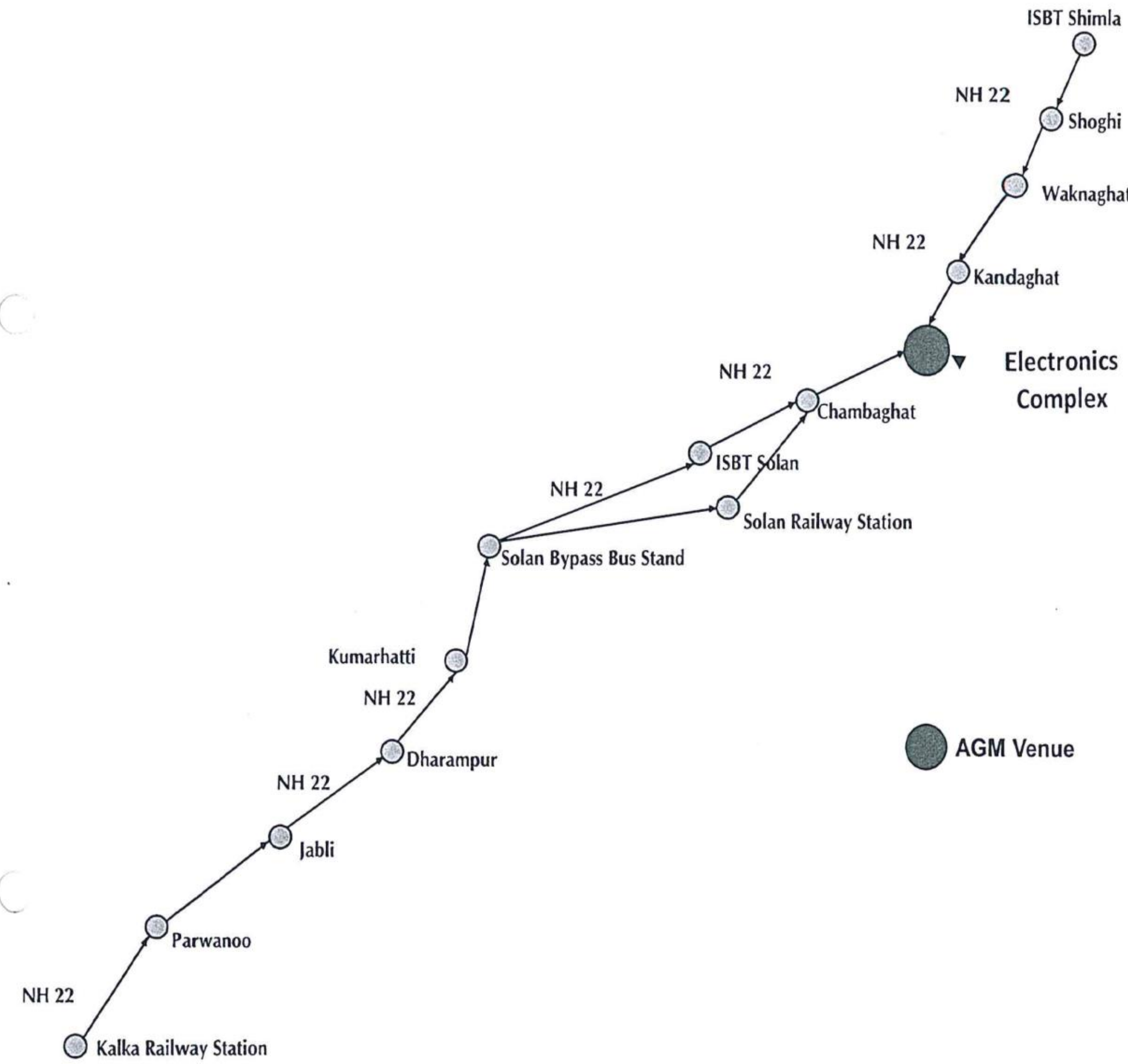
Signature of Shareholder

Signature of Proxy holder(s)

Note: (a) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

(a) Proxy need not be member of the company.

Road Map of AGM Venue i.e. 8, Electronics Complex, Chambaghat, Solan-173 213, Himachal Pradesh



Exicom TELE-SYSTEMS

DIRECTORS' REPORT

To

The Members
Exicom Tele-Systems Limited

Your Directors are pleased to present the 27th Annual Report of the Company along with the audited standalone financial statement of the Company for the financial year ended 31st March, 2021.

All references to "the Act" in this report refer to the Companies Act, 2013 unless stated otherwise.

FINANCIAL PERFORMANCE

The financial performance of the Company for the year ended 31st March, 2021 is summarized as below:

Particulars	Standalone (INR)	
	Current Year 2020-21	**Previous Year 2019-20**
Revenue from operations	3,091,263,486	2,754,516,503
Other Income	143,472,082	356,590,918
Profit/(Loss) before Interest, Depreciation, taxation and exceptional items	**82,345,282**	**(80,732,397)**
Finance Charges	156,213,466	109,840,662
Depreciation	158,980,686	162,442,557
Profit/(Loss) before Tax	**(232,848,870)**	**(353,015,617)**
Taxation	(178,764,342)	11,523,411
Less: MAT credit entitlement and Income tax of earlier year	52,492,498	54,715
Net Profit/(Loss)	**(106,577,027)**	**(364,593,743)**
Other comprehensive Income / (loss)	1,967,054	(5,114,221)
Net profit and (loss) after other comprehensive income	**(104,609,973)**	(369,707,964)

Note: As per Notification [F.No.1/19/2013-CI-V-Part] dated 27-7-2016 of Companies (Accounts) Amendment Rules, 2016 issued by the MCA on 27/07/2016, your Company being a subsidiary of Nextwave Communications Private Limited (Nextwave) is exempted from preparing the consolidated financial statements for this year. However, the Company has voluntarily prepared the consolidated financial statement. Further, Nextwave Communications Private Limited is filing the consolidated financial statement with the Registrar of Companies, Ministry of Corporate Affairs, therefore your Company is filing only the standalone financials of your Company.

EXICOM TELE-SYSTEMS LIMITED

RESULT OF OPERATIONS AND THE STATE OF AFFAIRS:

Your Company's performance for the FY 2020-21 was better than the previous year's performance despite adverse impacts of COVID 19. Your Company achieved revenue of ₹309.12 Crore as against ₹275.45 Crore in the previous FY19-20, reporting a growth of approx. 12%.

We reported an operating loss of PBT ₹ (-23.28) / PAT ₹(-10.65) Crore vs PBT ₹(-35.30) Crore / PAT ₹(-36.46) Crore in the previous financial year 2019-20. However, we firmly believe in our growth strategy for EV Business and thus continued to invest in the EV Commercial and R&D organization.

Your Company is determined to improve this performance in the coming financial year FY2021-22. Due to huge demand in Telecom and upgradation expected for 4G / 5G, we expect a strong year for the DCT Business. While automotive may continue to be sluggish due to COVID19 economic influence, the Company expects strong growth in the EV Charger Business due to demand in the EV industry and government focus on conversion to electric mobility including infrastructure push for electric chargers.

The state of affairs of your Company continues to be strong with demand growth in Telecom and EV being one of the sunrise segments for the country.

GLOBAL HEALTH PANDEMIC COVID19

Your Company showed a strong recovery in second half of the financial year 2020-21 despite the challenges from COVID19 pandemic. All the businesses recorded strong growth in revenues and order book. The operational capacity is fully utilized and the company is fully committed to serve its customers while taking care of health and safety of all of its employees. Though it is difficult to predict any demand scenario for the immediate short term, the positive impact on economy from the vaccination drive across the country is expected to further improve the financial performance in the coming year, however the operations and business still remain susceptible to any further outbreak of the COVID19 virus.

The company will continue to drive the actions on optimizing costs at all levels of the organizations and manage the liquidity through efficiencies of working capital. Some of the mega trends expected in the near mid-term are; roll out of 5G in telecom sector, energy storage demand in the data center industry, government focus on conversion to electric mobility including infrastructure push for electric chargers.

DEPOSITS

Your Company has not accepted any deposits within the meaning of provisions of Chapter V-Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

SHARE CAPITAL

The paid-up Share Capital of the Company as on 31st March, 2021 was Rs.7,23,02,030/-

During the Financial Year 2020-21, the Company had issued 704,225 (Seven Lakh Four Thousand Two Hundred and Twenty-Five) 6% compulsory convertible Debentures ("CCD") of having face value of Rs.1065 (Rupees One Thousand and Sixty-Five Only) each, aggregating to Rs. 75,00,00,000/- (Rupees Seventy-Five Crore Only) for cash at par, on a private placement basis to NextWave Communications Private Limited ("NextWave") for a tenor of 8 years. Such CCD shall be converted into equity share of the face value of Rs. 10/- (Rupees Ten Only) and at a premium of Rs. 1055/- (Rupees One Thousand Fifty-Five Only) aggregating to Rs. 1065/- each of the Company (the "Equity Share").

PARTICULARS OF EMPLOYEES

Particulars of Employees as required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), a statement showing the names of top ten employees of the Company in terms of remuneration drawn and other particulars of the employees drawing remuneration in excess of the limits set out in said rules are given in **"Annexure- A"** annexed herewith.

NUMBER OF BOARD MEETINGS AND BOARD COMMITTEE MEETINGS AND ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND BOARD COMMITTEE MEETINGS

During the calendar year, the Board of Directors have five times during the calendar year and five times during the financial year in respect of which notices were properly given and proceedings are duly recorded, signed and compiled in Minutes Books maintained for the purpose.

The number of Board meeting held during the calendar year & financial year and each Directors attendance at those meetings are set out in the table below:

Name of Directors	During the Calendar Year (01/01/2020-31/12/2020)		During the Financial Year (01/04/2020-31/03/2021)	
	No. of Board Meeting held	No. of Board Meetings attended	No. of Board Meeting held	No. of Board Meetings attended
Mr. Brij Behari Tandon	5	5	5	5
Mr. Himanshu Baid	5	5	5	5
Mr. Subhash Chander Rustgi	5	5	5	5
Mr. Anant Nahata	5	5	5	5
Ms. Leena P.Gidwani	5	5	5	5

The table below shows attendance at Board Committee meetings, of which the directors of the Company are members during the calendar year ended 31 December 2020

Name of Directors	Audit Committee Meeting		Nomination and Remuneration Committee Meeting		Corporate Social Responsibility Meeting	
	No. of Meeting held	No. of Meetings attended	No. of Meeting held	No of Meetings attended	No. of Meeting held	No. of Meetings attended
Mr. Brij Behari Tandon	4	4	1	1	1	1
Mr. Himanshu Baid	4	4	1	1	1	1
Mr. Anant Nahata	4	4	Not a member		1	1
Mr. Subhash Chander Rustgi	Not a member		1	1	Not a member	

The table below shows attendance at Committee meetings, of which the directors of the Company are members during the Financial Year ended on 31 March, 2021:

Name of Directors	Audit Committee Meeting		Nomination and Remuneration Committee Meeting		Corporate Social Responsibility Meeting	
	No. of Meeting held	No. of Meetings attended	No. of Meeting held	No of Meetings attended	No. of Meeting held	No. of Meetings attended
Mr. Brij Behari Tandon	3	3	1	1	1	1
Mr. Himanshu Baid	3	3	1	1	1	1
Mr. Anant Nahata	3	3	Not a member		1	1
Mr. Subhash Chander Rustgi	Not a member		1	1	Not a member	

EXICOM TELE-SYSTEMS LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

(b) that we have 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 at the end of the financial year and of the profit and loss of the Company for that period;

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

(d) that the annual accounts have been prepared on a going concern basis;

(e) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and

(f) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration of independence required under Section 149(6) of the Companies Act, 2013, read with the Companies (Particulars of Employees) Rules, 1975 from all its Independent Directors and there has been no change in the circumstances which may affect their status as independent director during the year.

The Board is of the opinion that Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors. In terms of Section 150 of the Companies Act 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 Independent Directors of the Company have also confirmed that they had registered themselves with the databank maintained by The Indian Institute of Corporate Affairs Manesar.('IICA').

All the Independent Directors of the Company are exempt from the requirement to undertake online proficiency self-assessment test.

BOARD EVALUATION

The annual evaluation process of the Board of Directors, individual Directors (ID and NID) and Committees was conducted in accordance with the provision of the Act and the NRC Policy.

In a separate meeting of independent directors, performance of Non-Independent Directors and the Board as a whole was evaluated. Also the quality, quantity and timeliness of flow of information between the company management and the board particulars of loans, guarantees or investments was assessed.

Performance evaluation of Independent Directors was done by all the Board members, excluding the Independent Director being evaluated.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not made any investment and/or has not provided any guarantee as covered under Section 186 of the Companies Act, 2013 during the financial year 2020-21. However, details of Loans covered under the provisions of Section 186 of the Companies Act, 2013, are given in the Notes forming part of the Standalone Financial Statements.

Also, during the year 2020-21 the Company has written off the loan amounting to Rs. 6,000,000/- (Rupees Sixty Lakhs Only) given to Zbee India Private Limited. The details of the same are given in the Notes forming part of the Standalone Financial Statements.

LOAN FROM MANAGING DIRECTOR OF THE COMPANY

During the year, your company has borrowed the following sums, as interest free unsecured loan from Mr. Anant Nahata, Managing Director cum CEO of the Company pursuant to section 179(3)(d) read with the proviso of Rule 2(1)(c)(viii) of Companies Acceptance of Deposits) Rules, 2014 post obtaining a declaration, from Mr. Anant Nahata, to the effect that the amount extended by him to the Company is not being given out of the funds acquired by him by borrowing or accepting loan and deposits from others:

SL. No.	Maximum borrowing limits approved	Board Approval sought on
1.	INR 80,000,000/- (Rupees Eight Crores Only)	June 30, 2020
2.	INR 100,000,000/- (Rupees Ten Crores Only)	September 28, 2020

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered by the Company with Related Parties during the financial year 2020-21 were in the ordinary course of business and on arm's length basis. Further, during the year under review, there are no materially significant related party transactions which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted, along with a statement giving details of all related party transactions, are placed before the Audit Committee.

Your Directors draw attention of the members to Note no. 50 to the standalone financial statement which set out disclosures on transactions with related parties and AOC 2 as per **Annexure - B.**

AMOUNT PROPOSED TO BE CARRIED TO RESERVE

No amount is proposed to be transferred to any specific reserve in view of the losses suffered by the Company during the year.

DIVIDEND

No dividend is recommended for the year ended 31st March, 2021 in view of the losses suffered by the Company during the year.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments have occurred from the end of the financial year till the date of this report which can affect the financial position of the company.

RESEARCH AND DEVELOPMENT (R&D)

Your Company has a strong and committed in-house R&D team in Gurugram and Bangalore.

R&D Gurugram is working on following product developments:

1) Serenity VHE 48V/3000W

Our 3000W/48V Serenity VHE series DSP Rectifier are single controller, single fan, high reliability, meets the new standard of energy efficiency 97.5% and high power density (37.4W/In3). This rectifier module designed for working in parallel as a part of DC power system controlled and monitored by M1000 controller through CAN communication. This high efficiency rectifier based Power Plant is an all-in-one power solution for mobile telecom operators for overseas customers. This project was started in year 2019 and due to EMI and psophometric noise related issues encountered during development, PCB layout modification with some other improvements are required. Pilot production has been planned in Sep-2021.

2) Serenity 48V/4000W

Our 4000W/48V Serenity series DSP Rectifier single phase Rectifier is state of the art and future trends combines advance topologies for very high power density (50W/In3) and efficiency (97%). This rectifier module designed for working in parallel as a part of DC power system controlled and monitored by M1000 controller through CAN communication. This high efficiency rectifier based Power Plant is an all-in-one power solution for mobile telecom operators for overseas and Indian customers. This project was started in year 2019 and due to thermal challenges encountered during development, PCB layout modification with some other improvements are required. Pilot production has been planned in Sep21-Dec21.

3) High Power Density 2KW rectifier

To meet the power requirement of 5G network, your company has taken up the product development of high-power density 2KW rectifier. Our 2000W/48V Serenity HPD DSP Rectifier is single controller, single fan, high reliability, meets the new standard of energy efficiency 96.5% and high-power density (47 W/In3). This rectifier module designed for working in parallel as a part of DC power system controlled and monitored by M2000 controller through CAN communication. This high efficiency rectifier-based Power Plant is an all-in-one power solution for mobile telecom operators for overseas and Indian customers. The Pilot production of rectifier has been planned for Feb-2022.

4) IP67 based 3KW rectifier

To meet the power requirement of 5G network, your company has taken up the 3rd party product development of IP67 based 3KW rectifier. This pole mounted 3KW rectifier along with pole mountable Li-Ion battery will be future requirement for 5G urban network. R&D is exploring multiple third party vendors for cost effective, feature rich and reliable solutions. After successful collaboration with third party vendor, field trial of the rectifier is planned in Jan-2022.

5) Development of M2000-LITE Controller

Company has a state of the art system controller M2000, which meets most of the application requirements. However, there is a need for development of a limited functionality, small footprint and lower cost controller for small cell applications. R&D has taken up development of this controller (M2000-LITE) which will fit in 1U space and occupy <60 mm front panel as compared to 110mm of current controller. A pilot has been planned for March, 2022.

6) Single Channel Shunt Card

In our current SMPS design, we use DCIO for monitoring bus / battery voltage and battery / load currents. The same unit also provides drive for LVD contactor. The unit provides three number of load channels. Though this meets common system requirements, we do get requirements for systems where we need one additional load channel. However, system supports usage of one more DCIO units but this is not economical. To meet such requirements, R&D has taken up development of a small foot print single channel board, which can monitor one load channel. It is proposed that this unit will be ready by Q4, 2021.

7) Cost Reduction

Company has purchased technology for Telematics unit with use in EV battery packs. It is proposed to take up a project to use lower cost alternate core components. This is a major project as core component and software will be changed. The modified unit is expected by ready by Q2, 2022.

Your Company has successfully completed the following projects:

1) Product Design Improvements for 3KW, 2KW, 2KW-EV and Solar Charger

Product design Improvement of 3KW, 2KW, 2KW-EV and Solar Charger has been taken up during 2021-22. R&D has optimized the design for cost and for better reliability. R&D has also done the production quality related improvements for all the products mentioned above. This includes PCB and Mechanical Improvements. All the products have been cleared for the bulk production for the current financial year.

VOM TELE-SYSTEMS LIMITED

2) Serenity 3KW extended voltage rectifier (40-65V)

Based on the requirement received from our marketing team for the IOCL projects, development of 3KW extended voltage rectifier has been taken up to operate up to 65V. This rectifier is designed to operate in parallel mode to boost charge the battery up to 65V. Salient feature of the Rectifier are very high reliability, high efficiency, wide input range and wide output voltage.

3) Cost Reduction of ACIF Unit

The existing ACIF unit was redesigned and system logics optimized to reduce overall system cost. With this exercise, cost reduction of more than 15% was achieved on unit level. The unit has been now launched in production.

4) Feature Addition in M2000 Controller

A number of new features related to more secure network access; additional user functionality and parameter logging were developed and launched. All these features enhance salability of the controller. This work will continue in next year also as part of continuous improvement. The features were collected from various partners and user departments.

Further, R&D Bangalore is working on following product developments:

1. Battery disconnect unit – Solid state relay control

Solid state relay based battery disconnect unit will isolate the battery pack from the system electrically. The BDU-SSR has 2 variants 75A and 150A, both the variants can individually take a continuous current of 75A and 150 respectively. 75A variant is more suitable for portable and e-rickshaw application whereas 150A version is suitable for Telecom and L5 vehicle application. This product also has a inbuilt pre-charge control circuit which can charge the DC link capacitance up to 5 to 10 mF. The short circuit current handling capability is up to 4000A which is good for battery pack capacity up to 10 KWhr. This variant can be sold as an individual product & also can be used along with MEXX BMS.

2. Battery Management System – Slave BMS

A complete monitoring solution for high voltage battery packs, Exicom's Slave BMS is engineered with the highest of precision and quality standards. This configurable BMS facilitates a unique safety strategy, battery performance optimization, charge time reduction and ensures the best possible battery life.

3. Battery pack - Cube 3.3 51.2V / 100Ah

5 KWhr battery pack will be best suited for e-rickshaws which are currently using 2.5Kwhr to 4 KWhr. Powered by LFP cells, this battery pack will be a perfect answer to all the range anxiety issues faced during last mile connectivity. With highest energy density among its peers in the market this battery pack shall also be a drop in replacement for our 3.75Kwhr battery pack with minor modification. This battery pack will also be integrated with our in-house developed Lite BMS which improves the overall efficiency and longevity of the battery pack.

4. Battery pack - Cube 1.1 36V / 6.4Ah

Powered by Ultralite PCM platform this 200Whr battery pack with 36V and 6.4Ah is designed and developed in-house for electric bicycle application for one of the Tier 1 Indian OEM. Powered by Panasonic cells this battery pack is designed to meet IP67 requirements. The battery pack complies with ISO10605 & UL2271 suitable for export market as well.

5. Battery pack – Cube V5

Cube5 is a 2.2 Kwhr swappable battery pack used for 2W/3W application designed using high energy density 21700 NMC/NCA cells which also provides the highest life cycle in the market. This battery pack will be protected by Lite BMS and Telematics will be a feature rich product which can be used for B2B and B2C customers.

EXICOM TELE-SYSTEMS LIMITED

6. Existing product upgrade

Upgrade our V4-48V and V4-60V battery pack with Lite BMS. This product is currently under the pilot & trial stage. The advantages like low power consumption and high reliability of the battery pack will help us maintain our market position with existing customers.

Your Company has successfully completed the following projects

1) Battery Management system: LITE

LITE BMS provides class leading BMS technology as a highly optimized value proposition. Derived from value engineered design philosophy guaranteeing battery safety, segment best performance, LITE can be used for varied application ranging from consumer electronics, Telecom applications, LEV and micro-mobility. Designed with features to identify multiple external stimuli LITE ensures minimal dependency on integrated system, thus being self-reliant BMS. Class leading ultra-low quiescent current of LITE guarantees long shelf life of the battery

2) Battery Management system: MEXX

MEX BMS ends the quest for high performance and safety-oriented high voltage battery packs for rugged Electric Vehicle categories like Quadricycles and LCVs. A culmination of best practices and cutting edge design backed by rich expertise from the automotive domain, in-corporates MEX BMS with proprietary multi layered safety concepts , unmatched accuracy harnessing high precision analog design, chemistry agonistic prediction algorithms. Rigorous reliability tests, compliances and certification to industry standards

3) Protection control module: ULTRA-LITE

The Ultra-Lite BMS is a Li-ion battery protection solution for series 5 to 13 multi-cell battery packs. It detects overcharge voltage, over-discharge voltage, and charge/discharge over current, and it turns on and off external MOSFETs without the intervention of a microcomputer. Additionally it comes with short current detection, temperature detection, and optional discharge MOS control for making battery packs much safer. The Ultra-Lite BMS is the best choice for mass market power tools, small drones/RC toys, electrically assisted bicycles, robotic vacuum cleaners, lawn movers and other applications equipped with small form factor standalone battery packs which require low-cost, minimalistic, yet safe and reliable battery protection.

4) Battery disconnect unit – Electromechanical control

Electromechanical switch based battery disconnect unit is designed to electrically isolate the battery pack using electromechanical relays/contactors. This product can control contactor is 12V/48V coil voltage giving flexibility to be used for various applications. This BDU is designed to control high side contactor, low side contactor and Pre-charge contactor which ensure that this product can be used in any battery application. Inbuilt Diagnostic function enables to product the system failures. This product is very suitable for high capacity battery pack that are used in the L5 category vehicle.

5) TELEMATICS:

Exicom's TCU is the perfect wireless tracking, diagnostics and communication device for your battery. It uses State-of-the-art technology to provide Geo-Fencing and Remote Immobilization support while maintaining minimal self-discharge. With over-the-air updates, real time data sharing and preemptive alerts, it always keeps a check on your battery's health. It captures, monitors and shares the battery data enabling you to always keep a track of your valuable battery.

6) Battery pack: Cube 4

Combining the best of our knowledge and experience, Cube4 is the most amazing battery for your 2/3-wheeler. IP67 compliant, this portable battery is ergonomic and light weight and provides ultimate ease of use. It is highly modular enabling different capacities, voltages and 100+ user configurable parameters. Developed with a custom design casing with integrated thermal material and double insulation, it complies with 20+ safety and reliability standards. It is a world class, future ready product designed to cater all your battery needs and more!

7) Battery pack: Cube 3.3 51.2V / 210Ah

Automotive qualified 10KWhr battery pack will be best suited for any L5 Category (Passenger/Cargo) vehicle. Powered by LFP cells, this battery pack can supply a peak power up to 20KW. The battery pack shall be IP67 & complied with International standards which enables the pack to be exported to other countries.

ENERGY CONSERVATION MEASURES TAKEN

Exicom continues to give major emphasis for conservation of Energy, and the measures taken during the previous years were continued. The Efficiency of Energy Utilization in Exicom manufacturing Unit is monitored quarterly, in order to achieve effective conservation of energy. The significant Energy Conservation measures during the year were:

- Use of solar energy to run plant equipment's and till time we generated 372.93 MWh energy. (report attached for more details)
- Shifts optimization to reduce energy consumption
- 10% productivity improvement.
- Use of Energy Efficient Lighting systems like LED at offices.
- switching off machines / equipment when not in use and switching off lights in areas not having adequate activity by regrouping/repositioning the activity so that there will not be any wastage of energy due to lighting.
- Monitoring of utilization of energy in lighting and other auxiliary equipments.
- Use of power capacitors to improve the Power factor
- Creating awareness among employees about the necessity of energy conservation.

TECHNOLOGY ABSORPTION

Efforts made in technology absorption:

Your company had purchased technology for a Remote monitoring unit for Li-Ion EV batteries.

FOREIGN EXCHANGE EARNING AND OUTGO

	2020-21	2019-20
Expenditure in Foreign Currency	INR 1,06,45,790	INR 16,682,415
Earnings in Foreign Currency	INR 12,37,14,421	INR 495,604,878

HOLDING, SUBSIDIARIES AND ASSOCIATE COMPANIES

Holding Company

Nextwave Communications Private Limited (Nextwave) holds 5,031,685 equity shares which is 69.59% of the share capital of the company.

During the period under review, the following Companies were Subsidiaries and Associate of your Company.

Subsidiary Companies (Wholly Owned Subsidiary)

(i) Exicom Tele-Systems (Singapore) Pte. Ltd.
(ii) Energywin Technologies Private Limited

Step-down Subsidiary Companies

(i) Horizon Tele Systems SDN Bhd (Subsidiary of Exicom Tele-Systems (Singapore) Pte. Ltd.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries has been provided in Form AOC-1 '**Annexure C'.**

EXICOM TELE-SYSTEMS LIMITED

INTERNAL CONTROL SYSTEMS AND RISK MANAGMENT

The Company has in-place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Your Company has an effective risk management framework, which helps the Board to monitor the state of controls in key business processes. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used efficiently and adequately protected.

The Management team has conducted a review of the Internal Financial Controls and remedial action has been taken or agreed upon with a finite closure date where in control weaknesses were identified. There is no material financial control related observations outstanding as at March 31, 2021. Based on the above, the Management believes that adequate Internal Financial Controls exist in relation to its Financial Statements.

During the year under report, Internal Audit has been conducted by M/s. Oswal Sunil & Company, Chartered Accountants and internal control systems in the Company were tested and no reportable material weakness in the design or operations of the organization was observed. Any suggested improvements were duly acted upon.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee comprises of the following members:

a) Mr. Brij Behari Tandon,

b) Mr. Himanshu Baid and

c) Mr. Anant Nahata

The Company has in place a CSR Policy in line with Schedule VII of the Companies Act, 2013 and the same is available on its website **https://exicom-ps.com/.** The focus areas as approved by the CSR Committee and Board are as under:

(i) promoting health care including preventive health care and sanitation
(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups
(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water

The CSR Committee of the Board is monitoring the implementation of the CSR Projects. The Board of Directors reviews the same in order to ensure that your Company spends, in every financial year, at least 2% of the average net profits of the Company for the last three years.

Your Company has transferred unspent amount relating to the on-going project (Mobile Medical Van) to the specifically designated 'unspent CSR account' opened with the Punjab National Bank, Nehru Place branch in terms of the order passed by the Ministry of Corporate Affairs notifying the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 for Companies on January 22, 2021

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in the desired **'Annexure D'** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021

EXICOM TELE-SYSTEMS LIMITED

REASONS FOR NOT SPENDING THE FULL AMOUNT ALLOCATED FOR CSR ACTIVITIES

With a view to run Mobile Medicare Van, at Sardarshahar, Dist- Churu, Rajasthan and providing medical facilities to the needy people, we began our journey with Wockhardt Foundation as our implementation partner.

The implementation agency had shared estimated cost of running one mobile medical clinic alongwith the phase wise requirement of funds pursuant to which the company remitted the first tranche of the estimated cost however no further remittance was made by the Company as the rampant spread of COVID-19 outbreak across borders and geographies effected the operations of implementing agency and the project came to a standstill. For therefore for the previously mentioned unpretentious reasons the Company could not spend the balance amount towards the said on-going project.

However, your company has transferred the unspent amount relating to the on-going project to the specifically designated unspent CSR account pursuant to the amended provisions of the Companies Act read with the Rules framed thereunder and the Company shall endeavor to spend such amount in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer.

CODE OF CONDUCT

Your company has adopted code of conduct for members of the Board (incorporating duties of Independent Directors) and the senior Management. The code aims at ensuring consistent standards of conduct and ethical business practices across the company.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2021, the Board of the Company consists of following Directors:

- Mr. Brij Behari Tandon,
- Mr. Himanshu Baid,
- Mr. Anant Nahata
- Mr. Subhash Chander Rustgi.
- Ms. Leena P. Gidwani

During the year 2020-21:

The term of Mr. Anant Nahata as WTD cum CEO was valid till June 30, 2020 and he was appointed as Managing Director cum CEO of the Company, for a period of three years, with effect from July 01, 2020 duly approved by the shareholders in their annual general meeting held on August 05, 2020.

In accordance with the provisions of Section 152 of the Act, Mr. Anant Nahata, Managing Director cum CEO of the Company, shall be liable to retire by rotation at the ensuing Annual General Meeting and being eligible, he offers himself for re-appointment and is being recommended by the NRC/Board for the re-appointment by the Shareholders in the ensuing Annual General Meeting.

AUDIT COMMITTEE

The Audit Committee Comprises of:

a) Mr. Brij Behari Tandon,
b) Mr. Himanshu Baid,
c) Mr. Anant Nahata

The scope and terms of reference of the Audit Committee have been formulated in accordance with the provisions of Section 177 of the Companies Act, 2013.

The Audit Committee met three times during the financial year 2020-21 i.e. on 30-06-2020; 21-09-2020 and 28.09.2020 and four times during the calendar year ended on December 31, 2020. All the recommendations of the Audit Committee were considered and accepted by the Board.

EXICOM TELE-SYSTEMS LIMITED

NOMINATION AND REMUNERATION COMMITTEE

The Nomination, Remuneration and Compensation Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of:

a) Mr. Himanshu Baid as Chairman;
b) Mr. Brij Behari Tandon as member
c) Mr. Subhash Chander Rustgi as member.

Nomination, Remuneration and Compensation (NRC) Committee, amongst others, is responsible for determining the Company's policy on recruitment and remuneration of Directors/KMPs, Senior Management Personnel and other employees of the Company.

The terms of reference of the NRC Committee covers the areas mentioned in Section 178 of the Companies Act, 2013. The brief description of term of reference of NRC Committee, amongst others, includes the following:

a) To guide and recommend to the Board in relation to appointment and removal of Directors, Key Managerial and Senior Management Personnel
b) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommendation to the Board on the remuneration payable to Directors, Key managerial personnel and officials in senior management of the Company.
c) Formulating the criteria for evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
d) To guide on providing reward to Directors, KMPs and Senior Management directly linked to their effort, performance, dedication and achievement relating to the Company's operations.
e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage.

Mr. Himanshu Baid, Non-Executive Independent Director is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee.

The NRC Committee met once i.e. on 30-06-2020 during the financial year 2020-21 and the calendar year ended on December 31, 2020.

REMUNERATION POLICY

The remuneration and compensation policy of the company is designed to attract and retain the best of the talent and on a continual basis motivate and enable their growth. The remuneration and compensation policy along with the other policies that govern human resources, aim to create an environment that encourages the employees to contribute at the optimal level of efficiency and productivity. The HR framework follows the total rewards philosophy that enables overall growth for the employee – in terms of role-appropriate compensation, benefits and retirals, variable compensation tied to company and individual performance, learning and development opportunities to develop relevant skills and capabilities, and opportunities to take on new roles and responsibilities that contribute to career growth.

The remuneration and compensation policy also emphasizes the commitment of the company towards employing the highest levels of corporate governance and compliance to all local employment laws in all the geographies that the company operates in. It also reflects the company's objectives for promoting long term value creation for shareholders.

The Remuneration Policy applies to Directors, Senior Management Personnel including its Key Management Personnel (KMPs). When considering the appointment and remuneration of Whole-time Directors, the NRC Committee inter–alia considers pay and employment conditions in the industry, merit of person and the paying capacity of the Company.

The policy is administered through benchmarking compensation for all the roles taking into consideration market practices, internal parity and expected performance and potential of the said employee in the specific role. Benefits provided in various salary levels are benchmarked to ensure effectiveness and comprehensiveness to the extent possible.

The Policy of the Company on directors appointment and remuneration and other matters as required under sub-section (3) of section 178 of the Companies Act, 2013 is available on our website, at **https://exicom-ps.com/**

AUDITORS & AUDITORS' REPORT

M/s SGN & Co., Chartered Accountants, (FRN: 134565W), Statutory Auditors of the Company were appointed by the shareholders in their 24th Annual General Meeting to hold the office till the conclusion of the 28th Annual General Meeting.

The Companies Amendment Act, 2017 read with Notification S.O. 1833(E) dated 7th May 2018 and Companies (Audit and Auditors) Second Amendment Rules, 2018 deletes provision of annual ratification of the appointment of auditor and thus pursuant to such amendment the ratification was not placed before the Board.

The Auditors' Report is annexed hereto and forms part of the Annual Report. The Auditors' report does not contain any qualifications, reservations or adverse remarks.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditors have reported to the audit committee, under section 143(12) of the Companies Act, 2013 any instances of fraud committed against the company by its directors, employees the details of which would need to be mentioned in the Board's report.

COST AUDITORS

Your Company is duly maintaining cost records in compliance with section 148 of the Companies Act, 2013.

The Report of the Cost Auditors for the financial year ended March 31, 2021 is under finalization and shall be filed with the MCA within the prescribed period.

SECRETARIAL AUDIT

M/s. Pratham Soni & Associates, Company Secretaries was appointed as Secretarial Auditor only for one year i.e. to audit the secretarial records of the Company for the period ended on March 31, 2020.

The Company had therefore appointed M/s M S SHARMA & CO. Company Secretaries as the Secretarial Auditor of the Company, pursuant to the provisions of Section 204 of the Companies Act, 2013, to audit the secretarial records of the Company for the period ended on March 31, 2021.

The Secretarial Auditors report for the financial year ended March 31, 2021 does not contain any reservations, adverse remarks etc, however, for better corporate governance the Secretarial Auditor has marked few observations which are detailed below. The Secretarial Auditors report is enclosed as **'Annexure E'** to the Board's Report.

Sl No.	Observation	Management Reply
1.	*The Company has appointed women director Ms. Leena Pribhdas Gidwani by recommendation of NRC by RBC dated 7th April 2020 and approval of Board by RBC dated 9th April 2020. However, the effective date of Appointment is 1st April 2020.*	As per our interpretation, the only prerequisite to appoint a director is to have a valid din and there is no restriction in the Act with respect to the effective date of appointment. The appointment was unanimously approved by all the Directors of the Company and Ms. Leena P. Gidwani already had DIN and had also given her consent to the said appointment being effective from April 01, 2020
2.	*The mandatory compliances which are to be displayed on the website of the company was not available during the time of audit. However, it has been found form the communication on mail that the company is in the process of annual maintenance hence the available data are not available for public at large.*	The mandatory compliances have always been displayed on the website in terms of the applicable provisions of the Companies Act, 2013. However, due to maintenance and revamping of

		the website the same was not available as on the date of the audit.
3.	*The company has constituted Nomination and Remuneration committee whose major function is to look after the appointment and reappointment of Directors. However Mr. Subash Chander Rustgi was not recommended either by NRC nor by Board.*	Appointment of Mr. Rustgi was part of AGM notice under ordinary business and the same was duly placed before the Board of Directors for its approval. The Board had approved the same unanimously.
4.	*MCA forms were inspected on sample basis after public inspection and there were certain discrepancies in the forms filed with the Ministry of Corporate Affairs some of which are highlighted below. The Company is required to ensure that correct particulars are filed with the Ministry of Corporate Affairs.* *a. The form DPT-3 filed contains incorrect calculation for the Free reserves.* *b. The form MGT-7 provides to include (IX) meetings of members/class of members/board/committees of the board of director held during the financial year. But the details entered related to calendar year.*	The Company shall ensure that no inadvertent discrepancies shall occur in the e-forms filed with ROC.

EXTRACT OF ANNUAL RETURN

Copy of Annual Return for the FY 2020 as stipulated under Section 92(3) and Section 134(3)(a) of the Act read with the Rule 12 of the Companies (Management and Administration) amendment Rules, 2021 was placed on the website of the Company. Web link - https://www.exicom-ps.com/policies.html

Copy of Annual Return for the FY 21 shall be filed by the Company with the Registrar of Companies, Himachal Pradesh, within the stipulated period and the same can also be accessed, thereafter, on the Company's website at: www.exicom-ps.com.

VIGIL MECHANISM / WHISTLE BLOWER

Your company has established an effective Vigil Mechanism for directors and employees to report genuine concerns, in compliance with the provisions of Section 177(9) of the Companies Act, 2013.

The Company has a Whistle-Blower Policy in place to encourage and facilitate employees to report concerns about unethical behavior, actual/ suspected frauds and violation of Company's Code of Conduct or Ethics Policy. The Policy has been suitably drafted to meet the requirements of Vigil Mechanism under the Act. The policy provides for adequate safeguards against victimization of persons who avail the same and provides for direct access to the Chairperson of the Audit Committee. The Audit Committee of the Company oversees the implementation of the Whistle-Blower Policy.

RELATED PARTY TRANSACTION POLICY

The Policy regulates all transactions between the Company and its related Parties. The policy was approved and adopted by the Board on July 25, 2019.

COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118(10) of the Act, the Company has complied with the applicable provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

EXICOM TELE-SYSTEMS LIMITED

REPORTING PRINCIPLE

The Financial and Statutory Data presented in this Report is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards and the Secretarial Standards.

REPORTING PERIOD

The Financial Information is reported for the period 1st April, 2020 to 31st March, 2021. Some parts of the Non-Financial Information included in this Board's Report are provided as on the date of this Report.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted & published an Anti-Sexual Harassment Policy a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Our 'Prevent of Harassment at Workplace' policy applies to everyone involved in the operations of the Company, including vendors and clients. We have also constituted an Internal Complaints Committee (ICC)* including an external member for all our in all locations across India to handle sexual harassment complaints in accordance with the section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have organized awareness programs for sensitizing the employees with the provisions of the Act & have conducted orientation programs for the members of the ICC in line with section 19 of the act. We have also submitted our annual report for the year 2020-2021 in line with section 21.
The company has duly implemented and complied with the provisions of the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

No complaint pertaining to sexual harassment from any of the Company's locations was received during the financial year ended 31st March, 2021.

ENVIRONMENT

Your Company is conscious of its responsibility towards environment and utmost care is taken during its operations to ensure that no damage was caused to the environment. Further, the Company from time to time spreads awareness amongst its employees as to what at individual level one can do to help protect the environment.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. No fresh issue of equity shares has been made during the year. Only compulsory convertible debentures were issued in compliance with the provisions of the Companies Act, 2013.

2. The Company has not issued any shares during the year under ESOP, sweat equity or otherwise to the employees of the Company.

3. Mr. Anant Nahata is drawing remuneration from the Company in the capacity of Managing Director cum CEO wef July 01, 2020 (till June 30, 2020 in the capacity of WTD cum CEO). Other than Mr. Anant Nahata, none of the Directors of the Company receives any remuneration or commission from the Company or any of its subsidiaries.

4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact going concern status and Company's operations in future.

EXICOM TELE-SYSTEMS LIMITED

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their gratitude to all the stakeholders, client, vendor, bankers, regulatory and Government authorities and business associates for their cooperation, encouragement and continued support extended to the Company. Your Directors also wish to place on record their appreciation to the employees for their continued support and unstinting efforts in ensuring an excellent all round operational performance at all levels.

For and on behalf of the Board of
Exicom Tele-Systems Limited

Place: Gurugram
Date: 07.05.2021

EXICOM TELE-SYSTEMS LIMITED

Anant Nahata	Himanshu Baid
Managing Director cum CEO	Director
DIN: 02216037	DIN: 00014008
Address: W-48 Greater Kailash-II New Delhi-110048	Address: M-229, Greater Kailsah, Part II, New Delhi-110048

Annexure A

Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or amendments made thereto:

Names of the top ten employees of the Company in terms of remuneration drawn and the names of employees who were employed throughout the financial year 2020-21 and were paid remuneration not less then 1,02,00,000/- and employees who were employed for a part of financial year 2020-21 and were paid remuneration not less then 8,50,000/- per month

SL NO	Name	Remuneration received (in INR)	Nature of Employment	Designation	Qualification & Experience	Date of commencement of employment	Age	Last employment held
1	Steven Grant Woolley **	32,125,770	Permanent	Chief Technology Officer	B.E. / B.Tech 32 Years of Experience	25-Nov-19	56	Mahindra Electric
2	Anant Nahata	8,991,410	Permanent	Chief Executive Officer	Graduate in Economics 14 Years of Experience	01-Jul-17	37	Exicom Tele-Systems Limited
3	P. M. Singh	7,181,754	Permanent	Chief Technology Officer	B.E. / B.Tech 33 Years of Experience	01-Mar-11	57	Delta Power Solutions (India) Pvt. Ltd
4	Sandeep Garg	6,267,310	Permanent	Chief Financial Officer	CA 21 Years of Experience	11-Feb-19	48	Schneider Electric India Private Limited
5	Naveen Sharma	5,679,010	Permanent	Vice President	B.E. / B.Tech 28 years of experience	01-Apr-10	50	Himachal Futuristic Communications Limited
6	Krishna Sharma	4,391,700	Permanent	Vice President	B.E. / B.Tech 24 years of experience	08-Jul-19	50	Delta Power Solutions (India) Pvt. Ltd
7	Vivek Dhawan	4,160,300	Permanent	Vice President	B.E. / B.Tech 24 Years of Experience	15-Jul-19	48	Panasonic
8	Sundaraaman. K.V	3,999,743	Permanent	Deputy General Manager	B.E. / B.Tech 18 Years of experience	25-Apr-18	38	Samsung SDI

EXICOM TELE-SYSTEMS LIMITED

9	Sirajuddin Ali	3,948,502	Permanent	Assistant Vice President	Diploma 22 Years of experience	12-Jul-16	40	Essential Energy India (Pvt) Ltd.
10	Praful Mehta	3,642,496	Permanent	General Manager	B.E. / B.Tech 21 Years of experience	02-Apr-19	45	Lenovo

Notes:

(i) The remuneration shown above comprises salary, allowances, perquisites, performance linked incentive/ Ex-gratia, medical, Company's contribution to provident fund and all other reimbursements, if any.

(ii) None of the employees is related to any director of the Company.

(iii) + : Entire cost of Mr Steven Woolley is charged to Reliance Industries as a business arrangement for working on certain Reliance Industries' projects.

EXICOM TELE-SYSTEMS LIMITED

Annexure B

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
   (a) Name(s) of the related party and nature of relationship
   (b) Nature of contracts/arrangements/transactions
   (c) Duration of the contracts/arrangements/transactions
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any
   (e) Justification for entering into such contracts or arrangements or transactions
   (f) Date of approval by the Board
   (g) Amount paid as advances, if any:
   (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis
   (a) Name(s) of the related party and nature of relationship: ***As per Annexure '1'***
   (b) Nature of contracts/arrangements/transactions: ***As per Annexure '1'***
   (c) Duration of the contracts/arrangements/transactions: ***For FY 2020-21***
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
   (e) Date(s) of approval by the Board, if any: Company had taken Omnibus Approval for all the expected transactions to be entered in FY 2020-21 with related parties at the Meeting of Audit Committee and Board of Directors dated Jun3 30, 2020.
   (f) Amount paid as advances, if any: ***As per Annexure '1'***

For and on behalf of the Board of
Exicom Tele-Systems Limited

Place: *Gurugram*
Date: 07.05.2021

Anant Nahata
Director (CEO)
DIN: 02216037
Address: W- 48
GK-II, New Delhi-110048

Himanshu Baid
Director (ID)
DIN: 00014008
Address: M-229,
GK-II, New Delhi-110048

EXICOM TELE-SYSTEMS LIMITED

Annexure: '1'

Name of related parties and description of relationship are given below:-

Holding Company

NextWave Communications Pvt Ltd (NextWave) w.e.f 22.12.2015
NextWave Communications Pvt Ltd (formerly known as MN Enterprises Pvt. Ltd.) w.e.f.01.09.2016

Subsidiary Company

Exicom Tele-Systems (Singapore) Pte Ltd (ETSPL) – Singapore
Energywin Technologies Pvt. Ltd (Energywin)

Step Down Subsidiary Company

Horizon Tele Systems Sdn Bhd (Horizon) – Malaysia

Significant influence of KMP

Innovative Roof Solar Solution LLP

Key Management Personnel (KMPs)

Since Company's paid up capital is less than 10 crores therefore KMP appointment is not mandatory and thus details are not required to be given.

#Nextwave Communications Private Limited (Nextwave) has been merged with MN Enterprises Private Limited (MNEPL) pursuant to Order of National Company Law Tribunal, Allahabad (Order) dated April 21, 2017. As per the said Order, on April 21, 2017, the undertaking of Transferor Company i.e. Nextwave shall, pursuant to the provisions contained in Section 230-232 and other applicable provisions of the Companies Act, 2013 shall stand transferred to and vested in, or be deemed to be transferred to and vested in Transferee Company i.e. MNEPL without any further act, deed, matter or things. The appointed date of the said merger is September 01, 2016. The aforesaid order was filed with Registrar of Companies, State of Uttar Pradesh (RoC) on 19th May, 2017 and accordingly the order has become effective from 19th May, 2017.

EXICOM TELE-SYSTEMS LIMITED

Annexure B

Nature of Transactions	2020-21	2019-20
A) TRANACTIONS DURING THE YEAR		
Issue of Shares		
Nextwave (Equity Shares)	-	-
Issue of Compulsory Convertible Debentures		
Nextwave	**750,000,000**	-
Purchase of goods		
Energywin	-	1,364,698
ETSPL	**56,800,657**	233,645,408
Horizon	**2,377,180**	-
Innovative Roofs	**122,314**	-
HFCL	**23,511,748**	-
Services received		
Energywin	-	2,862,438
Innovative Roofs	**7,000**	-
HFCL	**3,309,401**	3,337,304
Sale of Goods		
ETSPL	-	2,703,730
Horizon	**56,975,259**	48,389,525
SPS		
Energywin	-	-
HFCL	**58,956,607**	181,395,008
Services rendered		
ETSPL	**35,780,564**	96,518,978
HFCL	**23,953,219**	8,400,000
Sale of Investments		
Energywin		-
Interest Income		
Energywin	**3,328,233**	3,232,823
Interest Expenses		
Nextwave	**22,808,219**	-
Dividend Income		
ETSPL	-	256,840,000
Royalty Income		
ETSPL	**31,917,910**	24,376,150

EXICOM TELE-SYSTEMS LIMITED

Payment incurred on behalf of		
Nextwave		-
Warranty Expense		
Horizon	**8,725,841**	
Other Income		
Horizon	**458,144**	
Other Expense		
HFCL	**416,874**	
ETSPL	**1,261,210**	
Loan Given		
Energywin	**12,000,000**	
Advances Given		
Energywin	**6,500,000**	
Loan Received		
Whole Time Director	**40,000,000**	15,000,000
Asset Purchased		
HFCL		15,631
B) BALANCES OUTSTANDING AS AT YEAR END		
ASSETS		
Advances		
Energywin	**16,092,158**	9,592,158
Loans Given		
Energywin	**36,800,000**	24,800,000
Trade Receivable		
Horizon	**76,449,481**	39,793,427
ETSPL	**48,030,106**	47,998,715
Income Receivable		
ETSPL	**12,636,583**	29,137,858
Interest Receivable		
Energywin	**18,231,126**	15,152,510
LIABILITIES		
Unsecured Loan		
Whole Time Director	**55,000,000**	15,000,000

EXICOM TELE-SYSTEMS LIMITED

Annexure B

Trade payables		
HFCL	**8,858,288**	3,889,718
Innovative Roofs	**437**	-
ETSPL	**457,666,049**	479,570,440
Horizon	**7,477,428**	
Advances		
HFCL	**1,596,706**	57,445,840

EXICOM TELE-SYSTEMS LIMITED

Annexure c

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part-A Subsidiaries

Sr. No.	**1**	**2**	**3**
Name of the subsidiary company	**Exicom Tele-Systems (Singapore) Pte. Ltd.**	**Energywin Technologies Private Limited** **(Amount in INR)**	**Horizon Tele Systems SDN Bhd (Step down Subsi)**
The date since when subsidiary was acquired	02.07.2012	21.05.2014	NA
Reporting period	**31st March, 2021**	**31st March, 2021**	**31st March, 2021**
Reporting currency and Exchange rate	SGD 1 SGD=53.012	INR	MYR 1 MYR = 17.47
Share capital	35,977,169	40,500,000	17,600,000
Reserves and surplus	886,723,360	(61,628,087)	(68,887,808)
Total assets	2,829,878,468	104,838,104	329,936,693
Total Liabilities	1,907,177,938	125,966,191	381,224,501
Investments	14,450,951	1,316,250	-
Turnover	2,132,326,803	3,459,994	402,315,179
Profit before taxation	127,019,135	(44,615,677)	29,716,685
Provision for taxation	62,842,476	(324,963)	(675,347)
Profit after taxation	64,176,660	(44,290,714)	30,392,032

EXICOM TELE-SYSTEMS LIMITED

Annexure c

Proposed Dividend	-	-	-
Extent of shareholding (in percentage)	100	100	100
	100	100	100

<u>*All Figures are based on Unaudited Financials of Subsidiaries FY 2020-21</u>

EXICOM TELE-SYSTEMS LIMITED

Annexure c

Part B-Associates and Joint Ventures

Name of Associates or Joint Ventures	NOT APPLICABLE
1. Latest audited Balance Sheet Date	NA
2. Date on which the Associate or Joint Venture was associated or acquired	NA
3. Shares of Associate or Joint Ventures held by the company on the year end	NA
No.	NA
Amount of Investment in Associates or Joint Venture	NA
Extent of Holding (in percentage)	NA
4. Description of how there is significant influence	NA
5. Reason why the associate/joint venture is not consolidated	NA
6. Networth attributable to shareholding as per latest audited Balance Sheet	NA
7. Profit or Loss for the year	NA
i. Considered in Consolidation	NA
ii. Not Considered in Consolidation	NA

1. Names of associates or joint ventures which are yet to commence operations. NA
2. Names of associates or joint ventures which have been liquidated or sold during the year. NA

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified".

For SGN & Co.
Chartered Accountants
FRN:

Partner
Membership No.:

For and behalf of the Board
Exicom Tele-Systems Limited

Anant Nahata
MD CUM CEO
DIN: 02216037
Address: W-48, Greater Kailash-II
New Delhi-110048

Himanshu Baid
Director (ID)
DIN: 00014008
Address: M-229, G.K
II, New Delhi-110048

EXICOM TELE-SYSTEMS LIMITED

Sandeep Garg
Chief Financial Officer
Address: Flat 704, Tower 18
Orchid Petals, Sector 49,
Gurugram, Haryana-122018

Sangeeta Karnatak
Company Secretary
Address: A 84/1, SFS Flats
Saket, New Delhi-110017

The Annual Report on CSR Activities to be Included in the Board's Report

(Financial Year 01.04.2020-31.03.2021)

1. Brief outline on CSR Policy of the Company.

The Board of Directors of the Company at its meeting held on July 25, 2019 approved the revised Corporate Social Responsibility (CSR) Policy of your Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee has identified the CSR activities, around which your Company shall be focusing mainly on:

(i) promoting health care including preventive health care and sanitation
(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water

The CSR Policy of the Company is available on the website of the Company and can be accessed through the following web-link: https://www.exicom-ps.com/pdf/CSR-Policy.pdf

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Brij Behari Tandon	Independent Director	1	1
2.	Mr. Himanshu Bais	Independent Director	1	1
3.	Mr. Anant Nahata	MD cum CEO	1	2

3. Web-links where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The composition of the CSR committee, CSR Policy is available on our website, at https://www.exicom-ps.com/pdf/CSR-Policy.pdf.

Though the Company is not statutorily required to make any CSR contribution in the FY 2021-22 (except the unspent amount transferred to the separate unspent CSR account) but the CSR Committee and Board has recommended that the Company may voluntarily make necessary contributions as and when required in terms of the CSR Policy and schedule VII of the Companies Act, 2013.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any. Not applicable
6. Average net profit of the company as per section 135(5) – INR 124,788,145

EXICOM TELE-SYSTEMS LIMITED

7.

SL NO.	Particulars	Remarks
(a)	Two percent of average net profit of the company as per section 135(5)	INR 2,495,762.90
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years-	NIL
(c)	Amount required to be set off for the financial year, if any	NIL
(d)	Total CSR obligation for the financial year (7a+7b-7c).	INR 2,495,762.90

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	**Amount Unspent (in Rs.)**				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		**Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).**		
	Amount.	**Date of transfer.**	Name of the Fund	Amount.	Date of transfer.
INR 4,977,500	INR 26,65,500	April 30, 2021	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	**(2)**	**(3)**	**(4)**	**(5)**		**(6)**	**(7)**	**(8)**	**(9)**	**(10)**	**(11)**	
Sl. No.	**Name of the Project.**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/No).**	**Location of the project.**		**Project duration.**	**Amount allocated for the project (in Rs.).**	**Amount spent in the current financial Year (in Rs.).**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).**	**Mode of Implementation - Direct (Yes/No).**	**Mode of Implementation - Through Implementing Agency**	
				State.	**District.**						**Name**	**CSR Registration number.**
1.	Mobile Medical Van	promoting health care including preventive health care	NO	Churu, Rajasthan		3 years	7563680 (for two years)	Nil (since the Van is not operational due to Covid-19)	26,65,500	No	Wockhardt Foundation	NA

(1) *This is the 'ongoing project' as defined in the CSR Amendment Rules. The year mentioned include the financial year in which the project was commenced.*

(2) The requirement does not apply to CSR projects or programs approved prior to April 1, 2021.

EXICOM TELE-SYSTEMS LIMITED

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in Rs.).**	**Mode of implementation - Direct (Yes/No).**	**Mode of implementation - Through implementing agency.**	
				State.	**District.**			**Name.**	**CSR registration number.**
1.	promoting health care including preventinve health care	promoting health care including preventinve health care	Yes	Gurugram, Haryana		497500	No	The Earth Saviours Foundation	NA
2.	Corrective surgeries by Dr. Mathew Varghese famous as Polio Warrior working with St. Stephen's Hospital, Delhi for the individuals of financially weaker section suffering from various types of deformities in hands/legs as a result of Polio and corrective treatments and surgeries of individuals with club foot disease	promoting health care including preventinve health care	Yes (NCR)	Delhi		1000000	No	St. Stephen's Hospital Patients Welfare Society	NA
3.	Food,accomodation and preventive healthcare to old age home	Setting up old age homes, day care centres and such other facilities for senior citizens	Yes	Gurugram, Haryana		1500000	No	The Earth Saviours Foundation	NA
4.	Child education	Promoting Education	No	Gujarat		480000	No	Teach for India	NA
5.	Corrective surgeries by Dr. Mathew Varghese famous as Polio Warrior working with St. Stephen's Hospital, Delhi for the individuals of financially weaker section suffering from various types of deformities in hands/legs as a result of Polio and corrective treatments and surgeries of individuals with club foot disease	promoting health care including preventinve health care	Yes (NCR)	Delhi		1500000	No	St. Stephen's Hospital Patients Welfare Society	NA

EXICOM TELE-SYSTEMS LIMITED

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable -Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

(g) Excess amount for set off, if any – No excess amount

9. (a) Details of Unspent CSR amount for the preceding three financial years: The unspent amount of CSR amount carried forward from previous years was spent in the projects as covered under 8(c) above.

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable, as the concept of 'ongoing projects' has been introduced in the CSR Amendment Rules, relevant from fiscal 2021. Details of spend on all ongoing projects during fiscal 2021 are covered under 8(b) above.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – : No capital asset was created / acquired for financial year 2021 through CSR spend.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)

    Pursuant to Clause 14 of the Memorandum of Understanding signed on November 16, 2019 between the Company and the implementing agency "Wockhardt Foundation", the company has remitted only the first tranche of the estimated cost till date as the rampant spread of COVID-19 outbreak across borders and geographies effected the operations of implementing agency and the project came to a standstill. For the previously mentioned unpretentious reasons the Company could not spend the balance amount towards the said on-going project.

For **Exicom Tele-Systems Limited**

Place: Gurugram
Date: 07.05.2021

EXICOM TELE-SYSTEMS LIMITED

Anant Nahata	Himanshu Baid
MD CUM CEO	Director (ID)
DIN: 02216037	DIN: 00014008
Address: W-48,	Address: M-229,
GK-II, New Delhi-110048	GK-II, New Delhi-110048

S G N & Co.
CHARTERED ACCOUNTANTS

Branch Off. :
G-71, Road No.5,
Jagat Puri, Delhi-110051

Phone : 022-49740502
Mobile : 9311748065
E-mail : mohan@sgnco.in

INDEPENDENT AUDITOR'S REPORT

To the Members of
EXICOM TELE-SYSTEMS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

1. Opinion

We have audited the accompanying standalone financial statements of **Exicom Tele-Systems Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the " standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

3. Emphasis of Matters

We draw attention to Note 57 of the standalone financial statements, which describes the management evaluation of COVID-19 impact on performance of the Company, which also depend on future developments that are uncertain. Our opinion is not modified in respect of this matter.

S.G.N. & Co. * FRN : 134565W * CHARTERED ACCOUNTANTS *

4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to

S.G.N. & CO. ★ CHARTERED ACCOUNTANTS ★ FRN : 134565W

issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and

S.G.N. & CO. ★ CHARTERED ACCOUNTANTS ★ FRN : 134565W

where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

i. 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;

ii. 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;

iii. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

iv. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder;

v. On the basis of the written representations received from the directors as on March 31,2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2021 from being appointed as a director in terms of Section 164 (2) of the Act;

vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act;

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

S.G.N. & CO. ★ CHARTERED ACCOUNTANTS ★ FRN : 134565W

a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer note 45 to the standalone financial statements;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

For SGN & Co.
Chartered Accountants
Firm Registration No. 134565W

Mohan Kheria

S.G.N. & CO. * CHARTERED ACCOUNTANTS * FRN : 134565W

Mohan Kheria
Partner

Membership No. 543059
UDIN: 21543059AAAAAS6550

Place: Darbhanga
Date: May 07, 2021

S G N & Co.
CHARTERED ACCOUNTANTS

Branch Off. :
G-71, Road No.5,
Jagat Puri, Delhi-110051

Phone : 022-49740502
Mobile : 9311748065
E-mail : mohan@sgnco.in

Annexure-A to the Independent Auditors' Report

Annexure referred to in paragraph 7 (A) of the Independent Auditors' Report of even date to the members of **Exicom Tele-Systems Limited** on the standalone financial statements for the year ended 31 March 2021, we report that:

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

(b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and as informed, the discrepancies noticed on physical verification of fixed assets were not material and the same have been properly dealt with in the books of accounts.

(c) According to information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds, of the immovable properties of are held in the name of the Company. In respect of immovable properties of land and building that have been taken on lease and disclosed as Right of use assets in the financial statements, the lease agreements are in the name of the Company.

II. The inventories have been physically verified by the management at reasonable intervals during the period. In our opinion having regard to the nature and location of stocks, the frequency of physical verification is reasonable. In our opinion, the discrepancies noticed on physical verification of stocks were not material in relation to the operation of the company and the same have been properly dealt with in the books of accounts;

III. (a) The company has granted loan to one of its wholly owned subsidiaries companies, covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

(b) In respect of opening balances and loans given during the year, the schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the balance sheet date.

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

V. According to the information and explanation given to us, the Company has not accepted any deposits within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

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

VII. (a) According to the information and explanations given to us, and records examined by us, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, goods and service tax, TCS, custom duty, cess, professional tax and other material statutory dues, as applicable, except delays in few cases for TDS and provident fund with the appropriate authorities.

(b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues at the year end, for a period of more than six months from the date they became payable.

(C) According to the information and explanations given to us, the dues which have not been deposited on account of disputes and the forum where the dispute is pending, are as under:

SL. No.	Name of the Statute	Nature of Dues	Period to which the Amount Relates (Financial year)	Amounts	Forum where dispute is Pending
1	The Custom Duty	Custom Duty	1994-95 and 1995-96	6,97,617	Asstt. Commissioner, Custom Mumbai

VIII. According to the information and explanations given to us and records examined by us as at balance sheet date the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

IX. Based on our examinations of the records and information given to us, no money was raised by way of initial public offer or further public offer (including debt instruments) and no term loan has been taken during the year by the Company.

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

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

XII. In our opinion, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the order is not applicable.

XIII. According to the information and explanations given to us and based on our examination of the

S.G.N. & CO. CHARTERED ACCOUNTANTS FRN : 134565W records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

XIV. According to information and explanations given to us and based on our examination of the records of the Company, preferential allotment as private placement of compulsory convertible debentures made by the Company are in compliance of section 42 of the Companies Act, 2013 where applicable and the fund raised have been utilized for the purposes for which it was raised.

XV. According to the information and explanation given to us and certified by the management the Company has not entered into any non-cash transaction with directors or persons connected to its directors as referred to in section 192 of Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For SGN & Co.
Chartered Accountants
Firm Registration No. 134565W

Mohan Kheria

S.G.N. & CO. ★ CHARTERED ACCOUNTANTS ★ FRN : 134565W

Mohan Kheria
Partner

Membership No. 543059
UDIN: 21543059AAAAAS6550

Place: Darbhanga
Date: May 07, 2021

Branch Off. :
G-71, Road No.5,
Jagat Puri, Delhi-110051

Phone : 022-49740502
Mobile : 9311748065
E-mail : mohan@sgnco.in

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

To the members of
EXICOM TELE-SYSTEMS LIMITED

We have audited the internal financial controls over financial reporting of **Exicom Tele - Systems Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or

S.G.N. & CO. CHARTERED ACCOUNTANTS FRN : 134565W 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 standalone 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 standalone financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2021, 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 SGN & Co.
Chartered Accountants
Firm Registration No. 134565W

Mohan Kheria

S.G.N. & CO. FRN : 134565W CHARTERED ACCOUNTANTS

Mohan Kheria
Partner

Membership No. 543059
UDIN: 21543059AAAAAS6550

Place: Darbhanga
Date: May 07, 2021

Exicom Tele-Systems Limited
Balance Sheet as at 31st March' 2021

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	4	655,108,998	697,668,843
(b) Right-of-Use Assets	5	196,742,735	217,676,220
(c) Intangible Assets	6	61,566,506	66,303,391
(d) Intangible Assets under Development	7	120,568,610	12,492,376
(e) Investment in Subsidiaries, Associates	8	67,877,771	73,126,271
(f) Financial Assets			
(i) Investments	9	1,391,388	580,952
(ii) Others	10	32,495,677	30,913,088
(g) Deferred Tax Assets (Net)	11	287,243,142	160,565,399
(h) Other Non-Current Assets	12	17,585,614	12,799,584
Total Non-Current Assets		1,440,580,441	1,272,426,124
Current Assets			
(a) Inventories	13	1,098,242,752	1,180,905,400
(b) Financial Assets			
(i) Trade Receivables	14	1,286,696,327	986,173,628
(ii) Cash and Cash Equivalents	15	22,002,598	2,557,086
(iii) Bank Balances other than (ii) above	16	214,422,899	102,695,467
(iv) Loan Receivables	17	36,800,000	24,800,000
(v) Others	18	26,359,747	19,244,848
(c) Current Tax Assets (Net)	19	57,489,113	37,088,742
(d) Other Current Assets	20	461,805,217	263,090,032
Total Current Assets		3,203,818,653	2,616,555,203
Total Assets		4,644,399,094	3,888,981,327
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	21	72,302,030	72,302,030
(b) Other Equity	22	1,309,532,560	1,281,562,663
Total Equity		1,381,834,590	1,353,864,693
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	661,210,886	77,746,000
(ii) Lease Liabilities	5	158,694,700	182,350,124
(iii) Others	24	20,663,985	24,309,681
(b) Provisions	25	89,106,415	76,692,638
Total Non-Current Liabilities		929,675,986	361,098,443
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	310,899,958	366,482,097
(ii) Trade Payables	27		
(A) total outstanding dues of micro enterprises and small enterprises ; and		320,160,224	118,934,481
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,357,832,936	1,199,468,048
(iii) Lease Liabilities	5	41,768,966	39,408,723
(iv) Others	28	84,928,891	98,419,291
(b) Other Current Liabilities	29	205,895,107	332,141,017
(c) Provisions	30	11,402,436	19,164,534
Total Current Liabilities		2,332,888,518	2,174,018,191
Total Equity and Liabilities		4,644,399,094	3,888,981,327
Summary of Significant accounting policies and other notes to Financial Statements	1-59		

The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date

For SGN & Co.
Chartered Accountants
Firm Registration No. 134565W

Mohan Kheria

S.G.N. & CO. CHARTERED ACCOUNTANTS FRN: 134565W

Mohan Kheria
Partner
Membership No. 543059

Place: Darbhanga
Date: May 07, 2021

EXICOM TELE-SYSTEMS LIMITED

For and on behalf of the Board of Directors
of Exicom Tele-systems Limited

Anant Nahata
Managing Director
Cum CEO
DIN:02216037

Himanshu Baid
Director

DIN:00014008

Sangeeta Karnatak
Company Secretary
M.No. 25216

Sandeep Garg
Chief Financial Officer

Exicom Tele-Systems Limited
Statement of Profit and Loss for the year ended 31st March'2021

(Amount in ₹)

Sr. No.	Particulars	Note No.	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
	INCOME			
I	Revenue from operations	31	**3,091,263,486**	2,754,516,503
II	Other Income	32	**143,472,083**	356,590,918
III	**Total Income (I+II)**		**3,234,735,569**	3,111,107,421
IV	**EXPENSE**			
	Cost of Material Consumed	33	**1,963,177,686**	1,861,464,616
	Purchase of Stock-in-Trade	34	**494,877**	260,194
	Changes In Inventories of Finished Goods,Work-In-Progress And Stock-In-Trade	35	**162,416,950**	67,980,659
	Employee Benefits Expenses	36	**503,003,229**	533,284,348
	Manufacturing Expenses	37	**99,436,201**	85,641,720
	Finance Costs	38	**156,213,466**	109,840,662
	Depreciation and amortization expenses	4, 5 &6	**158,980,686**	162,442,557
	Other Expenses	39	**334,285,541**	429,592,052
	R&D Expenses	40	**89,575,803**	213,616,230
	Total Expenses (IV)		**3,467,584,439**	3,464,123,038
V	**Profit / (Loss) before exceptional items and tax (III-IV)**		**(232,848,870)**	(353,015,617)
VI	**Exceptional Items**		-	-
VII	**Profit / (loss) before tax (V-VI)**		**(232,848,870)**	(353,015,617)
VIII	**Tax expense**			
	(1) Current Tax		-	-
	(2) Deferred Tax & MAT Credit		**(178,764,341)**	11,523,411
	(3) Income Tax for Earlier Years		**52,492,498**	54,715
IX	**Profit / (Loss) for the year (VII-VIII)**		**(106,577,027)**	(364,593,743)
X	**Other Comprehensive Income ('OCI')**			
	(A) Items that will not be reclassified to profit or loss			
	Re-measurement gains/(loss) on defined benefits plans		**1,561,154**	(5,835,729)
	Tax on above Item		**405,900**	721,508
	Other Comprehensive Income (OCI) (After Tax)		**1,967,054**	(5,114,221)
XI	**Total Comprehensive Income for the year (IX+X)**		**(104,609,973)**	(369,707,964)
	Earnings per equity share	41		
	Basic EPS		**(14.74)**	(50.43)
	Diluted EPS		**(14.74)**	(50.43)
	Summary of Significant accounting policies and other notes to Financial Statements	1-59		

The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date
For SGN & Co.
Chartered Accountants
Firm Registration No. 134565W

Mohan Kheria

S.G.N. & CO. FRN : 134565W CHARTERED ACCOUNTANTS

Mohan Kheria
Partner
Membership No. 543059

Place: Darbhanga
Date: May 07, 2021

EXICOM TELE-SYSTEMS LIMITED

For and on behalf of the Board of Directors
of Exicom Tele-systems Limited

Anant Nahata
Managing Director
Cum CEO
DIN:02216037

Himanshu Baid
Director
DIN:00014008

Sangeeta Karnatak
Company Secretary
M.No. 25216

Sandeep Garg
Chief Financial Officer

Exicom Tele-Systems Limited
Statement of Changes in Equity for the year ended 31st March'2021

(Amount in ₹, Except no. of Shares)

(A) Equity Share Capital

Particulars	No. of Shares	Amount
As at April 1, 2019	7,230,203	72,302,030
Changes in equity share capital	-	-
As at March 31, 2020	7,230,203	72,302,030
Changes in equity share capital	-	-
As at March 31, 2021	7,230,203	72,302,030

(B) Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings	Equity component of Compound Financial Instruments	Remeasurement of defined benefit plans	
As at April 1, 2019	616,335,473	1,040,407,258	-	(5,472,104)	1,651,270,627
Profit/(Loss) for the year	-	(364,593,743)	-	-	(364,593,743)
Other Comprehensive Income/ (Loss) for the year	-	-	-	(5,114,221)	(5,114,221)
Total Comprehensive Income/(Loss) for the year	-	(364,593,743)	-	(5,114,221)	(369,707,964)
Issued during the year	-	-	-	-	-
Changes in accounting policy or prior period errors			-		
As at March 31, 2020	616,335,473	675,813,515	-	(10,586,325)	1,281,562,663
Profit/(Loss) for the year		(106,577,027)			(106,577,027)
Other Comprehensive Income/ (Loss) for the year				1,967,054	1,967,054
Total Comprehensive Income/(Loss) for the year	-	(106,577,027)	-	1,967,054	(104,609,973)
Issued during the year			132,579,870		132,579,870
Changes in accounting policy or prior period errors	-	-		-	-
As at March 31, 2021	616,335,473	569,236,488	132,579,870	(8,619,271)	1,309,532,560
Summary of Significant accounting policies and other notes to Financial Statements		1-59			

The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date

For SGN & Co.
Chartered Accountants
Firm Registration No. 134565W

Mohan Kheria

Mohan Kheria
Partner
Membership No. 543059

S.G.N. & CO. * CHARTERED ACCOUNTANTS * FRN : 134565W

Place: Darbhanga
Date: May 07, 2021

For and on behalf of the Board of Directors
of Exicom Tele-systems Limited

EXICOM TELE-SYSTEMS LIMITED

Anant Nahata
Managing Director
Cum CEO
DIN:02216037

Himanshu Baid
Director
DIN:00014008

Sangeeta Karnatak
Company Secretary
M.No. 25216

Sandeep Garg
Chief Financial Officer

Exicom Tele-Systems Limited
Statement of Cash Flow for the year ended 31st March'2021

(Amount in ₹)

Particulars		For the year ended 31st March, 2021		For the year ended 31st March, 2020
Cash Flow from Operating Activites				
Net profit / (loss) before tax		(232,848,870)		(353,015,616)
Adjustment for :				
Depreciation and Amortisation	158,980,686		162,442,557	
Finance Cost	156,213,466		109,840,662	
Lease Modification/termination adjustment- IND AS 116	(18,340,716)		-	
Unwinding of Financial Guarantee Obligation	-		(14,730,601)	
Interest Income	(15,541,009)		(16,327,467)	
Impairment in value of Investment	5,529,452		22,696,458	
Subsidy from MSIPS	(3,645,696)		(3,898,558)	
Bad Debts W/off and Impairment allowance for trade receivables and Loan and Advances	7,672,393		9,661,611	
Loss / (Profit) on Sale of PPE	1,585,118	292,453,694	-	269,684,662
Operating cash flow before changes in working capital		59,604,824		(83,330,954)
Changes in Working Capital:				
Trade & Other Receivables	(526,092,250)		(47,706,450)	
Inventories	82,662,648		126,133,703	
Trade Payables & Other Current Liabilities	236,748,096	(206,681,506)	348,668,833	427,096,086
Net cash generated from operations before tax		(147,076,682)		343,765,132
Taxation		(20,400,371)		660,120
Net Cash from/(used) in Operating Activites (A)		(167,477,053)		344,425,252
Cash Flow from Investing Activites				
Purchase of Property, Plant and equipment	(172,628,843)		(112,329,698)	
Purchase of Investments	(791,388)		-	
(Increase)/Decrease in Fixed Deposits (having original maturity of more than 3 months)	(114,723,319)		(7,236,897)	
Sale of investment	-			
Interest Received (net)	11,287,351	(276,856,199)	13,620,835	(105,945,760)
Net Cash used in Investing Activities (B)		(276,856,199)		(105,945,760)
Cash Flow from Financing Activites				
Share Premium				
Proceeds/(Repayment) of Term Loan	(4,807,921)		(11,000,000)	
Proceeds/(Repayment) of Working Capital Limits	(55,582,139)		(44,845,750)	
Proceeds/(Repayment) of Other Loans	(40,000,000)		(58,500,000)	
Payment of Lease Liabilities - Principal portion	(29,789,439)		(32,721,780)	
Payment of Lease Liabilities - Interest portion	(17,805,705)		(17,736,193)	
Proceeds/(Repayment) of CCD	750,000,000			
Interest Paid	(138,236,032)	463,778,764	(86,744,322)	(251,548,045)
Net Cash generated from Financing Activities (C)		463,778,764		(251,548,045)
Net Increase/(Decrease) in Cash & Cash Equivalents during the Year (A+B+C)		19,445,512		(13,068,553)
Add: Cash & Cash Equivalents as at beginning of the Year		2,557,086		15,625,639
Cash & Cash Equivalents as at the end of the Year (note no.15)		22,002,598		2,557,086

Notes:

1. The above Statement of Cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
2. Figures in brackets represents cash outflows.
3. Components of cash and cash equivalents :-

Particulars		As at 31st March, 2021		As at 31st March, 2020
Cash on hand		67,530		186,097
Balances with scheduled Banks				
- In Current Accounts		21,935,068		2,370,989
- In Fixed Deposits 0-3 months		-		-
Cash & Cash Equivalents		22,002,598		2,557,086

Summary of Significant accounting policies and other notes to Financial Statements	1-59	

The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date
For SGN & Co.
Chartered Accountants
Firm Registration No. 134565W

Mohan Kheria
Mohan Kheria
Partner
Membership No. 543059

S.G.N. & CO. CHARTERED ACCOUNTANTS FRN : 134565W

EXICOM TELE-SYSTEMS LIMITED

Place: Darbhanga
Date: May 07, 2021

For and on behalf of the Board of Directors of Exicom Tele-systems Limited

Anant Nahata
Managing Director Cum CEO
DIN:02216037

Himanshu Baid
Director
DIN:00014008

Sangeeta Karnatak
Company Secretary
M.No. 25216

Sandeep Garg
Chief Financial Officer

1. CORPORATE INFORMATION

Exicom Tele-Systems Limited is a public limited company domiciled and incorporated in India having its registered office at 8, Electronics Complex, Chambaghat, District: Solan, Himachal Pradesh- 173213. Established in 1994.

The Company is in the business of providing efficient and reliable Power Electronics Solution for global Telecom, IT, and other related industries and manufacturing of electric vehicle charger and lithiumion battery for E-vehicle. The Company's manufacturing facilities are located at Gurugram in Haryana and Solan in Himachal Pradesh. The research and development facilities are located at Gurugram in Haryana and Bangalore in Karnataka.

2. RECENT PRONOUNCEMENTS

A. On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The Company is evaluating the effect of the amendments on its financial statements.

B. Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of Financial Statements

3.1.1. Compliance with Ind AS

These financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules as amended from time to time.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said financial statements. The preparation of the said financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 42.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013.

Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required. All the amounts included in the financial statements are

S.G.N. & CO. FRN : 134565W CHARTERED ACCOUNTANTS

EXICOM TELE-SYSTEMS LIMITED

reported in Indian Rupees ('Rupees') and are rounded to the nearest rupees, except per share data and unless stated otherwise.

3.1.2. Historical Cost Convention

The financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value for the followings:

(a) certain financial assets and liabilities and contingent consideration that is measured at fair value;
(b) assets held for sale measured at fair value less cost to sell;
(c) defined benefit plans plan assets measured at fair value; and

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3.1.3. Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

3.2. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle
b) Held primarily for the purpose of trading, or
c) Expected to be realised within twelve months after the reporting period other than for (a) above, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

S.G.N. & CO. FRN : 134565W CHARTERED ACCOUNTANTS

EXICOM TELE-SYSTEMS LIMITED

A liability is current when:

a) It is expected to be settled in normal operating cycle
b) It is held primarily for the purpose of trading
c) It is due to be settled within twelve months after the reporting period other than for (a) above, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

3.3. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

- Level 1 — Quoted (unadjusted): This hierarchy includes financial instruments measured using quoted prices.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

3.4. Non-Current Assets Held for Sale

Non-current assets are classified as assets-held-for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell.

Assets classified as held for sale are presented separately in the balance sheet.

S.G.N. & CO. CHARTERED ACCOUNTANTS FRN: 134565W

EXICOM TELE-SYSTEMS LIMITED

Loss is recognised for any initial or subsequent write -down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative loss previously recognised.

3.5. Property Plant and Equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are stated at actual cost less accumulated depreciation and impairment loss, if any. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of tax credit, if any) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and borrowing costs for qualifying assets.

Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

Significant Parts of an item of PPE (including major inspections) having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready for their intended use. The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively. Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation is provided pro-rata to the period of use on the straight line method based on the estimated useful life of the assets. The useful life of property, plant and equipment are as follows: -

Asset Class	Useful Life
Building - Improvement on lease	Over the lease term
Building - Factory on lease	30 Years
Computer – servers	6 Years
Computer – others	3 Years
Furniture & Fixtures	10 Years
Mould & Dies (a)	15 Years
Electric Installation	10 Years
Equipment - R&D (a)	15 Years
Plant & Machinery – Gurugram & Solan Plant (a)	10 Years
Plant & Machinery – Others	15 Years
Office Equipment	5 Years
Vehicles	8 Years
Fixed Assets costing less than Rs 5,000	Fully depreciated when they are ready for use.

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Note:

a. For these classes of assets based on internal assessment and technical evaluation, the management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of Companies Act 2013.
b. Depreciation on the amount capitalized on up-gradation of the existing assets is provided over the balance life of the original asset.
c. An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

3.6. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Recognition of intangible assets

a. Computer software

Purchase of computer software used for the purpose of operations is capitalized. However, any expenses on software support, maintenance, upgrade etc. payable periodically is charged to the Statement of Profit & Loss.

b. Revenue expenditure of specialized R&D Division

Research and development expenditure on new products:

(i) Expenditure on research is expensed under respective heads of account in the period in which it is incurred.

(ii) Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the company has intention to complete the intangible asset and use or sell it;
- the company has ability to use or sell the intangible asset;

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- the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use.

It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually

➢ **De-recognition of intangible assets**

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

c. Intangible assets under development

All costs incurred in development, are initially capitalized as Intangible assets under development - till the time these are either transferred to Intangible Assets on completion or expensed as Software Development cost (including allocated depreciation) as and when determined of no further use.

3.7. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The financial instruments are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial instruments at initial recognition.

3.7.1. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition

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of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories based on business model of the entity:

- Debt instruments at amortized cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

Any debt instrument, that does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments (Other than investment in subsidiary)

All other equity investments are measured at fair value. For Equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. This amount is not recycled from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

De-recognition

A financial asset is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

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Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix considers historical credit loss experience and is adjusted for forward looking information. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

3.7.2 Financial liabilities

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

Initial recognition and measurement

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3.8. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

3.9. Inventories

a) Basis of valuation:

1. Inventories other than scrap materials are valued at lower of cost and net realizable value after providing cost of Obsolescence, if any.

2. Inventory of scrap materials have been valued at net realizable value.

b) Method of valuation:

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1. Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

2. Cost of finished goods and work-in-progress includes direct fixed and variable production overheads and indirect taxes as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

3. Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

4. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.10. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.11. Investments in subsidiaries, associates and joint ventures

The Company records the investments in subsidiaries, associates and joint ventures at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

When the Company issues financial guarantees on behalf of subsidiaries, initially it measures the financial guarantees at their fair values and subsequently measures at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

The Company records the initial fair value of financial guarantee as deemed investment with a corresponding liability recorded as deferred revenue. Such deemed investment is added to the carrying amount of investment in subsidiaries.

Deferred revenue is recognized in the Statement of Profit and Loss over the remaining period of financial guarantee issued.

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

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3.12. Foreign Currency Transactions

The functional currency of the Company is Indian Rupees which represents the currency of the economic environment in which it operates.

Transactions in currencies other than the Company's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date.

Any income or expense on account of exchange difference between the date of transaction and on settlement or on translation is recognized in the profit and loss account as income or expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on such assets and liabilities carried at fair value are reported as part of fair value gain or loss.

In case of forward exchange contracts, the premium or discount arising at the inception of such contracts is amortized as income or expense over the life of the contract. Further exchange difference on such contracts i.e. difference between the exchange rate at the reporting /settlement date and the exchange rate on the date of inception of contract/the last reporting date, is recognized as income/expense for the period.

Effective April 1, 2018 the Company has adopted Appendix B to Ind AS 21-Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

3.13. Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Standalone Financial Statement. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end

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of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

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

Deferred Tax includes MAT tax Credit. The Company recognizes tax credit in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which tax credit is allowed to be carried forward. The Company reviews the such tax credit asset at each reporting date to assess its recoverability.

3.14. Revenue Recognition

The company recognizes revenue in accordance with Ind- AS 115. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration that the Company expects to receive in exchange for those products or services.

Revenues in excess of invoicing are classified as contract assets (which may also refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which may also refer to as unearned revenues).

The Company presents revenues net of indirect taxes in its Statement of Profit and loss.

The specific recognition criteria from various stream of revenue is described below:

a. **Capacity swaps**
The exchange of network capacity is recognised at fair value unless the transaction lacks commercial substance or the fair value of neither the capacity received nor the capacity given is reliably measurable.

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b. Interest income
For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

c. Rental income
Rental income arising from operating leases or on investment properties is accounted for on a straight-line basis over the lease terms and is included in other non-operating income in the statement of profit and loss.

d. Insurance Claims
Insurance claims are accounted for as and when admitted by the concerned authority.

e. Dividend Income
Dividend income on investments is recognised when the right to receive dividend is established.

3.15. Employee Benefits

Short Term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Long-Term employee benefits

Compensated expenses which are not expected to occur within twelve months after the end of period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Post-employment obligations

i. Defined contribution plans

Provident Fund and employees' state insurance schemes

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

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

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ii. Defined benefit plans

Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Indian Accounting Standard 19 (revised), "Employee Benefits " The Company makes annual contributions to the Life Insurance Corporation of India for the Gratuity Plan in respect of employees. The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Defined retirement benefit plans comprising of gratuity, un-availed leave, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Leave Encashment

The company has provided for the liability at period end on account of un-availed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

iii. Actuarial gains and losses are recognized in OCI as and when incurred.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above),are recognized in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The retirement benefit obligation recognized in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

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3.16. Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i. the contract involves the use of an identified asset
ii. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
iii. the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.17. Earning Per Share ('EPS')

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

3.18. Segment Reporting

Identification of segments:

Operating segments are reported in a manner consistent with the internal financial reporting provided to the Chief Operating Decision Maker (CODM) i.e. Chief Operating officer. CODM monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The primary reporting of the Company has been performed on the basis of business segments. The analysis of geographical segments is based on the areas in which the Company's products are sold or services are rendered.

Allocation of common costs:

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

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Unallocated items:

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

3.19. Government Grant

Government Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with .

Government grants related to depreciable fixed assets are treated as deferred income which has been recognised in the profit and loss statement on a systematic and rational basis over the useful life of the asset, i.e., such grants should be allocated to income over the periods and in the proportions in which depreciation on those assets is charged.

3.20. Cash & Cash Equivalents

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

3.21. Prior Period Items

The Company has adopted following materiality threshold limits in the recognition of Prior period expenses/incomes:

No.	Threshold Items	Threshold Value
i.	Identification based on individual limits	Rs. 10 lakhs
ii.	Restatement based on overall limits	1% of Total Revenue of Previous FY

3.22. Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

ARO are recognised for those operating lease arrangements where the Company has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

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Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Warranty Provisions

Provision for warranty-related costs are recognized when the product is sold or service is provided to customer. Initial recognition is based on historical experience. the Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to three years.

3.23. Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

Exicom Tele-Systems Limited

Notes to Standalone Financial Statements for the year ended 31st March'2021

4 Property, Plant and equipment "PPE"- Other than R&D

(Amount in ₹)

Particulars	Land - Leasehold	Building	Leasehold Improvements	Plant & Equipment	Electric Installation	Moulds & Dies	Computers	Office Equipment	Furniture & Fixture	Vehicles	Total
Gross Carrying Value											
As at April 01, 2019	3,162,000	39,364,613	243,995,760	389,612,117	43,630,884	12,107,677	40,207,840	14,406,024	52,446,938	5,985,084	844,918,937
Less:Reclassified on account of adoption of Ind AS 116 "Leases"	3,162,000	-	-	-	-	-	-	-	-	-	3,162,000
Additions	-	-	1,457,535	50,143,804	1,457,592	18,090,964	8,318,257	2,128,606	3,473,589	-	85,070,347
Less: Disposals / Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2020	-	39,364,613	245,453,295	439,755,921	45,088,476	30,198,641	48,526,097	16,534,630	55,920,527	5,985,084	926,827,284
Additions	-	-	565,125	19,989,403	-	6,493,750	6,444,253	339,280	812,300	175,597	34,819,708
Less: Disposals / Adjustments	-	-	3,738,455	17,731,178	-	-	254,913	296,041	3,974,923	-	25,995,510
As at March 31, 2021	-	39,364,613	242,279,965	442,014,146	45,088,476	36,692,391	54,715,437	16,577,869	52,757,904	6,160,681	935,651,482
Accumulated depreciation and impairment	**Land - Leasehold**	**Building**	**Leasehold Improvements**	**Plant & Equipment**	**Electric Installation**	**Moulds & Dies**	**Computers**	**Office Equipment**	**Furniture & Fixture**	**Vehicles**	**Total**
As at April 1, 2019	-	31,078,513	42,966,211	106,833,121	12,088,379	4,143,790	28,630,498	9,225,274	30,168,923	4,321,841	269,456,550
Less:Reclassified on account of adoption of Ind AS 116 "Leases"	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	436,406	26,088,214	27,162,452	3,890,115	904,411	5,306,829	1,287,724	2,920,779	239,172	68,236,103
Less: Disposals / Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2020	-	31,514,919	69,054,425	133,995,573	15,978,494	5,048,201	33,937,327	10,512,998	33,089,702	4,561,013	337,692,652
Depreciation for the year	-	436,406	24,950,140	28,182,008	3,946,910	1,845,465	6,631,844	1,526,862	2,998,944	232,131	70,750,710
Less: Disposals / Adjustments	-	-	3,132,685	16,987,595			210,713	285,516	3,822,778	-	24,439,287
As at March 31, 2021	-	31,951,325	90,871,880	145,189,986	19,925,404	6,893,666	40,358,458	11,754,344	32,265,868	4,793,144	384,004,075
Net Carrying Value	**Land - Leasehold**	**Building**	**Leasehold Improvements**	**Plant & Equipment**	**Electric Installation**	**Moulds & Dies**	**Computers**	**Office Equipment**	**Furniture & Fixture**	**Vehicles**	**Total**
As at March 31, 2020	-	7,849,694	176,398,870	305,760,348	29,109,982	25,150,440	14,588,770	6,021,632	22,830,825	1,424,371	589,134,632
As at March 31, 2021	-	7,413,288	151,408,085	296,824,160	25,163,072	29,798,725	14,356,979	4,823,525	20,492,036	1,367,537	551,647,407

Property, Plant and equipment "PPE" - R&D

Particulars	Plant & Equipment	Computers	Office Equipment	Furniture & Fixture	Total
Gross Carrying Value					
As at April 1, 2019	94,802,445	20,158,703	12,250,073	9,641,024	136,852,245
Additions	5,761,445	4,729,125	736,339	1,266,650	12,493,559
Less: Disposals / Adjustments	-		-	-	-
As at March 31, 2020	100,563,890	24,887,828	12,986,412	10,907,674	149,345,804
Additions	6,794,267	3,773,386	64,100	184,200	10,815,953
Less: Disposals / Adjustments	102,370	75,452	33,232	21,935	232,989
As at March 31, 2021	107,255,787	28,585,762	13,017,280	11,069,939	159,928,768
Accumulated depreciation and Impairment	**Plant & Equipment**	**Computers**	**Office Equipment**	**Furniture & Fixture**	**Total**
As at April 1, 2019	16,349,508	8,023,921	1,191,368	1,077,816	26,642,613
Depreciation for the year	5,930,718	5,072,529	2,246,701	919,031	14,168,979
Less: Disposals / Adjustments	-		-	-	-
As at March 31, 2020	22,280,226	13,096,450	3,438,069	1,996,847	40,811,592
Depreciation for the year	6,318,121	6,261,061	2,320,867	959,629	15,859,678
Less: Disposals / Adjustments	102,370	71,679	8,109	21,935	204,093
As at March 31, 2021	28,495,977	19,285,832	5,750,827	2,934,541	56,467,177
Net Carrying Value	**Plant & Equipment**	**Computers**	**Office Equipment**	**Furniture & Fixture**	**Total**
As at March 31, 2020	78,283,664	11,791,378	9,548,343	8,910,827	108,534,212
As at March 31, 2021	78,759,810	9,299,930	7,266,453	8,135,398	103,461,591

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(Amount in ₹)

5 **The Following is carrying value of Right-of-use assets for the year ended March 31, 2021**

Particulars	Leasehold Land	Building	Security Deposit	Total
As at March 31, 2019	-	-	-	
Additions				-
Transition impact on account of adoption of Ind AS 116 "Leases"		254,480,626		254,480,626
Reclassified on account of adoption of Ind AS 116 "Leases"	3,162,000			3,162,000
Reclassified from Security Deposits	-	-	6,026,530	6,026,530
Deletion				
Depreciation	-	44,850,846	1,142,090	45,992,936
As at March 31, 2020	3,162,000	209,629,780	4,884,440	217,676,220
Additions				
Lease Modification/addition during the year	-	32,465,402		32,465,402
Reclassified from Security Deposits	-	-	1,016,783	1,016,783
Deletion				
Lease Termination during the year	-	5,630,426	68,782	5,699,208
Depreciation	-	47,399,065	1,317,397	48,716,462
As at March 31, 2021	3,162,000	189,065,691	4,515,044	196,742,735

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in statement of Profit and Loss for the year ended 31st March'2021.

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	As at March 31, 2021	As at March 31, 2020
Current Lease Liabilities	41,768,966	39,408,723
Non-current Lease Liabilities	158,694,700	182,350,124
Total	200,463,666	221,758,847

The following is the carrying value of lease liability for the year ended March 31, 2021

Particulars	Total
As at March 31, 2019	-
Addition	
Transition impact on account of adoption of Ind AS 116 "Leases"	254,480,626
Finance cost accrued during the year	17,736,193
Deletions	
Payment of lease liabilities including interest	50,457,972
As at March 31, 2020	221,758,847
Addition	
Lease Modification/Addition in the Liability during the year	20,701,594
Finance cost accrued during the year	17,805,705
Deletions	
Lease Termination during the year	5,995,684
Lease Rent Concession	6,211,652
Payment of lease liabilities including interest	47,595,144
As at March 31, 2021	200,463,666

Note:

(a) The Company incurred ₹ 19,335,307/- for the year ended 31st March, 2021 (31st March, 2020: ₹ 35,595,201/-) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 66,930,451/- for the year ended 31st March, 2021 (31st March, 2020: ₹ 86,053,173/-), including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities for the year ended 31st March, 2021 is ₹ 17,805,705/- (31st March, 2020: ₹ 17,736,193/-).

(b) Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company have taken land and buildings on leases for manufacturing and warehouse facilities.

(c) During the current year, the Company has received the Covid-19-related rent concessions for lessees amounting to ₹ 62,11,652/- and on the basis of practical expedient as per Ind AS 116 "Leases", the same is not considered to be lease modification, hence the income towards rent concession is recognised in "Other Income" in the statement of profit and loss account

(d) The weighted average incremental borrowing rate applied to lease liabilities is 9.22%

(e) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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EXICOM TELE-SYSTEMS LIMITED

6 **Intangible Assets - other than R&D** (Amount in ₹)

Particulars	Product development	Software	SAP - ERP Licence	Total
Gross Carrying Value				
As at April 1, 2019	**185,202,923**	**13,529,499**	**9,156,901**	**207,889,323**
Additions	-	5,522,030	-	5,522,030
Less: Disposals / Adjustments	-	-	-	-
As at March 31, 2020	**185,202,923**	**19,051,529**	**9,156,901**	**213,411,354**
Additions	-	6,594,976	702,588	7,297,564
Less: Disposals / Adjustments	-	-	-	-
As at March 31, 2021	**185,202,923**	**25,646,505**	**9,859,489**	**220,708,918**
Accumulated depreciation and impairment	**Product development**	**Software**	**SAP - ERP Licence**	**Total**
As at April 1, 2019	**166,484,622**	**6,705,477**	**7,075,941**	**180,266,040**
Amortisation for the year	12,996,887	2,345,323	550,000	15,892,210
Less: Disposals / Adjustments	-	-	-	-
As at March 31, 2020	**179,481,509**	**9,050,800**	**7,625,941**	**196,158,250**
Amortisation for the year	4,579,642	2,884,085	574,254	8,037,981
Less: Disposals / Adjustments	-	-	-	-
As at March 31, 2021	**184,061,151**	**11,934,885**	**8,200,195**	**204,196,231**
Net Carrying Value	**Product development**	**Software**	**SAP - ERP Licence**	**Total**
As at March 31, 2020	5,721,415	10,000,729	1,530,960	17,253,104
As at March 31, 2021	**1,141,773**	**13,711,620**	**1,659,294**	**16,512,687**

Intangible Assets - R&D (Amount in ₹)

Particulars	Software	Technical Know-how	Total
Gross Carrying Value			
As at April 1, 2019	**42,157,695**	**50,000,000**	**92,157,695**
Additions	4,508,387	-	4,508,387
Less: Disposals / Adjustments	-	-	-
As at March 31, 2020	46,666,082	50,000,000	96,666,082
Additions	11,619,385	-	11,619,385
Less: Disposals / Adjustments	-	-	-
As at March 31, 2021	**58,285,467**	**50,000,000**	**108,285,467**
Accumulated depreciation and impairment	**Software**	**Technical Know-how**	**Total**
As at April 1, 2019	**24,225,109**	**5,238,356**	**29,463,465**
Amortisation for the year	8,152,329	10,000,000	18,152,329
Less: Disposals / Adjustments	-	-	-
As at March 31, 2020	**32,377,438**	**15,238,356**	**47,615,794**
Amortisation for the year	5,615,854	10,000,000	15,615,854
Less: Disposals / Adjustments	-	-	-
As at March 31, 2021	**37,993,292**	**25,238,356**	**63,231,648**
Net Carrying Value	**Software**	**Technical Know-how**	**Total**
As at March 31, 2020	14,288,643	34,761,644	49,050,287
As at March 31, 2021	**20,292,175**	**24,761,644**	**45,053,819**

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(Amount in ₹)

7 **Intangible Assets under Development**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	12,492,376	7,670,000
Additions	112,918,610	4,822,376
Less: Disposals / Adjustments	4,842,376	-
Closing Balance	120,568,610	12,492,376

Significant estimate: Useful life of intangible assets under development
The intangible asset under construction relates to the money paid to Centre of electric vehicles (CoEV), IIT Madras & M/s Grintech Motors & Services Pvt Ltd. for the license to use battery technology including but not limited to its design, know-how, drawings, data sheets, updates and upgrades, in respect to the hardware and software, in order to facilitate the licensee to manufacture, distribute and market the Developed Product (Battery pack for Buses and Battery Module) also for development of communication protocols and in porting these protocols on the batteries and chargers. The License property will be provided with communication protocols implemented between battery and chargers and between the vehicles by CoEV & IIT Madras and the Useful life of the same is estimated to be 5 years.

As per IND AS 38-Intangible Assets, Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably. The company has two recognised R&D Unit which are in house for development of products. During the financial year 2020-21 the company has spent Total ₹ 197,652,037/- on research and development of product out of this total expenditure the company has spent ₹ 108,076,234/- on the eligible development expenses on projects which can demonstrate that these project will generate future economic benefits in the future and cost can be measured reliably. So the eligible amount has been capitalised under Intangible assets under developement and the balance amount ₹ 89,575,803/- is charged to profit and loss account as revenue expenditure.

Additions made during the Financial Year 2020-21 related to developement of in house projects, the useful life of the same is estimated to be 5 Years.

8 **Investment in Subsidiaries**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unquoted Investments (At Cost)		
Investment in Equity Instruments		
(i) Subsidiary	67,877,771	73,426,271
Total	67,877,771	73,426,271

8.1 - Investment in Subsidiaries

Particulars		As at March 31, 2021		As at March 31, 2020	
	Face value per share	No. of Shares	Amount	No. of Shares	Amount
Unquoted Investments					
Investment in Equity Instruments-Equity Shares					
(a) Exicom Tele-Systems (Singapore) Pte. Limied	$1	650,000	30,212,771	650,000	30,212,771
(b) Energywin Technologies Private Limited*	10	4,050,000	37,665,000	4,050,000	43,213,500
Aggregate amount of unquoted investments			67,877,771		73,426,271
Aggregate amount of impairment in value of investments			5,548,500		5,508,000

* During the year the company has carried out the Impairment testing on the investment of the subsidiaries. Based on Fair value (Report obtained from the Registered Valuer) the company has impaired the investment of Energywin Technologies Private Limited (Fair Value @ 9.30 Per share) by ₹ 5,548,000. Accordingly impairment allownace in value of investment has been provided in the books for the year ended 31.03.2021.

8. 2 Details of Subsidiaries

Name of subsidiary	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at March 31, 2021	As at March 31, 2020
Exicom Tele-Systems (Singapore) Pte. Limited	Trading of Li-ion batteries	Singapore	100%	100%
Energywin Technologies Private Limited	Design & Development of RFID Solution and Asset Management Solutions etc.	India	100%	100%

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EXICOM TELE-SYSTEMS LIMITED ★

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Notes to Standalone Financial Statements for the year ended 31st March'2021

(Amount in ₹)

9 **Non-Current Financial Assets - Investments**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investments		
Investments in Equity shares		
Quoted		
Quadrant Televentures Limited	**200,000**	180,952
Unquoted		
Vaibhav Credit & Portfolio Private Limited	**2,000,000**	2,000,000
Less: Impairment in value of investments	**(2,000,000)**	(2,000,000)
Other Investments		
Endowment fund policy (PNB Metlife)	**1,191,388**	400,000
Total	**1,391,388**	**580,952**

Non-Current Financial Assets - Investments

Particulars	Face Value per share	As at March 31, 2021		As at March 31, 2020	
		No. of Shares	Amount	No. of Shares	Amount
Financial assets measured at FVTPL					
Investment in equity instruments					
Quoted Equity Shares					
Quadrant Televentures Limited*	1	952,381	200,000	952,381	180,952
Total Investment FVTPL		952,381	200,000	952,381	180,952

Note:

Aggregate amount of quoted investment	200,000		180,952
Aggregate market value of quoted investment	200,000		180,952
Aggregate amount of unquoted investment	1,191,388		400,000
Aggregate amount of impairment in value of investments	-		-

*** Quadrant Televentures has been valued as per the Closing Trading price (BSE) of INR 0.21 per share as on 31.03.2021 (PY value per share was INR 0.19)**

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10 Non-Current Financial Assets - Others

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed Deposits with Bank (Maturity more than 12 months)*	8,359,345	5,363,458
Unsecured, considered good;		
Security Deposits**	24,136,332	25,549,630
Total	**32,495,677**	**30,913,088**

* Represents margin money against borrowings, guarantees and other commitments pledged with bank and other authorities Rs. 123,282,244 (Previous year Rs. 108,058,925) to be read along with Note no 16

** Security Deposits primarily include deposits given towards rented premises and others.

11 Deferred Tax Assets (Net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
A. Deferred Tax Assets		
Related to Brought forward losses and unabosrbed Depreciation	225,023,510	55,061,088
MAT Credit Entitlement	93,798,554	146,291,052
Others	76,501,390	78,871,007
(A)	395,323,454	280,223,147
B. Deferred Tax Liability		
Related to Depreciation on Fixed Assets and Amortisation	108,080,312	119,657,748
(B)	108,080,312	119,657,748
Net Deferred Tax Assets / (Liability) (C) = (A)-(B)	**287,243,142**	**160,565,399**

12 Other Non-Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	8,130,126	1,177,123
Prepaid Expense	9,455,488	11,622,461
Total	**17,585,614**	**12,799,584**

13 Inventories

Particulars	As at 31st March, 2021	As at 31st March, 2020
Stores & Spare Parts	11,114,794	8,763,397
Loose Tools	69,749	46,320
Raw Materials *	705,136,241	631,365,783
Packing Materials	5,224,449	1,615,431
Work in Process	375,712,376	531,739,445
Goods for Re-trade	975,143	645,754
Finished Goods	10,000	6,729,270
Total	**1,098,242,752**	**1,180,905,400**

*Raw materials include materials in transit amounting to Rs. 74,160,674 (Previous year Rs. 70,542,272)

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Notes to Standalone Financial Statements for the year ended 31st March'2021

(Amount in ₹)

14 **Trade Receivables**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables considered good - Secured;	-	-
Trade Receivables considered good - Unsecured;	1,286,696,327	986,173,628
Less: Allowance for expected credit loss	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	27,446,085	25,061,150
Less: Allowance for expected credit loss	(27,446,085)	(25,061,150)
Total	**1,286,696,327**	**986,173,628**
Break-up of security details		
(i) Secured, considered good;	-	-
(ii) Unsecured, considered good;	1,286,696,327	986,173,628
(iii) Doubtful	27,446,085	25,061,150
	1,314,142,412	1,011,234,778
Less : Impairment allowance for trade receivables	27,446,085	25,061,150
Total	**1,286,696,327**	**986,173,628**

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

The movement in allowance for expected credit loss and credit impairment is as under: -

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	25,061,150	23,001,197
Additions	4,386,553	2,059,953
Write Off (net of recovery)	2,001,618	-
Closing balance	**27,446,085**	**25,061,150**

15 **Cash and Cash Equivalents ("C & CE'")**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks-In current accounts	21,935,068	2,370,989
Cash on hand	67,530	186,097
Total	**22,002,598**	**2,557,086**

16 **Other Bank Balances**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed Deposits (including held as margin money for credit facilities)*		
- Maturity less than 3 months	107,282,305	11,255,293
- Maturity more than 3 months and upto 12 months	107,140,594	91,440,174
Total	**214,422,899**	**102,695,467**

* Represents margin money against borrowings, guarantees and other commitments pledged with bank and other authorities Rs. 123,282,244 (Previous year Rs. 108,058,925) to be read along with Note no 10

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(Amount in ₹)

17 **Loans & Advances**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Loans and Advances to Subsidiaries (Enrgywin Technologies Pvt Ltd.)	36,800,000	24,800,000
Loans and Advances to Body Corporate*	-	6,000,000
	36,800,000	30,800,000
Less: Impairement allowance for Loan & Advance receivable	-	6,000,000
Total	36,800,000	24,800,000
Sub-classification of Loans:		
(i) Loans Receivables considered good - Secured;	-	-
(ii) Loans Receivables considered good - Unsecured;	36,800,000	24,800,000
(iii) Loans Receivables which have significant increase in Credit Risk; and	-	-
(iv) Loans Receivables - credit impaired	-	6,000,000

* Loan to Body Corporate represents the Loan Given to ZBEE India Pvt Ltd amounting to ₹ 6,000,000 in FY18-19, as on 31st March'2020 the recoverability of the loan and interest accrued (Refer note 18) is considered to be doubtful. Accordingly the impairment allowance has been provided during FY 2019-20 for the loan amount including Interest outstanding. During FY 2020-21 Loan given to the ZBEE has been written off aginst the provision made during FY 2019-20.

18 **Current Financial Assets - Others**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest accrued:		
On Fixed Deposits with Banks	4,198,577	3,023,535
On Loan to Related Party	18,231,126	15,152,510
Security Deposits, Unsecured, considered good;	3,930,044	1,068,803
Total	26,359,747	19,244,848

19 **Current Tax Assets (Net)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
TDS Recoverable	57,489,113	37,088,742
Total	57,489,113	37,088,742

20 **Other Current Assets**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Prepaid Expenses	18,386,674	15,564,796
Advances to Suppliers	192,923,188	50,482,830
Balance with Government Authorities	173,849,090	138,556,139
Unbilled Revenue	44,241,752	55,221,823
Earnest money deposited for land purchase*	28,978,342	-
Others	3,426,171	3,264,444
Total	461,805,217	263,090,032

* The company has deposited the earnst money for the purchase of the land for future expansion of business.

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(Amount in ₹)

21 Equity Share Capital

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised Shares		
15,000,000 (Previous FY - 15,000,000) equity shares of Rs. 10/- each	150,000,000	150,000,000
Issued, Subscribed and fully paid-up shares		
72,30,203 (Previous FY - 72,30,203) equity shares of Rs. 10/- each	72,302,030	72,302,030
Total	72,302,030	72,302,030

a) **Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to cast one vote per share.

b) **Shareholders holding more than 5 percent of Equity Shares in the Company**

Name of Shareholder		As at 31st March 2021 No. of share held	As at 31st March 2020 No. of share held
NextWave Communications Private Limited		5,031,685	5,031,685
(Formerly known as MN Enterprises Private Limited)	% of Holding	69.59%	69.59%
Vinsan Brothers Private Limited		1,082,692	1,082,692
	% of Holding	14.97%	14.97%
HFCL Limited		630,223	630,223
(Formerly known as Himachal Futuristic Communications Limited)	% of Holding	8.72%	8.72%
Satellite Finance Private Limited		377,500	377,500
	% of Holding	5.22%	5.22%
Others holding less than 5% shares		108,103	108,103
	% of Holding	1.50%	1.50%

c) **Others**

The company also has authorised capital of 15,000,000 ((Previous FY - 15,000,000) Preference shares of Rs 10/- each.

22 **Other Equity**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Equity component of Compound Financial Instruments	132,579,870	-
Securities Premium	616,335,473	616,335,473
Retained Earnings	569,236,488	675,813,515
Other Comprehensive Income	(8,619,271)	(10,586,325)
Total	1,309,532,560	1,281,562,663

(i) Equity component of Compound Financial Instruments

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	-	-
Increase/(Decrease) during the year	132,579,870	-
Closing Balance	132,579,870	-

(ii) Securities Premium

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	616,335,473	616,335,473
Increase/(Decrease) during the year	-	-
Closing Balance	616,335,473	616,335,473

(iii) Retained Earnings

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	675,813,515	1,040,407,258
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the year	-	-
Net profit/(loss) for the year	(106,577,027)	(364,593,743)
Closing Balance	569,236,488	675,813,515

(iv) Other Comprehensive Income

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	(10,586,325)	(5,472,104)
Items of Other Comprehensive Income		
Remeasurement of Defined benefit plans (Including Tax Impact)	1,967,054	(5,114,221)
Closing Balance	(8,619,271)	(10,586,325)

The Description of the nature and purpose of each reserve within equity is as follows:

a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013

b) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to dividends or other distributions paid to shareholders.

EXICOM TELE-SYSTEMS LIMITED

S.G.N. & CO. FRN : 134565W CHARTERED ACCOUNTANTS

23 Non-Current - Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured		
Loan from NBFC	37,746,000	77,746,000
6% Compulsory Convertible Debentures	623,464,886	-
Total	**661,210,886**	**77,746,000**

a) Unsecured loan from NBFC carrying interest @12.5% p.a. w.e.f. 01.04.2019 (earlier @ 10% w.e.f 01.10.2017 till 31.03.2019) are repayable on or before 31.03.2023.

b) The company has issued 6% Compulsory convertible debentures for Rs 75 Crore (704,225 debentures having face value of Rs 1065 each) on a private placement offer for cash to Nextwave Communication Private Limited. The CCD instrument carry the below terms and conditions.
(i)CCD Shall be Unsecured;
(ii) CCD shall have tenor of 8 Years;
(iii) CCD Shall carry fixed coupon rate of 6% per annum.
(iv) the holder shall have the right to convert all or part of the CCD held by it into equity shares at any point of time after the completion of 12 months from the date of allotment of CCD till expiry of 8 years from date of allotment at a conversion rate of 1:1 i.e. each CCD shall convert into each equity share.

c) As per IND AS, Convertible Instruments into fixed number of equity shares with mandatory interest payment is classified as compound financial instrument from the issuer's perspective. Such compound financial instrument is required to be separated into two components i.e. financial liability and equity. When allocating the initial carrying amount of the compound instrument into financial liability and equity, an entity first determines the fair value of the liability component. The fair value of the financial liability is determined with reference to the fair value of a similar stand-alone debt instrument. The amount allocated to the equity component is residual amount after deducting the fair value of the financial liability component from the fair value of the entire compound instruments.

24 Non-Current - Others

Particulars	As at 31st March, 2021	As at 31st March, 2020
M-SIPS Grant against Fixed Assets*	20,663,985	24,309,681
Total	**20,663,985**	**24,309,681**

* Modified Special Incentive Scheme (M-SIPS) has been notified on 27th July'2012, with approval of Union Budget, for providing special incentive package to offset the disability and attract investment in electronics System Design and Manufacturing Sector. There is a provision in M-SIPS for reimbursement of 25% of capex investment in Non-SEZ area.

Exicom Tele-System Limited had filed Application with Project cost of INR 45 Cr. in two phases (Phase I INR 38.85 Cr and Phase II INR 6.45 Cr) at Industry Plot no 2A Sector -18 for manufacturing of battery controller for lithium ion batteries, Power system and SMR, application was acknowledged on 13.05.2016. Application was accorded approval on 25.01.2018 under the project type "Expansion".

During FY18-19, application for incentive/reimbursement for capex investment done in Phase I (Claim period 13.05.2016 to 30.06.2017) was filed on 31.07.2018 for INR 18.25 Cr. (out of INR 38.85 Crore of the project cost for Phase 1, 19.05 Crore was eligible). On verification of the assets by the agency appointed by Ministry of Electronics & Information Technology (MEITY), capex investment amounting to INR 15.07 Cr was considered Eligible for disbursement.

Sanction letter for disbursement of MSIPS incentive/reimbursement amounting to INR 3,76,67,724/- (25 % of the Eligible capex of 15,06,70,898/-) dated 28.01.2019 was received from Ministry of Electronics & Information Technology and Incentive was received on 11.02.2019

25 Non-Current Liabilities - Provision

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits*		
Leave Encashment	28,286,775	26,797,245
Gratuity	60,819,640	49,895,393
Total	**89,106,415**	**76,692,638**

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26 Current Financial Liabilities - Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
Loans repayable on demand from banks		
Secured		
Working Capital Limit	**201,152,649**	276,693,998
Loans repayable on demand from Financial Institutions		
Unsecured		
Vendor Financing Facility	**54,747,309**	34,788,099
Unsecured		
Loan From Director	**55,000,000**	15,000,000
Loan from NBFC	-	40,000,000
Total	**310,899,958**	**366,482,097**

Note:

A. The working capital limit from Punjab National Bank, State Bank of India and IDBI bank Ltd are secured by way of hypothecation of first charge on pari passu basis on entire current assets of the company i.e., hypothecation of stocks of raw materials, finished goods and semi finished goods, stores and spares, book debts etc., both present and future. Further the limit are also secured by way of first charge on pari passu basis on all the movable and immovable properties, both present and future and by pledge of 2,566,585 equity shares of the company held by Nextwave Communications Private Limited and personal guarantee of Shri Anant Nahata. Further the limit from Punjab National Bank, SBI & IDBI are secured by corporate guarantee of Himachal Futuristic Communications Limited to the extent of Rs. 6.50 Crore and personal guarantee of Shri Mahendra Nahata on pari passu basis.

Primary Security- Pari-passu first charge of hypothecation of stock and receivables of the company with consortium members (PNB, SBI and IDBI)

Immovable Property-

i) First pari passu charge on immovable property situated at plot no 1-8 situated at khata no 386/1 in mauja bassi patti kather, industrial area, chambaghat, solan, himachal pradesh, 173211. (semi-urban), admeasuring total area: 1488 sq. mtr. in the name of M/s Exicom Tele-systems Limited

ii) First Pari Passu charge on Plant and Machinery of the company (excluding assets charged against term loan)

iii) Lien 1st charge over fixed deposit (total value ₹ 5.69 cr under consortium) current values as on 31.03.2021 are as under:

FDR NO.	Bank	Owned By	Amount in ₹
152900PU00026019	PNB	Nextwave Communications Pvt. Ltd.	11,596,861
152900PU00026037	PNB	Exicom Tele-Systems Ltd	44,01,270
152900PU00026028	PNB	Nextwave Communications Pvt. Ltd.	10,810,537
152900PU00026000	PNB	Nextwave Communications Pvt. Ltd.	11,622,460
012706000024967	IDBI	Exicom Tele-Systems Ltd	30,168,600

Total

68,599,728

iv) Pledge of 25,66,585 nos. equity shares of Exicom Tele-systems Ltd on pari passu basis.

Third Party Guarantee-

Personal Guarantee of Mr. Anant Nahata, Mr. Mahendra Nahata. Corporate Guarantee of HFCL Limited (formerly known as Himachal Futurustic Communication Limited) (Amount restricted up to Rs. 6.50 cr as per consortium agreement.)

B) The working capital limit has been sanctioned by the banks at the interest rate: PNB @ 10.55%, IDBI @11.55%, SBI@ 10.50%.

C) Vendor financing facility from American Express Bank at interest rate of 1.70% for 50 Days.

D) Unsecured loan from Adventz Finance Pvt Ltd had been taken @16% p.a. This loan has been repaid fully during the year.

E) Inerest Free Unsecured Loan from Director of INR 4,00,00,000/- is taken during the financial year 2020-21. (Previous FY 2019-20 loan taken was 1,50,00,000)

27 Trade Payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
total outstanding dues of micro enterprises and small enterprises ; and*	**320,160,224**	118,934,481
total outstanding dues of creditors other than micro enterprises and small enterprises	**1,357,832,936**	1,199,468,048
Total	**1,677,993,160**	**1,318,402,529**

***Refer Note no. 44**

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28 Current Financial Liabilities - Others

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current Maturities of Long-Term Debts;*	6,053,746	10,861,667
Interest Accrued and Not Due**	1,623,944	7,496,969
Creditors for Capital Goods - Domestic	77,104	6,494,964
Creditors for Capital Goods - Foreign	6,058,327	437,130
Other Payables		
- Salaries & Wages payable	36,030,377	40,568,655
- Expenses Payable	6,528,448	3,633,309
- Payable to Employees	6,434,578	7,434,158
- Interest Payable on MSMEDA Act,2006	22,122,367	21,492,439
Total	**84,928,891**	**98,419,291**

* Term loan of Rs.550 lacs sanctioned by IDBI Bank Ltd is secured by way of exclusive first charge on specific Plant & Machineries of Rs.750 lacs and second charge by way of hypothecation on the Company's current assets and personal guarantee of Shri Anant Nahata. Loan is repayable in 20 equal quarterly installment of Rs.2,750,000/- each and carrying interest @12.5% p.a.

** Interest Accrued and not due includes the amount payable to IDBI bank against CC limit utilised for ₹ 803,635 and vendor Financing (American Express Banking Corporation) utilised for ₹ 820,309.

29 Current Liabilities - Others

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance from Customers	190,399,182	317,165,724
Statutory Dues Payable	15,495,925	14,975,293
Total	**205,895,107**	**332,141,017**

30 Current Liabilities - Provision

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits*		
Gratuity	833,490	2,471,086
Leave Encashment	935,617	1,043,619
Provision for Warranty	9,633,329	15,649,829
Total	**11,402,436**	**19,164,534**

*** As per Actuarial Certificate**

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EXICOM TELE-SYSTEMS LIMITED ★

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(Amount in ₹)

31 **Revenue from operations**

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Sale of Products	2,601,513,353	2,308,910,340
Sale of Services	489,750,133	445,606,163
Total	**3,091,263,486**	**2,754,516,503**

32 **Other Income**

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Interest Income		
From Fixed Deposits / Margin Money with Banks	10,905,088	7,008,793
From Others	4,635,921	11,550,836
Income from Dividend	-	256,840,000
Income from Royalty	31,917,910	24,376,150
Gain on foreign currency transaction and translation (net)	27,886,817	-
Duty Draw Back Received	1,397,489	1,659,750
Export Benefit (FPS) Received	1,045,447	4,131,445
Subsidy from M-SIPS	3,645,696	3,898,558
Insurance Claim Received	115,889	1,373,510
Sundry Balance/ Excess Provision Written Back*	-	5,589,035
Sales Tax Refund Received	-	12,534,116
Income on lease modification/termination-IND AS 116	18,340,716	-
Misc. Income	43,581,110	27,628,725
Total	**143,472,083**	**356,590,918**

33 **Cost of Material Consumed**

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Opening Stock	560,823,511	639,864,808
Add : Purchases During the Year	2,033,329,742	1,782,423,319
	2,594,153,253	2,422,288,127
Less : Closing Stock	630,975,567	560,823,511
Total	**1,963,177,686**	**1,861,464,616**

34 **Purchase of Stock-in-Trade**

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Purchase of Stock-in-Trade	494,877	260,194
Total	**494,877**	**260,194**

35 **Changes In Inventories of Finished Goods,Work-In-Progress And Stock-In-Trade**

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Opening Stock		
Finished Goods	6,729,270	39,130,422
Goods for Re-Trade	645,754	679,929
Work in Process	531,739,445	567,284,777
	539,114,469	607,095,128
Closing Stock		
Finished Goods	10,000	6,729,270
Goods for Re-Trade	975,143	645,754
Work in Process	375,712,376	531,739,445
	376,697,519	539,114,469
Total	**162,416,950**	**67,980,659**

36 **Employee Benefits Expenses**

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Salaries and Bonus	461,665,978	493,805,771
Contribution to Provident and Other Funds	28,364,542	28,221,208
Staff Welfare Expenses	12,972,709	11,257,369
Total	**503,003,229**	**533,284,348**

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(Amount in ₹)

37 Manufacturing Expenses

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Consumption of Packing Materials	25,795,385	25,063,406
Consumption of Stores and Spare Parts	40,389,406	31,428,551
Consumption of Tools	352,951	341,431
Power and Fuel	21,697,392	18,323,710
Repairs to Plant & Machinery	8,411,560	6,064,935
Repairs to Building	-	31,553
Other Repairs	2,789,507	4,388,134
Total	99,436,201	85,641,720

38 Finance costs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Interest to Banks	38,383,798	35,230,718
Interest to Others	46,373,946	38,607,160
Interest to Compulsory Convertible Debentures	28,852,975	-
Interest on lease liabilities- IND AS 116	17,805,705	17,736,192
Other Finance Charges	24,797,042	18,266,592
Total	156,213,466	109,840,662

39 Other Expenses

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Rent	18,335,664	26,234,012
Rates and Taxes	1,881,339	1,937,707
Insurance Expenses	15,764,393	13,070,000
Payments to the Auditor		
Audit Fee	725,000	725,000
Other Services	3,500	123,500
Communication expenses	9,135,772	9,035,506
IT Support Expenses	21,870,494	23,202,160
Travelling, Conveyance and Vehicle Expenses	42,789,384	63,372,478
Loss on Sale of Property, Plant and equipment	1,585,118	-
Impairment in value of Investment	5,529,452	22,696,458
General Expenses	21,288,345	20,131,235
Office & Factory Expenses	1,346,831	2,175,678
Sundry Balance/ Excess Provision Written Back	408,363	-
Commission on Sales	-	2,862,438
Corporate Social Responsibility-Expenses	7,643,000	3,468,670
Recruitment Expenses	4,803,907	8,731,248
Security Expenses	9,491,178	9,787,984
Facility Management Expenses	12,361,826	13,545,715
Printing & Stationery	1,406,674	1,550,392
Freight Outward	75,177,002	42,878,423
Liquidated Damages	15,871,473	9,913,076
Impairment allowance for trade receivables considered doubtful	2,384,935	2,059,954
Bad Debts Written off	2,895,647	1,354,529
Impairement allowance for loan & advance receivable	2,391,811	6,247,128
Provision for Warranty (net)	3,356,863	17,703,029
Business Promotion Expenses	1,364,432	2,844,034
Professional Charges	40,711,085	61,880,967
Directors Sitting Fees	1,750,000	800,000
Comprehensive Maintanence Expenses	12,012,053	12,509,454
Loss on foreign currency transaction and translation (net)	-	48,751,277
Total	334,285,541	429,592,052

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EXICOM TELE-SYSTEMS LIMITED

(Amount in ₹)

40 Research & Development Expenses

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Salaries & Wages	54,268,262	105,991,422
Contribution to Providend & Other Funds	3,745,333	6,298,746
Staff Welfare	1,538,134	2,532,703
Other repairs	281,864	803,178
Rent	999,643	9,361,189
Insurance Expenses	391,952	157,239
Communication Expenses	1,450,451	1,861,506
Travelling, Conveyance and Vehicle Expenses	2,315,355	12,442,665
General Expenses	7,138,413	8,796,278
Facility Management Expenses	9,495,479	7,712,378
Printing & Stationery	105,386	99,126
Business Promotion Expenses	22,939	209,817
Professional Charges	689,450	2,421,326
Cost of Materials	462,685	34,639,910
Electricity Charges	3,929,872	4,125,542
Product Testing Expenses	-	12,819,087
Security Expenses	2,740,585	3,344,118
Total	**89,575,803**	**213,616,230**

Note: During the financial year 2020-21 the Company has spent Total ₹ 197,652,037/- on research and development Expenditure. Out of total R&D expenditure ₹ 108,076,234/- has been capitalized as Intangible assets under development during the year, for development of various in house projects, and the balance ₹ 89,575,803/- is charged to profit and loss account as revenue expenditure.

41 Earning per Share (EPS) - In accordance with the Indian Accounting Standard (Ind AS-33)

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st March, 2020
Basic Earnings Per Share		
Profit /(Loss) After Tax	(106,577,027)	(364,593,743)
Profit Attributable to Ordinary Shareholders	(106,577,027)	(364,593,743)
Weighted Average Number of Ordinary Shares (used as denominator for calculating Basic EPS)	7,230,203	7,230,203
Nominal Value of Ordinary Share	Rs. 10/-	Rs. 10/-
Earnings Per Share - Basic	(14.74)	(50.43)
Diluted Earnings Per Share *		
Profit /(Loss) After Tax	(106,577,027)	(364,593,743)
Profit Attributable to Ordinary Shareholders	(77,724,052)	(364,593,743)
Weighted Average Number of Ordinary Shares (used as denominator for calculating Diluted EPS)	7,587,139	7,230,203
Nominal Value of Ordinary Share	Rs. 10/-	Rs. 10/-
Earnings Per Share - Diluted	(14.74)	(50.43)

*Since diluted earnings per share is increased when taking the 6% Compulsory Convertible Debentures into account (from Rs. -14.74 to Rs -10.24), the 6% Compulsory Convertible Debentures are anti-dilutive and are ignored in the calculation of diluted earnings per share. Therefore, diluted earnings per share is Rs. -14.74.

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(Amount in ₹)

42 Critical accounting estimates and judgments

The estimates and judgements used in the preparation of the said financial statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.
Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions under-lying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the financial statements in the period in which they become known.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, tangible and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company financial statements may differ from that estimated as at the date of approval of these financial statements.

The areas involving critical estimates or judgments are,
1. Estimation of useful life of tangible asset **Note No. 3.5 & 4.**
2. Estimation of useful life of intangible asset **Note No. 3.6 & 6.**
3. Estimation of defined benefit obligation **Note No. 3.15 & 43.**
4. Impairment of Assets and Investments in subsidiaries **Note No. 3.11 & 9.**
5. Judgement required for ascertainment of contracts in the nature of lease, lease term and fair value of lease as per Ind AS 116 **Note No. 3.16 & 5.**
6. Measurement of Fair Values and Expected Credit Loss (ECL) **Note No. 3.7 & 14.**
7. Estimation of contingent liabilities refer **Note No. 3.22 & 45.**

43 During the year, Company has recognised the following amounts in the financial statements as per Ind AS - 19 "Employees Benefits"

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, maintained under the Employees Provident Fund Scheme by the Central Government, is charged to Profit and Loss Account as under:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund	19,254,706	22,178,883
Employer's Contribution to Pension Scheme	8,567,391	8,635,742

b) Defined Benefit Plan

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

Particulars	In ₹ Gratuity (Funded)		In ₹ Leave Encashment	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Mortality rates inclusive of provision for disability	100% of IALM (2012-14) (Ultimate)	100% of IALM (2012-14) (Ultimate)	100% of IALM (2012-14) (Ultimate)	100% of IALM (2012-14) (Ultimate)
Discount rate	6.92%	6.92%	6.92%	6.92%
Rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Table showing changes in present value of obligations :				
Present value oft obligation as at the beginning of the year	55,477,874	41,699,812	27,840,864	19,410,378
Interest Cost	3,839,069	3,190,036	1,926,588	1,484,894
Current Service Cost	9,149,856	9,042,328	7,217,145	8,297,801
Benefits paid	(4,343,105)	(3,978,849)	(5,878,076)	(4,572,207)
Actuarial (gain)/ loss on obligations	(1,628,637)	5,524,547	(1,884,129)	3,219,998
Present value of obligation as at the end of the period*	62,495,057	55,477,874	29,222,392	27,840,864
*** Unpaid liability add in closing – 1,624,791 as on 31.03.2021**				
Table showing changes in the fair value of plan assets :				
Fair value of plan assets at the beginning of the year	3,111,395	2,533,017	Nil	Nil
Actual return on plan assets	167,197	63,648	N.A	N.A
Employer's Contributions	1,925,811	4,674,633	Nil	Nil
Fund management charges (FMC)	(19,371)	(181,054)	N.A	N.A
Payment recd against last year provision	-	-		
Benefit paid	(4,343,105)	(3,978,849)	Nil	Nil
Actuarial (gain) / loss on plan assets	67,483	311,182	Nil	Nil
Fair value of plan assets at the end of the year	841,927	3,111,395	Nil	Nil
Other Comprehensive Income				
Net cumulative unrecognized actuarial (gain)/loss opening	Nil	Nil	Nil	Nil
Actuarial (gain) / loss for the year on PBO	(1,628,637)	5,524,547	Nil	Nil
Actuarial (gain) / loss recognized for the year on Assets	67,483	311,182	Nil	Nil
Table showing actuarial gain /loss - plan assets :				
Expected Interest Income	215,309	193,776	Nil	Nil
Actual Income on Plan Asset	147,826	(117,406)	Nil	Nil
Fund management Charges	(19,371)	(181,054)	Nil	Nil
Actuarial gain /(loss) for the year on Asset	67,483	311,182	Nil	Nil
The amounts to be recognized in Balance Sheet :				
Present value of obligation at the end of the year	62,495,057	55,477,874	29,222,392	27,840,864
Fair value of plan assets at the end of the year	841,927	3,111,395	Nil	Nil
Unfunded Liability/provision in Balance Sheet	(61,653,130)	(52,366,479)	(29,222,392)	(27,840,864)
Unfunded liability recognised in the balance sheet	(61,653,130)	(52,366,479)	(29,222,392)	(27,840,864)
Expenses recognised in Statement of Profit and Loss :				
Current service cost	9,149,856	9,042,328	7,217,145	8,297,801
Interest cost	3,623,760	2,996,260	1,926,588	1,484,894
Net actuarial (gain) / loss recognised in the year	Nil	Nil	(1,884,129)	3,219,998
Expenses recognized in the profit & loss	12,773,616	12,038,588	7,259,604	13,002,693
Sensitivity Analysis of the defined benefit obligation				
a) Impact of the change in discount rate				
Present Value of Obligation at the end of the period	62,495,057	55,477,874	29,222,392	27,840,864
Impact due to increase of 0.50%	(3,919,922)	(2,990,200)	(1,764,028)	(1,719,077)
Impact due to decrease of 0.50%	2,962,367	3,252,379	1,921,331	1,874,505
b) Impact of the change in salary increase				
Present Value of Obligation at the end of the period	62,495,057	55,477,874	29,222,392	27,840,864
Impact due to increase of 0.50%	2,977,111	3,086,512	1,932,690	1,885,574
Impact due to decrease of 0.50 %	(3,962,509)	(2,873,479)	(1,776,645)	(1,731,361)
Maturity profile of defined benefit obligation				
0 to 1 Year	1,675,417	2,471,086	935,617	1,043,619
1 to 2 Year	3,125,355	1,879,948	2,542,053	991,822
2 to 3 Year	1,484,694	2,865,322	623,318	1,731,013
3 to 4 Year	3,060,059	1,629,331	947,657	596,621
4 to 5 Year	1,189,097	2,066,742	499,781	886,120
5 to 6 Year	3,652,882	1,029,488	1,130,420	461,965
6 Year onwards	46,682,762	43,535,957	22,543,546	22,129,704
Investment Details				
Life Insurance Corporation of India	841,927	3,111,395	Nil	Nil

44 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows :

	Particulars	As at March 31, 2021	As at March 31, 2020
a.	Principal amount due	320,160,224	118,934,481
b.	Interest due on above	22,122,367	21,492,439
c.	Interest paid during the period beyond the appointed day	4,645,580	969,172
d.	Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
e.	Amount of interest accrued and remaining unpaid at the end of the period	22,122,367	21,492,439
f.	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	-	-

Note: The above information and that is given in 'Note-27' Trade Payables regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors₹

45 Commitments and Contingencies

(a) Contingent Liabilities not provided for in respect of :

	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Guarantees given by the bank on behalf of the Company	368,260,411	296,035,833
(ii)	Letter of credit given by the bank on behalf of the Company (Margin Money for LC & BGs kept by way of fixed deposits ₹ 107,830,371/- Previous year ₹ 100,586,691/-)	170,451,753	142,915,416
(iii)	Additional demand of custom duty raised on the company	697,617	697,617
(iv)	Amount demanded by the Sales tax authorities of various states but liability not provided for on account of appeals against the same.*	27,121,642	13,465,239

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

During the financial year 2019-20 the company has received the refund on 23.04.2019 pertaining 2011-12 (₹ 5,473,912), 2012-13 (₹ 127,553), 2013-14 (₹ 7,809,802) against the sales tax assessment relief granted by the Tribunal on 17.11.2018. Against this relief the Sale tax department has filed revision application to the High court and application has been dismissed on 28.03.2019. Now the Sale tax department has filed the application with the Supreme Court and which is pending at this level. Accordingly, ₹ 13,411,267 is treated as Contingent liability.

During the financial year 2020-21 the company has received a demand order of ₹ 13,070,829/- and ₹ 639,545/- against the sales tax assessment for FY 2014-15 and FY 2015-16 respectively from the office of Deputy commissioner of State Tax, Patna. Accordingly, ₹ 13,710,375/- is treated as Contingent liability.

The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.
As at March 31, 2021 the Company did not have any outstanding long term derivative contracts.

(b) Capital Commitments

	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	26,094,881	9,798,396

46 In the opinion of the Board and of the best of their knowledge and belief, the value of realization in respect of the Current Assets, Loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities is adequate and not in excess of amount reasonably required.

47 As per Notification No. FEMA 23(R)/2015-RB Dated 12th January, 2016 and RBI guidelines the amount representing the full export value of goods / software/ services exported should be realized and repatriated to India within nine months from the date of export i.e. Date of Invoice. Trade receivable of Rs. 50,374,837 is outstanding against export beyond stipulated time as at March 31, 2021.

48 As per master circular on Import of Goods and Services vide ref no. RBI/2015-16/82 Master Circular No.13/2015-16, Dated July 01, 2015(Amended up to November 27, 2015) remittances against imports should be completed not later than six months from the date of shipment. Trade payable of Rs. 563,713,233 is unpaid against import beyond stipulated time as at March 31,2021.

49 Segmental Reporting

The operating segments have been identified on the basis of nature of products.

i) Segment revenue includes sales and other income directly identifiable with the segment including inter-segment revenue.
ii) Expenses that are directly identifiable with the segment are considered for determining the segment result.
iii) Expenses / Incomes which are not directly allocable to the segments are included under un-allocable expenditure / incomes.
iv) Segment results include margins on inter-segment sales which are reduced in arriving at the profit before tax of the company.
v) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities
vi) Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.
vii) Inter – Segment revenue :- Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such
viii) Geographical revenues are allocated based on the location of the customer .

(a) Primary Segment Information

The Company's operating segments a)re established on the basis of those components of the Company that are evaluated regularly by the Chief Operating Officer (the 'Chief Operating Decision Maker' as defined in Ind AS 108 – 'Operating Segments') in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. Operating and reporting segments are primarily telecom products, electric vehicle and providing Solar projects. The details of operating and reporting segments are as follows:

Particulars	Business Segments						Total	
	DCT (Supply+Service)		ESS (Supply+Service)		EV (Supply+Service)			
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Segment Revenue								
Turnover	1,985,594,142	1,853,458,478	273,570,125	302,398,026	832,099,219	598,659,998	3,091,263,486	2,754,516,503
Segment Result	-		-		-			
Segment profit	(183,049,366)	(237,655,389)	154,537,850	118,747,123	(269,022,874)	(490,947,350)	(297,534,390)	(609,855,617)
Unallocated Income	-	-	-	-	-	-	64,685,519	256,840,000
Profit before tax	-	-	-	-	-	-	(232,848,870)	(353,015,617)
Income tax (net)	-	-	-	-	-	-	(126,271,843)	11,578,126
Profit after tax	-	-	-	-	-	-	(106,577,027)	(364,593,743)
Other Comprehensive Income	-	-	-	-	-	-	1,967,054	(5,114,221)
Total Comprehensive Income for the year	-	-	-	-	-	-	(104,609,973)	(369,707,964)
Segment assets	3,024,389,908	2,432,621,283	130,029,375	142,229,498	1,489,979,811	1,314,130,546	4,644,399,094	3,888,981,327
Unallocated other assets	-	-	-	-	-	-	-	-
Total assets	3,024,389,908	2,432,621,283	130,029,375	142,229,498	1,489,979,811	1,314,130,546	4,644,399,094	3,888,981,327
Segment liabilities	1,923,004,803	1,647,015,647	19,902,739	67,184,693	1,319,656,962	820,916,294	3,262,564,504	2,535,116,634
Unallocated other liabilities	-	-	-	-	-	-	-	-
Total liabilities	1,923,004,803	1,647,015,647	19,902,739	67,184,693	1,319,656,962	820,916,294	3,262,564,504	2,535,116,634
Depreciation#	66,080,581	79,698,076	4,568,188	4,744,601	39,615,455	32,006,944	110,264,224	116,449,621
Capital Expenditure	37,626,984	30,329,608	7,508,389	77,376	19,417,237	81,922,714	64,552,610	112,329,698

Amortization expenses of Right of Use assets as per IND AS 116 is not included.

(b) Secondary segment information

i. Secondarysegment reporting is on the basis of geographical location of the customer. The Company's revenue during the year by geographical markets are

Particulars	2020-21	2019-20
Domestic Turnover	2,999,466,975	2,540,127,775
Export Turnover	91,796,511	214,388,727

ii. Geographical Segment wise loss and capital employed not given since the production unit and administration expenses are common.

G.N. & CO. CHARTERED ACCOUNTANTS FRN : 134565W

EXICOM TELE-SYSTEMS LIMITED

50 As required by Ind AS - 24 "Related Party Disclosures"

a) Name and description of related parties.-

Name of Related Party	Relationship
NextWave Communications Pvt. Ltd (formerly known as MN Enterprises Pvt.Ltd.)	Holding Company
Exicom Tele-Systems (Singapore) Pte Ltd (ETSPL) – Singapore	Subsidiary Company
Energywin Technologies Pvt. Ltd (Energywin)	
Innovative Roof Solar Solution LLP	Significant influence of KMP
Horizon TeleSystems Sdn Bhd (Horizon) - Malaysia	Step Down Subsidiary Company
Mr. Anant Nahata - Managing Director & CEO	Key Management Personnel (KMPs)
Mr. Amit Kumar Pandey - Manager (COO) ceased on 25.07.2019	
Mr. Sandeep Garg - Chief Financial Officer (CFO)	
Ms. Sangeeta Karnatak - Company Secretary (Secretary)	
Mr. Himanshu Baid	Independent Directors
Mr. Brij Behari Tandon	
Mr. Subhash Chander Rustgi	
Ms. Leena Pribhdas Gidwani w.e.f. 01.04.2020	
HFCL Limited (formerly known as Himachal Futurustic Communication Limited)	Entity under the control of KMPs

Note: Related party relationship is as identified by the Company and relied upon by the auditors

b) Nature of transactions: -The transactions* entered into with the related parties during the year along with outstanding balances as at 31st March, 2021 are as under:

Nature of Transactions	2020-21	2019-20
A) TRANACTIONS DURING THE YEAR		
Issue of 6% Compulsory Convertible Debentures		
Nextwave	750,000,000	-
Purchase of goods		
Energywin	-	1,364,698
ETSPL	56,800,657	233,645,408
Horizon	2,377,180	
Innovative Roofs	122,314	
HFCL	23,511,748	
Services received		
Energywin	-	2,862,438
Innovative Roofs	7,000	-
HFCL	3,309,401	3,337,304
Sitting Fees to Independent Directors		
Mr. Himanshu Baid	50,000	200,000
Mr. Brij Behari Tandon	700,000	400,000
Mr. Subhash Chander Rustgi	500,000	200,000
Ms. Leena Pribhdas Gidwani	500,000	-
Sale of Goods		
ETSPL	-	2,703,730
Horizon	56,975,259	48,389,525
HFCL	58,956,607	181,395,008
Services rendered		
ETSPL	35,780,564	96,518,978
HFCL	23,953,219	8,400,000
Interest Income		
Energywin	3,328,233	3,232,823
Interest Expenses		
Nextwave	22,808,219	
Dividend Income		
ETSPL	-	256,840,000
Royalty Income		
ETSPL	31,917,910	24,376,150
Warranty Expense		
Horizon	8,725,841	
Other Income		
Horizon	458,144	
Other Expense		
HFCL	416,874	
ETSPL	1,261,210	
Loan Given		
Energywin	12,000,000	
Advances Given		
Energywin	6,500,000	
Loan Received		
Whole Time Director	40,000,000	15,000,000
Asset Purchased		
HFCL		15,631
B) BALANCES OUTSTANDING AS AT YEAR END		
ASSETS		
Advances		
Energywin	16,092,158	9,592,158
Loans Given		
Energywin	36,800,000	24,800,000
Trade Receivable		
Horizon	76,449,481	39,793,427
ETSPL	48,030,106	47,998,715
Income Receivable		
ETSPL	12,636,583	29,137,858
Interest Receivable		
Energywin	18,231,126	15,152,510
LIABILITIES		
Unsecured Loan		
Whole Time Director	55,000,000	15,000,000
Trade payables		
HFCL	8,858,288	3,889,718
Innovative Roofs	437	-
ETSPL	457,666,049	479,570,440
Horizon	7,477,428	
6% Compulsory Convertible Debentures		
Nextwave	750,000,000	-
Advances		
HFCL	1,596,706	57,445,840

*Note: The transaction value does not included the tax component like GST etc.

S.G.N. & CO. ★ CHARTERED ACCOUNTANTS ★ FRN : 134565W

EXICOM TELE-SYSTEMS LIMITED ★

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

Particulars	2020-21				2019-20			
	WTD & CEO	Manager	Chief Financial Officer	Company Secretary	WTD & CEO	Manager	Chief Financial Officer	Company Secretary
Short-term employee benefits	9,561,408	-	6,231,310	448,461	18,991,403	1,961,917	6,619,809	542,410
Performance linked incentive ('PLI')					-	-	-	-
Post-employment benefit	1,008,462	-	507,958	62,606	1,008,462	229,142	471,958	64,285
Share-based payment	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
Commission paid	-	-	-	-	-	-	-	-
Consideration received on exercise of options	-	-	-	-	-	-	-	-
	10,569,870	-	6,739,268	511,067	19,999,865	2,191,059	7,091,767	606,695

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

51 The Company has carried out an Impairment Test on its Fixed Assets as on 31.3.2021 and the Management is of the opinion that there is no asset for which impairment is required to be made as per Ind AS 36 on Impairment of Assets issued by ICAI. (Previous year ₹ Nil).

52 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

Particulars	Notes Nos.	Less than 12 months	1 to 5 Years	Above 5 Years	Total
As at March 31, 2021					
Borrowings	23,26,28	316,953,704	37,746,000	623,464,886	**978,164,590**
Trade payables	27	1,677,993,160	-	-	**1,677,993,160**
Lease Liabilities	5	41,768,966	158,694,700	-	**200,463,666**
Other liabilities	24,28	78,875,145	20,663,985	-	**99,539,130**
As at March 31, 2020					
Borrowings	23,26,28	377,343,764	77,746,000	-	455,089,764
Trade payables	27	1,318,402,529	-	-	1,318,402,529
Lease Liabilities	5	39,408,723	182,350,124	-	221,758,847
Other liabilities	24,28	87,557,624	24,309,681	-	111,867,305

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
INTEREST RATE RISK		
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. a) Company has Fixed deposits with Banks amounting to ₹ 222,782,244 as at March 31st, 2021 (₹ 108,058,925 as at March 31st, 2020) Interest Income earned on fixed deposit for year ended March 31st , 2021 is ₹10,905,088 (₹ 7,008,793 for the year ended March 31st, 2020) b) Company has Borrowing from Banks amounting to ₹ 203,751,695 as at March 31st, 2021 (₹ 287,555,665 as at March 31st, 2020) Interest Expenses on such borrwings for the year ended March 31st, 2021 is ₹ 38,383,798 (₹ 35,230,718 for the year ended March 31st, 2020)	In order to manage its interest rate risk The Company diversifies its portfolio in accordance with the risk management policies.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates. a) A 1% increase in interest rates would have led to approximately an additional ₹ 0.22 Cr gain for year ended March 31st, 2021 (₹ 0.11 Cr gain for year ended March 31st 2020) in Interest income. A 1% decrease in interest rates would have led to an equal but opposite effect. b) A 1% increase in interest rates would have led to approximately an additional ₹ 0.20 Cr loss for year ended March 31st, 2021 (₹ 0.29 Cr loss for year ended March 31st 2020) in Interest expense. A 1% decrease in interest rates would have led to an equal but opposite effect.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At 31 March 2021, the Company had top 10 customers that owed the Company more than ₹ 109.45 Cr (31 March 2020: ₹ 79.39) and accounted for approximately 84.81% (31 March 2020: 78.38%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 14. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 and 31 March 2020 is the carrying amounts as illustrated in Note 15.

Capital Management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holde ₹ The primary objective of the Company's capital management is to maximize the shareholder value.

Particulars	Note	31-Mar-21	31-Mar-20
Borrowings	23, 26 & 28	978,164,590	455,089,764
Less : Cash and Cash equivalents	15	(22,002,598)	(2,557,086)
Total Debt		956,161,992	452,532,678
Equity		1,381,834,590	1,353,864,693
Net Debt to Equity		69.20%	33.43%

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020

(Amount in ₹)

53 **Financial Instruments by category**

Particulars	Level	Mar-21			Mar-20		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
1) Financial Assets							
I) Investments (Note No.9)	1	200,000	-	1,191,388	180,952	-	400,000
II) Trade receivables (Note No. 14)	3	-	-	1,286,696,327	-	-	986,173,628
III) Cash and Cash equivalents (Note No. 15)	1	-	-	22,002,598	-	-	2,557,086
IV) Other Bank balances (Note No. 10 & 16)	1	-	-	222,782,244	-	-	108,058,925
V) Other receivables (Note No. 10,17 & 18)	3	-	-	87,296,079	-	-	69,594,478
Total Financial Assets		200,000	-	1,619,968,636	180,952	-	1,166,784,117
2) Financial liabilities							
I) Borrowings							
A) From Banks (Note No. 26 & 28)	3	-	-	207,206,395	-	-	287,555,665
B) From Others (Note No. 23 & 26)	3	-	-	770,958,195	-	-	167,534,099
II) Trade payables (Note No. 27)	3	-	-	1,677,993,160	-	-	1,318,402,529
III) Lease Liabilities(Note No. 5)	3			200,163,666			221,750,847
IV) Other liabilities (Note No. 24 & 28)	3	-	-	99,539,130	-	-	111,867,305
Total Financial Liabilities		-	-	2,956,160,546	-	-	2,107,118,444

Fair Value measurement

Fair Value Hierarchy and valuation technique used to determine fair value :

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1 , Level 2 and Level 3 inputs.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of the changes to these assumptions.

54 **Tax Reconciliation**

Particulars	31.03.2021	31.03.2020
Net Profit as per Profit and Loss Account (before tax)	(232,848,870)	(353,015,616)
Current Tax rate (MAT)	17.47%	17.47%
Current Tax	-	-
Adjustment:		
Provision for unascertained liabilities	834,593	1,451,413
The amount of expenditure relatable income u/s 10	-	-
Ind AS Impact	(1,267,899)	(2,560,282)
Tax Provision as per Books	-	-

55 **Foreign Currency Exposure**

a) The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations will arise.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy, which provides principles on the use of such forward contracts consistent with Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

b) Details of outstanding hedging contracts relating to foreign LC's

Particulars	Currency	As on 31.03.2021		As on 31.03.2020	
		Foreign Currency	Equivalent ₹	Foreign Currency	Equivalent ₹
Trade Payables	USD/INR	1,561,869	114,392,494	-	-

c) Foreign Currency Exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	As at 31.03.2021		As at 31.03.2020	
		Foreign Currency	Equivalent ₹	Foreign Currency	Equivalent ₹
Trade Receivables	USD/₹	2,051,485	150,793,801	1,821,637	137,314,999
Advance given to Suppliers	USD/₹	1,814,100	133,344,859	401,718	30,281,493
	EURO/₹	1,431	123,246	268	22,255
	GBP/₹	8,432	851,168	-	-
Trade Payables	USD/₹	10,513,260	773,186,302	12,105,568	912,517,689
	EURO/₹	2,480	213,526		
	GBP/₹	647	65,265	-	-
Advances from Customers	USD/₹	10,333	759,553	8,743	659,077

Foreign currency sensitivity analysis

The following details are demonstrate the Company's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice-versa.

Impact on profit or loss for the year	As at 31.03.2021		As at 31.03.2020	
	Rupee strengthens by 5%	Rupee weakens by 5%	Rupee strengthens by 5%	Rupee weakens by 5%
USD	24,490,360	(24,490,360)	37,279,014	(37,279,014)
EURO	4,514	(4,514)	(1,113)	1,113
GBP	(39,295)	39,295	-	-

56 **Corporate Social Responsibility expenses**

Particulars	FY 2020-21	FY 2019-20
Gross amount to be spent by Company during the year	2,495,763	5,535,323
Unspent amount of previous year	5,146,290	3,079,637
Total	7,642,053	8,614,960
Amount spent during the year		
Contribution of acquisition of assets	-	-
On other purpose	4,977,500	3,468,670
Amount remaining unspent	2,664,553	5,146,290

S.G.N. & CO. ★ FRN : 134565W ★ CHARTERED ACCOUNTANTS

EXICOM TELE-SYSTEMS LIMITED ★

57 The Company showed a strong recovery in second half of the financial year 2020-21 despite the challenges from COVID-19 pandemic. All the businesses recorded strong growth in revenues and order book. The operational capacity is fully utilized and the company is fully committed to serve its customers while taking care of health and safety of all of its employees. Though it is difficult to predict any demand scenario for the immediate short term, the positive impact on economy from the vaccination drive across the country is expected to further improve the financial performance in the coming year, however the operations and business still remain susceptible to any further outbreak of the COVID-19.

The company will continue to drive the actions on optimizing costs at all levels of the organizations and manage the liquidity through efficiencies of working capital. Some of the mega trends expected in the near mid-term are; roll out of 5G in telecom sector, energy storage demand in the data center industry, government focus on conversion to electric mobility including infrastructure push for electric chargers.

The Management has evaluated the impact on its financial statements and have made appropriate adjustments, wherever required on revenue, Inventory, debtors and actuarial assumptions. In assessing the recoverability of its receivables, the Company has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The impact of the pandemic may be different globally from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes and future economic conditions.

58 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

59 Previous year's figures have been regrouped and reclassified whereever necessary and the figures have been rounded off to the nearest rupee.

As per our report of even date
For SGN & Co.
Chartered Accountants
Firm Registration No. 134565W

S.G.N. & CO. ★ CHARTERED ACCOUNTANTS ★ FRN : 134565W

Mohan Kheria

Mohan Kheria
Partner
Membership No. 543059

EXICOM TELE-SYSTEMS LIMITED

Place: Darbhanga
Date: May 07, 2021

For and on behalf of the Board of Directors
of Exicom Tele-systems Limited

Anant Nahata
Managing Director
Cum CEO

DIN:02216037

Himanshu Baid
Director

DIN:00014008

Sangeeta Karnatak
Company Secretary
M.No. 25216

Sandeep Garg
Chief Financial Officer