VIDEOCON INDUSTRIES LIMITED

ANNUAL REPORT 2017-18

BOARD OF DIRECTORS

Venugopal N. Dhoot	Chairman, Managing Director & Chief Executive Officer
Subhash Dayama	Independent Director
Sarita Surve	Independent Director

AUDITORS

M/s. S. Z. Deshmukh & Co.,
Chartered Accountants
Flat no 306, Aastha II Apartment, Third Floor,
Opp. Population Science Centre, Deonar,
Mumbai - 400 088

COMPANY SECRETARY

Kaustubha A. Sahasrabudhe

REGISTERED OFFICE

14 K.M. Stone, Aurangabad-Paithan Road,
Village: Chittegaon, Taluka: Paithan,
District: Aurangabad – 431 105 (Maharashtra)

MANUFACTURING FACILITIES

14 K.M. Stone, Aurangabad-Paithan Road,
Village: Chittegaon, Taluka: Paithan,
District: Aurangabad – 431 105 (Maharashtra)

Village: Chavaj, Via Society Area,
Taluka & Dist.: Bharuch – 392 002 (Gujarat)

Vigyan Nagar Industrial Area, Opp. RIICO Office,
Shahjahanpur, Dist.: Alwar – 301 706 (Rajasthan)

BANKERS

Allahabad Bank	Indian Bank
Andhra Bank	Indian Overseas Bank
Bank of Baroda	Oriental Bank of Commerce
Bank of India	Punjab National Bank
Bank of Maharashtra	State Bank of India
Canara Bank	Syndicate Bank
Central Bank of India	The Federal Bank Limited
Corporation Bank	UCO Bank
Dena Bank	Union Bank of India
ICICI Bank Limited	United Bank of India
IDBI Bank Limited	Vijaya Bank

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NOTICE

NOTICE is hereby given that the Twenty-Eighth Annual General Meeting of the Members of **VIDEOCON INDUSTRIES LIMITED** (the "Company") (Company under Corporate Insolvency Resolution Process) will be held on Monday, 17th day of December, 2018, at the Registered Office of the Company at 14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, Dist.: Aurangabad - 431 105 (Maharashtra) at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the standalone and consolidated Audited Statement of Profit and Loss for the Financial Year ended 31st March, 2018 and the Balance Sheet as at that date together with the Cash Flow Statement and notes and annexures thereto, the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Venugopal N. Dhoot (DIN: 00092450), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To consider and ratify the remuneration of Cost Auditors and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time, the Company hereby ratifies the remuneration of ₹ 1,10,000/- (Rupees One Lakh Ten Thousand Only) excluding applicable Goods and Services Tax, reimbursement of travelling and other out of pocket expenses payable to Mr. Jayant B. Galande (Membership No. 5255), Cost Accountant in Whole-Time Practice, Aurangabad, who is appointed as the Cost Auditor of the Company by the Board of Directors, for conducting the audit of the cost records of the Company for the financial year commencing on April 1, 2018.

   RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

For VIDEOCON INDUSTRIES LIMITED

(A Company under Corporate Insolvency Resolution Process by NCLT order dated June 6, 2018)

KAUSTUBHA A. SAHASRABUDHE
COMPANY SECRETARY
MEMBERSHIP No. ACS21165

Place: Mumbai
Date: November 23, 2018

Registered Office:
14 K. M. Stone, Aurangabad- Paithan Road,
Village: Chittegaon, Taluka: Paithan,
Dist.: Aurangabad - 431 105 (Maharashtra).
CIN: L99999MH1986PLC103624
E-mail Id: secretarial@videoconmail.com
Website: www.videoconindustriesltd.com
Tel. No.: +91 2431 251501/2
Fax No.: +91 2431 251551

NOTES

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

2. In terms of Section 102 of the Companies Act, 2013 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, a statement setting out the material facts concerning special business to be transacted at the Meeting is annexed and forms part of this Notice.

3. Copies of the Notice of 28th Annual General Meeting together with the Annual Report are being sent by Electronic mode to all the Members whose email addresses are registered with the Company/ Depository Participant(s) and for Members who have not registered their email addresses, physical copies of the Annual Report are being sent by the permitted mode, to those Members who hold shares in physical form and whose names appear in the Company's Register of Members on November 16, 2018 and as regards shares held in the electronic form, to those beneficial owners of the shares as at the close of business hours on November 17, 2018 as per the particulars of beneficial owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Upon request, printed copy of Annual Report will be supplied to those share holders to whom Annual Report has been sent through Electronic Mode.

4. Details under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India in respect of Director seeking re-appointment/appointment/confirmation at the ensuing Annual General Meeting is appended to the Notice.

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

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

7. The business set out in this Notice is also being conducted through remote e-voting. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company is pleased to offer the remote e-voting facility as an alternate to all its Members to enable them to cast their vote electronically instead of casting the vote at the Meeting. Please note that the Voting through Electronic Mode is optional. For this purpose the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically. The Company is also providing facility for voting by Ballot at the Annual General Meeting apart from providing remote e-voting facility for all those members who are present at the general meeting but have not casted their votes by availing the remote e-voting facility.

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

9. The remote e-voting facility shall be opened from Friday, December 14, 2018 at 9.00 a.m. to Sunday, 16th Day of December, 2018 upto 5.00 p.m., both days inclusive. Detailed instructions of Voting through Electronic Mode, forms part of this Notice. The remote e-voting facility shall not be allowed beyond 5.00 p.m. on Sunday, 16th Day of December, 2018. During the period when facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date, may opt for remote e-voting. Provided that once the vote on a resolution is casted by the member, he shall not be allowed to change it subsequently or cast the vote again.

10. The Notice of the Meeting is being placed on the website of the Company viz., www.videoconindustriesltd.com and on the website of CDSL viz., www.cdslindia.com.

11. Mrs. Gayathri R. Girish, Company Secretary in Whole Time Practice (CP No. 9255) or failing her Mr. Sagar Deo, Company Secretary in Whole-Time Practice (CP No. 11547), has been appointed as a Scrutinizer for conducting the voting by Ballot at the Meeting and remote e-voting process in a fair and transparent manner.

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

13. The Company has fixed Monday, 10th Day of December, 2018 as the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or in the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are attached herewith and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting.

14. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Monday, December 10, 2018, the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or at the Meeting by Ballot.

15. The Register of Members and Share Transfer Books shall remain closed from Monday, December 10, 2018 to Monday, December 17, 2018 (both days inclusive) for the purpose of the Meeting.

16. Members who have not encashed dividend warrant(s) for the year 2009-2010 onwards are requested to contact M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent, for seeking issue of duplicate warrant(s). Members are requested to note that no claims shall lie against the Company or IEPF in respect of any amounts which were unclaimed and unpaid for a period of seven years from the date they first became due for payment and no payment shall be made in respect of any such claims.

17. Members who hold shares in physical form, under multiple folios, in identical names or joint accounts in the same order or names, are requested to send the share certificates to M/s. MCS Share Transfer Agent Limited, Registrar and Transfer Agent of the Company, for consolidation into a single folio.

18. Members holding shares in physical form are requested to kindly notify any change in their address(es) to the Company, so as to enable the Company to address future communications to their correct address(es). Members holding shares in electronic form are requested to notify any change in their address(es) to their respective Depository Participant.

19. Non-Resident Indian Members are requested to inform M/s. MCS Share Transfer Agent Limited, the Registrar and Share Transfer Agent of the Company, immediately of change in their residential status on return to India for permanent settlement together with the particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.

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

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

22. Members desiring any information as regards to the Financial Statements/Directors' Report are requested to write to the Company at an early date so as to enable the Management to reply at the Meeting. Members may address their queries/communications at secretarial@videoconmail.com

23. The Annual Report of the Company will be made available on the Company's website at www.videoconindustriesltd.com.

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

25. As on March 31, 2018, 103,756 Equity Shares held by 24,038 Equity Shareholders are unclaimed. The Company has transferred all the unclaimed shares into one folio in the name of "Videocon Industries Limited – Unclaimed Suspense Account" and dematerialised the said shares. All those shareholders whose shares are unclaimed are required to contact the Company or M/s. MCS Share Transfer Agent Limited, Registrar & Share Transfer Agents of the Company with self attested copy of PAN Card for each of the joint shareholder(s) and address proof. On receipt of the request letter and on verification of, the Company shall arrange to credit the shares lying in the Unclaimed Suspense Account to demat account of concern shareholder or deliver the share certificate(s) after re-materialisation. The voting rights on such shares shall remain frozen till the rightful owner claims the shares.

26. GREEN INITIATIVE: Securities & Exchange Board of India & the Ministry of Corporate Affairs encourages paperless communication as a contribution to greener environment. E-mail communications to the shareholders will result in multiple benefits as under:

    1. Timely receipt of all communications without any transit loss.
    2. Helping in protecting environment and conservation of resources.
    3. Easy storage in soft copy, thereby eliminating the requirement of storage of bulky documents for subsequent reference.

    The Company will simultaneously display full text of the Annual Report and other shareholders' communications on its website viz., www.videoconindustriesltd.com, as soon as the same is e-mailed to the shareholders and will also be made available for inspection at the Registered Office of the Company during the office hours.

    Members holding shares in physical mode are requested to register their e-mail ID's with the M/s. MCS Share Transfer Agent Limited, the Registrar and Transfer Agent of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to the Registrar and Transfer Agent of the Company in respect of shares held in physical form and to their respective Depository Participants in respect of shares held in electronic form.

27. SEBI vide circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, inter-alia, mandated all the Registrar and Share Transfer Agents and all the Listed Companies to collect copy of pan and bank details and update the KYC of all the security holders

holding securities in physical form. Hence, all the members are requested to update the information by filling up the form attached with this report and send all the supporting documents to MCS Share Transfer Agents Limited (R and T Agents) of the Company by writing them at A-209, C Wing, 2nd floor Gokul Industries Estate Building, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri East, Mumbai- 400059. Tel. 022-40206022-25 Fax 022-40206021 E-mail: mcssta.mumbai@gmail.com.

REMOTE E-VOTING INSTRUCTIONS

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Friday, December 14, 2018 at 9:00 a.m. and ends on Sunday, December 16, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, 10th day of, December, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(iii) Click on Shareholders / Members

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

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

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

(xi) Click on the EVSN for **Videocon Industries Limited** on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

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

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxi) Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date/ entitlement date i.e.,10th Day of December, 2018 may obtain the Login ID and Password from Mr. Kaustubha Arun Sahasrabudhe, Company Secretary of the Company, who is responsible to address the grievances connected with facility for voting by electronic means. In case you have any grievances connected with facility for voting by electronic means you may contact the Company Secretary by sending an e-mail to secretarial@videoconmail.com. Members may also call on +91 22 6611 3500 or send a request to the Company Secretary, by writing to him at The Company Secretary, by writing to him at Videocon Industries Limited at 171-C, 17th Floor, C Wing, Mittal Court, Nariman Point, Mumbai - 400 021.

For VIDEOCON INDUSTRIES LIMITED

(A Company under Corporate Insolvency Resolution Process by NCLT order dated June 6, 2018)

KAUSTUBHA A. SAHASRABUDHE
COMPANY SECRETARY
MEMBERSHIP NO. ACS 21165

Place: Mumbai
Date: November 23, 2018

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

Item No. 3

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Mr. Jayant B. Galande (Membership No. 5255), Cost Accountant in Whole-Time Practice, Aurangabad, as Cost Auditor of the Company to conduct the audit of the cost accounting records of the Company for the financial year commencing from April 1, 2018 to March 31, 2019 at a remuneration of Rs. 1,10,000/- (Rupees One Lakh Ten Thousand Only) excluding applicable Goods and Services Tax, reimbursement of travelling and other out of pocket expenses at actual.

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

Accordingly, consent of the members is sought by passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year commencing from April 1, 2018.

None of the Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the members.

For VIDEOCON INDUSTRIES LIMITED
(A Company under Corporate Insolvency Resolution Process
by NCLT order dated June 6, 2018)

KAUSTUBHA A. SAHASRABUDHE
COMPANY SECRETARY
MEMBERSHIP NO. ACS 21165

Place: Mumbai
Date: November 23, 2018

BRIEF PROFILE OF THE DIRECTOR SEEKING APPOINTMENT/RE- APPOINTMENT/ CONFIRMATION AT THE ENSUING ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF SECURITIES AND EXCHANGE BOARD OF INDUS (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA]:

PARTICULARS	PROFILE OF DIRECTOR
Name of the Director	Mr. Venugopal N. Dhoot
DIN	00092450
Date of Birth	September 30, 1951
Age (in years)	66
Education Qualification	Bachelor of Engineering
Date of Appointment	June 1, 2005
Category of the Director	Promoter-Executive
Area of expertise/Work experience	He is an industrialist. He has experience spanning over four decades in diversified fields such as consumer electronics and home appliances, oil and gas and power. He was the President of the Associated Chambers of Commerce and Industry in India and Electronic Industries Association of Marathwada.
Terms and Conditions of Appointment or Re-appointment along with the details of remuneration sought to be paid	As per the terms and conditions stated in the Agreement entered between Mr. Venugopal N. Dhoot and the Company. He is entitled for NIL remuneration. Mr. Venugopal N. Dhoot is also designated, in addition to the Managing Director of the Company, as the Chief Executive Officer of the Company.
Remuneration last drawn	Nil
Number of Board Meetings attended during the period	6
Names of other Directorships in Public Limited Companies in which the Director holds Directorship	1. Videocon Energy Limited 2. Senior Consulting Private Limited 3. VOVL Limited 4. KAIL Limited
Names of the other Committees in which Chairman*	Nil
Names of the other Committees in which Member*	1. Videocon Energy Limited (Audit) 2. Senior Consulting Private Limited (Audit) 3. KAIL Limited (Audit)
Number of Shares held	89,575
Relationship with other Directors, Manager and Key Managerial Personnel of the Company.	NA

** Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of public limited companies.*

*** Directorships includes only Public Limited Companies as on March 31, 2018.*

Addendum

Videocon Industries Limited (the "Company") is undergoing Corporate Insolvency Resolution Process ('CIRP') under the provisions of The Insolvency Bankruptcy Code,2016 ('IBC') in term of order dated June 6, 2018 passed by Hon'ble National Company Law Tribunal, Mumbai Bench('NCLT'), pursuant to an application filed by the State Bank of India under Section 7 of IBC.

By virtue of the same order, Hon'ble NCLT appointed Mr. Anuj Jain (IP Registration No. IBBI/IPA-001/IP-P00142/2017-18/10306) as the Interim Resolution Professional. Subsequently, the Committee of Creditors (COC), which was formed pursuant to the provisions of the Code at its first meeting held on July 6, 2018, appointed Mr. Anuj Jain as the Resolution Professional. In accordance with the provisions of IBC, on commencement of CIRP, the powers of the Board of Directors of the Company stands suspended and is being exercised by the Resolution Professional.

Further, the COC meetings have been convened from time to time on various agenda, as per the provisions of IBC, and have been attended by the members of COC and member(s) of the suspended Board of the Company.

The Resolution Professional, pursuant to the provisions of the IBC and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations (CIRP Regulations), invited prospective resolution applicants to submit resolution plan for the Company. The basic eligibility criteria for the prospective resolution applicants was published in the notice, copy whereof was circulated to the Stock Exchange(s) on September 26, 2018. However, Hon'ble NCLT vide Order dated October 05, 2018, pursuant to an application, directed the Resolution Professional to temporarily defer further action on the above, until the outcome of a separate petition moved with NCLT Principal Bench seeking consolidation of CIRP of the Company with other group entities.

Subsequently, NCLT Principal Bench on October 24, 2018 directed to transfer all insolvency petitions related to certain Videocon group entities to one bench at NCLT, Mumbai and left open the matter of substantive consolidation to be decided by NCLT, Mumbai bench. Further, State Bank of India has filed a petition at NCLT, Mumbai bench for substantive consolidation of CIRP of group entities, which is yet to be heard.

It is hereby informed that an application was moved by Resolution Professional under section 96 of Companies Act, 2013 with the Registrar of Companies for extension of time for holding Annual General Meeting by a period of 3 Months on the grounds that CIRP is undergoing and he has to achieve a number of milestones in a time-bound manner. Pursuant to such application, the Registrar of Companies, Mumbai, Maharashtra, vide its order dated September 11, 2018 granted extension of time for holding Annual General Meeting by a period of 3 months.

Accordingly, Resolution Professional has instructed the Company Secretary to convene the 28th Annual General meeting on Monday, December 17, 2018, and issue the Notice of Annual General Meeting in terms of the resolution(s) passed by the Board of Directors prior to Commencement of CIRP. The Annual General Meeting is being held within the extend time period.

For VIDEOCON INDUSTRIES LIMITED
(A Company under Corporate Insolvency Resolution Process
by NCLT order dated June 6, 2018)

Anuj Jain
IP Registration No: IBBI/IP-P00142-2017-2018 /10306
Resolution Professional

Dated: November 23, 2018
Place: Mumbai

DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Twenty-Eighth Annual Report together with the Audited Accounts and Auditors' Report for the financial period ended on March 31, 2018.

PERFORMANCE REVIEW

The performance of the Company, on standalone basis, for the financial period ended on March 31, 2018 is summarized below:

(₹ in Million)

Particulars	Financial Year Ended March 31, 2018	15 months Period Ended March 31, 2017
Revenue from Operations	28,398.61	122,524.90
Other Income	5,840.46	5,263.61
Total Income	34,239.07	127,788.51
Profit/(Loss) Before Finance Costs, Depreciation and Tax	(21,943.08)	16,035.47
Finance Costs	28,310.02	31,620.21
Depreciation and Amortization	8,148.45	9,550.73
Profit /(Loss) Before Tax	(58,401.55)	(25,135.47)
Tax Expenses	(5,761.18)	(4,335.30)
Profit /(Loss) for the Period	(52,640.37)	(20,800.17)

The previous financial year was for 15 months commencing from January 1, 2016 to March 31, 2017 and the current financial period is of 12 months commencing from April 1, 2017 to March 31, 2018, hence, the figures are not comparable. Further, the figures for the financial period ended March 31, 2017 are restated pursuant to implementation of the Indian Accounting Standards (IND-AS).

Ministry of Corporate Affairs (MCA) vide its notification in the Official Gazette dated February 16, 2015 has issued Companies (Indian Accounting Standards) Rules, 2015. Accordingly, in compliance with the said Rules, the Standalone and Consolidated Financial Statements of the Company for the Financial Year 2017-18 have been prepared as per Indian Accounting Standards.

During the year under review, a petition was filed on January 1, 2018, by State Bank of India under Section 7 of the Insolvency & Bankruptcy Code, 2016. The said petition is pending before the Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai.

OPERATIONS

- **CONSUMER ELECTRONICS & HOME APPLIANCES:**

  The period under review was marked by various challenges in both external and internal environment. There were persistent severe strains on the working capital and accordingly there was considerable decline in the level of operations of the company. The performance of the Company was also impacted on various grounds inter-alia including decline in sales due to GST introduction, stiff competition. The manufacturing activity of Glass shell division which manufactured panels and funnels used in Colour Picture Tubes of Colour Television has been suspended from July 2017 due to poor demand.

  The referral of the Company to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, as amended, had a severe impact on the perceptions of the dealers/customers on account of un-certainty of the after sales services etc., forcing the Company to offer additional discounts and incentives resulting in losses.

- **OIL & GAS:**

  The Company continues to explore more and more opportunities in Oil and Gas sector. In the year 2017, the United States confirmed its growing status as an energy exporter due to vastly increased production of oil by United States of America from its shale oil basis. The global market has felt the tightness in oil supply. OPEC and allied nations started to make output cuts. The cuts extended by OPEC in November 2016 helped the oil prices to rise above and remain above the psychological mark of USD 50/bbl. During the year under review, the average price of crude oil was around USD 56/bbl to USD 58/bbl.

- **TELECOM:**

  During the period under review, Videocon Telecommunications Limited (VTL), a subsidiary of the Company, continued to offer National Long Distance (NLD) Services and commercial services under International Long Distance (ILD).

- **INSURANCE:**

  In March 2018, the Company has sold its entire equity stake in Liberty Videocon General Insurance Company Limited ("Liberty Videocon"), an Insurance Joint Venture Company promoted by Videocon Industries Limited and Liberty Mutual Insurance Group. The Company was holding 51.32% of the share capital of Liberty Videocon. Post the said divestment, the Company ceased to be the Indian Promoter of Liberty Videocon.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the year under review.

DIVIDEND

In view of the loss incurred by the Company, the Board of Directors does not recommend any dividend for the financial period ended March 31, 2018.

TRANSFER TO RESERVES

The Company do not propose to transfer any amount to any reserve.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review the Company has transferred unclaimed dividend of Rs. 2.02 Million for the financial year 2008-09, to Investor Education and Protection Fund.

ISSUES/ALLOTMENT

During the year under review, the Company has not issued/ allotted any Equity Shares. As on the end of financial year, Foreign Currency Convertible Bonds (Bonds) amounting to US$ 75.20 Million which are due on December 31, 2020, were outstanding.

DEPOSITS

Your Company has not accepted any Fixed Deposit within the meaning of Chapter V of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, OCCURED AFTER THE BALANCE SHEET DATE AND AS AT THE DATE OF SIGNING THIS REPORT

Except for the reference of the Company to the Hon'ble Company Law Tribunal, there are no material changes and commitments affecting the financial position of the Company occurred after the Balance Sheet Date and as at the date of signing of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees given and investments made during the period as required are provided in Notes 4 and 38 of the Standalone Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS AS PER SECTION 188(1)

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Indian Accounting Standards (Ind AS).

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's weblink at http://www.videoconindustriesltd.com/Documents/Related%20Party%20Transaction%20Policy.pdf

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, Videocon General Insurance Company Limited ceased to be Joint Venture/Subsidiary of the Company. Further, Chattisgarh Power Ventures Private Limited, Proficient Energy Private Limited and Applied Energy Private Limited ceased to be Subsidiary of the Company.

As on March 31, 2018, your Company had 22 subsidiaries (including step down subsidiaries) viz., Electroworld Digital Solutions Limited (Formerly: Videocon International Electronics Limited), Jumbo Techno Services Private Limited, Middle East Appliances LLC, Pipavav Energy Private Limited, Prosperous Energy Private Limited, Senior Consulting Private Limited, Videocon Australia WA-388-P Limited, Videocon Brasil Petroleo Ltda., Videocon Brasil Ventures B.V., Videocon Easypay Private Limited (Formerly: Datacom Telecommunications Private Limited), Videocon Electronics (Shenzhen) Limited, Videocon Energy Brazil Limited, Videocon Energy Limited, Videocon Global Limited, Videocon Hydrocarbon Holdings Limited, Videocon Hydrocarbon Ventures B.V., Videocon Indonesia Nunukan Inc., Videocon International Cööperatie U.A., Videocon JPDA 06-103 Limited, Videocon Mauritius Energy Limited, VOVL Limited (Formerly: Videocon Oil Ventures Limited) and Videocon Telecommunications Limited.

The Joint Ventures of the Company are Videocon Infinity Infrastructures Private Limited and IBV Brasil Petroleo Limitada. Further, Unity Power Private Limited ceased to be the Associate of the Company. The associate company of the Company as at the end of financial year is Radium Appliances Private Limited and VISPL LLP.

The details of subsidiaries (including step down subsidiaries)/joint ventures/associate companies including the details of performance and financial positions of each of the subsidiaries/joint ventures/ associates are given in Form AOC-1 which is annexed to Financial Statement.

As per the provisions of the Companies Act, 2013, your Company has provided the Consolidated Financial Statements as on March 31, 2018. The Financial Statements of the subsidiaries/ joint ventures/ associate companies will also be available for inspection during the business hours at the Registered Office of your Company and the respective subsidiaries/ joint ventures/ associate companies.

The Annual Report of your Company does not contain full financial statements of the subsidiary companies. However, the Company shall make available the audited annual accounts and related information of the subsidiary companies, upon request by any Member of your Company and the same are displayed on the Company's website viz. www.videoconindustriesltd.com.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company has in place the Nomination and Remuneration Committee. The Company has further formulated the Nomination and Remuneration Policy on directors' appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of directors. The other details form part of the Corporate Governance Report.

EMPLOYEES REMUNERATION

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Board's Report include a statement showing the names of top ten employees and every employee who was in receipt of remuneration in excess of the limits prescribed under the said rules. The information as per Rule 5(1) & Rule 5(2) forms part of this report. However, as per first proviso to section 136(1) of the Act, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars under Rule 5(1) & Rule 5(2) of the said rules. Any member interested in obtaining the said statement may write to the Company Secretary at the Registered Office of the Company.

CONSERVATION OF ENERGY

Energy conversation is an effort made to reduce the consumption of energy by using less of an energy service. This can be achieved by two means i.e., either by using energy more efficiently or by reducing the amount of usage. Your company gives utmost importance to the conservation of energy. Some of the measures undertaken by the Company for the conservation of energy are:

- Monitoring of power consumption on daily basis.
- Installation of Roof top solar plant to ensure green energy generation.
- Training and education to the employees and workmen in relation to energy conservation and reduction of misuse of electricity.
- Replacement of old and outdated luminaries by highly efficient LED's.
- Increasing productivity of manufacturing unit to minimize KWH/ product.
- Installation and usage of energy saving lighting arrangement on roads and inside the manufacturing facilities.
- Replacement of obsolete high power consuming products by Star rated projects with high energy efficiency.

The adoption of the above energy conservation measures have helped Company to curtail the proportionate increase in total energy usage consequent to overall increase in production. This has made it possible for the Company to maintain cost of production at optimum levels.

RESEARCH & DEVELOPMENT; TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

New product design and development is a crucial factor in the survival of a company. In an industry that is changing fast, the companies must continually revise their design and range of products. This is necessary due to continuous technology change and development as well as other competitors and the changing preference of customers. In order to compete with the ever changing market and to fetch the benefits of technological advancement, your Company has set up a dynamic and active R&D Centre. The R&D Centre has qualified staff working continuously on new products, process etc.

R&D involves constant revitalization of knowledge and expertise and could result in developments such as:

- Improvement in the operational process;
- Maintenance as well as improving the quality;
- New / Improved products;
- Cost Reduction;
- Meeting the changing social and environmental needs; and
- Meeting the changing requirements of customers.

R & D activities carried out in various consumer electronics products and benefits derived from these activities:

- Engaged in Internet of Things (IoT) technology, which will delight the customers by creating a web of seamless connectivity between TV and other home appliances.
- Introduced various range of TVs/UHD TVs inter-alia including features such as "Liquid Luminous Technology" which greatly enhances picture quality; 98" UHD TV through which customers can experience theatrical ambience in the convenience of their homes; mobile audio features; and E Share features.
- Changes in the Product cooling system and upgraded electrical parts from safety point of view for the entire range of direct cool refrigerators.
- Up-gradation across various ranges of frost free refrigerators.
- Introduced various range of Digi/Alpha Series of washing machines.
- Aryabot AC development; Solar AC development; Non CFC – Refrigerant AC development; Inverter AC development; and G mark and CB approved air-conditioner models for export.
- Introduced various range of mobile phones.

Future plan of action:

In near future, the Company shall focus on environment friendly products with latest technologies which could offer better products in the domestic as well as international market. The Company has the following plans through R&D:

- To focus on the picture quality with rich, vibrant colors, remarkable brightness, and a higher range of colors endowed with deeper blacks and brighter whites that can be enjoyed by our customers within value for money.
- Continue to engage in Internet of Things (IoT) technology, which will delight the customers by creating a web of seamless connectivity between TV and other home appliances.
- Cost reduction projects through new innovative design ideas across both frost free and direct cool refrigerators
- To bring in washing machines with excellent wash performance alongside Energy and water efficient designs catering to environment benefits and value for money for our customers.
- Introduction of Inverter compressor to the existing frost free refrigerator series.
- Product development with new refrigerant and reduction in Global warming potential.
- Energy efficient AC development as per the new ISEER rating norms.
- Improved Satellite controlled model with support by IOS and Android technology.

During the period under review, the Company has incurred ₹ 3.75 Million representing 0.01% of the turnover towards recurring R&D expenses.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars of Foreign Exchange Earnings and Outgo during the financial period ended on March 31, 2018 are set out hereunder:

(₹ In Million)

Particulars	Financial Year ended March 31, 2018	15 months Period ended March 31, 2017
Foreign Exchange Earnings	**5,134.35**	**10,462.73**
Foreign Exchange Outgo	**9,268.37**	**32,127.50**

RISK MANAGEMENT POLICY OF THE COMPANY

The Company has in place the Risk Management Policy to identify the risk elements and manage, monitor and report on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company has proper confidentialities and privacy policies to control risk elements. The Company has, wherever required, taken insurance policies to protect the property, assets etc.

The Company has formed Risk Management Committee. The scope and composition of the Committee forms part of the Corporate Governance Report. Further, the members of the Risk Management Committee and the senior management personnel review the Risk Management Policy periodically and discuss and mitigate the identified risks from time to time.

CORPORATE SOCIAL RESPONSIBILITY POLICY

Corporate Social Responsibility (CSR) has been a commitment at the Company and forms an integral part of our activities.

We are focusing on identifying and motivating the skills of the physically challenged youth and helping them to enhance them. This is based on the belief that growth and development are effective only when they result in wider access to opportunities and benefit a broader section of society.

The Company has formed a CSR committee in terms of the provisions of Section 135 of the Companies Act, 2013 and Rules made there-under read along with Schedule VII of the Act. The scope and composition of the committee forms part of the Corporate Governance Report.

Further, since the average net profit for the three immediately preceding financial years was negative, the Company has not made any CSR expenditure in specific.

HEALTH & SAFETY

Safety is an area of paramount importance in our Company. A well-defined occupational health and safety management system is in place to ensure the safety of employees, workforce as well as equipment and machinery. Our Company continues to exhibit a robust assurance towards Safety, Health and Environment during the period under review.

Apart from the health and safety measures to be adopted under various regulatory requirements, the following Health & safety initiatives which were adopted in the past were continued to be under implementation in the year under review:

- Regular counseling and medical checkups to ensure fitness of its employees.
- Arrangements at manufacturing plants for ensuring safety and absence of risks to health in connection with the use, handling, storage and transport of articles and substances.
- To create mass awareness among all workers celebrated Safety promotional activities like – National safety week, Fire service week, Electrical safety Week.
- Established a CCTV control room in respective shop floors areas for the close monitoring of safety and Emergency purpose.
- Fire extinguisher (Ball type) to attend immediate small fire in case of emergency.
- Fire Demonstration kit and training to all employees and workmen.
- Display of all Emergency Exit and Evacuation plan in auto glow board at shop floors.
- Installed safe loader instrument to EOT crane at Molding division to avoid crane accident at shop floor area.
- Additional stopper provided in LOT crane to ensure crane will halt in specified location.
- Installation of LPG gas detector at paint shop in LPG gas bank area.
- Defined the fire points at high hazard area (Zone-0).
- Displayed Material Safety Data Sheet Matrix at High Hazard and Zero Zone area; and at chemical storage area as per Rule 73-M from Maharashtra Factory Rules 1963.

- Provision of Safety equipment's in campus such as PG gas detector, Road Convex mirror, Fire blanket, Fire Bucket, First aid box and Breathing Apparatus set.
- Strictly adhere to hot work permit system with availability of security guard for close monitoring.
- Adequate provision of Ambulance Van along with suitable medical accessories to reduce response time during emergency situation & human injury.
- Periodic refresher training conducted for security guard regarding fire prevention & control to enhance competency level.
- Conducting regular safety audit & mock drill.
- Carried out HPT (Hydraulic Pressure Testing) of pressurized extinguisher as per Maharashtra Fire Prevention & Life Safety Measures Act.
- Displayed cautionary signs at high hazardous area to warn workers about imminent hazard dealt at site.
- Enhance road safety – displayed road convex mirror, speed limit board and guidelines for visitors.
- Emergency evacuation plans with location of fire extinguisher are displayed at the entrance of the building.
- Visualization in the campus to access assembly point, first aid box & emergency exit door.
- Availability of well-equipped Occupational Health Center (OHC) in case of emergency.

ENVIRONMENTAL PROTECTION

Your Company has adopted various green initiatives from time to time in adherence to spirit enunciated under various policies and regulatory requirements for environmental protection.

The following are some of the initiatives which were adopted by the Company in the past and remain under implementation during the year under review:

- Usage and Up-gradation of Effluent treatment Plant (ETP) & Sewage Treatment Plant (STP) and using treated water for gardening and flush.
- Ensuring that all washrooms are connected to STP.
- Installation of ETP for paint shop waste water treatment.
- Hazardous waste is sent to authorized parties for disposal.
- Established the Chemical Lab for Waste Water Testing purpose in campus as per Central Pollution Control Board norms.
- Regular Air & Water Monitoring as per (NAAQS - 2010) Standards.
- Celebration of world environment day, to increase the mass awareness among the employees and plantation of trees as per State pollution control board target.
- Installed Environment performance board at main gate and parameter displayed in local language.

Your Company is in compliance of e-waste rules and guidelines and has a tie up on all India basis with authorized recycler for collection and disposal of e-waste products. The Company has taken the initiative to spread awareness regarding e-waste management and its handling and disposal through print media, social sites, and advertisement campaign by way of putting standee-educating the dealers and the end consumers.

INFORMATION TECHNOLOGY

Your Company continues to invest in Information Technology (IT).

A good IT infrastructure in the company is absolutely necessary for complying with the regulatory or safety norms, to improve performance and quality via real-time process monitoring, and finally, improve reliability via appropriate maintenance, driven by up-to-date information on equipment status.

We as an enterprise are fully focused on leveraging complete advantage of various IT support systems which helps us to be the leader in our space and helping us in reducing the cost, increasing our profit margins, bringing efficiency in our operations, building controls etc.,

Your Company understands the significance and impact of the digital revolution and has significantly progressed in this direction by revamping of Brand Websites, implementing many new Micro sites and opting for many Tab/Mobile based applications. Your company has made its presence felt across globe through social media campaigns and digital advertisement. We are transforming our customer's experience and operations to be the digital leader in our space.

The Sales Transformation & Enhancement Program (STEP) application, an innovative & customized in-house developed sales tool for providing day to day information required by sales force on the field, developed by the Company helps in improving efficiency, enhance ability & productivity of sales force, leading to long-term business sustainability and customer delight.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed towards providing a healthy environment and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place an Internal Complaints Committee to *inter-alia*:

1) Prevent sexual harassment at the workplace; and
2) Redress the complaints in this regard.

During the period under review, the Company did not receive any complaint.

DETAILS OF DIRECTORS/KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED DURING THE PERIOD

During the year under review, IDBI Bank Limited had withdrawn the nomination of Mr. Pradip Kumar Das with effect from August 10, 2017 and nominated Mr. Sanjiv Kumar Sachdev as its nominee of IDBI Bank Limited on the Board of the Company. Accordingly, Mr. Sanjiv Kumar Sachdev was co-opted as Nominee of IDBI Bank Limited on the Board of the Company at the meeting of the Board of Directors held on September 22, 2017, in place of Mr. Pradip Kumar Das.

Further, Mr. Bhopinder Jagdish Mittar Chopra, ceased to be an Independent Director (appointed in casual vacancy) of the Company w.e.f. September 22, 2017, consequent to the resignation tendered by him, due to old age and health issues. The Board resolved not to fill the vacancy caused by resignation of Mr. Bhopinder Jagdish Mittar Chopra.

The Board takes this opportunity and places on record its sincere appreciation for the valuable guidance received from Mr. Bhopinder Jagdish Mittar Chopra and Mr. Pradip Kumar Das, during their tenure as Directors of the Company.

Mr. Radheyshyam Agarwal tendered his resignation from the office of Director of the Company, on personal grounds w.e.f. January 25, 2018. However, the Board of Directors have not taken on record his resignation until March 31, 2018.

In terms of the provisions of the Companies Act, 2013, Mr. Venugopal N. Dhoot is liable to retire by rotation at the ensuing Annual General Meeting. A brief profile of Mr. Venugopal N. Dhoot, nature of expertise and specific functional area, name of other public companies in which he hold directorship, membership/chairmanship of the committees of the Board of Directors, particulars of shareholding and relationship between directors interse as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended to the notice.

Changes after the Balance Sheet date:

The Board of Directors at their meeting held on June 5, 2018, took note of the resignation tendered by Mr. Radheyshyam Agarwal from the office of Director of the Company, on personal grounds w.e.f. January 25, 2018. Further, on June 5, 2018, the Board also took on record the resignation tendered by Mr. Ashutosh Gune from the office of Chief Financial Officer of the Company.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") stating that they meet the criteria of independence as provided therein.

NUMBER OF MEETINGS OF THE BOARD HELD DURING THE PERIOD

During the financial period under review, the Board met 7 (Seven) times. The details regarding the attendance and the date of Board Meetings are provided in the Corporate Governance Report.

COMMITTEES OF THE BOARD

Pursuant to the provisions of the Companies Act, 2013 and provisions of the Listing Regulations, the Company has constituted following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Re-organization Committee; and
7. Finance and General Affairs Committee

The composition, scope and powers of the aforementioned Committees together with details of meetings held during the period under review, forms part of Corporate Governance Report.

FORMAL ANNUAL EVALUATION

During the period under review, pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee adopted a formal mechanism for evaluating the performance of the Board of Directors as well as that of its Committees and individual Directors, including Chairman of the Board, Key Managerial Personnel/ Senior Management etc., the exercise was carried out through an evaluation process covering aspects such as composition of the Board, experience, competencies, governance issues etc.

LISTING

The equity shares of your Company are listed on the BSE Limited (Formerly: The Bombay Stock Exchange Limited) and The National Stock Exchange of India Limited (NSE). The Global Depository Receipts (GDRs) and Foreign Currency Convertible Bonds (FCCBs) issued by your Company are listed on the Bourse de Luxembourg and Singapore Exchange Securities Trading Limited respectively.

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements under the Companies Act, 2013, and as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on Corporate Governance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with a certificate from the auditors confirming the compliance, is annexed and forms part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

As stipulated by Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The Audited Consolidated Financial Statements together with Auditors' Report form part of the Annual Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the subsidiary, associates and joint venture companies will be kept for inspection by the shareholders at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting. The Company will provide the copy of the financial statements of its subsidiaries, associates and joint venture companies to the shareholders upon their request. The audited accounts are also available on the website of the Company viz. www.videoconindustriesltd.com

CASH FLOW STATEMENT

The Cash Flow Statement for the year ended March 31, 2018, in conformity with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, is annexed hereto.

AUDITORS AND THEIR REPORTS

1. STATUTORY AUDITORS AND AUDIT REPORT:

Messrs S. Z. Deshmukh & Co., Chartered Accountants, Mumbai (Firm Registration No. 102380W) were appointed as the Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of the 27th Annual General Meeting (AGM) held on December 22, 2017 until the conclusion of the 32nd Annual General Meeting of the Company.

Pursuant to the Notification issued by the Ministry of Corporate Affairs on May 7, 2018, amending section 139 of the Companies Act, 2013, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting has been omitted. Accordingly, the Board is not seeking approval of members by passing a resolution, for ratification of Auditors.

AUDIT REPORT:

The Statutory Auditors of the Company have submitted Auditors' Report, which have certain Qualifications on the Standalone and Consolidated Financial Statements for the period ended on March 31, 2018.

Management's Explanation to the Auditors' Qualifications:

Standalone:

a) In respect of the qualification with regards to extent of realisability of investments of Rs. 75,339.53 Million in Videocon Telecommunications Limited (VTL), the subsidiary and effect on going concern ability of VTL consequent to accumulated losses and referral of VTL to NCLT,the explanation of management is as under:

   During the year, VTL has incurred a net loss of Rs. 4,070.39 Million resulting into accumulated losses of Rs. 67,022.59 Million as at March 31, 2018. VTL has also shut down its GSM services. Though VTL has huge accumulated losses, its net worth as on March 31, 2018 is positive and the management of VTL is confident of continuing its commercial operations in the National Long Distance (NLD) and International Long Distance (ILD) Business. Accordingly, the financial statements of VTL have been prepared on a going concern basis.

b) In respect of the qualification with regards to persistent severe strains on the working capital and considerable decline in level of operations of the Company and continuous losses incurred by the Company and also referral of the Company to National Company Law Tribunal, the explanation of management is as under:

State Bank of India, the Lead Bank of Company has initiated Corporate Insolvency Resolution Process (CIRP) for the Company under the Insolvency and Bankruptcy Code, 2016 as amended and has filed the petition in National Company Law Tribunal Mumbai the matter is in consideration of NCLT. In the view of above and in view of the persistent severe strains on the working capital for more than a year, there is significant drop in the production and sale of products which raises doubt on the ability of the Company to continue as "going concern" for the purpose of activities and operations of the Company along with activities and operations of other co-obligor companies. Also the referral of the Company, in line with the directives of Reserve Bank of India, to NCLT under the Insolvency and Bankruptcy Code, 2016 by lenders, amounts to a very material event. On this background during the year the Company has discarded and /or disposed off certain current assets in view of the same being irretrievable for the purpose of business. The Company continues the process of ascertaining the liquidation value for remaining current assets such as raw materials, finished goods, stock in process, receivables etc. jusfiably assuming that the going concern concept stands vitiated and necessary adjustments will be affected in the due course.

c) In respect of the qualification with regards to non assessment or review of the plant and machinery and other fixed assets related to the Glass Shell division for the impairment and the impairment loss, if any, which has not been ascertained, the explanation of management is as under:

The manufacturing activity of Glass Shell division which manufactured panels and funnels used in Colour Picture Tube of Colour Television, has been suspended from July, 2017 due to poor demand. However, the Company has not assessed or reviewed the plant and machinery and other fixed assets related to the Glass Shell division for the impairment and the impairment loss, if any, has not been ascertained. The management is of the view that the said factory and facilities can be, with some modifications, used for production of solar panel glass, solar lense, glass fibre and glass blocks and accordingly, no provision for impairment has been considered necessary for the assets of the glass shell division at this stage.

Emphasis of Matter in Standalone Financial Statements

The Auditors of the Company has given emphasis of the matter in the Standalone Ind AS Standard Financial Statements as follows:

i) The balance confirmations and reconciliation have not been received in respect of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances. In the opinion of the management, there will not be any material impact on the Standalone Ind AS Financial Statements. Explanation of Management is as under:

The Confirmation and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending the management is in the process of obtaining confirmation and reconciliation of balances. In the opinion of management, there will not be any material impact on the stand alone Indian AS financial Statements.

ii) The Standalone Ind AS Standard Financial Statements reflect the share of the Company in the assets and the liabilities as well as the income and expenditure of joint venture operations on a line by line basis. The Company has participating interest of 25% in Ravva Oil and Gas Field Joint Venture through a Production Sharing Contract (PSC). The Company incorporates its share in the operations of the joint venture based on statement of account received from the Joint Venture/Operator. The Company has received the audited financial statements upto 31st March, 2017 and un-audited financial statements for the period 1st April, 2017 to 31st March, 2018, in respect of the said joint venture from the Operator which has been certified by the management on which we have placed reliance. Management's Explanation is as under:

In the past there was no change in the un-audited financial statements and the audited financial statements. Hence, the management is not excepting any impact of the same.

Consolidated

a) In respect of Auditor's Qualification in Audit Report on the Consolidated Ind AS Financial Statements for the financial year ended on 31st March, 2018 regarding the significant doubt on the Videocon Telecommunication Limited VTL's ability to continue as a going concern due to reference of VTL to NCLT by the creditors of VTL, the explanation of Management is as under:

During the year, VTL has incurred a net loss of Rs. 4,070.39 Million resulting into accumulated losses of Rs. 67,022.59 Million as at March 31, 2018. VTL has also shut down its GSM services. Though VTL has huge accumulated losses, its net worth as on March 31, 2018 is positive and the management of VTL is confident of continuing its commercial operations in the National Long Distance (NLD) and International Long Distance (ILD) Business. Accordingly, the financial statements of VTL have been prepared on a going concern basis.

b) In respect of Auditor's Qualification in Audit Report on the Ind AS Consolidated Financial Statements for the financial year ended on 31st March, 2018 regarding determination of the impairment loss, on its assets including assets held for sale, the explanation of Management is as under:

Consequent to VTL's agreement dated March 16, 2016 with Bharti Airtel Limited for trading the right to use 2x5 MHz spectrum allocated to it in the 6 circles, GSM Network Assets including Assets held for Sale of Rs. 9,163.20 Million (As at March 31, 2017 Rs. 9,321.37 Million) has been shown under "Current Assets" as 'Disposal group-assets held for Sale'. VTL is in the process of ascertaining the impairment loss, if any, on its fixed assets including capital work-in-progress. The requisite accounting effect, if any, will be given upon such ascertainment/determination.

c) In respect of Auditor's Qualification in Audit Report on the Ind AS Consolidated Financial Statements for the financial year ended on 31st March, 2018 regarding realizability of the advances of Rs. 12,860.00 Million made by VTL to Quadrant Televentures Limited ('QTL') for the proposed acquisition of indefeasible right of use (IRU) the UAS License of Punjab circle, the explanation of management is as under:

VTL had given advances of Rs. 12,860.00 Million to Quadrant Televentures Limited (QTL) for the proposed acquisition of indefeasible Rights of Use (IRU) the UAS License of QTL in Punjab circle, subject to regulatory approvals. The same has been converted into Unsecured Zero Coupon Compulsory Convertible Debentures of face value Rs. 1000/- each (CCD) (Convertible into 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares). VTL is in process of ascertaining the fair value of Unsecured Zero Coupon Compulsory Convertible Debentures and its accounting impact, if any, will be given upon such fair valuation.

d) In respect of Auditor's Qualification in Audit Report on the Ind AS Consolidated Financial Statements for the financial year ended on 31st March, 2018 regarding inability to ascertain the fair value of the investment of Rs, 16662.27 Million made by the subsidiary Videocon Mauritius Energy Limited, the explanation of management is as under:

The subsidiary Videocon Mauritius Energy Limited (VMEL) holds investments of Rs. 16,662.27 Million classified as unquoted investments in equity instruments - financial assets, which have been recognised at cost, and have not been carried at fair value. The Auditors of VMEL have given disclaimer of opinion as it has not been possible to estimate the financial effects of not carrying these investments at fair value.

e) In respect of Auditor's Qualification in Audit Report on the Ind AS Consolidated Financial Statements for the financial year ended on 31st March, 2018 regarding non assessment of the plant and machinery and other fixed assets related to the Glass Shell division for the impairment and the impairment loss, the explanation of management is as under:

The manufacturing activity of Glass Shell division located at Bharuch, which manufactured panels and funnels used in colour picture tube for colour television, has been suspended from July, 2017 due to poor demand of these products due to changes in technology for colour televisions. The management is of the view that the said factory and facilities can be, with some modifications, used for production of solar panel glass, solar lense, glass fibre and glass blocks which have good demand in the market. In view of the above, no provision for impairment has been considered necessary for the assets of the glass shell division at this stage.

f) In respect of Auditor's Qualification in Audit Report on the Ind AS Consolidated Financial Statements for the financial year ended on 31st March, 2018 regarding the vatiation of going concern concept of the Subsidiary Electroworld Digital Solutions Limited (EDSL) and VTL due to reference of both the companies to NCLT, the explanation of management is as under:

State Bank of India, the lead bank of the Parent Company has initiated Corporate Insolvency Resolution Process (CIRP) for the Parent Company and also for the subsidiaries Electroworld Digital Solutions Limited (EDSL) and Videocon Telecommunications (VTL) under the Insolvency and Bankruptcy Code, 2016 as amended and has filed the petition in National Company Law Tribunal (NCLT), Mumbai. The matter is under consideration of the NCLT. In view of the above and in view of the persistent severe strains on the working capital for more than a year, there is a significant drop in the production and sale of products which raises doubt on the ability of the Parent Company to continue as "Going Concern" for the purpose of activities and operations of the Parent Company along with activities and operations of other co-obligor companies. Also, the referral of the Parent Company, EDSL and VTL, in line with the directives of Reserve Bank of India, to NCLT under the Insolvency and Bankruptcy Code by lenders, amounts to a very material event. On this background during the year, the Parent Company has discarded and /or disposed of certain current assets in view of the same being irretrievable for the purpose of business. The Company continues the process for ascertaining the liquidation value for remaining current assets such as raw materials, finished goods, stock-in-process, receivables etc., justifiably assuming that the going concern concept stands vitiated and necessary adjustments will be effected in the due course.

Emphasis On Matter In Consolidated Financial Statements:

Apart from the above qualifications the auditors have drawn their attention to emphasis on the matters. The explanation of management is as under:

a. The Subsidiaries / joint venture companies namely Videocon Hydrocarbon Holdings Limited, Videocon JPDA 06-103 Limited, Videocon Indonesia Nunukan Inc., Videocon Australia WA-388-P Limited, Videocon Energy Brazil Limited, and the joint venture IBV Brasil Petroleo Limitada are in exploration/appraisal stage and have spent significant amounts on acquisitions, explorations and evaluation costs and have liabilities on this account, in the absence of commercial operations, the ability to continue as a going concern is substantially dependent on their ability to raise funds or continuous financial support from Parent Company. The explanation of management is as under:

VOVL Limited, Videocon Hydrocarbon Holdings Limited, the subsidiary's main activity is investing in oil and natural gas exploration assets outside India through its subsidiaries and jointly controlled companies. The exploration and evaluation assets under subsidiaries namely Videocon Indonesia Nunukan Inc., Videocon Australia WA-388-P Limited, Videocon JPDA 06-103 Limited and under the joint venture company IBV Brasil Petroleo Limitada (joint venture interest held by Videocon Energy Brazil Limited), are in the exploration/appraisal stage and they have spent significant amounts on the acquisition, exploration and evaluation costs and have liability on this account. At present they are not generating revenue. The recovery of these costs is subject to success of their exploration efforts at these locations. The conditions indicates existence of significant uncertainty that could lead significant doubt about the continuity of the said subsidiary companies and joint venture company. The ability of these companies to continue as a going concern is substantially dependent on their ability to raise funds or continuous financial support from Parent Company to meet their operating and capital expenditure requirements.

b. Certain balance confirmations and reconciliation have not been received in respect of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances. In the opinion of the management, there will not be any material impact on the consolidated Ind AS financial statements. The explanation of management is as under:

The confirmations and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances. In the opinion of the management, there will not be any material impact on the consolidated Ind AS financial statements.

c. The consolidated Ind AS financial statements reflect the share of the Company in the assets and the liabilities as well as the income and expenditure of joint venture operations on a line by line basis. The Company has participating interest of 25% in Ravva Oil and Gas Field Joint Venture through a Production Sharing Contract (PSC). The Company incorporates its share in the operations of the joint venture based on statement of account received from the Joint Venture/Operator. The Company has received the audited financial statements upto March 31, 2017 and un-audited financial statements for the period April 1, 2017 to March 31, 2018, in respect of the said joint venture from the Operator which has been certified by the management on which we have placed reliance. The explanation of management is as under:

In past, there was no changes/differences in un-audited financial statements and audited financial statements. Hence, the management is not expecting any impact on the same.

2. COST AUDITOR AND COST AUDIT REPORT:

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 and amendments made thereto, from time to time, the Board of Directors of the Company have accorded its approval for appointment of Mr. Jayant B. Galande, Cost Accountant in Whole-Time Practice, Aurangabad (Membership Number 5255) as the Cost Auditor of the Company, to conduct audit of Cost Accounting Records maintained by the Company for the financial year commencing from April 1, 2018 to March 31, 2019 in respect of the products covered as below:

1. Electricals or Electronic Machinery
2. Other Machinery and Mechanical Appliances
3. Glass
4. Petroleum Products

In compliance with the provisions, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution for ratification of the remuneration amounting to ₹1,10,000/- (Rupees One Lakh Ten Thousand Only) plus applicable tax and out of pocket expenses payable to the Cost Auditor for the financial year commencing from April 1, 2018 to March 31, 2019.

In compliance with provisions of the Companies (Cost Records and Audit) Rules, 2014 and amendments made thereto; from time to time and General Circulars thereof, we hereby submit that the Company has filed the Cost Audit Report for the financial year ended on March 31, 2017 on January 23, 2018. The delay in filing was account of technical difficulties.

The Company shall file the Cost Audit Report for the financial year ended on March 31, 2018, on or before due date.

3. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

The Board had appointed Mr. Soumitra Mujumdar, Company Secretary in Whole-time Practice, (CP No.: 12363) to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial period ended on March 31, 2018. The report of the Secretarial Auditor is annexed to this report as Annexure 1. The Secretarial Auditor has made certain observations in his Secretarial Audit Report. The explanation of management is as under:

The Non-filing of e-form MGT-10 for changes in shareholding positions of promoters/promoter group entities, e-form MGT-14 for approval of standalone financial statements, IEPF 1, IEPF 2 was on account of technical difficulties and/or accidental omission on part of the Compliance Officer. DIR-12 in respect of resignation of Mr. Radheyshyam Agarwal was not filed because board considered and taken on records his resignation on June 5, 2018 only. Delay in filing of form DIR-12 for appointment of CEO is on account of technical difficulties. Further, due to accidental omission, the shares were not transferred to IEPF. The Company is in process of filing all the forms; and transferring up-paid/ un-claimed dividend as well as shares to IEPF under the amended provisions of Companies Act, 2013 and Rules made thereunder. The delay in compliance with the requirement under various regulation of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was on account of operational delay.

DETAILS OF FRAUDS REPORTED BY AUDITORS (OTHER THAN REPORTABLE TO CENTRAL GOVERNMENT)

No fraud/misconduct was detected at the time of statutory audit by Auditors of the Company for the financial year ended on March 31, 2018.

INTERNAL FINANCIAL CONTROLS, INTERNAL AUDIT AND OTHER INITIATIVES

The Company has in place adequate internal financial controls with reference to financial statements. During the period, such controls were tested and no reportable material weakness in the design or operation were observed.

The Company, in compliance with the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rule 2014, has in place in-house internal audit team led by in house internal auditor to carry out the audit of internal records maintained by the Company.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed herewith as Annexure 2.

ORDERS PASSED BY REGULATORS/COURTS/ TRIBUNALS

No material orders were passed by Regulators/ Courts / Tribunals during the period impacting the going concern status and Company's operations in future.

DIRECTOR RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

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

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that period;

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

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

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

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

ACKNOWLEDGEMENT

We would like to thank the Customers, Vendors, Investors, Financial Institutions, Bankers, Business Partners and Government Authorities for their continued support. We also appreciate the contribution made by the employees at all levels for their hard work, dedication, co-operation and support for the growth of the Company.

The Board of Directors would also like to thank all stakeholders for the continued confidence and trust placed by them upon the Company.

For VIDEOCON INDUSTRIES LIMITED

V. N. Dhoot
Chairman, Managing Director and CEO
DIN:00092450

Place: Mumbai
Date: June 5, 2018

ANNEXURE - 2

SECRETARIAL AUDIT REPORT

To

The Members,

Videocon Industries Limited
14 K.M. Stone, Aurangabad Paithan Road,
Village Chittegaon, Taluka Paithan,
Aurangabad - 431105
Maharashtra

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Videocon Industries Limited. (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year from April 1, 2017 to March 31, 2018 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

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

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

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

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

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

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

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014 (Not applicable to the Company during the Audit Period);

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);

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

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);

   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

I have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Acts, Rules, Laws and Regulations to the Company.

I have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws and their regulatory compliances, since the same have been subject to review by statutory financial audit and other designated professionals. Further, I have also not examined compliance by the Company with the applicable labour, industrial, environmental and other industry specific laws since the compliance and monitoring of the said laws are to be ensured by the management of the Company.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

Under Companies Act, 2013

i. *As per Section III (Annexure 6) (Para 2.2d) of the Foreign Direct Investment Policy, the return of Foreign Assets and Liabilities for the Current and previous Audit Periods has not been filed for the Company with the Reserve Bank of India.*

ii. As on date of this report, *the Company has not completed filing of e-form MGT-7 as prescribed under Section 92 of the Companies Act, 2013 and e-form AOC-4 XBRL as prescribed under Section 137 of the Companies Act, 2013, i.e. the Annual Filing for the financial period ended on March 31, 2017.*

iii. During the period under review, *it was observed that the Company has not filed e-form MGT-10 as prescribed under Section 93 of the Companies Act, 2013, on certain occasions where such filing was required due to changes in shareholding positions of promoters/ promoter group entities.*

iv. During the period under review, *the e-form MGT-14 which was required to be filed for approval of standalone financial statements has not been filed by the Company.*

v. During the period under review, Mr. Radheyshyam Agarwal has tendered his resignation from the office of the Director of the Company with effect from January 25, 2018. *However, the Company has not yet filed the e-form DIR-12 with the office of the Registrar of Companies within the prescribed time.*

vi. *The Company has delayed in filing of some of the e-Forms with the Registrar of Companies during the Audit Period.*

vii. *Mr. Venugopal N. Dhoot was also designated, in addition to the Managing Director of the Company, as the Chief Executive Officer of the Company during the financial year ended on 31.03.2017. However, in my opinion an e-form DIR-12 for the appointment of CEO should have been filed under the provisions of Section 203 of the Act. The said form is not yet filed.*

viii. *During the year under review the Company has transferred unclaimed dividend of Rs. 2.02 Million for the financial year 2008-09, to Investor Education and Protection Fund. The Company has not filed Form IEPF 1 with the IEPF Authority.*

ix. *The Company has not till date filed Statement in IEPF 2 within 90 days from the date Annual General Meeting held on 22nd December, 2017 IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016.*

x. *The Company has not till date transferred the shares in respect of which dividend is unclaimed or unpaid for more than 7 years and which were due for transfer to IEPF during the period from September 7, 2016 to October 31, 2017.*

Apart from the above observations, I would like to highlight the following:

i. *The Company has already appointed Chief Financial Officer (CFO) prior to commencement of the Act. Hence, the Company has clarified that it was not required to file e-form DIR-12 for appointment of CFO. However, in my opinion, e-form DIR-12 should have been filed ratifying the appointment of the CFO under the provisions of Section 203 of the Act and the rules made thereunder.*

ii. *The Company is required to comply with the provisions of Section 138 of the Act read with Rule 13 of Companies (Accounts) Rules, 2014 regarding appointment of Internal Auditor within six months of the commencement of the Act. The Company has in place an in-house internal audit team led by in house internal auditor to carry out the audit of internal records maintained by the Company and the said constitution/appointment was prior to commencement of the Act. Hence, the Company has clarified that it was not required to file e-Form MGT-14 for appointment of Internal Auditor.*

Under Securities and Exchange Board of India Act, 1992 and various regulations stated thereunder:

i. As prescribed under Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, *the Company has delayed the submission of the quarterly shareholding pattern with the Stock Exchanges for certain quarters*.

ii. As prescribed under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, *the Company has delayed the submission of the un-audited financial results along with the Limited Review report with the Stock Exchanges for certain quarters*.

iii. As prescribed under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, *the Company has delayed the submission of Annual Report for the financial year ended on March 31, 2017 within the prescribed time with the Stock Exchanges*.

iv. As prescribed under Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, *the Company has delayed the filings for the financial year ended on March 31, 2017 within the prescribed time with the Stock Exchanges*.

I further report that:

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

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

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

I further report that as represented by the Company and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period, the following major events took place:

i. A petition was filed on January 1, 2018, by State Bank of India under Section 7 of the Insolvency & Bankruptcy Code, 2016. The said petition is pending before the Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai.

ii. The Company has issued 4.30 per cent Foreign Currency Convertible Bonds (Bonds) of US$ 97,200,000 during the year 2015, due on 31st December, 2020 (Maturity Date). The company has neither paid any amount against put option exercised on 30th December 2016 nor interest thereafter. The Company has informed that the Put Option mentioned in the terms of the FCCBs was under duress and the same was wrongly exercised by the Bondholders and, accordingly, everything is disputed. The Company has informed that they had filed claim challenging the action of the Bondholders in court of London and no amount has yet become due and payable.

CS Soumitra Mujumdar
ACS 30938
CP 12363

Date: June 5, 2018
Place: Mumbai

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

Annexure A

To

The Members,

Videocon Industries Limited
14 K.M. Stone, Aurangabad Paithan Road,
Village Chittegaon, Taluka Paithan,
Aurangabad - 431105
Maharashtra

My secretarial audit report of even date is to be read along with this letter.

i. Maintenance of secretarial and other records is the responsibility of the management of the Company. My responsibility is to express an opinion on these records based on my audit.

ii. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

iii. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

iv. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of certain events during the Audit Period.

v. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis and expressing an opinion on the same.

vi. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS Soumitra Mujumdar
ACS 30938
CP 12363

Date: June 5, 2018
Place: Mumbai

ANNEXURE - 2

FORM NO. MGT - 9

As on the financial year ended on March 31, 2018

EXTRACT OF ANNUAL RETURN

[Pursuant to section 92(3) of Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. **REGISTRATION AND OTHER DETAILS:**

i.	CIN	:	L99999MH1986PLC103624
ii.	Registration Date	:	04.09.1986
iii.	Name of the Company	:	VIDEOCON INDUSTRIES LIMITED
iv.	Category/ Sub-Category of the Company:		
v.	Category	:	Company Limited by Shares
vi.	Sub-Category	:	Indian Non-Government Company
vii.	Address of the Registered office and contact details	:	14 K.M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Tal: Paithan, Dist.: Aurangabad 431 105, Maharashtra, India
	Tel No.		+91-2431-251501/02
	E-mail id		secretarial@videoconmail.com
viii.	Whether listed company	:	Yes
ix.	Name, Address and Contact details of Registrar and Transfer Agent, if any:		
	Name	:	MCS Share Transfer Agent Limited
	Address	:	002, Ground Floor, Kashiram Jamnadas Bldg, 5 P. D' Mello Road, Masjid (E), Mumbai, 400 009
	Tel No	:	+91 -22 -40206020/21/22/23/24
	Email Id	:	mcssta.mumbai@gmail.com

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

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

Sl.No.	Name and Description of main products/services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Manufacture and whole-sale and retail trade of Consumer Electronics and Home Appliances items	264,465 and 478	99.10

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

As on financial year ended on 31.03.2018

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	**Jumbo Techno Services Private Limited** Address: 12th Floor, Videocon Tower, Block E-1, Jandewalan Extension, New Delhi – 110 055	U93000DL2007PTC166247	Subsidiary	100	2(87)(ii)
2	**Middle East Appliances LLC** Address: P.O Box196, Postal Code 124, Rusayl, Sultanate of Oman	CR No. 1/73156/4	Subsidiary	100	2(87)(ii)
3	**Pipavav Energy Private Limited** Address: 171-C, 17th Floor, Plot-224 C Wing, Mittal Court, Jamnalal Bajaj Marg, Nariman Point, Mumbai City - 400021	U40102MH2007PTC171813	Subsidiary	100	2(87)(ii)
4	**Prosperous Energy Private Limited** Address: 171-C, 17th Floor, Mittal Court C Wing, Nariman Point, Mumbai - 400021	U40109MH2010PTC207233	Subsidiary	100	2(87)(ii)
5	**Senior Consulting Private Limited** Address: 12th Floor, Videocon Tower, Block E-1, Jandewalan Extension, New Delhi – 110 055	U74900DL2007PTC166266	Subsidiary	100	2(87)(ii)
6	**Videocon Australia WA – 388-P Limited** Address: P. O Box 309, Ugland House, Grand Cayman, KY1-1101, Cayman Islands	MC-233984	Subsidiary	100	2(87)(ii)
7	**Videocon Brazil Ventures B.V.** Address: Haaksbergweg 71, 1101 BR Amsterdam	52391337	Subsidiary	100	2(87)(ii)

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
8	**Videocon Brazil Petroleo Ltda** Address: Avenida das Americas, 4200, rooms, 217B to 220B, Rio de Janeiro.	22.396.282/0001-20	Subsidiary	100	2(87)(ii)
9	**Videocon Easypay Private Limited (Formerly: Datacom Telecommunications Private Limited)** Address: C 157, Industrial Area, Phase-VII, Mohali, Rupnagar, Punjab - 160055	U67190PB2008PTC031630	Subsidiary	95.63	2(87)(ii)
10	**Videocon Electronics (Shenzhen) Limited** Address: 3G, Main Building, Ruode Financial Center, Fuzhong, 3rd Road, Futian District, Shenzhen City, Guangdong Province	SWZ YSFWZZZi[2008] No. 0084	Subsidiary	100	2(87)(ii)
11	**Videocon Energy Limited** Address: Auto Cars Compound, Adalat Road, Aurangabad 431 005	U40103MH2010PLC198876	Subsidiary	100	2(87)(ii)
12	**Videocon Energy Brazil Limited** Address: Kingston Chambers, P.O. Box 173, Road Town, Tortola British Virgin Islands	1456147	Subsidiary	100	2(87)(ii)
13	**Videocon Global Limited** Address: International Trust Building, P.O Box 659, Road Town, Tortola, British Virgin Islands	604927	Subsidiary	100	2(87)(ii)
14	**Videocon Hydrocarbon Holdings Limited** Address: P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	MC-233951	Subsidiary	100	2(87)(ii)
15	**Videocon Hydrocarbon Ventures B.V.** Address: Haaksbergweg 71, 1101 BR Amsterdam	52391531	Subsidiary	100	2(87)(ii)
16	**Videocon Indonesia Nunukan Inc**. Address: P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	MC-210985	Subsidiary	100	2(87)(ii)
17	**Videocon International Cooperatie U.A.** Address: Haaksbergweg 71, 1101 BR Amsterdam	50851292	Subsidiary	100	2(87)(ii)
18	**Electroworld Digital Solutions Limited (Formerly: Videocon International Electronics Limited)** Address: 171-C, 17th Floor, Mittal Court C Wing, Nariman Point, Mumbai – 400021	U32100MH2003PLC142232	Subsidiary	100	2(87)(ii)
19	**Videocon JPDA 06-103 Limited** Address: P O Box 309 GT, Ugland House, South Church Street, George Town, Grand Cayman	MC-156838	Subsidiary	100	2(87)(ii)
20	**Videocon Mauritius Energy Limited** Address: 4th Floor, Ebene Skies, Rue de L'institut, Ebene, Republic of Mauritius	C097658 C1/GBL	Subsidiary	100	2(87)(ii)
21	**VOVL Limited (Formerly Videocon Oil Ventures Limited)** Address: Auto Cars Compound, Adalat Road, Aurangabad 431 005	U11102MH2010PLC199078	Subsidiary	100	2(87)(ii)
22	**Videocon Telecommunications Limited** Address: R H No. 2, Pratapnagar Shahnoorwadi Road, Aurangabad – 431 001	U72900MH2007PLC204763	Subsidiary	95.63	2(87)(ii)
23	**Videocon Infinity Infrastructures Private Limited** Address: Sector-V, Block BP Salt Lake City, Kolkatta - 700 091, West Bengal	U45400WB2008PTC126333	Joint Venture	50	2(6)
24	**IBV Brazil Petroleo Limitada** Address: AV. Das Americas, No. 4200 building 9, rooms 217B to 220B (part), Ed. Paris, Centro Empresarial Barra Shopping, State of Rio de Janeiro, Zip Code 22640-102	07.766.332/0001-20	Joint Venture	50	2(6)
25	**Radium Appliances Private Limited** Address: 171-C, 17th Floor, Mittal Court C Wing, Nariman Point, Mumbai – 400021	U74999MH2010PTC207329	Associate	26	2(6)
26	**VISPL LLP** Address: F-141 Phase 8 B, Industrial, Area Mohali PB 16005	AAL-5925	Associate	50	2(6)

IV. **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters / Promoter Group person acting in concert 1. **Indian**									
a) Individual/HUF	564,233	-	564,233	0.17	564,233	-	564,233	0.17	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	220,312,478	-	220,312,478	65.87	147,866,500	-	147,866,500	44.21	-21.66
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other…	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):-	**220,876,711**	**-**	**220,876,711**	**66.04**	**148,430,733**	**-**	**148,430,733**	**44.38**	**-21.66**
2. **Foreign**									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other…	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter(A)= (A)(1)+(A)(2)	**220,876,711**	**-**	**220,876,711**	**66.04**	**148,430,733**	**-**	**148,430,733**	**44.38**	**-21.66**
B. Public Shareholding 1. **Institutions**									
a) Mutual Funds	48,547	1,323	49,870	0.01	2,509	1,323	3,832	0.00	-0.01
b) Banks/FI	8,320,577	13,016	8,333,593	2.50	10,212,850	13,016	10,225,866	3.06	+5.59
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	18,176,140	-	18,176,140	5.43	18,176,140	-	18,176,140	5.43	-
g) FIIs	12,034,322	11,371	12,045,693	3.60	5,792,141	11,371	5,803,512	1.74	-1.86
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-Total(B)(1):-	**38,579,586**	**25,710**	**38,605,296**	**11.55**	**34,183,640**	**25,710**	**34,209,350**	**10.23**	**0**
2. **Non-Institutions**									
a) Bodies Corp.									
i) Indian	23,450,380	400,596	23,850,976	7.13	29,252,355	400,590	29,652,945	8.86	+1.73
ii) Overseas	-	-	-	-					
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 lakh	7,991,915	1,260,620	9,252,535	2.76	55,767,838	1,253,166	57,021,004	17.04	+14.11
ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh	2,343,359	-	2,343,359	0.70	21,363,633	-	21,363,633	6.38	+5.68
c) Others – Overseas Depository – shares held by Custodian for GDRs*	38,835,179	-	38,835,179	11.61	38,834,979	-	38,834,979	11.61	-
1) NRI	145,308	3,484	148,792	0.04	2,089,914	3,484	2,093,398	0.62	+0.58
2) Trust/Co-operative Society/ Foundation	4,013	90	4103	0.00	4,012	90	4,102	0.00	-
3) HUF	541,069	855	541,924	0.16	2,847,876	855	2,848,731	0.86	+0.86
Sub-Total (B)(2):-	**73,311,223**	**1,665,645**	**74,976,868**	**22.40**	**150,160,607**	**1,658,185**	**151,818,792**	**45.37**	+22.84
Total Public Shareholding (B)=(B)(1)+(B)(2)	**111,890,809**	**1,691,355**	**113,582,164**	**33.96**	**184,344,247**	**1,683,895**	**186,028,142**	**55.62**	**+22.84**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**332,767,520**	**1,691,355**	**334,458,875**	**100.00**	**332,774,980**	**1,683,895**	**334,458,875**	**100.00**	**-**

ii. ***Shareholding of Promoters/Promoter Group and persons acting in concert***

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Rajkumar Nandlal Dhoot	134,592	0.04	0.04	134,592	0.04	-	-
2	Pradipkumar Nandlal Dhoot	156,808	0.05	0.00	156,808	0.05	-	-
3	Venugopal Nandlal Dhoot	89,575	0.03	0.03	89,575	0.03	-	-
4	Kesharbai Nandlal Dhoot	8,210	0.00	0.00	8,210	0.00	-	-
5	Sushma R Dhoot	14,942	0.00	0.00	14,942	0.00	-	-
6	Nalinibai Pradipkumar Dhoot	14,934	0.00	0.00	14,934	0.00	-	-
7	Ramabai Venugopal Dhoot	14,097	0.00	0.00	14,097	0.00	-	-
8	Anirudha Venugopal Dhoot	8,098	0.00	0.00	8,098	0.00	-	-
9	Saurabh Pradipkumar Dhoot	18,088	0.01	0.00	18,088	0.01	-	-
10	Sushmabai Rajkumar Dhoot	50,624	0.02	0.00	50,624	0.02	-	-
11	Akshay Rajkumar Dhoot	54,265	0.02	0.00	54,265	0.02	-	-
12	Dome-Bell Electronics India Pvt. Ltd.	16,408,970	4.91	4.89	15,131,366	4.52	4.52	(0.39)
13	Waluj Components Pvt. Ltd.**#**	34,857	0.01	-	52,884	0.02	-	-
14	Century Appliances Ltd.	1,093,110	0.33	0.33	1,093,110	0.33	0.32	-
15	Shree Dhoot Trading And Agencies Ltd **$**	26,179,336	7.83	7.66	13,702,000	4.10	4.10	(3.73)
16	Electroparts (India) Pvt Ltd **$**	11,110	0.00	0.00	4,727,346	1.41	1.32	+1.41
17	Force Appliances Pvt Ltd	1,007,222	0.30	0.30	222	0.00	0.00	(0.30)
18	KAIL Ltd	4,836,110	1.45	1.45	2,050,110	0.61	0.61	(0.84)
19	Cluster Trade & Investments Pvt Ltd	45,100	0.01	-	45,100	0.01	-	-
20	Koala Holdings Pvt. Ltd	39,966	0.01	-	39,966	0.01	-	-
21	Value Industries Limited	35,411	0.01	-	35,411	0.01	-	-
22	The Invex Pvt Ltd	1,832	0.00	-	1,832	0.00	-	-
23	Greenfield Appliances Private Limited *	14,462,140	4.32	4.32	11,687,140	3.49	3.40	(0.83)
24	TekCare India Pvt Ltd	8,260,877	2.47	2.47	3,186,738	0.95	0.95	(1.52)
25	Synergy Appliances Private Limited #	15,410,575	4.61	4.60	15,392,548	4.60	4.60	-
26	Platinum Appliances Private Limited $	15,604,666	4.67	4.67	7,875,288	2.35	2.35	(2.32)
27	Solitaire Appliances Private Limited	11,458,330	3.43	3.42	4,487,496	1.34	1.33	(2.09)
28	Synlene Fabrics Ltd	28,942	0.01	-	28,942	0.01	-	-
29	Tangent Electronics Pvt. Ltd.	12,222,220	3.65	3.64	12,222,220	3.65	3.64	-
30	Trend Electronics Limited	2,906,478	0.87	0.86	2,906,478	0.87	0.86	-
31	Holly- Hock Investments Pvt. Ltd.	77,830	0.02	0.02	830	0.00	0.00	(0.02)
32	Videocon Realty And Infrastructures Ltd	63,945,518	19.12	19.11	50,019,095	14.96	14.88	(4.15)
33	Evans Fraser and Co. (India) limited	4,608,911	1.38	1.34	911	0.00	0.00	(1.38)
34	Nippon Investment & Finance Co Pvt Ltd	20,554,616	6.15	6.10	3,102,116	0.93	0.93	(5.22)
35	CE India Limited	705,640	0.21	0.19	4,640	0.00	0.00	(0.21)
36	Leo Communications Pvt. Ltd.	986	0.00	-	986	0.00	-	-
37	Roshi Appliances Pvt. Ltd	371,725	0.11	0.09	71,725	0.02	-	0.09
38	Proficient Engineering Private Limited *	-	-	-	-	-	-	-
	Total	**220,876,711**	**66.04**	**65.55**	**148,430,733**	**44.38**	**43.81**	**(21.66)**

\# *In terms of the Scheme of Amalgamation as approved by the Hon'ble National Company Law Tribunal, Mumbai Bench at Mumbai ("NCLT") vide its Order dated July 5, 2017, M/s. Synergy Appliances Private Limited (the "Transferor Company") Promoter Group Entity of Videocon Industries Limited (VIL), got amalgamated with the other Promoter Group entity M/s. Waluj Components Private Limited (the "Transferee Company"). The*

Scheme became effective on August 10, 2017. M/s. Waluj Components Private Limited has initiated the process to transfer the shares held by M/s. Synergy Appliances Private Limited in its own name. Upto March 31, 2018, 18,027 unencumbered equity shares held by M/s. Synergy Appliances Private Limited have been transferred to M/s. Waluj Components Private Limited. As on March 31, 2018, M/s. Waluj Components Private Limited holds 52,884 shares in its own name. As on March 31, 2018, 1,53,92,548 Equity Shares representing 4.60% of the paid-up Share Capital of VIL have been held in the name of M/s. Synergy Appliances Private Limited, which have been pledged by M/s. Synergy Appliances Private Limited, in favour of various Pledgees as Security. Due to this technical difficulty, the said 1,53,92,548 Equity Shares representing 4.60% of the paid-up Share Capital of the Company shall be held in the name of M/s. Synergy Appliances Private Limited till the date of release of pledge by the Pledgees. As per the information received from M/s. Waluj Components Private Limited, post such transfer, it will hold 1,54,45,432 Equity Shares constituting 4.62% in VIL.

$ *In terms of the Scheme of Amalgamation as approved by the Hon'ble National Company Law Tribunal, Mumbai Bench at Mumbai vide its order dated July 19, 2017, M/s. Platinum Appliances Private Limited (the "Transferor Company"), [the Promoter Group entity of Videocon Industries Limited ("VIL"), holding 78,75,288 Equity Shares representing 2.35% of paid-up share capital of VIL as on date] and M/s. Shree Dhoot Trading And Agencies Limited (the "Transferor Company"), [(the other Promoter Group entity of VIL, holding 1,37,02,000 Equity Shares representing 4.10% of paid-up share capital of VIL as on date]) got amalgamated with M/s. Electroparts (India) Private Limited (the "Transferee Company"), (the other Promoter Group entity of VIL). The Scheme became effective on August 24, 2017. M/s. Electroparts (India) Private Limited has initiated the process to transfer the shares held by M/s. Platinum Appliances Private Limited and M/s. Shree Dhoot Trading And Agencies Limited, in its own name. Upto March 31, 2018, 400 unencumbered Equity Shares held by M/s. Platinum Appliances Private Limited have already been transferred to M/s. Electroparts (India) Private Limited and the balance 78,75,288 Equity Shares representing 2.35% of the paid-up Share Capital of VIL have been held in the name of M/s. Platinum Appliances Private Limited, which have been pledged by M/s. Platinum Appliances Private Limited, in favour of various Pledgees as Security. Further, March 31, 2018, 3,01,836 unencumbered Equity Shares held by M/s. Shree Dhoot Trading And Agencies Limited, have been transferred to M/s. Electroparts (India) Private Limited. Further the name of Demat Account of Shree Dhoot Trading and Agencies Limited (in which Demat Account 44,25,000 Equity Shares were held and pledged with Yes Bank) has been changed to Electroparts (India) Private Limited. As such as on March 31, 2018, 47,26,836 Equity Shares held by Shree Dhoot Trading And Agencies Limited shall stand transferred to Electroparts (India) Private Limited and balance 1,37,02,000 Equity Shares shall be continued to be held in the name of erstwhile M/s. Shree Dhoot Trading And Agencies Limited as the same are pledged. M/s. Electroparts (India) Private Limited further informed that post such transfer it shall hold total 2,63,04,634 Equity Shares of VIL, representing 7.86% share capital of VIL.*

* *In terms of the Scheme of Amalgamation as approved by the Hon'ble National Company Law Tribunal, Mumbai Bench at Mumbai ("NCLT") vide its Order dated November 3, 2017, M/s. Greenfield Appliances Private Limited (the "Transferor Company") Promoter Group Entity of M/s. Videocon Industries Limited (VIL), got amalgamated with M/s. Proficient Engineering Private Limited (the "Transferee Company"). The Scheme became effective on February 27, 2018. Consequent to Amalgamation of M/s. Greenfield Appliances Private Limited with M/s. Proficient Engineering Private Limited, M/s. Proficient Engineering Private Limited, became the Promoter Group entity of VIL. As on date of this reporting M/s. Proficient Engineering Private Limited holds Nil shares of VIL in its own name. M/s. Proficient Engineering Private Limited has initiated the process to transfer the shares held by M/s. Greenfield Appliances Private Limited in its own name. As on March 31, 2018, 1,13,62,140 Equity Shares representing 3.40% of the paid-up Share Capital of VIL have been pledged by M/s. Greenfield Appliances Private Limited, in favour of various Pledgees as Security. Due to this technical difficulty, the said 1,13,62,140 Equity Shares representing 3.40% of the paid-up Share Capital of VIL shall be held in the name of M/s. Greenfield Appliances Private Limited till the date of release of pledge by the Pledgees. As per the information received from M/s. Proficient Engineering Private Limited, post such transfer, it will hold 1,16,87,140 Equity Shares constituting 3.49% in VIL.*

iii. ***Change in Promoter's/promoter's Group/Persons acting in concert's Shareholding***

Sr. No	*Name of the Shareholder*	**Shareholding at the beginning and at the end of the year**		**Date-wise Increase/ Decrease in Promoters Shareholding during the year**		**Reason**	**Cumulative shareholding during the year**	
		No. of shares	***% of total Shares of the Company***	***Date***	***Increase/ Decrease***		***No. of shares***	***% of total Shares of the Company***
1	CE India Limited	705,640	0.21	16.06.2017	-601,000	Invoked	104,640	0.03
		104,640	0.03	21.06.2017	-39,045	Invoked	65,595	0.02
		65,595	0.02	22.06.2017	-10,955	Invoked	54,640	0.02
		54,640	0.02	23.06.2017	-50,000	Invoked	4,640	0.00
2	Roshi Appliances Private Limited	371,725	0.11	24.07.2017	-100,000	Invoked	271,725	0.08
		271,725	0.08	.07.2017	-200,000	Invoked	71,725	0.02
3	Evans Fraser and Co. (India) Limited	4,608,911	1.38	06.07.2017	-650,000	Invoked	3,958,911	1.18
		3,958,911	1.18	07.07.2017	-120,000	Invoked	3,838,911	1.15
		3,838,911	1.15	12.07.2017	-700,000	Invoked	3,138,911	0.94
		3,138,911	0.94	.07.2017	-450,000	Invoked	2,688,911	0.80
		2,688,911	0.80	.07.2017	-600,000	Invoked	2,088,911	0.62
		2,088,911	0.62	.07.2017	-550,000	Invoked	1,538,911	0.46
		1,538,911	0.46	15.03.2018	-665,000	Sale	873,911	0.26
		873,911	0.26	16.03.2018	-510,000	Sale	363,911	0.11
		363,911	0.11	20.03.2018	-200,000	Sale	163,911	0.05
		163,911	0.05	21.03.2018	-163,000	Sale	911	0.00
4	Force Appliances Pvt Ltd	1,007,222	0.30	27.06.2017	-7,000	Invoked	1,000,222	0.30
		1000222	0.30	06.03.2018	-1,000,000	Invoked	222	0.00
5	KAIL Limited	4,836,110	1.45	10.07.2017	-36,000	Invoked	4,800,110	1.44
		4800110	1.44	12.02.2018	-626,539	Invoked	4,173,571	1.25
		4,173,571	1.25	14.02.2018	-960,000	Invoked	3,213,571	0.96
		3,213,571	0.96	.03.2018	-1,163,461	Invoked	205,110	0.06

Sr. No	Name of the Shareholder	Shareholding at the beginning and at the end of the year		Date-wise Increase/ Decrease in Promoters Shareholding during the year		Reason	Cumulative shareholding during the year	
		No. of shares	% of total Shares of the Company	Date	Increase/ Decrease		No. of shares	% of total Shares of the Company
6	TekCare India Pvt Ltd	8,260,877	2.47	22.06.2017	-69,901	Invoked	8,190,976	2.45
		8,190,976	2.45	23.06.2017	-300,000	Invoked	7,890,976	2.36
		7,890,976	2.36	27.06.2017	-60,000	Invoked	7,830,976	2.34
		7,830,976	2.34	29.06.2017	-52,500	Invoked	7,778,476	2.33
		7,778,476	2.33	29.06.2017	-350,000	Invoked	7,428,476	2.22
		7,428,476	2.22	10.07.2017	-257,000	Invoked	7,171,476	2.14
		7,171,476	2.14	24.07.2017	-214,099	Invoked	6,957,377	2.08
		6,957,377	2.08	28.09.2017	-1,704,983	Invoked	5,252,394	1.57
		5,252,394	1.57	06.11.2017	-569,415	Invoked	4,682,979	1.40
		4,682,979	1.40	06.03.2018	-1,496,241	Invoked	3186738	0.95
7	Nippon Investment & Finance Co Pvt Ltd	20,554,616	6.15	19.06.2017	-81,576	Invoked	20,473,040	6.12
		20,473,040	6.12	27.06.2017	-2,668,424	Invoked	17,804,616	5.32
		17,804,616	5.32	27.06.2017	-838,500	Invoked	16,966,116	5.07
		16,966,116	5.07	29.06.2017	-1,065,000	Invoked	15,901,116	4.75
		15,901,116	4.75	29.06.2017	-135,000	Sale	15,766,116	4.71
		15,766,116	4.71	07.07.2017	-470,000	Invoked	15,296,116	4.57
		15,296,116	4.57	11.08.2017	-104,823	Invoked	15,191,293	4.54
		15,191,293	4.54	21.08.2017	-172,356	Invoked	15,018,937	4.49
		15,018,937	4.49	22.08.2017	-353,738	Invoked	14,665,199	4.38
		14,665,199	4.38	28.08.2017	-455,343	Invoked	14,209,856	4.25
		14,209,856	4.25	29.08.2017	-238,740	Invoked	13,971,116	4.18
		13,971,116	4.18	06.09.2017	-350,000	Invoked	13,621,116	4.07
		13,621,116	4.07	07.09.2017	-3,150,000	Invoked	10,471,116	3.13
		10,471,116	3.13	08.12.2017	-621,000	Invoked	9,850,116	2.95
		9,850,116	2.95	19.12.2017	-175,000	Invoked	9,675,116	2.89
		9,675,116	2.89	21.12.2017	-350,000	Invoked	9,325,116	2.79
		9,325,116	2.79	01.01.2018	-500,000	Invoked	8,825,116	2.64
		8,825,116	2.64	02.01.2018	-500,000	Invoked	8,325,116	2.49
		8,325,116	2.49	05.01.2018	-500,000	Invoked	7,825,116	2.34
		7,825,116	2.34	08.01.2018	-100,000	Invoked	7,725,116	2.31
		7,725,116	2.31	31.01.2018	-287,818	Invoked	7,437,298	2.22
		7,437,298	2.22	01.02.2018	-212,182	Invoked	7,225,116	2.16
		7,225,116	2.16	06.02.2018	-110,000	Invoked	7,115,116	2.13
		7,115,116	2.13	07.02.2018	-150,000	Invoked	6,965,116	2.08
		6,965,116	2.08	08.02.2018	-50,000	Invoked	6,915,116	2.07
		6,915,116	2.07	09.02.2018	-200,000	Invoked	6,715,116	2.01
		6715116	2.01	14.02.2018	-200,000	Invoked	6,515,116	1.95
		6,515,116	1.95	15.03.2018	665,000	Purchase	7,180,116	2.15
		7,180,116	2.15	15.03.2018	-500,000	Invoked	6,680,116	2.00
		6,680,116	2.00	16.03.2018	510,000	Purchase	7,190,116	2.15
		7,190,116	2.15	16.03.2018	-502	Invoked	7,189,614	2.15
		7,189,614	2.15	20.03.2018	200,000	Purchase	7,389,614	2.21
		7,389,614	2.21	21.03.2018	-760,944	Invoked	6,628,670	1.98
		6,628,670	1.98	22.03.2018	163,000	Purchase	6,791,670	2.03
		6,791,670	2.03	22.03.2018	-1,536,000	Sale	5,255,670	1.57
		5,255,670	1.57	22.03.2018	-903,554	Invoked	4,352,116	1.30
		4,352,116	1.30	.03.2018	1,250,000	Invoked	3,102,116	0.93

Sr. No	*Name of the Shareholder*	Shareholding at the beginning and at the end of the year		Date-wise Increase/ Decrease in Promoters Shareholding during the year		Reason	Cumulative shareholding during the year	
		No. of shares	*% of total Shares of the Company*	*Date*	*Increase/ Decrease*		*No. of shares*	*% of total Shares of the Company*
8	Shree Dhoot Trading And Agencies Ltd $	26,179,336	7.83	23.05.2017	-100,000	Sale	26,079,336	7.80
		26,079,336	7.80	14.06.2017	-11,197	Sale	26,068,139	7.79
		26,068,139	7.79	16.06.2017	-1,010,000	Invoked	25,058,139	7.49
		25,058,139	7.49	16.06.2017	-100,000	Invoked	24,958,139	7.46
		24,958,139	7.46	19.06.2017	-275,000	Invoked	24,683,139	7.38
		24,683,139	7.38	23.06.2017	-37,520	Invoked	24,645,619	7.37
		24,645,619	7.37	27.06.2017	-838,500	Invoked	23,807,119	7.12
		23,807,119	7.12	27.06.2017	-887,598	Invoked	22,919,521	6.85
		22,919,521	6.85	27.06.2017	-100,000	Invoked	22,819,521	6.82
		22,819,521	6.82	28.06.2017	-1,000,000	Invoked	21,819,521	6.52
		21,819,521	6.52	29.06.2017	-100,000	Invoked	21,719,521	6.49
		21,719,521	6.49	10.07.2017	-800,000	Invoked	20,919,521	6.25
		20,919,521	6.25	.07.2017	-350,000	Invoked	20,569,521	6.15
		20,569,521	6.15	.07.2017	-115,000	Invoked	20,454,521	6.12
		20,454,521	6.12	.07.2017	-150,000	Invoked	20,304,521	6.07
		20,304,521	6.07	.07.2017	-150,000	Invoked	20,154,521	6.03
		20,154,521	6.03	.07.2017	-1,125,000	Invoked	19,029,521	5.69
		19,029,521	5.69	.07.2017	-134,000	Invoked	18,895,521	5.65
		18,895,521	5.65	.07.2017	-145,000	Invoked	18,750,521	5.61
		18,750,521	5.61	.07.2017	-96,000	Invoked	18,654,521	5.58
		18,654,521	5.58	.07.2017	-35,000	Invoked	18,619,521	5.57
		18,619,521	5.57	.07.2017	-90,283	Invoked	18,529,238	5.54
		18,529,238	5.54	28.09.2017	-43,000	Invoked	18,486,238	5.53
		18,486,238	5.53	30.10.2017	-57,402	Invoked	18,428,836	5.51
		18,428,836	5.51	24.08.2017	-301,836	Merger	18,127,000	5.42
		18,127,000	5.42	24.08.2017	-4,425,000	Merger	13,702,000	4.10
9	Platinum Appliances Private Limited $	15,604,666	4.67	19.06.2017	-773,000	Invoked	14,831,666	4.43
		14,831,666	4.43	30.10.2017	-28,000	Invoked	14,803,666	4.43
		14,803,666	4.43	07.11.2017	-1,754,042	Invoked	13,049,624	3.90
		13,049,624	3.90	08.11.2017	-249,176	Invoked	12,800,448	3.83
		12,800,448	3.83	09.11.2017	-118,981	Invoked	12,681,467	3.79
		12,681,467	3.79	10.11.2017	-1,280,400	Invoked	11,401,067	3.41
		11,401,067	3.41	13.11.2017	-188,000	Invoked	11,213,067	3.35
		11,213,067	3.35	16.11.2017	-349,198	Invoked	10,863,869	3.25
		10,863,869	3.25	17.11.2017	-407,672	Invoked	10,456,197	3.13
		10,456,197	3.13	20.11.2017	-464,481	Invoked	9,991,716	2.99
		9,991,716	2.99	22.11.2017	-483,028	Invoked	9,508,688	2.84
		9,508,688	2.84	24.11.2017	-1,633,000	Invoked	7,875,688	2.35
		7,875,688	2.35	24.08.2017	-400	Merger	7,875,288	2.35
10	Synergy Appliances Private Limited #	15,410,575	4.61	10.08.2017	-18,027	Merger	15,392,548	4.60
11	Greenfield Appliances Private Limited*	14,462,140	4.32	23.02.2018 to 27.02.2018	-2,480,000	Sale	11982140	3.58
		11,982,140	3.58	01.03.2018	-147,500	Invoked	11,834,640	3.54
		11,834,640	3.54	01.03.2018	-147,500	Invoked	11,687,140	3.49
12	Dome-bell Electronics India Private Limited	16,408,970	4.91	19.06.2017	-227,000	Invoked	16,181,970	4.84
		16,181,970	4.84	30.10.2017	-12,598	Invoked	16,169,372	4.83
		16,169,372	4.83	22.01.2018	-316,420	Invoked	15,852,952	4.74
		15,852,952	4.74	23.01.2018	-170,982	Invoked	15,681,970	4.69
		15,681,970	4.69	01.03.2018	-213,604	Sale	15,468,366	4.62
		15,468,366	4.62	06.03.2018	-337,000	Invoked	15,131,366	4.52

Sr. No	Name of the Shareholder	Shareholding at the beginning and at the end of the year		Date-wise Increase/ Decrease in Promoters Shareholding during the year		Reason	Cumulative shareholding during the year	
		No. of shares	% of total Shares of the Company	Date	Increase/ Decrease		No. of shares	% of total Shares of the Company
13	Electroparts (India) Private Limited$	11,110	0.00	27.06.2017	-11,000	Invoked	110	0.00
		110	0.00	24.08.2017	400	Merger	510	0.00
		510	0.00	24.08.2017	4,726,836	Merger	4,727,436	1.41
14	Videocon Realty & Infrastructures Limited	63,945,518	19.12	01.06.2017 & 14.06.2017	-48,414	Invoked	63,897,104	19.10
		63,897,104	19.10	19.06.2017	-25,000	Invoked	63,872,104	19.10
		63,872,104	19.10	20.06.2017	-350	Invoked	63,871,754	19.10
		63,871,754	19.10	21.06.2017	-139,736	Invoked	63,732,018	19.06
		63,732,018	19.06	29.06.2017	-312,500	Invoked	63,419,518	18.96
		63,419,518	18.96	07.07.2017	-350,000	Invoked	63,069,518	18.86
		63,069,518	18.86	10.07.2017	-45,000	Invoked	63,024,518	18.84
		63,024,518	18.84	.07.2017	-1,065,000	Invoked	61,959,518	18.53
		61,959,518	18.53	08.08.2017	-290,113	Invoked	61,669,405	18.44
		61,669,405	18.44	09.08.2017	-258,096	Invoked	61,411,309	18.36
		61,411,309	18.36	10.08.2017	-246,662	Invoked	61,164,647	18.29
		61,164,647	18.29	16.08.2017	-165,000	Invoked	60,999,647	18.24
		60,999,647	18.24	16.08.2017	-1,113,546	Invoked	59,886,101	17.91
		59,886,101	17.91	21.08.2017	-135,000	Invoked	59,751,101	17.87
		59,751,101	17.87	31.08.2017	-9,000	Sale	59,742,101	17.86
		59,742,101	17.86	07.09.2017	-500,000	Invoked	59,242,101	17.71
		59,242,101	17.71	05.10.2017	-200,000	Invoked	59,042,101	17.65
		59,042,101	17.65	09.10.2017	-604,967	Invoked	58,437,134	17.47
		58,437,134	17.47	09.10.2017	-20,033	Invoked	58,417,101	17.47
		58,417,101	17.47	09.10.2017	-700,000	Invoked	57,717,101	17.26
		57,717,101	17.26	09.10.2017	-200,000	Invoked	57,517,101	17.20
		57,517,101	17.20	12.10.2017	-28,000	Invoked	57,489,101	17.19
		57,489,101	17.19	13.10.2017	-300,000	Invoked	57,189,101	17.10
		57,189,101	17.10	27.10.2017	-174,000	Invoked	57,015,101	17.05
		57,015,101	17.05	27.10.2017	-317,500	Invoked	56,697,601	16.95
		56,697,601	16.95	22.01.2018	-2,006,140	Invoked	54,691,461	16.35
		54,691,461	16.35	23.01.2018	-1,314,674	Invoked	53,376,787	15.96
		53,376,787	15.96	24.01.2018	-679,186	Invoked	52,697,601	15.76
		52,697,601	15.76	25.01.2018	-327,800	Invoked	52,369,801	15.66
		52,369,801	15.66	29.01.2018	-255,147	Invoked	52,114,654	15.58
		52,114,654	15.58	30.01.2018	-6,020	Invoked	52,108,634	15.58
		52,108,634	15.58	31.01.2018	-1,100,000	Invoked	51,008,634	15.25
		51,008,634	15.25	01.02.2018	-125,372	Invoked	50,883,262	15.21
		50,883,262	15.21	12.02.2018	-413,461	Invoked	50,469,801	15.09
		50,469,801	15.09	23.02.2018 to 28.02.2018	-450,606	Sale	50,019,195	14.96
		50,019,195	14.96	.03.2018	-100	Invoked	50,019,095	14.96
15	Solitaire Appliances Private Limited	11,458,330	3.43	24.11.2017	-2,689,876	Invoked	8,768,454	2.62
		8,768,454	2.62	19.12.2017	-377,879	Invoked	8,390,575	2.51
		8,390,575	2.51	20.12.2017	-420,000	Invoked	7,970,575	2.38
		7,970,575	2.38	23.02.2018	-380,654	Invoked	7,589,921	2.27
		7,589,921	2.27	23.02.2018	-544,000	Invoked	7,045,921	2.11
		7,045,921	2.11	28.02.2018	-2,523,195	Invoked	4,522,726	1.35
		4,522,726	1.35	05.03.2018	-5,230	Invoked	4,517,496	1.35
		4,517,496	1.35	06.03.2018	-30,000	Invoked	4,487,496	1.34
16	Holly- Hock Investments Pvt. Ltd.	77,830	0.02	10.07.2017	-77,000	Invoked	830	0.00
17	Waluj Components Private Limited	34,857	0.01	10.08.2017	18,027	Merger	52,884	0.02

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

Sr. No	Name of the Shareholder	Shareholding at the beginning and at the end of the year		Date-wise Increase/Decrease in Promoters Shareholding during the year (determined from the benpos information)		Reason	Cumulative shareholding during the year	
		No. of shares	% of total Shares of the Company	Date	Increase/ Decrease		No. of shares	% of total Shares of the Company
1	Life Insurance Corporation Of India	15,256,515	4.56	-	-	-	15,256,515	4.56
		15,256,515	4.56					
2	Bennett, Coleman And Company Limited	12,534,035	3.75	12.05.2017	-100,000	Market Sale	12,434,035	3.72
				19.05.2017	-150,000	Market Sale	12,284,035	3.67
		12,284,035	3.67					
3	IDBI Bank Ltd.	4,665,770	1.40					
		4,665,770	1.40					
4	IFCI Ltd	3,186,068	0.96	12.03.2017	-10355	Market Sale	3,175,713	0.95
		3,175,713	0.95					
5	India Max Investment Fund Limited	2,603,772	0.78	-	-	-	2,603,772	0.78
		2,603,772	0.78					
6	General Insurance Corporation Of India	2,261,559	0.68	-	-	-	2,261,559	0.68
		2,261,559	0.68					
7	Yes Bank Limited	-	0.00	26.01.2018	1,700,000	Invocation	1,700,000	0.51
				02.02.2018	-1,486,539	Market Sale	213,461	0.06
				31.03.2018	1,786,539	Invocation	2,000,000	0.60
		2,000,000	0.60					
8	Infotel Telecom Infrastructure Private Limited	1,858,275	0.56	-	-	-	1,858,275	0.56
		1,858,275	0.56					
9	Aktiebolaget Electrolux (PUBL)	1,500,000	0.45	-	-	-	1,500,000	0.45
		1,500,000	0.45					
10	Mahesh Chand Mittal	-	-	24.11.2017	4,55,000	Market Purchase	4,55,000	0.14
				12.01.2018	70,000	Market Purchase	525,000	0.16
				19.01.2018	440,000	Market Purchase	965,000	0.29
				26.01.2018	50,000	Market Purchase	1,015,000	0.30
				31.03.2018	305000	Market Purchase	1,320,000	0.39
		1,320,000	0.39					

vii. ***Shareholding of Directors and Key Managerial Personnel:***

Sr. No	Name of the Shareholder	Shareholding at the beginning and at the end of the year		Date-wise Increase/ Decrease in Promoters Shareholding during the year		Reason	Cumulative shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total Shares of the Company	Date	Increase/ Decrease		No. of shares	% of total Shares of the Company
1	Venugopal Dhoot	89,575	0.03	-	-	-	89,575	0.03
		89,575	0.03					

V. **Indebtedness**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principal Amount	197,583.16	11,150.00	-	208,733.16
ii. Interest due but not paid	4,760.73	209.53	-	4,970.26
iii. Interest accrued but not due	2,369.14	126.81	-	2,495.95
Total (i+ii+iii)	**204,713.03**	**11,486.34**	**-**	**216,199.37**

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Change in indebtedness during the financial year				
• Addition	29,902.95	-	-	29,902.95
• Reduction	584.55	478.26	-	1,062.81
Net Change	29,318.40	(478.26)		28,840.14
Indebtedness at the end of the financial year				
i. Principal Amount	200,091.17	9,250.00	-	209,341.17
ii. Interest due but not paid	31,247.86	1,615.05		32,862.91
iii. Interest accrued but not due	2,692.40	143.03	-	2,835.43
Total (i+ii+iii)	234,031.43	11,008.08	-	245,039.51

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

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

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

B. *Remuneration to other directors:*

(₹ in Millions)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
1.	Independent Directors	Mr. Subhash S. Dayama	Mr. Radheyshyam Agarwal	Mrs. Sarita Surve	Mr. B. K. Chopra (Upto 22.09.2017)	Mr. Sanjeev Kimar Sachdev (Nominee Director – IDBI Bank Ltd) (w.e.f. 22.09.2017)	Mr. Pradip Kumar Das (Nominee Director – IDBI Bank Ltd) (Upto 10.08.2017)	
	-Fee for attending board/ committee meetings - Commission -Others, please specify	0.52	0.46	0.06	-	0.06	-	1.10
	Total(1)	0.52	0.46	0.06	-	0.06	-	1.10
2.	Other Non-Executive Directors							
	-Fee for attending board/ committee meetings - Commission -Others, please specify							
	Total(2)							
	Total=(1+2)							
	Total Managerial Remuneration							-
	Overall Ceiling as per the Act		----					----

C. *Remuneration to key managerial personnel other than MD/ MANAGER/ WTD*

(₹ in Millions)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary Mr. Mandar C. Joshi	Chief Financial Officer Mr. A. A. Gune		Total
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-taxAct,1961 (b) Value of perquisites u/s 17(2) Income-tax Act,1961 (c) Profits in lieu of salary u/s 17(3) Income-tax Act,1961	1.00 - -	2.41 - -	- -	3.41
2.	Stock Option	-	-	-	
3.	Sweat Equity	-	-	-	
4.	Commission -as % of profit -others, specify…	-	-	-	
5.	Others, please specify	-	-	-	
	Total	1.00	2.41		3.41

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

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. **COMPANY**					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. **DIRECTORS**					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. **OTHER OFFICERS IN DEFAULT**					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2018

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCES'

Corporate Governance is not merely compliance; it is something your Company fundamentally believes in.

Your Company's philosophy on Corporate Governance sets the goal of achieving the highest level of transparency, accountability and equity in all spheres of its business activities, operations and in all its dealing with the shareholders, employees, the government and other parties.

The Company's philosophy on Corporate Governance is based on:

1. Accountability
2. Transparency
3. Responsibility
4. Fairness
5. Compliance with the applicable laws

In terms of Regulation 34(3) read with Section C of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended 31st March, 2018 is presented below.

Your Company is in full compliance with the requirements and disclosures as stated therein. A certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

BOARD OF DIRECTORS

The Board of Directors of the Company comprises of eminent persons having versatile experience in diversified fields including Finance, Management, Technical, Administration etc.

- **Composition and Category of Board as on March 31, 2018:**

  The Board of Directors of the Company comprises of Executive and Non-Executive Directors. The Chairman is an Executive Director.

  As on March 31, 2018, the composition of the Board of Directors of the Company meets the stipulated requirements of SEBI Regulations and of the Companies Act, 2013, as well:

Promoter Executive	:	Mr. Venugopal N Dhoot
Non-Executive, Independent	:	Mr. Radheyshyam Agarwal Mr. Subhash S Dayama Mrs. Sarita Surve
Nominee Director	:	Mr. Sanjeev Kumar Sachdev (Nominee, IDBI Bank Limited)

In all, there were 6 Directors, including 3 Independent Directors and a Nominee Director as on March 31, 2018. Mr. Radheyshyam Dalchand Agarwal has tendered his resignation as a Director of the Company w.e.f. January 25, 2018. However, the same was not taken on record by the Board of Directors upto March 31, 2018 as the Board continued to request him to re-consider his decision.

None of the Directors hold chairmanship on the Board of any other Public Companies in which they are directors.

Further, none of the non-executive independent and Nominee directors holds any shares or convertible instruments in the Company.

- **Number of other Boards or Board Committees in which a director is a member or chairperson:**

Name of the Director	Directorships	Committee Positions	
		Chairman	Member
Mr. Venugopal N. Dhoot	4	-	3
Mr. Radheyshyam Agarwal	7	2	3
Mr. Subhash S. Dayama	4	2	2
Mr. Bhopinder Chopra (upto 22.09.2017)	-	-	-
Mrs. Sarita Surve	-	-	1
Mr. Pradip Kumar Das (upto 10.08.2017)	-	-	-
Mr. Sanjiv Kumar Sachdev (From 22.09.2017)	-	-	-

- *Directorship held by Directors does not include any alternate directorships, directorships in Foreign Companies, directorships in Companies incorporated under Section 8 of the Companies Act, 2013 and Private Limited Companies.*
- *Committee chairmanship and membership is taken into account of only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies, as per SEBI Regulations.*
- **Number of Board Meeting held, dates and attendance; including attendance at the last Annual General Meeting:**

During the year under review, the Board met 7 times on 26.05.2017. 22.09.2017 20.11.2017, 24.11.2017, 05.01.2018, 22.01.2018 rescheduled and held on 23.01.2018.

Attendance

Name of the Director	No. of Board Meetings attended	Attendance at the last Annual General Meeting held on December 22, 2017
Mr. Venugopal N. Dhoot	7	No
Mr. Radheyshyam Agarwal	6	Yes
Mr. Subhash S Dayama (from 14.05.2016)	7	Yes
Mr. Bhopinder Chopra (upto 22.09.2017)	-	Yes
Mr. Pradip Kumar Das (Nominee Director) (upto 10.08.2017)	-	NA
Mr. Sanjeev Kumar Sachdev (Nominee Director) (From 22.09.2017)	3	No
Mrs. Sarita Surve	1	No

Independent Directors Meeting

One separate meeting of the Independent Directors was held on 23.01.2018, which was attended by all the Independent Directors.

- **Board Procedure:**

a) **Background**

With a view to institutionalize all corporate affairs and setting up systems and procedures for advance planning for matters requiring discussions, decisions by the Board, the Company has well defined guidelines and procedures for meetings of the Board of Directors and Committees thereof.

b) Scheduling and Selection of the Agenda items

The Company Secretary of the Company circulates the agenda of the meeting along with all the supporting documents to all the directors entitled to receive the same, to facilitate meaningful and quality discussions at the time of the meeting. The notices and agenda along with supporting documents are circulated well in advance. The Agenda of the Meeting is finalized by the Chairman and Managing Director of the Company.

c) Information placed before the Board Members

The information generally placed before the Board members *inter-alia* includes:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly/Annual results of the Company and its operating divisions or business segments;
- Minutes of the meetings of Audit Committee and other Committees of the Board;
- Notice of Disclosure of Interest;
- The information on recruitment and remuneration of senior offices just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Material important litigations, show cause, demand, prosecution notices and penalty notices, if any and status updates;
- Sale of material nature of investments, subsidiaries and assets, which are not in the normal course of business;
- Establishment, operations and set up of Joint Venture, Subsidiary or Collaboration etc.,
- Investment/Divestment of Joint Ventures, Subsidiaries;
- Acquisitions/Amalgamation/Re-organisation of business segments etc;
- Compliance Reports;
- Minutes of the Board Meetings, Annual General Meetings of Subsidiary Companies and significant transactions if any;
- Related Party Transactions;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions. Also any significant development in Human Resource and Industrial Relations;
- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc;
- Any issue, which involves possible public or product liability claims of substantial nature including any judgment or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the Company; and
- Any other materially relevant information.

d) Recording Minutes of the Proceedings

Minutes of the proceedings of each Board/Committee/General Body Meetings are recorded. Draft minutes are circulated amongst all the members for their feedback/comments. The minutes of all the meetings are entered in the minutes book.

e) Follow up Mechanism

The guidelines for the Board/Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the actions taken on decisions of the Board and the Committees.

f) Compliance

The Board periodically reviews the compliance reports to ensure adherence to all the applicable provisions of the law, rules and guidelines.

g) Code of Conduct

The Board has laid down a Code of Conduct for all directors and senior management of the Company, which has been posted on the website of the Company i.e. www.videoconindustriesltd.com. All directors and senior management personnel have affirmed compliance with the code for the year ended March 31, 2018. A declaration to this effect signed by the Chairman and Managing Director is annexed to this Report.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors of the Company have set up various Committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each of the Committee is guided by well-defined scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board either for information or approval. Following are the details of the Committees as on March 31, 2018:

1. AUDIT COMMITTEE:

The Board has constituted an Audit Committee with all the members being Non-Executive; having majority of Independent Directors including the Chairman. They possess sound knowledge and are financially literate persons having vast experience in the area of finance, accounts and industry.

Composition as on March 31, 2018:

Name	Designation	Category
Mr. Radheyshyam Agarwal	Chairman	Independent
Mr. Subhash Dayama	Member	Independent
Mrs. Sarita Surve	Member	Independent

During the year under review, the Audit Committee was reconstituted due to resignation of Mr. B K Chopra w.e.f. 22.09.2017 from the office of the Board of Directors of the Company. Mrs. Sarita Surve was co-opted as the member of the Audit Committee in place of Mr. B K Chopra.

Meetings and Attendance:

During the year under review, 6 meetings of the Committee were held on, 26.05.2017, 22.09.2017, 20.11.2017, 24.11.2017, 05.01.2018, 22.01.2018.

<u>**Attendance:**</u>

Name	Meetings Attended
Mr. RadheyShyam Agarwal	5
Mr. Subhash Dayama	6
Mr. Bhopinder Chopra (upto 22.09.2017	-
Mrs. Sarita Surve (From 11.02.2017)	2

The Statutory Auditors, Cost Auditors and the Head of Internal Audit attended and participated in the meetings, on invitation. The Company Secretary was the *de-facto* Secretary of the Committee.

Terms of reference and Scope of the Committee:

The following are the terms of reference and scope of the Audit Committee:

a) Overall assessment of the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statement is correct, sufficient and credible.

b) Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and fixation of the audit fee and also approval for payment for any other services rendered by the Auditors.

c) Reviewing with management the annual financial statements before submission to the Board for approval, focusing primarily on:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of Sub- Section (3) of Section 134 of the Companies Act, 2013.
- Changes, if any, in accounting policies and practices, and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment by management.
- Modified opinion(s) in the draft audit report.
- Significant adjustments made in the financial statements arising out of audit findings.
- The going concern assumption.
- Compliance with accounting standards.
- Qualification in the draft audit report, if any.
- Compliance with Listing Agreement and other legal requirements concerning financial statements.
- Any related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.

d) Reviewing with the management the quarterly financial results before submission to the Board for approval.

e) Reviewing, with the management, the statement of utilization/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

f) Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems.

g) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.

h) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

i) Discussion with internal auditors regarding any significant findings and follow up there on.

j) Reviewing the findings, if any, of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

k) Discussion with statutory auditors before the commencement of audit, on nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

l) Approval or any subsequent modification of transactions of the Company with related parties.

m) To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

n) Scrutiny of inter-corporate loans and investments.

o) Valuation of undertakings or assets of the Company, wherever it is necessary.

p) Evaluation of internal financial controls and risk management systems.

q) Financial Statements and Investments made by Subsidiaries.

r) To review the functioning of Whistle Blower Mechanism.

s) Approval of appointment of CFO (i.e. whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.

t) Carrying out any other function which is mentioned in the terms of reference of the Audit Committee.

The Committee also reviews:

- Management discussion and analysis of financial conditions and results of operations.
- Statement of significant related party transactions, if any.
- Management Letters/Letters of internal control weaknesses issued by the Statutory Auditors.
- Internal Audit Reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations:

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

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

The Audit Committee is also vested with the following powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Whistle Blower Policy & Vigil Mechanism

The Companies Act, 2013 and SEBI Regulations require all the listed companies to institutionalize the vigil mechanism and Whistle Blower Policy. Accordingly, the Board has adopted Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding its accounting, auditing, internal controls or disclosure practices. It gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. More details are available on website www.videoconindustriesltd.com

2. NOMINATION AND REMUNERATION COMMITTEE:

Composition of the Committee as on March 31, 2018:

Name	Designation	Category
Mr. Subhash Dayama	Chairman	Independent
Mr. Radheyshyam Agarwal	Member	Independent
Mrs. Sarita Surve	Member	Independent

During the year under review, the Nomination and Remuneration Committee was reconstituted due to resignation of Mr. B K Chopra w.e.f. 22.09.2017 from the office of the Board of Directors of the Company. Mrs. Sarita Surve was co-opted as the member of the Nomination and Remuneration Committee in place of Mr. B K Chopra.

Company Secretary acts as the *de-facto* Secretary to the Committee.

Meetings and attendance:

During the financial year under review, 3 meetings of the Committee were held on 26.05.2017, 22.09.2017 and 20.11.2017

Name	Meetings Attended
Mr. RadheyShyam Agarwal	3
Mr. Subhash Dayama	3
Mr. Bhopinder Chopra (upto 22.09.2017	-
Mrs. Sarita Surve (From 11.02.2018)	-

Terms of reference and Scope of the Committee:

The terms of reference and scope of the Committee are represented below:

- Formulation of the criteria for determining qualifications, positive attributes and independence of the director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising the policy on diversity of the board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of independent director on the basis of the report of performance evaluation of independent directors;
- Fixing & Reviewing the remuneration of the Chief Executives and other senior officers of the Company;
- Recommending the remuneration including the perquisite package of key management personnel;
- Determining the remuneration policy of the Company;
- Recommending to the Board retirement benefits;
- Reviewing the performance of employees and their compensation; and
- Attending to any other responsibility as may be entrusted by the Board.

Remuneration Policy:

The Company has formulated the remuneration policy. The details of this policy are available on the Company's website viz. www.videoconindustriesltd.com.

Performance Evaluation Criteria for Independent Directors:

The Board evaluates the performance of independent directors (excluding the director being evaluated) on the basis of the contributions and suggestions made to the Board with respect to financial strategy, business operations etc.

Familiarisation Program for Independent Directors:

The details of the familiarization program are available on the Company's website viz. http://www.videoconindustriesltd.com/Documents/Familiarisation%20Program%20for%20independent%20directors.pdf

Director's Remuneration:

(a) The Promoter Director is not paid any sitting fees. Mr. Venugopal N. Dhoot, Chairman and Managing Director is not entitled for remuneration as per his terms of appointment.

(b) The Independent Directors are paid only sitting fees for attending Board/Committee Meetings. The details of payment/entitlement of sitting fee during the period under review are as follows:

Sr. No.	Name of the Director	Sitting Fees (₹)
1	Mr. RadheyShyam Agarwal	4,60,000
2	Mr. Bhopinder Chopra (upto 22.09.2017)	-
3	Mr. Subhash Dayama	5,20,000
4.	Mrs. Sarita Surve	60,000
5	Mr. Pradip Kumar Das	-
6.	Mr. Sanjiv Kumar Sachdev	60,000

Stock Options:

The Company has not issued any Stock Options.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Composition as on March 31, 2018:

The composition of the Stakeholders' Relationship Committee of the Board of Directors as on March 31, 2018, was as under:

Name	Designation	Category
Mr. Subhash Dayama	Chairman	Independent
Mr. Radheyshyam Agarwal	Member	Independent
Mr. Venugopal N. Dhoot	Member	Executive

During the year under review, the Stakeholders' Relationship Committee was reconstituted due to resignation of Mr. B K Chopra w.e.f. 22.09.2017 from the office of the Board of Directors of the Company. Mr. Venugopal N Dhoot was co-opted as the member of Stakeholders' Relationship Committee in place of Mr. B K Chopra.

Meetings and Attendance:

During the financial year under review, 6 meetings were held on the following dates 12.05.2017, 24.05.2017, 27.06.2017, 22.09.2017, 20.11.2017 and 23.01.2018

Name	Meetings Attended
Mr. Subhash Dayama	6
Mr. Bhopinder Chopra (Upto 22.09.2017)	-
Mr. RadheyShyam Agarwal	6
Mr. Venugopal N. Dhoot	2

Compliance Officer:

Mr. Mandar Joshi, Company Secretary, is the Compliance Officer.

Terms of reference and Scope of the Committee:

The Stakeholders' Relationship Committee plays an important role in acting as a link between the management and ultimate owners of the Company i.e., the shareholders.

The Committee has delegated the power of Share Transfer to Registrar and Share Transfer Agent, who processes the transfers. The Committee also looks after the redressal of investors' grievances and performance of the Registrar and Share Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services.

Scope of the Committee:

- Transfer of shares;
- Transmission of shares;
- Issue of Duplicate Share Certificates;
- Change of Status;
- Change of name;
- Transposition of shares;
- Sub-division of shares;
- Issue and Allotment of securities;
- Consolidation of Folios;
- Requests for Dematerialization/Rematerialization of shares; and
- Redressal of investor grievances.

The Committee also closely monitors compliance of the code of conduct for prevention of insider trading.

The power of share transfer has been delegated to M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company, who processes the transfers.

Share Transfer Details:

The number of Shares transferred during the year under review:

Sr. No.	Particulars	Equity
a)	Number of Transfers	188
b)	Average No. of Transfers per Month	15.67
c)	Number of Shares Transferred	3,006

Demat/Remat of Shares:

Sr. No.	Particulars	Equity
a)	Numberof Demat Requests approved	1,446
b)	Number of Sub-committee Meetings held	46
c)	Number of Shares Dematerialized	20,160
d)	Percentage of Shares Dematerialized	0.01
e)	Number of Rematerialization Requests approved	3
f)	Number of Shares Rematerialized	13,063

Details of complaints received and redressed during the year ended March 31, 2018:

During the year under review, the pending complaints at the beginning of the year were 2. The Company received 538 complaints during the year under review. 535 were redressed to the satisfaction of the shareholders. However, there are 5 pending complaints in respect of which the Registrar has sent interim responses to the Investors.

4. RISK MANAGEMENT COMMITTEE:

The Company has constituted the Risk Management Committee to monitor and review the risk management plan. Framework of the Risk Management includes: Risk Identification, Risk Assessment, Risk Measurement, Risk Mitigation and Monitoring, Risk Treatment and Risk Reporting.

The Company has in place a comprehensive policy on risk management for assessment of risk and minimize their adverse impact on the activities of the Company. The same is displayed on the Company's website viz. www.videoconindustriesltd.com.

Composition of the Committee:

The composition of the Committee as on March 31, 2018, was as under:

Name	Designation	Category
Mr. Radheyshyam Agarwal	Chairman	Independent
Mr. Subhash Dayama	Member	Independent
Mrs. Sarita Surve	Member	Independent

During the year under review, the Risk Management Committee was reconstituted due to resignation of Mr. B K Chopra w.e.f. 22.09.2017 from the office of the Board of Directors of the Company. Mrs. Sarita Surve was co-opted as the member of Risk Management Committee in place of Mr. B K Chopra.

Meeting and Attendance

Two meetings were held on 26.05.2017and 22.09.2017 which were attended by Mr. Radheyshyam Agarwal and Mr. Subhash Dayama.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):

Composition of the Committee:

The Composition of the Committee as on March 31, 2018 was as under:

Name	Designation	Category
Mr. Venugopal N. Dhoot	Chairman	Promoter, Executive
Mr. Radheyshyam Agarwal	Member	Independent
Mr. Subhash Dayama	Member	Independent

During the year under review Mr. B. K. Chopra Ceased to be member of CSR Committee consequent to resignation from the office of board of Director of the Company. w.e.f. 22.09.2017.

Terms of Reference of the Committee:

The Terms of Reference of the Committee are to:-

1. Formulate and recommend to the Board the CSR Policy and its review from time-to-time.
2. Recommend the amount of expenditure to be incurred on the CSR activities.
3. Ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
4. Ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

Meeting and Attendance

No Meeting was held during the year under review

6. FINANCE AND GENERAL AFFAIRS COMMITTEE:

Composition as on March 31, 2018:

Name	Designation	Category
Mr. Venugopal N. Dhoot	Chairman	Promoter-Executive
Mr. Radheyshyam Agarwal	Member	Independent
Mr. Subhash S. Dayama	Member	Independent

During the year under review, Mr. B. K. Chopra ceased to be member of Finance And General Affairs Committee, consequent to resignation from the office of board of Director of the Company. w.e.f. 22.09.2017.

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

Meeting and Attendance:

During the financial year under review, the Committee met 19 times.

Name	Meetings Attended
Mr. Venugopal N. Dhoot	19
Mr. RadheyShyam Agarwal	15
Mr. Bhopinder Chopra **(upto 22.09.2017)**	-
Mr. Subhash S. Dayama	17

Terms of reference and Scope of the Committee:

The Committee is entrusted with various powers from time to time, which shall aid in speedy implementation of various projects, activities and transaction whether routine or non-routine in nature.

7. RE-ORGANIZATION COMMITTEE:

Composition as on March 31, 2018:

Name	Designation	Category
Mr. Venugopal N. Dhoot	Chairman	Promoter-Executive
Mr. Radheyshyam Agarwal	Member	Independent

Meeting and attendance-

No meeting was held during the year under review.

Terms of reference:

The said Committee was formed to re-organize and segregate various business segments of the Company with a view to ensure greater focus to the operation of each of its diverse businesses, enhanced value for shareholders and improvement in the business prospects of the Company. The said Committee have the powers to engage and appoint legal, tax, financial and other consultants to advise and assist it in the above said matter and do all such acts, deeds and things, as may be required.

GENERAL BODY MEETINGS

- **Location and time, where last three Annual General Meetings were held:**

AGM	Date	Location	Time	Special Resolution Passed
25th	June 27, 2015	14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad-431 105	10:00 am	1 (One)
26th	June 27, 2016	14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad-431 105	11.30 am	1 (One)
27th	December 22, 2017	14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad-431 105	11.00 am	1 (One)

- **Postal Ballot**

No special resolution was passed through postal ballot during the financial year under review.

None of the businesses are proposed to be transacted at the ensuing Annual General Meeting which requires passing of a Special resolution through postal ballot.

- **Extra-Ordinary General Meeting**

No Extraordinary General Meeting was held during the year under reference.

MEANS OF COMMUNICATION

The Company regularly intimates its financial results, audited/ limited reviewed, to the Stock Exchanges, as soon as the same are taken on record /approved. These financial results are published in the Free Press Journal and Loksatta, English and Marathi language newspapers, respectively. These results are not distributed/sent individually to the shareholders.

In terms of the requirements of the Listing Regulations, the reports, statements, documents, filings and any other information is electronically submitted to the recognized stock exchanges, through www.listing.bseindia.com and www.connect2nse.com; unless there are any technical difficulties while filing the same.

All important information and official press releases are displayed on the website for the benefit of the public at large. Analysts' Reports/ Research Report, if any, are also uploaded on the website of the Company. The Company's website can be accessed at www. videoconindustriesltd.com.

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

GENERAL SHAREHOLDER INFORMATION

- **ANNUAL GENERAL MEETING:**

The Twenty-Seventh Annual General Meeting of the Company will be held as per the following schedule:

Day	As set out in the Notice convening AGM
Date	As set out in the Notice convening AGM
Time	As set out in the Notice convening AGM
Venue	At the Registered Office: 14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan Dist.: Aurangabad - 431 105 (Maharashtra)

- **FINANCIAL CALENDER FOR THE YEAR ENDED 31ST MARCH, 2019:**

The financial calendar (tentative) shall be as under:

Financial Year	April 1, 2018 to March 31, 2019
First Quarterly Results	On or before August 14, 2018
Second Quarterly Results	On or before November 14, 2018
Third Quarterly Results	On or before February 14, 2019
Fourth Quarterly Results	On or before May 30, 2019
Annual General Meeting for year ending 31st March, 2018	On or before September 30, 2019

- **DATE OF BOOKCLOSURE:**

The date of Book Closure for the purpose of Annual General Meeting shall be communicated separately and will be set out in the Notice convening the Annual General Meeting.

- **LISTING ON STOCK EXCHANGES AND STOCK CODE:**

The Equity Shares of your Company are listed on BSE Limited and The National Stock Exchange of India Limited (NSE). The names and addresses are given below:

Sr. No.	Name and Address of the Stock Exchanges	Stock Code
1	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 Web: www.bseindia.com	511389
2	The National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra East, Mumbai - 400 051 Web: www.nseindia.com	VIDEOIND

Global Depository Receipts of the Company are listed on:
Bourse de Luxembourg, 11 avenue, de la, Porte, NeuveL-2227, Luxembourg Web: www.bourse.lu

Foreign Currency Convertible Bonds of the Company are listed on:
Singapore Exchange Securities Trading Limited, 2, Shanton Way, # 19-00, SGX Centre 1, Singapore - 068 804
Web: www.sgx.com

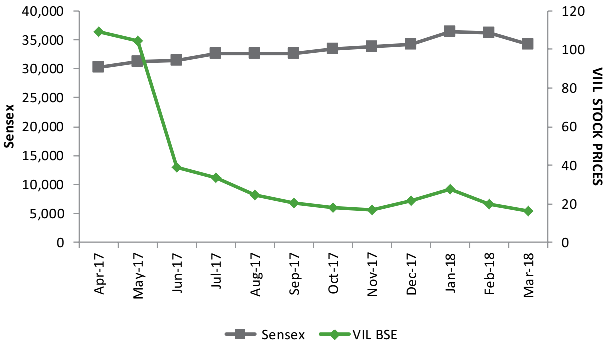
The Company has not paid listing fees for the year 2017-18 to both the Stock Exchanges and the Custodial Fees for the year 2017-2018 to National Securities Depository Limited and Central Depository Services (India) Limited for the year under review.

- **MARKET PRICE DATA:**

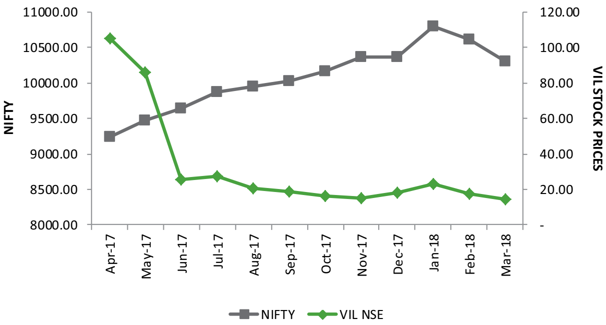
Average monthly high and Low prices at BSE and NSE are given below:.

Month	BSE		NSE	
	High	Low	High	Low
April-17	109.1	103	105.18	103.54
May-17	104.3	40.65	85.97	84.25
June-17	38.65	16.35	25.48	25.26
July-17	33.5	21.7	27.28	26.12
August-17	24.9	17.55	20.72	19.74
September-17	20.4	15.9	18.56	17.78
October-17	17.9	15	16.43	15.83
November-17	17	12.1	14.94	14.30
December-17	21.4	15.3	18.19	17.32
January-18	27.3	17.85	23.01	21.75
February-18	19.85	14.6	17.77	16.83
March-18	16.25	12.5	14.40	13.58

A comparative chart showing Videocon Industries Limited (VIL) High verses BSE High:



A comparative chart showing Videocon Industries Limited (VIL) High verses NSE High:



- **REGISTRAR AND SHARE TRANSFER AGENT:**

MCS Share Transfer Agent Limited
A-209, C Wing, 2nd floor Gokul Industries Estate Building,
Sagbaug, Marol Co-op Industrial Area,
B/H Times Square, Andheri East, Mumbai- 400059.
Tel. 022-40206022-25
Fax 022-40206021E-mail: mcssta.mumbai@gmail.com

- **SHARE TRANSFER SYSTEM:**

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/are duly transferred and dispatched within a period of 15 days from the date of receipt

- **DISTRIBUTION OF SHAREHOLDING:**

A) **Shareholding Pattern as on March 31, 2018:**

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a percentage of (A+B+C)
(A)	**Shareholding of Promoter and Promoter Group**			
(1)	Indian	38	148,430,733	44.38
(2)	Foreign	-	-	-
	Sub-Total (A)	**38**	148,430,733	44.38
(B)	**Public Shareholding**			
(1)	Institutions	103	34,209,350	10.23
(2)	Non-Institutions			
	-Bodies Corporate	1,700	2,96,52,945	8.86
	-Individuals	330,523	8,04,78,035	24.07
	-Others	2,499	4,16,87,812	12.46
	Sub-Total (B)	**334,825**	**18,60,28,142**	**55.62**
	TOTAL (A) + (B)	**296,458**	**334,458,875**	**100.00**
(C)	**Shares held by Custodians and against which depository Receipt have been issued**			
(1)	Promoter and Promoter Group			
(2)	Public	-	-	-
	Sub-total (C)	**-**	**-**	**-**
	GRAND TOTAL (A) + (B) + (C)		**3,34,458,875**	**100.00**

B) **Distribution of Shareholding as on March 31, 2018:**

Shareholding of Nominal Value	Number of Shareholders	% to the total number of shareholders	No. of Shares	Amount in ₹	% to Total value of Capital
Up to 5,000	313,647	93.69	11,090,143	110,901,430	3.32
5001 to 10000	9,247	2.76	7,856,127	78,561,270	2.35
10001 to 20000	5,103	1.52	8,066,580	80,665,800	2.41
20001 to 30000	1,937	0.58	5,078,866	50,788,660	1.52
30001 to 40000	982	0.29	3,597,625	35,976,250	1.08
40001 to 50000	1,006	0.30	4,823,172	48,231,720	1.44
50001 to 100000	1,568	0.47	11,914,389	119,143,890	3.56
100001 and above	1,289	0.39	282,031,973	2,820,319,730	84.32
Total	334,779	100.00	334,458,875	3,344,588,750	100.00

- **DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

The Company's Equity Shares are under compulsory demat trading by all categories of investors. As on March 31, 2018, 33,27,74,980 Equity Shares have been dematerialized which account for 99.50 % of the total equity.

- **OUTSTANDING GDRs/ ADRs/WARRANTS OR CONVERSION INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY (March 31, 2018):**

The details of outstanding FCCBs and their likely impact on the equity upon conversion are tabulated as under: -

Sr. No.	Particulars	FCCB
1	Principal Value of the FCCBs issued	USD 97,200,000
2	Principal Value of FCCBs converted into equity till March 31, 2018	-
3	Underlying equity shares issued pursuant to conversion of FCCBs as referred S. No. 2	-
4	Principal Value of FCCBs outstanding at the end of the period i.e. as on March 31, 2018	USD 75,200,000
5	Underlying equity shares which may be issued upon conversion of FCCBs as referred in S. No. 4 hereinabove.	36,917,348

- **DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:**

  The Risk Management Committee identifies the risk elements and manages the risk pertaining to hedging activities and periodically discusses & mitigates the identified risks from time to time.

- **WARRANTS:**

  There were no warrants issued during the year under review.

- **PLANT LOCATIONS:**

  The Company has manufacturing facilities at the following locations:

1. 14 K. M. Stone, Aurangabad-Paithan Road, Village: Chittegaon, Taluka: Paithan, Dist.: Aurangabad - 431 105, Maharashtra.
2. Village: Chavaj, Via Society Area, Taluka & Dist.: Bharuch - 392 002, Gujarat.
3. Vigyan Nagar, Industrial Area, Opp. RIICO office, Shahjahanpur, Dist.: Alwar-301 706, Rajasthan.

- **ADDRESS FOR CORRESPONDENCE:**

  Videocon Industries Limited
  14 K.M. Stone, Aurangabad-Paithan Road, Village: Chittegaon,
  Taluka: Paithan,Dist.: Aurangabad-431 105, Maharashtra Tel:
  02431-663933 (Secretarial Dept.)
  Tel: 02431-251501 Fax: 02431-251551
  Email: secretarial@videoconmail.com

  The Correspondence address for shareholders in respect of their queries is:

  MCS Share Transfer Agent Limited
  A-209, C Wing, 2nd floor Gokul Industries Estate Building,
  Sagbaug, Marol Co-op Industrial Area,
  B/H Times Square, Andheri East, Mumbai- 400059.
  Tel. 022-40206022-25 Fax 022-40206021
  E-mail: mcssta.mumbai@gmail.com

DISCLOSURES

- **Materially significant related party transactions i.e. the transactions of the Company of material nature with its promoters, directors/management, subsidiaries/relatives etc. that may have potential conflict with the interests of the Company at large.**

  There are no transactions which may have potential conflicts with the interests of the Company at large. Transactions with related parties are disclosed in note no. 44 of standalone financial statement(s) of the Annual Report - Related Party Disclosures.

- **Non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

  Nil

- **Details of Establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.**

  The Company has implemented Vigil Mechanism and Whistle Blower Policy and it is hereby affirmed that no personnel have been denied access to the Audit Committee.

- **Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

  The status of compliance with discretionary recommendations of the Regulation 27 of the SEBI Regulations with Stock Exchanges inter-alia *is provided below:*

  a. *Shareholders' Rights: As the quarterly and half yearly financial performance along with significant events are published in the news papers and are also posted on the Company's website, the same are not being sent to the shareholders.*

  b. *Modified Opinion in Auditors Report: The Company's Financial Statements for the year ended 31st March, 2018 does not contain any modified audit opinion.*

  c. *Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.*

- **Weblink where the policy for determining material subsidiary and related party transactions is disclosed.**

  The policy on material subsidiary and related party transactions is disclosed on the Company's weblink viz. http://www.videoconindustriesltd.com/PolicieChar.aspx

  The Company is in compliance with the corporate governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Regulations.

- **Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account**

  As on March 31, 2018, 1,03,756 *Equity Shares held by* 24,038 *Equity Shareholders were unclaimed. The Company has transferred all the unclaimed shares into one folio in the name of "Videocon Industries Limited – Unclaimed Suspense Account" and is in process of dematerialization of the said shares. All those shareholders whose shares are unclaimed are required to contact the Company or M/s. MCS Share Transfer Agent Limited, Registrar and Transfer Agent of the Company with self attested copy of PAN Card for each of the joint shareholder(s) and Address Proof. On receipt of the request letter and on verification form, the Company shall arrange to credit the shares lying in the Unclaimed Suspense Account to demat account of concern shareholder or deliver the share certificate(s) after re-materialising the same. During the year under review, the Company has not received any request from such shareholder for transfer of any shares from the Suspense Account and as such no shares were transferred from the said Account. The voting rights on such shares shall remain frozen till the rightful owner claims the shares.*

MISCELLANEOUS

- **BANK DETAILS:**

  Shareholders holding shares in physical form are requested to notify / send the following information to the Registrar and Share Transfer Agent of the Company:

- Any change in their address/mandate/bank details etc; and
- Particulars of the bank account in which they wish their dividend to be credited (in case the same has not been furnished earlier);and should include the following particulars namely, Bank Name, Branch Name, Account Type, Account Number and MICR Code (9 digits).

- **PERMANENT ACCOUNT NUMBER:**

  The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent.

- **NOMINATION FACILITY:**

  Shareholders holding shares in physical form and desirous of submitting/changing nomination in respect of their shareholding in the Company may submit Form SH-13 (in duplicate) as per the provisions of Section 72 of the Companies Act, 2013, to the Company's Registrar and Share Transfer Agent.

CERTIFICATES AND CONFIRMATION

CMD/CFO CERTIFICATION

To,

The Board of Directors,

VIDEOCON INDUSTRIES LIMITED

I, the Chairman and Managing Director of the Company, certify to the Board that:

a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended on March 31, 2018 and to the best of my knowledge and belief:
   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of my knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company, disclosing to the Auditors and the Audit Committee the deficiencies in the design or operation of such internal controls, if any, and take steps or propose to take steps to rectify these deficiencies.

d) We have indicated, wherever applicable, to the Auditors and the Audit Committee:
   i. Significant changes in Internal Control over financial reporting during the year;
   ii. Significant changes in Accounting Policies, the same have been disclosed in the notes to the financial statement; and
   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For VIDEOCON INDUSTRIES LIMITED

CHAIRMAN, MANAGING DIRECTOR & CEO

Date : June 5, 2018
Place : Mumbai

COMPLIANCE CERTIFICATE OF THE AUDITORS:

A certificate from the Statutory Auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under Clause E of Schedule V of the Listing Regulations is attached to this report.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of

VIDEOCON INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Videocon Industries Limited, for the year ended on March 31, 2018, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions of Corporate Governance is a responsibility of the Management. Our examination was limited to the review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has substantially complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges. However, the Company has delayed submission of Share holding pattern / results / annual report and certain filings.

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

For M/s. S. Z. Deshmukh & Co.
Chartered Accountants
(Firm Registration No. 102380W)

D. U. Kadam
Partner
Membership No. 125886

Place : Mumbai
Date : June 5, 2018

DECLARATION

The Board has laid down a code of conduct for all the Board Members and Senior Management of the Company, which is posted on the Website of the Company. The Board Members and Senior Management have affirmed compliance with the code of conduct.

For VIDEOCON INDUSTRIES LIMITED

CHAIRMAN, MANAGING DIRECTOR AND CEO

Place : Mumbai
Date : June 5, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis report has been included in adherence to the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India (SEBI).

The Management Discussion and Analysis presented in this Annual Report focuses on reviewing the performance of the Company.

CONSUMER ELECTRONICS INDUSTRY OVERVIEW

The consumer durables industry is one of the most dynamic and fastest growing industries in India and is considered to be one of the largest in the world. The Company expect the consumer durables market to register a growth of about 8% on back of improvement in overall consumption in domestic market. The rising average dual-household incomes of consumers are the primary factor that drives the consumer electronics and home appliances market in India. With the recovery from the economic crisis of 2012, consumers have started investing heavily in products like smart consumer electronics and home appliances. The market is mainly driven by an increase in labour costs and product innovation in terms of technology, performance, design, and capability. As per the industry estimate, Indian appliances and consumer electronics market has reached approximately ₹ 2 Trillion in 2017-18. It is estimated that the market will increase at around 8-9.5 per cent CAGR to reach above ₹ 3 Trillion in 2021-2022. There is a lot of scope for growth from rural markets with consumption expected to grow in these areas as penetration of brand increases.

The Government's focus on rural electrification, housing for all so as to make affordable housing and power available to all the citizens of India and facilitate round the clock availability of power are expected to be key factors for strong growth in the consumer electronics and home appliances market. With the continuous inflow of disposable income and the advancement of technology, the need for the varied consumer durable goods are increasing.

The other factors which are driving the overall demand in consumer electronics and home appliances market are growing awareness amongst the customers, affordable pricing, improved standard of living, more purchasing power, nuclear families, higher disposable incomes, changing lifestyles, value for money, up-gradation of existing appliances with newer technological appliances. Further, rapid proliferation of e-commerce and online retaining and other retail marketing initiatives such as exchange program, bundled offers, attractive discounts, freebies and extended warranties are also driving the overall demand. The Government of India's policies and regulatory frameworks such as relaxation of license rules and approval of 51 per cent foreign direct investment (FDI) in multi-brand and 100 per cent in single-brand retail are some of the major growth drivers for the consumer market. The policy initiatives take by Government of India such as "Make in India" drives the domestic manufacturing and as a result many manufacturers are planning to build their own manufacturing base in India owing to the availability of low cost labour in the country.

This sector comprises three segments viz., white goods, brown goods and consumer electronics/durables. Consumer durables' is one of the fastest growing industry segments in India:

a. **White Goods:** Air conditioners, Washing Machines and Refrigerators

b. **Brown Goods:** Mixer Grinders, Microwave ovens, Cooking range, Juicers, Irons, Toasters, Electric fans, Vaccum Cleaners, Dishwashers, Water Purifiers, Dryers etc.,

c. **Consumer Electronics:** Television, Computers, Mobile Phones, Laptops, Gaming Consoles, Audio and Video systems, Home systems etc.,

Your Company has its focus on all three segments, serving these with a wide array of products catering to all types of consumer tastes and needs.

There is no doubt about the fact that the consumer electronics industry in India is booming! With an affluent middle class and the country's economic growth being on a rapid track, the consumer electronics industry has never before witnessed such amazing growth. With the Internet of Things (IoT) becoming a way of life, smaller, real-world devices such as home appliances, sensors, consumer electronic devices, etc. are getting connected to the Internet. The Internet of Things (IoT) is bringing billions of things into the digital fold, which will make the IoT a growing industry in India.

Advancement in technology and higher competition are driving price reductions in Consumer Durables. With the initiative of 'Make in India' campaign, many domestic and Chinese manufactures are investing in India to setup their manufacturing plants which would produce more affordable products.

Televisions:

India has the world's third largest television industry.

Smart TVs have been witnessing a healthy growth rate in India. With middle class growing along with higher disposable income and fuelled by lower prices as compared to two to three years ago the demand for Smart TVs has risen drastically over the years. Smart TV allows users to install and run advanced applications that are based on a specific platform.

The contribution of smart TVs to overall sales has gone upto significantly over last few years and the share is expected to move up. Smart TVs market in India registered robust growth in 2017-18 attributed to a sharp drop in the prices of the Smart TVs as well as rising penetration of Smart TV vendors. Rise in disposal income levels and growing internet penetration in the country contributed to an increase in sales of Smart TVs. Huge investment by video streaming media companies like Hotstar, Amazon Prime and Netflix let to an increase in demand for Smart TVs.

Also with increasing innovation and technological improvements in the consumer electronics industry, the cost of Smart TVs is expected to see a downward trend in future as well. Factoring these, we can say that Smart TVs are well on their way to become one of the preferred mainstream products in India. As far as viewing experience is concerned, most of the Smart TVs whether 4K TV's or HDR, are available in large screens format only which magnifies the experience immensely. Hence Smart TVs certainly offer better viewing experience bundled with their flagship technologies. However, the viewing experience is only got to do with the display technology and nothing much yet with the "Smart Features" of the TV. Growing penetration of internet services and expanding internet consumer base is expected to drive the market over the next few years. In addition, market leaders have been investing in smart TV technology in order to gain competitive advantage. The technology transition from internet TVs to smart TVs that provide convergent services is also expected to result in favourable market conditions. With BEE ratings becoming mandatory for Flat Panel Display segment, it is expected to bring energy efficiency into focus for the television sets.

Smart TV could play an important part in the overall Smart city initiative of the Government. Being embedded in the government systems, it can be an important element of the Information & Communication Technologies (ICT). TVs equipped with technologically advanced and smart features can support the initiative, by enabling users to keep a watch on the streets for suspicious activities or to warn people who litter the streets. Smart TVs could also download important announcements/videos which could be circulated by the municipal and governing bodies of various regions.

Refrigerators:

The Indian refrigerators market is categorized into two product types' i.e. direct cool refrigerators and frost free refrigerators. Frost free refrigerators do not require manual defrosting and on the contrary in direct cool refrigerators manual defrosting is needed. The frost free refrigerator market of India is gaining massive popularity and momentum over traditional refrigerator models. There is a trend for double door refrigerator which starts from 200 liter capacity to maximum 500 liters. Direct cool refrigerators dominate in the Indian market whereas frost free refrigerators are becoming popular among urban households.

Energy star rating, Rising household income, Improving living standards, Rapid urbanization, Increasing number of nuclear families, Large untapped market, Environmental changes, Warranties, Discounts, Incentives, Easy cleaning facilities are major growth drivers for the refrigerator industry. The efforts of players to offer affordable and eco-friendly variants and strategies to penetrate into smaller towns are acting as a driving force for the industry. Further, rising per capita income, increasing role of the government to support FDI in India and easy availability of financing will also drive the industry. New lifestyles where food is kept for longer after cooking is also driving up demand for refrigerators. Penetration of electricity and affordable housing offer the space and possibility of buying a fridge to those who would not be able to use one earlier. The major players are cutting their prices and launching the new models with advanced features and new designs. With the rising per capita income levels, declining prices and consumer finance the refrigerator market is expected to grow in future years. The utility and the need of refrigerator is felt 365 days in a year, and hence has become an indispensable item of every household. Moreover, due to the hot and humid weather conditions in the country, the necessity of the product has increased manifolds.

Washing Machines:

Growing disposable income and easy financing options have led to shortened replacement cycles whereas rising influence of modern lifestyle has perceived products such washing machines as utility items rather than luxury goods. Penetration of washing machines is expected to increase in the coming years with sales from rural India. Demand for washing machines goes up during monsoons and there is a greater need among urban and metro consumers to upgrade their machines during coming seasons.

In the current scenario washing machines are no more a privilege. It has become an essential item in every house making the practice of washing clothes more intelligent, personalised and time saving. Also, the washing machines now-a-days are given an aesthetic touch that makes them look stylish trendy and user friendly. It has contributed significantly to automate household chores. The dependence on technology has increased considerably during the years. Thought process of people in direction of having a better lifestyle is facilitating trade and commerce. Its demand has been increasing in India due to increasing availability of new innovative models in the market and increasing PPP of the Indian middle class families. The market is flooded with numerous leading appliances brands presenting a huge variety of models across fully automatic top loading, fully automatic front loading and semi-automatic category. New technologies include Smart features washing machines along with the reduction in water usage.

The most pertinent trend is towards 'premiumization', i.e., a shift towards more premium offerings.

Air Conditioner:

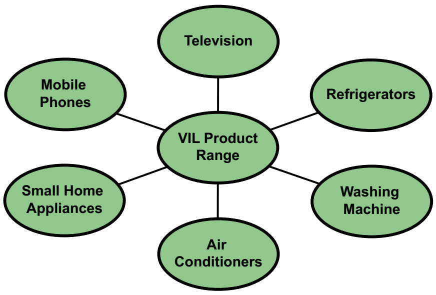
The market of air conditioners in India has been on a steady growth ever since, apart from certain exceptions. The perception of people towards the category of this product has witnessed a paradigm shift over the years from a luxury product to becoming a necessity in hot humid weather conditions of India. High income growth and rising demand for split ACs are the key growth drivers. High summer temperatures in the North and high humidity levels in the west and south are driving the growth of Air Conditioners in the country. Owing to BEE guidelines and power savings, consumers have developed a major preference for energy efficient models towards 5 Star rating and Inverter ACs. BEE's star labelling norms have become more stringent with its introduction of ISEER rating according to which a 5 star Model in 2017-18 would be a 3 star model in 2018-19.

Increasing demand by the residential sector owing to reduction in prices has instigated the manufacturers to aim for a higher market share in the highly potential market of air conditioners in India. The demand from the commercial segment is catching up fast with the increasing number of commercial offices, stores and business apartments being set up, as compared to the demand from the residential segment.

COMPANY PROFILE OF VIDEOCON

The company is engaged in the manufacture and wholesale and retail trade of consumer electronics and home appliances items and is a part of a large conglomerate with diversified business interests. Its segments include Consumer Electronics and Home Appliances; Crude Oil and Natural Gas; Telecommunications; Power and Others.

The Company engages in the manufacture, sales and service of the following types of products:



Some of the many advanced features of Videocon's high-end TVs include:

1. Eyeconiq Engine: This technology produces vastly superior visuals with 100% colours visible to the human eye, making skin tones beautiful and radiant. The primary colours - red, blue and green are enhanced equally to showcase brighter, richer and deeper pictures, which can otherwise be difficult to deliver.
2. Liquid Luminous Display: This technology enables the TV screen to reproduce up to 95% of the visualization capability of the human eye, whereas conventional LED screens are able to deliver only up to 72% in this regard. This gives a sensation of real and natural like colors.
3. 4K Ultra HD: Such LED screens use up to 8.3 million pixels for giving best in class display with crystal clear picture.
4. Windows TV: It has Microsoft Windows software in it so that it can be used as a personal computer (PC) if the necessary peripherals (input devices) are connected.
5. Digital Direct Broadcast (DDB): There is no need for any set top box as it is integrated into the TV, with satellite signals being received directly by the television.
6. Smart TV: It has android operating system running so that the user can also do various other things such as browse the internet and use their favourite android apps on their TV.
7. Wireless display Connectivity: Technologies such as Screen Mirroring, E-Share allow mirroring of mobile screen displays of the TV without use of HDMI or VGA cables.These features are specifically designed for Smart TV.
8. Star rated TV: This feature has been introduced as a "Go Green" initiative for power saving. It is also in compliance with BEE norms.
9. In Built Wi-Fi: Makes the TV more interactive than an idiot box by allowing user to connect with high speed internet wirelessly.
10. Videocon has introduced a majestic 98" UHD TV – the biggest TV in our range. With our 98" UHD TV, customers can experience theatrical ambience in the convenience of their homes.

Refrigerators:

Besides magical synthesis of design and performance, your refrigerators are compact outside and roomy inside. Entirely new range of High Efficiency Titanium Series FF refrigerators having capacity 250L, 280L & 330L was launched previously with New Looks as It is not just a Freezer, but it is a Deep Freezer with unmatched cooling efficiency of -30'C. Moving forward we are working on Inverter Refrigerators to be at par with the energy guidelines set by the Bureau of Energy Efficiency. This will result in considerable power savings. Videocon's refrigerators too are designed keeping the Indian consumer's needs and choices in mind. Apart from the high quality in design and manufacturing, they also carry the signs of innovativeness that distinguish the company's other products. These include:

1. One of India's most energy Efficient, certified by BEE (Bureau of Energy Efficiency) previously.
2. Titanium Series "The future of Refrigerators" with interactive touch digital control Panel.
3. Varied power rating to suit your electricity consumption tolerance, with up to 5 star rating in direct cool category.
4. Corner Cooling: Enhances cooling to keep the temperature consistent within the compartment, even at the corners.
5. Freezer LED: Unique LED arrangement to lighten up the freezer and other compartments better.
6. Highly durable compressor with a 10 year warranty.
7. Humidity Control that can be customized to the type of material that you intend to store.
8. Photosis Fresh: Optics technology that helps to keep the fruits and vegetables breathing inside the refrigerator.
9. Active air-flow: Keeps good air-flow within the compartment to keep the food fresh.
10. Wine rack: These help to keep the beverage bottles conveniently.
11. Cosmetics box where make-up items can be kept cool to prevent spoilage in summer.
12. A separate large bottle zone kept at a greater height for convenience.
13. Cool booster pack with a lower melting point than ice, which keeps items in freezer from spoiling in case of power outage.

14. Toughened glass which can take the load of heavier utensils easily, crafted to also avoid spillage.
15. Chiller tray with bottle storage for beverages best served chilled.
16. PCM/VCM finish doors with high gloss and designer patterns for greater aesthetic appeal.
17. The high end Side by side models also come with water dispenser in Stainless steel and PCM finish.

Washing Machines:

Videocon was the 1st company in India to initiate the concept of washing machines. Launched Washing Machine in the year 1986 in Semi-Automatic Category. Thereafter, it has expanded its product portfolio to Fully Automatic Top loading and Fully Automatic Front loading in sizes ranging from 5.5 Kg to 10Kg.To mention a few namely,

1. Digi one with Touch screen is the most modern Washing Machine which is Tech savvy and with inbuilt heater for sterilized wash, is unmatched in market for its unique features.
2. Digi Zara series of Fully Automatic Top Loading machines which are sleek and with modern technology like UV(Ultraviolet) sterilization for Hygiene wash, hot air dry technology in top load washing machine which continue to take laundry cleaning and hygiene to New level.
3. With addition of Alpha One series of Washing Machine introduced recently which extends the legacy of VIRAT series in Semi-Automatic category with new colour variants, improved features and big capacity.
4. Digi-Garcia series of Fully Automatic Washing Machines with vibrant colours and aesthetically superior looks, water saver function, multiple wash selection option, lesser water consumption and higher performance continues to be a popular series.

Air Conditioner:

To ride the wave of the greater adoption of split ACs in the country, the company has left no stone unturned in serving the consumer with the choicest offerings available. Hybrid Solar AC is a step forward towards innovation. In a bid to conserve energy and focus on using natural sources of energy, Videocon has launched the Hybrid Solar ACs that utilizes solar energy to run the AC. These ACs are highly energy efficient.

In addition, the Aryabot AC utilizes the smartphone technology and internet of things, which has the feature of controlling the AC via your mobile through Wi-Fi even when you are far from it. This ensures that by the time the consumer is back in his home, the AC has been running for a little while, and the consumer does not have to wait for the room to cool down after switching on the AC. It can also help the consumer turn the AC off in case they forgot to, when leaving home. Thus power consumption by the AC is conserved, without sacrificing comfort or convenience.

Some of the other developments that are part of our continuous research and development include:

1. Non CFC - Refrigerant AC development with Ozone friendly refrigerant R410a development for environment protection against Global warming and Ozone layer depletion
2. Inverter AC development i.e. Energy efficient Air-conditioner, Energy consumption reduction and better comfort for customer due to variable speed compressor running through DC Inverter Technology
3. G mark and CB approved air-conditioner models for export
4. Product development with New refrigerant R32, further better reduction in Global warming potential over R410a
5. Energy efficient AC development as per the new ISEER rating norms by BEE for year 2018
6. Videocon provides the most reliable solar panel that comes with 25 years' of linear power output warranty and 10 year panel warranty

Small Home Appliances:

With customer centricity, the company focuses to deliver high quality products, making it a brand you can trust. Products are long-lasting and save your time and effort for many years. The Company's appliances for cooking include microwave ovens, Oxy fryers, induction cooktops, toaster, sandwich maker, rice cooker and electric kettles. With a wide range of products with international look, feel and aesthetics, your company introduces every household in India to a world-class lifestyle. Other lifestyle appliances include electric irons and water heaters. Some of the features of the cooking appliances include:

1. Microwave ovens have a large number of auto-cook menus and combi functions for easy cooking.
2. They also have such features as digital jog wheels and lemon clean function.
3. Induction cooktops have anti-magnetic glass plates and vessel auto detect functions.
4. Air fryers under the sub brand OxyFryer reduce oil use in cooking fried snacks.
5. Electric kettles have stainless steel bodies and 360 degree rotation for ease of use.
6. Pop toasters toast bread and have crumb trays, defrost function and skid resistant feet.
7. Rice cookers are non-stick coated and have attractive designs. These cook rice.
8. Sandwich makers have detachable plates and skid resistant feet. They help make sandwiches.
9. Water heaters have high energy efficiency, decorative designs and robust metal bodies.
10. Irons have adjustable temperature knobs, non-stick plates and optional steam functions.

Mobile Phones:

The range of Tablets & Smartphone are a perfect combination of technology & style which gives you a host of technologically advanced features and access to thousands of applications that runs on super fast processors, latest Android technology and much more. That's not all with Videocon Mobiles, you will never miss on the fun with powerful battery support & due to their light weight they will be easy on your hands with effortless experience. You need to just go and grab our latest range of Videocon Mobiles and keep your whole world just a tap away. Your company will leverage its immense experience and capabilities in design and manufacturing to be at the forefront of the mobile led digital revolution that will bring the Internet based value added services to the largest number of consumers. Videocon Mobile Phones, with an aim to create a better world has got a presence worldwide especially because of its uncompromising and loyalty towards its customers across the globe.

INDIAN OIL & GAS INDUSTRY

India is the world's third largest energy consumer globally. The oil and gas sector is growing robustly and players are undertaking investments to cater to the increasing demand. The oil and gas sector is among the core industries in India and plays a major role in influencing decision making for all the other important sections of the economy.

India's economic growth is closely related to energy demand. Therefore, the need for oil and gas is projected to grow more and more, thereby making the sector quite conducive for investment.

The Government of India has enacted several policies to encourage and attract both domestic and foreign investments to fulfil the increasing demand. The government has allowed 100 per cent Foreign Direct Investment (FDI) in upstream and private sector refining projects, including natural gas, petroleum products, and refineries, among others. In order to further aid the development of the Sector, Government is also encouraging Indian investment abroad by Indian downstream/upstream oil companies.

Energy demand of India is anticipated to grow faster than energy demand of all major economies, due to continuous robust economic growth. Consequently, India's energy demand as a percentage of global energy demand is expected to rise.

OIL & GAS – SEGMENT OF VIDEOCON

The Company has established its presence in Oil and Gas business in India and Overseas, directly and through its subsidiaries/joint ventures.

The interest in the domestic Ravva block is directly held by Videocon Industries Limited while the Participating Interest in the overseas oil and gas assets is held through subsidiaries/joint ventures.

The original term of the Ravva product sharing contract is due to expire on October 27, 2019. RAVVA Joint Venture has submitted Revised Development Plan (RFDP) to Ministry of Petroleum & Natural Gas (MOPNG)/Directorate General of Hydrocarbons (DGH), for 10-year extension period and it is now under active consideration of GOI, to commercially monetize the remaining resources and additional exploration potential in the Block. In case of the Brazil assets, the Participating Interest is held by a company named IBV Brazil Petroleo Limitada, which is a

50:50 JV of Videocon Energy Brazil Limited (a 100%subsidiary of VHHL) and BPRL Ventures BV ("a wholly owned subsidiary of BPRL International BV, Netherlands).

Over the years, Videocon has also acquired technical capabilities for prospecting and playing an effective supporting role for development of its oil and gas assets.

Domestic Asset

Videocon has a participating interest of 25% in the Ravva block. Cairn India Ltd. is the operator of the block. The Ravva block is a mature shallow water asset (depth 5 to 40 meters) located in Krishna Godavari Basin, off the Andhra Pradesh coast. The block was discovered in 1987 by ONGC and the block began production in 1993. Government of India (GOI) made the Ravva field (along with several other fields) available for foreign investment in 1994 in an effort to increase the country's oil and gas production and also to bring in best of class technologies. The production sharing contract for the block was signed in October 1994 for a period of 25 years and is valid till October 2019. Cairn India Ltd. is the operator of the block. Apart from Videocon with a 25% PI, the other members of the consortium are ONGC (40%), Vedanta Ltd(22.50%), Ravva Oil (Signapore) Pte Ltd (12.50%).

Overseas Assets

Videocon through its subsidiaries has participating interest in 8 overseas oil & gas blocks, of which 7 are in Brazil and one in Indonesia. Over the years, Videocon has also acquired technical capabilities for prospecting and playing an effective supporting role for development of its oil and gas assets. Videocon has partnered with leading international oil and gas companies like BP, Total and Anadarko, one of the world's largest independent E&P companies in Campos Basin in Brazil, PT Pertaminathe National Oil Company of Indonesia while it has partnered with Petrobras a semi-public Brazilian multinational corporation in the petroleum industry in the Sergipe Basin containing the Barra, Farfan & Cumbe Oil and Gas Discoveries. These blocks are estimated to hold significant oil and gas reserves and major discoveries have been announced.

Assets in Brazil

i) **BM SEAL-11 Concession**

The BM-SEAL-11 Concession comprises of four (4) ultra-deep water blocks viz. SEAL-M-426, SEAL-M-349, SEAL-M-497 and SEAL-M-569,in north eastern Brazil located in the Sergipe-Alagoas basin. Petrobrasis the operator of the concession. The group holds 20% PI in the concession via IBV Brazil Petroleo Limitada, a 50-50 JV Company with Bharat Petro Resources Ltd. (BPRL) - a wholly owned subsidiary of Bharat Petroleum Corporation Ltd. (BPCL). In BM-SEAL-11 concession Five Appraisal Plans viz. Barra, Farfan, Cumbe, Papangu and Poco Verde structures, with various timelines, have witnessed significant hydrocarbon discoveries which are all in different stages of appraisal/ evaluation phases along with neighbouring Joint Venturers in a unitization proposal and the same are heading towards commercialization. JV has approved Extended Well Test (EWT) in the Farfan Field. All activities underlying the EWT are proceeding as per schedule, including the Environmental Clearance by IBAMA.

ii) BMC-30 Concession

The BMC-30 Concession in the Campos Basin is located offshore to theRio de Janeiro and Espirito Santo States. Wahoo is a major oil discovery made in this concession. Anadarko, one of the world's largest independent E&P company, is the operator of this Concession. Meanwhile, as a part of Anadarko's worldwide corporate strategy, conveyed it's decision to resign as operator and exit BMC30, on March 15, 2018. The remaining partners BP, Total and IBV have consented to continue in the JV. The JV Parties have approved BP's nomination to succeed Anadarko as Operator of the BM-C-30 Concession.

The group has 12.50% Participating Interest (PI) in the concession which is held through IBV Brasil Petroleo Limitada, a 50-50 JV Company with BPRL.

iii) BM-POT-16 Potiguar Basin Concession

Videocon has participating interest in two blocks in Potiguar Basin Concession. Potiguar Concession Contract POT-M-16 was signed on January 12, 2006 in the Seventh Round of Bidding, comprising of Blocks POT-M-663, POT-M-760 and covers an area of 1,535 sq. km. Petrobras is the Operator with 30%. The group has a 10% participating interest in the Concession, which is held through IBV Brasil Petroleo Ltda, a 50 : 50 JV Company with BPRL. Well Ararauna, was drilled which discovered thin oil bearing sands in Albian/Cenomanian age and Discovery Assessment Plan(PAD) was approved by ANP to further appraisal. All the other activities, including G&G studies, are going on as scheduled in the latest Appraisal Plan approved by ANP. Multi-client 3D seismic surveys, totalling 2158 Km^2, planned to cover blocks 663 and 760 in POT-16 concession. The surveys by M/s PGS started in the last quarter of 2017 and completed by March 2018. Interpretation of the newly acquired seismic 3D data is expected to help finalize the firm well location to be drilled in the 4th quarter of 2019.

Assets in Indonesia:

The Nunukan block in Indonesia is located in the Tarakan Basin on the continental shelf of northeast Kalimantan, which is in the prolific oil & gas producing Kutei Basin. Hydrocarbon exploration activities in Nunukan area were concentrated mainly onshore before the end of 19th century. Tarakan Basin is aproducing field having more than 10 discoveries which went into production. PT Pertamina (PHENC),the national oil company of Indonesia, is the operator. Consequent to JV Partner PT Medco exiting from the PSC, Videocon Indonesia Nunukan Inc (VINI) and Pertamina (Operator) the consenting partners picked up it's 40% participating interest share on prorate basis, with BPRL abstaining. SKK Migas conveyed its formal approval on September 18, 2015 for the same, resulting in increase of VINI's participating interest from12.50% to 23.00% without cost. In Nunukan Block successful oil and gas discoveries are announced in Badik Field in three wells and the West Badik Field in one well. Subsequent drilling of Parang Well has discovered Oil & Gas in Nunukan Block has been ranked as one of the top ten discoveries of the world for the year 2017. Government has approved Plan of Development (POD-1) of Badik-West Badik Discoveries. The integrated development concept envisages 3 platform seach in Badik-West Badik and Parang Fields, while 2 platforms are planned for Keris Field. Keris prospect is proximally located on the flank of Bunyu structure which is a producing field and share the same trend with Badik – West Badik – Parang structures.

OPPORTUNITIES AND THREATS

Opportunities: Consumer Electronics & Home Appliances Sector

- With rise in income level of the customers and availability of easy finance, the discretionary spending has become important. As a result, the durable goods which were earlier considered to be luxury are now being considered as a necessity.
- Internet subscribers in India have increased significantly in last few years and it is expected to grow further. This could be a driving factor for innovation in the Smart TVs and other consumer durables.
- Increase in the awareness about Smart TVs is a significant factor which could be driving the growth in sales of Smart TVs in India.
- Rise in working age population is expected to stimulate demand.
- Growing number of High Networth Individuals and women in workforce is boosting demand for high end consumer electronics and home appliances.
- Rapid urbanization is helping in the growth of consumer electronics and home appliances industry. There has been a paradigm shift of the Indian population in terms of rural-urban divide. The aspiration of higher income, higher standard of living have drawn more and more people from villages to settle in towns and cities. This transition has led to an increase in the demand for goods.
- The growing use of credit and debit card and easy availability of credit has resulted in the increase in spending inter-alia including on purchases of consumer electronics and home appliances thereby fuelling the demand in the durables sector.
- The growth of mediums such as e-commerce and m-commerce has provided retailers to stay in touch with consumers via various mediums and thus increase on their sales by constant promotion of products. Further, the incentives such as cash-back, discounts, freebies offered through e-commerce has huge positive impact on sales of consumer electronics and home appliances and the demand is further expected to boost over the years.
- The rapid growth of population, affordable housings, opportunities in the semi-urban and urban areas have led to growth of nuclear families. This has pushed the demand for consumer electronics and home appliances.
- The growing number in dual income families (both husband and wife earning) has given greater purchasing power and willingness to spend to them which has pushed family's focus towards luxury/ semi-luxury products resulting into higher demand for consumer electronics and home appliances.

- With the development of the communication channel and the rise of Information, Communication and Technology Industry, a rise in media across the world is seen. Number of people with internet access has increased drastically and it has thus created a new opportunity for companies to position/market their products in a better way using improved and more efficient marketing channels. Social media too is playing vital role in shaping the position of the product.
- Continuous R&D and Innovation, has resulted in development of different products and services and thus can be a driver for improved sales and growth for the company.
- Recent and upcoming products in the Indian market reiterate the emphasis of product innovation and development to lead the way in future. The companies are increasing their focus on product design and ensuring that consumers get varied features to create a differentiation in the market and create an impact.

Threats: Consumer Electronics & Home Appliances Sector

- Due to the high marketing spends of multinational companies (MNCs) and new brands entering in India, the company faces the threat of a preference developing among consumers for foreign brands. The Company intend to mitigate this threat via appropriate corporate marketing communication stressing the high pedigree of the company and its commitment to innovation and quality.
- Due to the plethora of distributor brands and domestic brands that specialise in import and rebranding, the consumer has a large number of brands to choose from at the low cost end of the price spectrum. Price sensitivity may lead many consumers to overcome their risk aversion. This threat will have to be countered with appropriate marketing communication about the difference in quality of the company's products vis-à-vis such competitors and through highlighting the service reputation of the Company.
- The rise of modern trade retail chains of various hues leads to the risk of concentration of the company's sales to a few large customers. This is a threat to the margins of the company. It can be countered by enhancing the pull factors that drive sales through brand building measures at the corporate level.

Opportunities: Oil and Gas Sector

- Scope to identify additional oil and gas blocks, domestically and internationally.
- Additional exploration over and above proposed development in Brazil and Indonesia to further augment petroleum reserve basis.
- There are opportunities for the oil and gas producers to engage in alternative energy techniques by implementing an effective plan; and to seek alternative method. These include solar, wind, and hydrogen. This may reduce the risk of decline in oil production

Threats: Oil and Gas Sector

- There is huge supply and demand threat: In recent years, the global market has felt the tightness in oil supply. As projects require high capital investments, they have difficulty regaining equilibrium once the prices start fluctuating. This unsteadiness causes oil price volatility. To calm the market and reduce this risk, OPEC and allied nations started to make output cuts. Majority of the 21 countries that have entered the agreement have significantly complied their cutback targets. This has helped to revive crude prices, effectively starting to diminish this looming threat. However, there is no assurance that OPEC countries continue to comply with cutback targets.
- Regulatory Threat: Any policy change, due to change in volatile political situation, could lead to disruption in oil extraction and cause higher costs of production or lessen revenue. Mitigating this threat is no easy task and is largely out of the hands of companies in this industry.
- There is no assurance of success in the discoveries as there is high degree of risk in exploration and production of oil and gas.
- Pricing of oil and gas is subject to variation and depends on number of external factors.

RISK & CONCERNS

Risks relating to Consumer Electronics & Home Appliances Business:

- International manufactures are now partnering with e-retailers to promote sales and increase penetration in the Indian market.
- Rising input prices such as the selling, general & administrative expense along with the cost of goods sold is difficult to control and thus a reduction in profit margin is seen. Despite the fact that the consumer products companies in most cases are able to pass on the cost to the consumers but the same is not likely seen during the downturn when a lag effect of few quarters is seen when the earnings of the companies gets pressurized.
- These days setting up a manufacturing facility or expanding the product line is very capital intensive.

INTERNAL CONTROL SYSTEMS AND ACCURACY

Internal control is all of the policies and procedures management uses to achieve the following goals.

- Promote efficient and effective operations - Internal controls provide an environment in which managers and staff can maximize the efficiency and effectiveness of their operations.
- Safeguard assets - well designed internal controls protect assets from accidental loss or loss from fraud.
- Ensure the reliability and integrity of financial information - Internal controls ensure that management has accurate, timely and complete information, including accounting records, in order to plan, monitor and report business operations.
- Ensure compliance - Internal controls help to ensure that company is in compliance with the many federal, state and local laws and regulations affecting the operations of our business.
- Accomplishment of goals and objectives - Internal controls system provide a mechanism for management to monitor the achievement of operational goals and objectives.

Internal Control Activities and Best Practices

Internal control activities are the policies and procedures as well as the daily activities that occur within an internal control system. A good internal control system should include the control activities listed below. These activities generally fit into two types of activities.

1. **Preventive**: Preventive control activities aim to deter the instance of errors or fraud. Preventive activities include thorough documentation and authorization practices. Preventive control activities prevent undesirable "activities" from happening, thus require well thought out processes and risk identification.
2. **Detective**: Detective control activities identify undesirable "occurrences" after the fact. The most obvious detective control activity is reconciliation.

With a good internal control system in place, other considerations to keep in mind include:

Regularly communicate updates and reminders of policies and procedures to staff through e-mails, staff meetings and other communication methods.

Periodically assess risks and the level of internal control required to protect organization assets and records related to those risks. Document the process for review, including when it will take place.

Management is responsible for making sure that all staff are familiar with company policies and changes in those policies.

SEGMENT-WISE PERFORMANCE

The segment-wise turnover on consolidated basis is as under:

(₹ in Million)

Segment	12 Months ended on March 31, 2018	15 months Period ended on March 31, 2017
Consumer Electronics and Home Appliances	23,222.12	116,234.86
Crude Oil and Natural Gas	5,275.65	6,204.97
Telecommunications	1,577.82	8,846.85
Others	-	337.79
Total	30,075.59	131,624.47

DISCUSSION ON FINANCIAL PERFORMANCE

Comparative performance of the Company on Standalone Basis is set out hereunder:

Fixed Assets:

The Net block of the Company including Capital Work in progress and Other intangible Assets as on March 31, 2018 was ₹ 61,085.13 Million and against the net block including Capital Work in progress and Other intangible for the period ended on March 31, 2017 was ₹ 73,957.60 Million.

Income:

Revenue from Operations

During the year ended March 31, 2018 the Company achieved gross Revenue from Operations of ₹ 28,398.61 Million as against ₹ 122,524.90 Million for the 15 months period ended March 31, 2017.

Other Income

Other income for the year ended March 31, 2018 amounted to ₹ 5,840.46 Million as against ₹ 5,263.61 Million for the 15 months period ended March 31, 2017. Other income comprises of income from investments and securities division, profit on sale of fixed assets, insurance claim received, Exchange rate fluctuation, interest and other non-operating income.

Expenditure

Cost of Goods Consumed/Sold

During the year ended March 31, 2018 Cost of Goods Consumed/ Sold stood at ₹ 35,292.07 Million as against ₹ 87,551.69 Million for the 15 months period ended March 31, 2017.

Production and Exploration Expenses for Oil and Gas

During the year ended March 31, 2018 the production and exploration expenses for oil and gas were ₹ 3,361.65 Million as against ₹ 4,072.89 Million for the 15 months period ended March 31, 2017.

Employee Benefits Expense

During the year ended March 31, 2018, the employee benefits expense stood at ₹ 2,170.77 Million as against ₹ 3,753.49 Million for the 15 months period ended March 31, 2017.

Other Expenses

During the year ended March 31, 2018, the other expenses were ₹ 8,419.67 Million as against ₹ 9,915.78 Million for the 15 months period ended March 31, 2017.

Finance Costs

For the year ended March 31, 2018, Finance costs amounted to ₹ 28,310.02 Million as against ₹ 31,620.21 Million for the 15 months period ended March 31, 2017.

Depreciation, Amortisation and Impairment

Depreciation for the year ended March 31, 2018 amounted to ₹ 8,148.45 Million as against ₹ 9,550.73 Million for the 15 months period ended March 31, 2017.

Profit/Loss Before Tax

The loss before tax stood at ₹ 58,401.55 Million for the year ended March 31, 2018, as against Loss of ₹ 25,135.47 Million for the 15 months period ended March 31, 2017.

Tax Expenses

Tax Expenses includes Deferred Tax. For the period ended March 31, 2018, the tax expenses amounted to ₹ (5,761.18) Million as against ₹ (4,335.30) Million for the 15 months period ended March 31, 2017.

Net Profit/Loss

Net loss for the year ended March 31, 2018, is ₹ 52,640.37 Million as against net loss of ₹ 20,800.17 Million for the 15 months period ended March 31, 2017.

MATERIAL DEVELOPMENTS ON HUMAN RESOURCE

The Human Resource function of your Company plays a critical role in realizing business objectives by leading organizational change and effectively mobilizing talent to sustain the organization's competitive age.

The Company believes in building performance driven organization characterized by performance, pride and happiness. The Company conducts employee engagement surveys through expert agencies to identify the areas to improve upon for building a motivated and productive workforce.

The total manpower strength of the Company for the financial period ended March 31, 2018, is around 2,600

Industrial relations remained cordial during the period under review.

OUTLOOK

The medium to long term, the view is positive, giving the rise in affordability levels (combination of increasing disposable incomes and the trend of reducing prices), and the existing low household penetration base for consumer durables. The growth prospects for individual items would, however, depend on specific demand drivers. The Company has adopted the best and the most sophisticated technology to suit Indian needs. The Company has been planning international forays in the same industry and has successfully forayed into international market either directly or indirectly.

The company focuses on Ingenious Strategy, Improved Technology, Innovative Products, Inspired Thinking and Insightful Marketing. Company focuses on Customer and his needs and is committed to delight and deliver beyond what is expected.

The aim of the Company is to serve consumers domestically as well as internationally by creating technologically path breaking products through constant innovation. The Company as a part of reducing manufacturing cost of products has explored the possibility of manufacturing various components at the in-house facility by setting by standalone facilities.

CAUTIONARY STATEMENT

Statements in this report describe the Company's objectives, projections, estimates, expectations and predictions, may be 'forward looking statements' within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise. These statements doesn't guarantee future performance and are subject to known and unknown risks, uncertainties and other factors such as change in the government regulations, tax laws, economic conditions and other incidental factors.

INDEPENDENT AUDITOR'S REPORT

To

The Members of

VIDEOCON INDUSTRIES LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **VIDEOCON INDUSTRIES LIMITED** (the Company), which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as standalone Ind AS financial statements)

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Basis for Qualified Opinion

a) *As mentioned in Note No. 50 to the Standalone Ind AS Financial Statements, the Company has up to March 31, 2018 directly and through its subsidiaries, made investments of ₹ 75,339.53 Million in Videocon Telecommunications Limited (VTL), the subsidiary. VTL has huge accumulated losses as at March 31, 2018. The ability of VTL to continue as a going concern is substantially dependent on its ability to fund its operating and capital expenditure requirements. VTL is confident of continuing its commercial operations in the National Long Distance (NLD) and International Long Distance (ILD) Business.*

   However, in view of the huge accumulated losses of VTL and the referral of VTL, in line with the directives of Reserve Bank of India, to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 as amended, we are unable to express an opinion on the extent of realisability of aforesaid investments in VTL. The consequential effect of the above, on the Standalone Ind AS Financial Statements for the year ended March 31, 2018 is not ascertainable.

   The auditors' report for the preceding financial period was also qualified in respect of this matter.

b) *As mentioned in Note No. 52 to the Standalone Ind AS Financial Statements, the Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 as amended, and there are persistent severe strains on the working capital and there is considerable decline in level of operations of the Company and the Company has been incurring losses. These factors raise significant doubts on the ability of the Company to continue as a "Going Concern". The management has assumed that the going concern concept stands vitiated and is in the process of ascertaining the liquidation value of the assets. The necessary adjustments required on the carrying amount of assets and liabilities are not ascertainable at this stage.*

c) *As mentioned in Note No. 53 to the Standalone Ind AS Financial Statements, the manufacturing activity of Glass Shell division which manufactured panels and funnels used in Colour Picture Tube of Colour Television, has been suspended from July, 2017 due to poor demand. However, the Company has not assessed or reviewed the plant and machinery and other fixed assets related to the Glass Shell division for the impairment and the impairment loss, if any, has not been ascertained. The consequent effect of the same is not ascertainable.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us *except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph,* the aforesaid standalone Ind AS financial statements read with the Notes thereon give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss, total comprehensive loss, its cash flows and the change in equity for the year ended on that date.

Emphasis of Matter

a) As mentioned in Note No. 51 to the Standalone Ind AS Financial Statements, the balance confirmations and reconciliation have not been received in respect of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances. In the opinion of the management, there will not be any material impact on the standalone Ind AS financial statements.

b) The standalone Ind AS financial statements reflect the share of the Company in the assets and the liabilities as well as the income and expenditure of joint venture operations on a line by line basis. The Company has participating interest of 25% in Ravva Oil and Gas Field Joint Venture through a Production Sharing Contract (PSC). The Company incorporates its share in the operations of the joint venture based on statement of account received from the Joint Venture/Operator. The Company has received the audited financial statements upto March 31, 2017 and un-audited financial statements for the period April 1, 2017 to March 31, 2018, in respect of the said joint venture received from the Operator which has been certified by the management on which we have placed reliance.

Our opinion is not modified in respect of above matters.

Other Matter

The comparative financial information of the Company for the period ended March 31, 2017 and the transition date opening balance sheet as at January 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditors whose report for the period ended March 31, 2017 and December 31, 2015 dated May 26, 2017 and May 14, 2016 respectively expressed modified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under; *except Ind AS 36 'Impairment of Assets'*.

   e) *The matter relating to the extent of realisability of investments in a subsidiary, management assumption that the going concern concept stands vitiated and the possible impairment loss described in Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.*

   f) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;

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

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

      i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 38, 46, 47 and 48 to the standalone Ind AS financial statements.

      ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses; and

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2) As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S Z DESHMUKH & CO.
Chartered Accountants
(Firm Registration No. 102380W)

D. U. KADAM
Partner
Membership No. 125886

Place: Mumbai
Date: June 5, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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")

We have audited the internal financial controls over financial reporting of VIDEOCON INDUSTRIES LIMITED (the Company) as of March 31, 2018 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 (the Guidance Note) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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, 2018, 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 S Z DESHMUKH & CO.
Chartered Accountants
(Firm Registration No. 102380W)

D. U. KADAM
Partner
Membership No. 125886

Place: Mumbai
Date: June 5, 2018

ANNEXURE "B"TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

(i) In respect of fixed assets:

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

(b) As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification adopted by the Company and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.

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

(ii) (a) As per the information and explanation given to us, the inventories (excluding stock of crude oil lying at extraction site with the Operator) have been physically verified during the period by the management at reasonable intervals. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.

(b) As per information and explanation given to us, no material discrepancies were noticed.

(iii) The Company has granted unsecured loans that are repayable on demand to 11 companies covered in the register maintained under section 189 of the Companies Act, 2013. The Company has not granted any secured/unsecured loans to firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(a) The terms and conditions of the aforesaid loans are not prejudicial to the Company's interest.

(b) In respect of the aforesaid loans, we are informed that the parties are repaying the loans and interest wherever demanded and thus, there has been no default on the part of these companies to whom the money has been lent.

(c) In respect of the aforesaid loans, there is no overdue amount more than rupee one lakh.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the period. Therefore, the provisions of clause (v) of the Order is not applicable.

(vi) According to the information and explanations given to us, in our opinion, the Company has, *prima facie*, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Companies Act, 2013. 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 the records examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with appropriate authorities wherever applicable. According to the information and explanations given to us, undisputed arrears of statutory dues which were outstanding as on March 31, 2018 for a period of more than six months from the date they became payable and not paid till date are given below:

Nature of Dues	₹ in Million
1. Central Sales Tax	3.91
2. Value Added Tax	230.87
3. Entry Tax	45.63
4. Goods and Service Tax	256.56

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, details of dues of income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess which have not been deposited as on March 31, 2018 on account of disputes are given below:

Name of Statute	Nature of the Dues	₹ in Million	Forum where dispute is pending
1. Customs Act, 1962	Custom Duty and Penalties	5.83	Supreme Court
		1.50	High Court
		159.72	CESTAT
		59.64	Commissioner
		26.28	Deputy Commissioner
		7.59	Asst. Commissioner
2. Central Excise Act, 1944	Excise Duty and Penalties	93.42	Supreme Court
		1.78	High Court
		1,306.69	CESTAT
		11.86	Commissioner (Appeals)
		74.75	Commissioner
		25.34	Addl. Commissioner
		2.00	Asst. Commissioner
3. Finance Act, 1994 (Service Tax Provisions)	Service Tax and Penalties	41.77	Commissioner
		2.25	Addl. Commissioner

Name of Statute	Nature of the Dues	₹ in Million	Forum where dispute is pending
4. Central Sales Tax Act, 1956 and Sales Tax Acts of various States	Sales Tax	44.67 8.48 152.18 11.26 42.76 11.93 40.30 24.38 0.19 31.93 26.65 0.20 6.44	High Court Appellate Tribunal Tribunal Commissioner (Appeals) Joint Commissioner (Appeals) Joint Commissioner Addl. Commissioner Addl. Commissioner (Appeals) Deputy Commissioner (Appeals) Deputy Commissioner Assistant Commissioner Commercial Tax Officer Sales Tax Officer
5. Income Tax Act, 1961	Income Tax	2,842.66 34.09 162.67	High Court Income Tax Appellate Tribunal Commissioner (Appeals)
6. Navi Mumbai Municipal Corporation	Cess	1,012.64	High Court

(viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has defaulted in repayment of interest and principal amount of all loans to financial institutions and banks. The default runs into more than 365 days.

The Company has not borrowed from government and has not issued any debentures.

(ix) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.

(x) According to the information and explanations given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the period.

(xi) The Company has not paid or provided the managerial remuneration to any of its Director.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.

(xv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

For S Z DESHMUKH & CO.
Chartered Accountants
(Firm Registration No. 102380W)

D. U. KADAM
Partner
Membership No. 125886

Place: Mumbai
Date: June 5, 2018

BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Million)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
I. ASSETS				
1) Non-current assets				
Property, Plant and Equipment	2	60,954.32	68,972.90	76,634.72
Capital work-in-progress	2	107.14	4,903.81	7,143.59
Other Intangible assets	3	23.67	80.89	301.54
Financial Assets				
i) Investments				
Investments in Subsidiary, Associate and Joint Venture	4A	95,245.55	100,810.15	88,314.44
Other investments	4B	1,740.64	1,746.45	1,690.03
ii) Loans	5	106,061.36	35,091.70	39,072.96
iii) Others	6	39.25	90.95	108.79
Other non-current assets	7	440.75	471.00	352.08
Other Tax Assets (Net)		713.95	818.50	698.37
Total non current assets		**265,326.63**	**212,986.35**	**214,316.52**
2) Current assets				
Inventories	8	14,077.09	28,635.19	23,592.01
Financial Assets				
i) Investments	9	-	-	52.00
ii) Trade receivables	10	7,410.13	24,003.15	28,585.19
iii) Cash and cash equivalents	11a	2,247.64	441.51	1,407.27
iv) Bank balances other than (11a) above	11b	2,039.59	5,120.28	25,936.54
v) Loans	12	41,947.10	104,822.81	105,478.48
vi) Others	13	737.89	515.14	880.30
Other current assets	14	631.67	64.05	47.45
Total current assets		**69,091.11**	**163,602.13**	**185,979.24**
TOTAL ASSETS		**334,417.74**	**376,588.48**	**400,295.76**
II. EQUITY AND LIABILITIES				
1) Equity				
Equity share capital	15	3,344.59	3,344.59	3,344.59
Other equity	16	38,426.84	94,986.40	115,874.22
Total Equity		**41,771.43**	**98,330.99**	**119,218.81**
2) Non current liabilities				
Financial liabilities				
i) Borrowings	17	-	171,619.12	185,183.93
Provisions	18	1,674.22	1,799.37	2,316.84
Deferred tax liabilities (net)	19	2,889.56	8,639.28	13,041.51
Deferred income - Grant for ozone project		52.26	56.33	61.43
Total non current liabilities		**4,616.04**	**182,114.10**	**200,603.71**
3) Current liabilities				
Financial liabilities				
i) Borrowings	20	245,039.51	23,460.95	43,387.45
ii) Trade payables	21	12,736.84	19,048.84	11,648.65
iii) Others	22	26,786.19	52,098.76	24,111.82
Other current liabilities	23	2,918.88	1,020.10	835.71
Provisions	24	548.85	514.74	489.61
Total Current liabilities		**288,030.27**	**96,143.39**	**80,473.24**
TOTAL EQUITY AND LIABILITIES		**334,417.74**	**376,588.48**	**400,295.76**
Siginificant Accouting Policies	1			

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Million)

Particulars	Notes	For the year ended March 31, 2018	For 15 Months ended March 31, 2017
I. Income			
Revenue from Operations	25	28,398.61	122,524.90
Other income	26	5,840.46	5,263.61
Total Income		**34,239.07**	**127,788.51**
II. Expenses			
Cost of materials consumed	27	25,222.71	44,284.72
Purchase of stock-in-trade	28	9,005.84	43,055.27
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	1,063.52	211.70
Excise Duty		737.85	6,459.19
Production and Exploration expense- Oil and Gas	30	3,361.65	4,072.89
Employee Benefits Expenses	31	2,170.77	3,753.49
Finance Costs	32	28,310.02	31,620.21
Depreciation and Amortization Expenses	2	8,148.45	9,550.73
Other Expenses	33	8,419.67	9,915.78
Total Expenses		**86,440.48**	**152,923.98**
Exceptional Item	34	6,200.14	-
Profit/(Loss) before Tax		**(58,401.55)**	**(25,135.47)**
Tax expense:	35		
i) Current Tax		-	-
ii) Deferred Tax		(5,761.18)	(4,335.30)
Total Tax Expenses		**(5,761.18)**	**(4,335.30)**
Profit/(Loss) for the year/period		**(52,640.37)**	**(20,800.17)**
Other comprehensive income/(loss)			
Items that will not be reclassified to statement of profit or loss in subesequent period			
i) Remeasurements of the defined benefit plans		31.95	(3.58)
ii) Equity instruments through other comprehensive income- net change in fair value		(3,976.77)	(25.81)
iii) Income tax on above		(11.46)	1.24
		(3,956.28)	**(28.15)**
Total comprehensive income/(loss) for the year/period		**(56,596.65)**	**(20,828.32)**
Earnings per equity share			
Basic and diluted earnings per share	36	(157.39)	(62.19)
Siginificant Accouting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Million)

	Particulars		For the year ended March 31, 2018	15 Months ended March 31, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit/(Loss) before tax		(58,401.55)	(25,135.47)
	Adjustments for:			
	Depreciation and amortisation		8,148.45	9,550.73
	Exceptional Item		4,765.83	-
	Finance costs		28,310.02	31,620.21
	Gain/(loss) on modification of financial instrument		-	(60.47)
	Provision for warranty and maintenance		(81.53)	27.95
	Provision for gratuity		(22.22)	24.52
	Provision for leave encashment		(23.35)	8.47
	Provision for abandonment and site restoration costs		4.23	(477.29)
	Provision for doubtful debts		3,313.38	11.00
	Guarantee comission		(56.41)	(95.85)
	Interest income		(494.93)	(1,391.33)
	Income from Investments and Securities Division		(4,383.35)	(31.37)
	(Profit)/Loss on sale of fixed assets		-	100.84
	Adjustment of grant		(4.07)	(5.10)
	Operating Profit before Working Capital Changes		**(18,925.50)**	**14,146.84**
	Adjustments for:			
	Inventories		14,558.11	(5,043.18)
	Trade receivables		13,279.64	4,571.04
	Loans and advances		(8,633.58)	4,304.57
	Other financial and non financial assets		(168.79)	579.84
	Trade payables		(6,312.00)	7,400.19
	Other financial and non financial liabilities		(2,135.21)	18,081.01
	Cash generated from Operations		**(8,337.33)**	**44,040.31**
	Less: Taxes Paid (Net)		(104.56)	185.81
	Net Cash (used in) / from Operating Activities	**(A)**	**(8,232.77)**	**43,854.50**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Sale of fixed assets		40.31	582.72
	Purchase of fixed assets (including capital work-in-progress)		(82.12)	(243.84)
	Interest income		494.93	1,391.33
	(Increase) in Fixed deposits and other bank balances		3,080.69	20,816.26
	(Purchase)/Sale of Investments (net)		2.09	(15.15)
	Decrease/(Increase) in Investments in Subsidiaries (net)		5,564.60	(12,380.49)
	Income from Investments and Securities Division		410.30	31.37
	Net Cash from Investing Activities	**(B)**	**9,510.80**	**10,182.20**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	(Decrease)/Increase in non current borrowings		24,751.27	(3,515.02)
	(Decrease)/Increase in current borrowings		4,088.87	(19,926.50)
	Finance costs		(28,310.02)	(31,620.21)
	Gain/(loss) on modification of financial instrument		-	60.47
	Payment of dividend		(2.02)	(1.20)
	Net Cash from / (used in) Financing Activities	**(C)**	**528.10**	**(55,002.46)**
	Net Change in Cash and Cash Equivalents	**(A+B+C)**	**1,806.13**	**(965.76)**
	Cash and Cash Equivalents at beginning of the year/period		441.51	1,407.27
	Cash and Cash Equivalents at end of the year/period		**2,247.64**	**441.51**

Notes: The movement of borrowings as per Ind AS 7 is as follows:

	Non-Current	Current	Total
Opening borrowings as on April 1, 2017	192,738.42	23,460.95	216,199.37
Proceeds/(Repayments) during the year	24,751.27	4,088.87	28,840.14
Non-cash adjustments*	(217,489.69)	217,489.69	-
Closing borrowings as on March 31, 2018	**-**	**245,039.51**	**245,039.51**

*Includes transfer from non current borrowings to current borrowings

As per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED MARCH 31, 2018

a) Equity share capital

Particulars	Note	₹ in Million
Balance as at January 1, 2016		3,344.59
Changes in equity share capital during the period	15	-
Balance as at March 31, 2017		3,344.59
Changes in equity share capital during the year	15	-
Balance as at March 31, 2018		3,344.59

b) Other equity

(₹ in Million)

Particulars	Equity component of compound financial instrument	Reserves & Surplus						Equity instruments through OCI	Total
		Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Bond/ Debenture Redemption Reserve	General Reserve	Retained earnings*		
Balance at January 1, 2016	**24.31**	**5.69**	**997.59**	**48,876.99**	**1,618.38**	**16,801.48**	**47,560.19**	**(10.41)**	**115,874.22**
Profit/(Loss) for the period	-	-	-	-	-	-	(20,800.17)	-	(20,800.17)
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	(2.34)	(25.81)	(28.15)
Total comprehensive income/(loss) for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(20,802.51)**	**(25.81)**	**(20,828.32)**
Deemed equity contribution to promoters	-	-	-	-	-	-	**(59.50)**	-	(59.50)
Transferred to/ from retained earnings	-	-	-	-	(399.41)	-	399.41	-	-
Balance at March 31, 2017	**24.31**	**5.69**	**997.59**	**48,876.99**	**1,218.97**	**16,801.48**	**27,097.59**	**(36.22)**	**94,986.40**
Profit/(Loss) for the year	-	-	-	-	-	-	(52,640.37)	-	(52,640.37)
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	20.49	(3,976.77)	(3,956.28)
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(52,619.88)**	**(3,976.77)**	**(56,596.65)**
Deemed equity contribution to promoters	-	-	-	-	-	-	**37.09**	-	37.09
Transferred to/ from retained earnings	-	-	-	-	3.86	-	(3.86)	-	-
Balance at March 31, 2018	**24.31**	**5.69**	**997.59**	**48,876.99**	**1,222.83**	**16,801.48**	**(25,489.06)**	**(4,012.99)**	**38,426.84**

Includes fair valuation impact of Land and Building ₹ 13,876.67 Million for March, 2018, ₹ 14,275.59 Million in March, 2017 and ₹ 15,737.43 Million in January, 2016. Such amounts are not available for distribution as dividend.

As per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Note 1

Significant accounting policies

1.1 Reporting entity

Videocon Industries Limited is a company domiciled in India,with its registered office situated at 14 KM Stone, Village Chittegaon, Taluka Paithan - Aurangabad, Pincode 431105. The Company has been incorporated under the provisions of Companies Act, 1956. The entity is primarily involved in manufacturing and trading of consumer durables and extraction of crude oil and natural gas.

1.2 Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2018 are the first financial statements prepared under Ind AS. For all periods upto and including the year ended December 31, 2015, the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the 15 month ended March 31, 2017 and the opening Balance Sheet as at January 1, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Equity, Total Comprehensive Income and Cash Flows are provided.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at January 1, 2016 being the 'date of transition to Ind AS'.

The financial statements of the Company for the year ended March 31, 2018 were approved for issue in accordance with the resolution of the Board of Directors on June 5, 2018. Details of accounting policies are included in Note 1.

B. Functional and presentation currency

These financial statements are presented in Indian Rupess (INR), which is also the entity's functional currency. All amounts have been rounded off to the nearest Millions unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);

- Net defined benefit (asset) / liability – fair value of plan assets less present value of defined benefit obligations.

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

D. Key estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Judgements:

Infromation about judgements made in applying acounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

Note 1.3.C – Useful life of property, plant and equipment and intangible assets

Assumptions and estimation uncertainities

Note 1.3.R – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 1.3.N – measurement of defined benefit obligations: key actuarial assumptions;

Notes 1.3.O – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

E. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial instruments.

The Company has an established control framework with respect to the measurement of fair values. 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, regardless of whether that price is directly observable or estimated using another valuation technique. The management regularly reviews significant unobservable inputs and valuation adjustments.

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy,then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The entity has recognised certain assets at fair value and further information is included in the relevant notes.

F. Current and non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within twelve months after the Balance Sheet date; or

d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the Balance Sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in, the entity's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within twelve months after the Balance Sheet date; or

d) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

1.3 Significant accounting policies

A. Financial assets

i) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

ii) Classification and subsequent measurement

Financial assets are subsequently classified and measured at

• amortised cost

• fair value through profit and loss (FVTPL)

• fair value through other comprehensive income (FVOCI).

Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

iii) Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.

c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss. In addition, the Company may, at initial recognition, irrevocably designate a debt instrument, which otherwise meets amortized cost or FVOCI 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').

iv) Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

v) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset and associated liability for any amounts it may have to pay.

vi) Impairment of Financial Asset

Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security deposit collected etc. and expectations about future cash flows.

The Fixed Assets or a group of assets (cash generating unit) and Producing Properties are reviewed for impairment at each Balance Sheet date. In case of any such indication, the recoverable amount of these assets or group of assets is determined, and if such recoverable amount of the asset or cash generating unit to which the asset belongs is less than it's carrying amount, the impairment loss is recognised by writing down such assets and Producing Properties to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

B. Financial liabilities

i) Initial recognition, measurement and classification

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. The classification is done in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

The Company's financial liabilities at amortised cost includes loan and borrowings, interest accrued but not due on borrowings, trade and other payables. Such financial liabilities are recognised initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

ii) Financial guarantee contracts

The Company has elected to account all its financial guarantee contracts as financial instruments as specified in Ind AS 109 on Financial Instruments. The company recognises the commission income on such financial guarantees and accounts for the same in statement of Profit and Loss over the tenure of the financial guarantee.

iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

C. Property, Plant and Equipment

i) Recognition and measurement

Items of property, plant and equipment (PPE) are measured at original cost net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. If signifacnt parts of PPE have different useful lives, then they are accounted for as seperate items (major comopnents) of PPE.

Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Capital work in progress is carried at cost, comprising of direct cost, attributable interest and related incidental expenditure.

Advances paid towards the acquisition of PPE outstanding at each reporting date are classified as capital advances under Other Non-Current Assets.

PPE are eliminated from financial statement on disposal and gains or losses arising from disposal are recognised in the statement of Profit and Loss in the year of occurrence.

ii) Transition to Ind AS

On transition to Ind AS certain items of property, plant and equipment have been fair valued and such fair value is considered as deemed cost on the transition date.

The Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the entity.

iv) Depreciation

The Company provides depreciation on property, plant and equipment held in India, to the extent of depreciable amount, on written down value method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except, a) on Fixed Assets of Consumer Electronics Divisions other than Glass Shell Division and; b) on office buildings acquired after 1st April, 2000, on which depreciation is provided on straight line method based on useful life of the assets as prescribed in the said Schedule. Depreciation on fixed assets held outside India is provided on straight line method based on useful life of the assets as prescribed in the aforesaid Schedule. Producing Properties are depleted using the "Unit of Production Method". The rate of depletion is computed in proportion of oil and gas production achieved vis-a-vis proved reserves. Leasehold Land is amortised over the period of lease. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

The estimated useful life of items of property, plant and equipment for the current and comparitive period are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Buildings	30	30
Plant and Machinery	15	15
Furnace	10	10
Furnitures and Fixtures	10	10
Computers	3	3
Electrical Installation	10	10
Office Equipments	5	5
Vehicles	10	10

Leasehold land and Leasehold Improvements is amortised over the period of lease.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate

D. Intangible assets

i) Recognition and measurement

Intangible assets are recognised when it is probable that future economic benefits that are attributable to concerned assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

iii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at January 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

iv) Amortisation

Intangible assets are amortised using the straight-line method over a period of five years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

v) Expenditure on research and development

Revenue expenditure pertaining to research and development is charged to revenue under the respective heads of account in the period in which it is incurred. Capital expenditure, if any, on research and development is shown as an addition to fixed assets under the respective heads.

E. Joint Ventures for Oil and Gas Fields

In respect of unincorporated joint ventures in the nature of Production Sharing Contracts (PSC) entered into by the Company for oil and gas exploration and production activities, the Company's share in the assets and liabilities as well as income and expenditure of Joint Venture Operations are accounted for, according to the Participating Interest of the Company as per the PSC and the Joint Operating

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Agreements on a line-by-line basis in the Company's Financial Statements. In respect of joint ventures in the form of incorporated jointly controlled entities, the investment in such joint venture is treated as long term investment and carried at FVOCI.

F. Exploration, Development Costs and Producing Properties

Pre-acquisition costs:

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

Exploration stage:

Acquisition cost relating to projects under exploration are initially accounted as “Intangible assets under development”.The expenses on oil and gas assets that is classified as intangible include:

• acquired rights to explore

• exploratory drilling costs

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred If the project is not viable based upon technical feasibility and commercial viability study, then all costs relating to Exploratory Wells is expensed in the year when determined to be dry. If the project is proved to be viable, then all costs relating to drilling of Exploratory Wells shall be continued to be presented as “Intangible Assets under Development”.

Development stage:

Acquisition cost relating to projects under development stage are presented as “Capital work-in-progress”.

Currently all the wells are under exploration and development stage.

G, Abandonment Costs

Abandonment Costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability.The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost.The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

H. Investments in Subsidiaries, Associates and Joint Ventures:

Investments in subsidiaries, associates and joint ventures are carried at FVOCI.

I. Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is determined using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

J. Impairment of non-financial assets

The Company’s non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation oramortisation, if no impairment loss had been recognised.

K. Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

a) Revenue from sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer. The Company recognizes revenues on the sale of products, net of returns, discounts, sales incentives/rebate, amounts collected on behalf of third parties (such as sales tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

b) Revenue from sale of electrical energy is accounted for on the basis of billing as per the provisions of Power Purchase Agreement.

c) Insurance, Duty Drawback and other claims are accounted for as and when admitted by the appropriate authorities.

L. Recognition of dividend income, interest income or expense

Dividend income is recognised in profit and loss on the date on which the Company’s right to receive payment is established.

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument as increased significantly since initial recognition.

M. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in statement of Profit and loss.

N. Employee benefits

i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

ii) Provident Fund - Defined Contribution Plan

The Company makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

iii) Gratuity - Defined Benefit Plan

The Company provides for gratuity to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs on completion of five years of service.

Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Other Comprehensive Income.Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Leave Encashment

Liability in respect of leave encashment is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Statement of Profit and Loss.

O. Provisions (other than for employee benefits)

i) Provisions are recognized when the Company has a present obligation 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 when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

ii) Warranties

Provision for the estimated liability in respect of warranty on sale of consumer electronics and home appliances products is made in the year in which the revenues are recognised, based on technical evaluation and past experience.Warranty provision is accounted as current and non current provision. Non current provision is discounted to its present value and the subsequent unwinging effect is passed through Profit and Loss account under Finance Cost.

P. Contingent liabilities and contingent assets

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

Disputed demands in respect of Custom duty, Income tax, Sales tax and Others are disclosed as contingent liabilities. Payment in respect of such demands, if any, is shown as an advance, till the final outcome of the matter.

Contingent assets are not recognised in the financial statements.

Q. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

Leased Assets:

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Company's Standalone Ind AS Financial Statements.

Lease payments:

Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease unless such payments are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase, such increases are recognised in the years in which such benefits accrue.

R. Income Tax

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

i) Current Tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expenses that are taxable or deductible in other years & items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- indexation benefit in relation to investments in subsidiaries, given that the Company does not have any intentions to dispose such investments in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

S. Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of a qualifying asset which necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

T. Translation of the financial statements of foreign branch

i) Revenue items are translated at average rates.

ii) Opening and closing inventories are translated at the rate prevalent at the commencement and close of the accounting year, respectively.

iii) Fixed assets are translated at the exchange rate as on the date of the transaction. Depreciation on fixed assets is translated at the rates used for translation of the value of the assets to which it relates.

iv) Other current assets and current liabilities are translated at the closing rate.

U. Government Grant

Grants are recognised when there is reasonable assurance that the grant will be received and conditions attached to them are complied with. Grants related to depreciable assets are treated as deferred income, which is recognised in the Statement of Profit and Loss over the period of useful life of the assets and in the proportions in which depreciation on related assets is charged.

V. Premium on Redemption of Bonds/Debentures

Premium on Redemption of Bonds/Debentures are written off to Securities Premium Account.

W. Share Issue Expenses

Share issue expenses are written off to Securities Premium Account.

X. Earnings per share

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has no potentially dilutive equity shares.

Y. Excise and Custom Duty

Excise Duty in respect of finished goods lying in the factory premises and Custom Duty on goods lying in custom bonded warehouse are provided for and included in the valuation of inventory.

Z. CENVAT/Value Added Tax

CENVAT/Value Added Tax benefit is accounted for by reducing the purchase cost of the materials/fixed assets/services.

AA. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

AB. Prior Period Items

Prior period items are included in the respective heads of accounts and material items are disclosed by way of Notes to Financial Statements.

AC. New standards and interpretations not yet adopted

Ind AS 115 - Revenue from Contracts with Customer (the new revenue recognition standard) has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and will be effective from April 01, 2018. Hence, from April 1, 2018, revenue recognition of the Company shall be driven by this standard. IND AS 115 provides guidance on how the entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This accounting change will bring about significant changes in the way companies recognise, present and disclose their revenue. The Company is currently evaluating the effect of this standard.

Also Appendix B to Ind AS 21, foreign currency transactions and advance consideration was notified along with the same notification which clarifies the date of the 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 Company does not expect any material impact on account of this change.

Explanation of transition to Ind AS:

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following table represents the equity reconciliation from previous GAAP to Ind AS:

As stated in Note 1, The Company has prepared these financial statements for the year ended March 31, 2018 is the first financial statement in accordance with Ind AS. In preparing these financial statements, the Company's opening balance sheet was prepared as at January 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at January 1, 2016 and the financial statements as at and for the period ended March 31, 2017.

Optional exemptions availed and mandatory exceptions

In preparing the financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A) Optional exemptions availed

Site Restoration Cost/Asset retirement obligation

The Company has used the exemption in Paragraph D8 A (b) of Ind AS 101 and has measured decommissioning, restoration and similar liabilities as at the date of transition to Ind ASs in accordance with Ind AS 37 and recognise directly in retained earnings any difference between that amount and the carrying amount of those liabilities at the date of transition to Ind ASs determined under IGAAP.

B) Mandatory Exceptions

1) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

2) Classification and measurement of financial assets

As permited under Ind AS 101, Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. In line with Ind AS 101, measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Reconciliation of statement of Equity as previously reported under IGAAP and Ind AS

(₹ in Million)

Particulars	Note No.	As at March 31, 2017	As at January 1, 2016
Total Equity as per previous GAAP		**83,910.70**	**103,067.45**
Amortised cost measurement of borrowings	2	285.62	670.41
Equity component of FFCB recognised separately	4	37.18	37.18
Fair valuation of investments	3	10.79	36.60
Fair valuation of Property, plant and equipment	1	19,246.56	21,482.05
Provision for site restoration liability	5	(131.81)	(75.99)
Others	8	15.83	6.47
Deferred tax impact on above adjustments	6	(5,043.88)	(6,005.36)
Total Equity as per Ind AS		**98,330.99**	**119,218.81**

Reconciliation of total comprehensive income as previously reported under IGAAP and Ind AS

(₹ in Million)

Particulars	Note No.	For the 15 months ended March 31, 2017
Net profit after tax as per previous GAAP		**(19,156.75)**
Amortised cost measurement of borrowings	2	(384.80)
Fair valuation of Property, plant and equipment	1	(2,235.50)
Provision for Site restoration liability	5	(55.82)
Others	8	68.89
Deferred tax impact on above adjustments	6	961.47
Actuarial loss on remeasurement of defined benefit obligation	7	3.58
Deferred tax impact on above	6	(1.24)
Profit/(loss) for the period as per Ind AS		**(20,800.17)**
Fair valuation of investments	3	(25.81)
Actuarial loss on remeasurement of defined benefit obligation	7	(3.58)
Deferred tax impact on above	6	1.24
Total comprehensive income as per Ind AS		**(20,828.32)**

Reconciliation of cash flows:

The transaction from previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

Notes to the reconciliation:

1) Property, Plant and Equipment

On the date of transition the company has chosen to reflect fair value as the deemed cost of Property, Plant and Equipment.

2) Accounting for transaction costs on borrowings as per effective interest method

Under previous GAAP, directly attributable transaction costs were charged to the Statement of Profit or Loss or capitalised as part of property, plant and equipment in the year of disbursement of the loan. As per the requirements of Ind AS, the Company has measured the borrowings at amortised cost (including the directly attributable transaction costs) based on the effective interest rate of the borrowings. Accordingly, suitable restatement adjustments have been made in the Restated Summary Statement of Profit and Loss and Property, plant and equipment.

3) Fair value movement of FVOCI investments

Under previous GAAP, non-current investments were carried at cost less provision for diminution (other than temporary). Under Ind AS, investment in equity shares (other than subsidiaries and associates) are measured at fair value, with fair value changes being routed through the other comprehensive income.

4) Foreign Currency Convertible Bonds (FCCBs)

The company had issued FCCBs which were modified in August 2016. These bonds are in the nature of compund financial instrument and the equity and liability components have been reflected accordingly. Subsequently the interest cost and foreign exchange fluctuations have been reflected through Profit and Loss account.

5) Asset Retirement Obligation

The site restoration cost has been present valued and subsequent producing property asset has been created under Intangible assets. Interest accretion on the present valuation of the obligation and depreciation on the producing property has been reflected through Profit and Loss account.

6) Deferred Tax

Previous GAAP requires deferred tax to be recognised with reference to the income statement approach. Ind AS 12 requires entities to determine deferred taxes with reference to the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax related adjustments in relation to certain items such as fair valuation of land, indexation benefit on land, fair value of investments which were not required to be considered under the income statement approach.

7) Actuarial gain and loss

Under previous GAAP, the company recognised remeasurement on defined benefit plans of the company were recognised in the statement of Profit or Loss. However, as per the requirements of Ind AS, the company has recognised these in Other comprehensive income.

8) Others

Other impacts include impacts on financial guarantee and warranty expenses. At the date of transition all the financial guarantees have been identified as financial instruments as per Ind AS 109. Commission income accretion on these guarantees has been recorded under Deferred Commission income and subsequent unwinding is recorded through Profit and Loss.

Extended warranty provision has been reflected as non current warranty provision which was earlier a part of current provision under IGAAP. Subsequenty the non current provision is discounted to its present value and subsequent unwinding of the interest cost is adjusted through the statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Note 2

Property, Plant and Equipment

(₹ in Million)

Particulars	Freehold Land	Leasehold Land	Building	Leasehold Improvements	Plant and Machinery	Furnace	Electrical Installation	Computers	Furniture and Fixtures	Office Equipments	Vehicles	Total
Deemed Cost as at January 1, 2016	11,576.95	1,848.04	12,026.37	39.33	113,533.88	1,531.26	176.87	276.79	221.08	357.95	1,282.07	142,870.59
Additions	0.31	-	4.29	-	2,371.87	-	1.97	12.91	1.02	4.89	26.21	2,423.47
Disposals	-	-	-	-	984.69	153.87	0.01	1.63	1.39	1.10	19.58	1,162.27
Cost as at March31, 2017 (A)	**11,577.26**	**1,848.04**	**12,030.66**	**39.33**	**114,921.06**	**1,377.39**	**178.83**	**288.07**	**220.71**	**361.74**	**1,288.70**	**144,131.79**
Accumulated depreciation as at January 1, 2016	-	-	-	39.15	62,897.81	1,516.62	149.72	259.07	184.16	307.36	881.98	66,235.87
Depreciation for the period	-	28.79	2,356.91	-	6,869.22	-	9.68	11.68	10.67	26.09	120.27	9,433.31
Disposals	-	-	-	-	336.00	152.33	0.01	1.59	1.00	1.01	18.34	510.28
Accumulated depreciation as at March 31, 2017 (B)	**-**	**28.79**	**2,356.91**	**39.15**	**69,431.03**	**1,364.29**	**159.39**	**269.16**	**193.83**	**332.44**	**983.91**	**75,158.90**
Net carrying amount as at March 31, 2017 (A) - (B)	**11,577.26**	**1,819.25**	**9,673.75**	**0.18**	**45,490.03**	**13.10**	**19.44**	**18.91**	**26.88**	**29.30**	**304.79**	**68,972.89**
Cost as at April 1, 2017	11,577.26	1,848.04	12,030.66	39.33	114,921.06	1,377.39	178.83	288.07	220.71	361.74	1,288.70	144,131.79
Additions	-	-	-	-	84.36	-	-	1.01	2.12	2.80	-	90.29
Disposals	-	1.50	-	-	26.49	139.90	0.60	21.21	15.26	12.96	238.98	456.90
Cost as at March 31, 2018 (A)	**11,577.26**	**1,846.54**	**12,030.66**	**39.33**	**114,978.93**	**1,237.49**	**178.23**	**267.87**	**207.57**	**351.58**	**1,049.72**	**143,765.18**
Accumulated depreciation as at April 1, 2017	-	28.79	2,356.91	39.15	69,431.03	1,364.29	159.39	269.16	193.83	332.44	983.91	75,158.90
Depreciation for the year	-	23.04	702.81	-	7,239.19	-	3.50	7.72	5.89	5.43	80.98	8,068.56
Disposals	-	0.05	-	-	18.73	138.50	0.59	20.89	14.78	12.60	210.46	416.60
Accumulated depreciation as at March 31, 2018 (B)	**-**	**51.78**	**3,059.72**	**39.15**	**76,651.49**	**1,225.79**	**162.30**	**255.99**	**184.94**	**325.27**	**854.43**	**82,810.86**
Net carrying amount as at March 31, 2018 (A) - (B)	**11,577.26**	**1,794.76**	**8,970.94**	**0.18**	**38,327.44**	**11.70**	**15.93**	**11.88**	**22.63**	**26.31**	**195.29**	**60,954.32**

The Company has decided to reflect fair value for Land (leasehold and free hold) and Building as the deemed cost as per Ind AS 101. The fair valuation impact for January 1, 2016 is ₹ 11,418.25 Million for freehold land, ₹ 1,814.07 Million for leasehold land and ₹ 8,249.73 Million for Buidling. The numbers are gross and do not include tax effect.

Note 3

Other Intangible Assets

(₹ in Million)

Particulars	Computer Software	Producing Properties
Gross Block as on 31st Decemer 2015	281.66	6,210.83
Accumulated depreciation	269.53	5,921.42
Net block as on 31st December 2015	**12.13**	**289.41**
Deemed Cost as at January 1, 2016	12.13	289.41
Additions	4.71	55.44
Disposals/ adjustments	-	163.38
Cost as at March 31, 2017 (A)	**16.84**	**181.47**
Depreciation for the period	6.51	110.91
Disposals	-	-
Accumulated depreciation as at March 31, 2017 (B)	**6.51**	**110.91**
Net carrying amount as at March 31, 2017 (A) - (B)	**10.33**	**70.56**
Cost as at April 1, 2017	**16.84**	**181.47**
Additions	0.17	22.51
Disposals/ adjustments	4.82	(55.82)
Cost as at March 31, 2018 (A)	**12.19**	**259.80**
Accumulated depreciation as at April 1, 2017	**6.51**	**110.91**
Depreciation for the year	3.00	133.08
Disposals	4.82	-
Accumulated depreciation as at March 31, 2018 (B)	**4.69**	**243.99**
Net carrying amount as at March 31, 2018 (A) - (B)	**7.50**	**15.81**

The Company has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Note 4

Financial Assets - Non Current

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Investments			
A) Investment in subsidiaries, joint ventures and associates			
a) Investment in equity of subsidiaries			
Unquoted			
Chhattisgarh Power Ventures Private Limited	-	0.10	0.10
Middle East Appliances LLC	361.77	361.77	361.77
Pipavav Energy Private Limited	5,500.00	5,500.00	5,500.00
Prosperous Energy Private Limited	0.10	0.10	0.10
Senior Consulting Private Limited	0.11	0.11	0.11
Videocon Electronics (Shenzhen) Limited	6.42	6.42	6.42
(Chinese name - Weiyoukang Electronic (Shenzhen) Co., Ltd.)			
Videocon Energy Limited	1,000.00	1,000.00	1,000.00
Videocon Global Limited	48.92	48.92	48.92
Videocon Hydrocarbon Holdings Limited	183.27	183.27	92.76
Electroworld Digital Solutions Limited	64,634.72	64,634.72	52,254.23
VOVL Limited	9,508.96	9,508.96	9,500.00
Videocon Telecommunications Limited	14,001.20	14,001.20	13,985.45
b) Investment in equity of joint venture and associate			
Unquoted			
Videocon Infinity Infrastructure Private Limited	0.05	0.05	0.05
Liberty Videocon General Insurance Company Limited	-	5,564.50	5,564.50
Radium Appliances Private Limited	0.03	0.03	0.03
Total (A)	**95,245.55**	**100,810.15**	**88,314.44**
B) Other investments			
a) Quoted			
Investments measured at fair value through other comprehensive income			
Investments in Equity Instruments	104.66	102.94	123.00
b) Unquoted			
Investments measured at fair value through other comprehensive income			
Investments in Equity Instruments	580.16	580.19	503.83
Investments measured at fair value through profit or loss			
Investments in Co-operative bank	0.64	0.64	0.52
Investments measured at amortised cost			
Investment in Redeemable Preference Shares	1,055.18	1,062.68	1,062.68
Total (B)	**1,740.64**	**1,746.45**	**1,690.03**
Total (A+B)	**96,986.19**	**102,556.60**	**90,004.47**
Aggregate amount of Quoted Investments	104.66	102.94	123.00
Aggregate Market value of Quoted Investments	104.68	102.94	123.00
Aggregate amount of Unquoted Investments	96,881.53	102,453.66	89,881.47

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 5			
Financial Assets - Non Current			
Loans			
Sundry Deposits	248.99	265.56	218.98
Loans and Advances to Related Parties	13,794.42	10,549.33	11,444.54
Loans and Advances to Others	92,017.95	24,276.41	27,409.44
	106,061.35	**35,091.70**	**39,072.96**
Note 6			
Financial Assets - Non Current			
Others			
Bank balances other than (11a) below			
Fixed deposits with maturity more than 12 months	39.25	90.95	108.79
(Held as margin money for credit facilities and other commitments)			
	39.25	**90.95**	**108.79**
Note 7			
Other non-current assets			
Capital advances	1.42	1.02	11.56
Balance with government authorities	439.32	469.98	340.52
	440.74	**471.00**	**352.08**
Note 8			
Inventories			
(valued at lower of cost or net realisable value)			
Raw materials including consumables, stores and spares	8,179.31	19,721.78	15,048.52
Materials in transit and in bonded warehouse	702.39	2,633.42	2,046.16
Work-in-process	1,294.92	1,470.15	1,425.49
Finished goods and stock in trade	3,465.76	4,338.03	4,617.72
Drilling and production materials	375.48	396.56	402.20
Crude oil	59.23	75.25	51.92
	14,077.09	**28,635.19**	**23,592.01**
Note 9			
Financial Assets - Current			
Current Investments			
Unquoted			
Investments at fair value through profit or loss			
Investment in units of Mutual Funds	-	-	52.00
	-	**-**	**52.00**
Note 10			
Financial Assets - Current			
Trade receivables			
Considered good	7,410.13	24,003.15	28,585.19
Considered doubtful	3,573.25	259.87	249.10
	10,983.38	24,263.02	28,834.29
Less: Provision for doubtful debts	3,573.25	259.87	249.10
	7,410.13	**24,003.15**	**28,585.19**
Note 11a			
Financial Assets - Current			
Cash and cash equivalents			
Cash on hand	3.54	5.23	8.36
Cheques/Drafts on hand/in transit	111.96	125.76	0.10
Balance with banks in current accounts	2,132.14	310.52	1,398.81
	2,247.64	**441.51**	**1,407.27**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 11b			
Financial Assets - Current			
Bank balances other than (11a) above			
In Dividend warrant accounts	6.21	8.23	9.42
In Fixed deposits earmarked towards site restoration costs	1,388.50	1,295.41	1,199.33
In Fixed deposits lien in favour of the Registrar, Supreme Court of India	-	2,657.62	2,838.63
In Other Fixed deposits - Maturity 12 months or less:			
Held as margin money for credit facilities and other commitments	644.88	1,159.02	1,344.51
Provided as security for overdraft facility	-	-	20,544.65
	2,039.59	**5,120.28**	**25,936.54**
Note 12			
Financial Assets - Current			
Loans			
(Unsecured, considered good, unless otherwise specified)			
Sundry deposits	4.74	9.61	8.22
Loans and advances to related parties	22.08	22.71	41.99
Loans and advances to others	41,920.28	104,790.49	105,428.27
	41,947.10	**104,822.81**	**105,478.48**
Note 13			
Financial Assets - Current			
Others			
Insurance claim receivable	2.64	0.96	0.46
Other receivables from related parties	662.99	342.19	767.56
Other receivables	72.26	171.99	112.28
	737.89	**515.14**	**880.30**
Note 14			
Other current assets			
Balance with government authorities	631.67	64.05	47.45
	631.67	**64.05**	**47.45**

Note 15

Share Capital

a) Details of the authorised, issued, subscribed and paid-up share capital as below:

(₹ in Million)

		As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
i)	Authorised Capital			
	1,300,000,000 (March 31, 2017: 1,300,000,000, January 1, 2016: 1,300,000,000) equity shares of the par value of ₹ 10 each	13,000.00	13,000.00	13,000.00
	20,000,000 (March 31, 2017: 20,000,000, January 1, 2016: 20,000,000) redeemable preference shares of ₹ 100 each	2,000.00	2,000.00	2,000.00
		15,000.00	**15,000.00**	**15,000.00**
ii)	Issued, Subscribed and Paid-up			
	334,458,875 (March 31, 2017: 334,458,875, January 1, 2016: 334,458,875) equity shares of ₹ 10 each fully paid up	3,344.59	3,344.59	3,344.59
		3,344.59	**3,344.59**	**3,344.59**

b) Reconciliation of the number of shares outstanding at the beginning and end of the year/period:

	As at March 31, 2018		As at March 31, 2017		As at January 1, 2016	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million	No. of Shares	₹ in Million
At the beginning of the year/period	334,458,875	3,344.59	334,458,875	3,344.59	334,458,875	3,344.59
Issued during the year/period	-	-	-	-	-	-
At the end of the year/period	334,458,875	3,344.59	334,458,875	3,344.59	334,458,875	3,344.59

c) Rights, Preferences and restrictions attached to equity shares:

i) The company has a single class of equity shares referred to as equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to equal right of voting and dividend.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of Shareholders holding more than 5% Shares:

Name of Shareholders	As at March 31, 2018		As at March 31, 2017		As at January 1, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
a) Dome-Bell Electronics India Private Limited	15,468,366	4.62	16,408,315	4.91	19,741,704	5.90
b) Shree Dhoot Trading and Agencies Limited (Amalgamated with Electroparts India Private Limited)	20,517,327	6.13	26,179,336	7.83	26,604,836	7.95
c) Videocon Realty and Infrastructures Limited	51,084,195	15.27	63,945,518	19.12	64,670,518	19.34
d) Deutsche Bank Trust Company Americas (As depository of Global Deposits Receipts)	38,834,979	11.61	38,835,179	11.61	39,705,381	11.87

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 16			
Other equity			
Capital Reserve	5.69	5.69	5.69
Capital Redemption Reserve	997.59	997.59	997.59
Securities Premium Account	48,876.99	48,876.99	48,876.99
Bond/Debenture Redemption Reserve	1,222.83	1,218.97	1,618.38
Equity component of compound financial instrument	24.31	24.31	24.31
Equity instruments through OCI	(4,012.99)	(36.22)	(10.41)
General Reserve	16,801.48	16,801.48	16,801.48
Retained Earnings	(25,489.06)	27,097.59	47,560.19
	38,426.84	**94,986.40**	**115,874.22**

Includes fair valuation impact of Land and Building ₹ 13,876.67 Million for March 2018, ₹ 14,275.59 Million in March 2017 and ₹ 15,737.43 Million in January 2016. Such amounts are not available for distribution as dividend.

Capital Reserve

Capital reserve represents subsidy received, reserves transferred on account of amalgamation.

Capital Redemption Reserve

Capital Redemption reserve represents amount set aside by the company for future redemption of capital.

Securities Premium Account

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Companies Act.

Bond/Debenture Redemption Reserve

The Company had issued Foreign currency convertible bonds and as per the provisions of the Companies Act, 2013, is required to create debenture redemption reserve out of the profits of the Company available for the payment of dividend.

Equity component of compound financial instrument

The account represents the equity component of foreign currency convertible bonds calculated as per Ind AS 109.

Equity instruments through OCI

This account represents the fair value changes in the investments calculated at every reporting date as per Ind AS 109

General Reserve

The Company has transferred a portion of the net profit of the Company to general reserve pursuant to the earlier provisions of Companies Act 1956.

Retained Earnings

This account includes the amount of profit and loss account transferred to the equity.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 17			
Financial Liabilities			
Non current borrowings			
i) Secured			
Rupee term loans from banks	-	159,075.85	171,019.61
Rupee term loans from financial institutions	-	7,773.38	8,037.37
Vehicle loan from banks	-	8.87	6.62
Foreign currency convertible bonds	-	4,761.02	6,120.33
ii) Unsecured			
Rupee term loans from banks	-	-	-
	-	**171,619.12**	**185,183.93**

Details of Non-current borrowings:

Particulars	₹ in Million		Carrying rate of interest		Other Details
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	
Principal outstanding					
Secured					
Term loans from banks/financial institutions	-	181,048.91	12.4% to 14.4%	12.4% to 14.4%	Refer note 17(a) below
Vehicle loan from banks	-	13.84	9.5% to 13.0%	9.5% to 13.0%	Refer note 17(b) below
Foreign currency convertible bonds	-	4,875.86	4.3%	4.3%	Refer note 17(c) below
Total Principal Outstanding	-	185,938.61			
Less: Current maturity of non-current borrowings	-	21,119.30			
Add: Interest accrued and due/accrued but not due	-	7,122.60			
Less: Ind AS reclassification/adjustments	-	322.79			
	-	171,619.12			

a) Details relating to term loans from banks and financial institutions

i) The Company alongwith 12 other affiliates/entities (collectively referred to as 'Obligors' and individually referred to as 'Borrower') executed facility agreement with consortium of existing domestic rupee term lenders (RTL Lenders), in the obligor/co-obligor structure, wherein all the Rupee Term Loans of the Obligors are pooled together. The Borrower entities covered are Videocon Industries Limited (VIL), Value Industries Limited, Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited and Electroworld Digital Solutions Limited.

Further, Videocon Telecommunications Limited (VTL), the subsidiary of the Company, had availed financial assistance from consortium of Banks/Financial Institutions (VTL Lenders). It has been agreed between the RTL Lenders and VTL Lenders to share the security available to the RTL Lenders under the RTL Agreement (including the receivables from each of the Obligors) with the VTL Lenders under the VTL facility agreement (including the receivables from VTL) on a reciprocal first *pari-passu* charge basis. Thus, VTL is also inducted as co-obligor in the said facility agreement with the consortium of RTL Lenders.

Loans amounting to ₹ 163,122.93 Million (As at March 31, 2017 ₹ 164,042.66 Million) are secured by first *pari-passu* charge on all present and future tangible/intangible assets (excluding the Identified Properties) of each of the Borrower, first *pari-passu* charge on the Trust and Retention Accounts of the Borrowers, second pari-passu charge on Identified Assets of Videocon Hydrocarbon Holdings Limited's (VHHL) subsidiaries through pledge of entire shareholding of VHHL in these overseas subsidiaries, second charge on pledge of 100% shares of VOVL Limited and VHHL, second *pari-passu* charge on VHHL's share of cash flows from Identified Assets and second *pari-passu*charge over current assets of each of the Borrowers. The Rupee Term Loans are also secured by first ranking pledge over specified numbers of equity shares of Videocon Industries Limited, Trend Electronics Limited and Value Industries Limited held by the promoters, the personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot, Mr. Rajkumar N. Dhoot and first *pari-passu* charge on 'Videocon' brand (Also Refer Note 46).

ii) Loans amounting to ₹ 15,474.30 Million (As at March 31, 2017 ₹ 15,506.25 Million) are secured by first pari-passu charge on book debts of consumer electronics and home appliances division which are not charged to bankers for securing working capital loans and first *pari-passu* charge on equitable mortgage of specified properties owned by the Company and owned by other 6 entities. The loans are further secured by personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot and corporate guarantee of the entities whose properties have been mortgaged.

iii) Loans amounting to ₹ 1,500.00 Million (As at March 31, 2017 ₹ 1,500.00 Million) is secured by mortgage of specified property owned by the Company, negative lien on property owned by other entities and personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot.

b) Details relating to vehicle loans

Vehicle Loan from Banks are secured by way of hypothecation of Vehicles acquired out of the said loan. The loans are also secured by personal guarantee of Mr. Venugopal N. Dhoot.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

c) Details relating to foreign currency convertible bonds

The Company has issued 4.30 per cent foreign currency convertible bonds (Bonds) of US$ 97,200,000 during the year 2015, due on December 31, 2020 (Maturity Date). These Bonds were issued under the exchange offer to the holders of the Bonds of US$ 194,400,000 due on December 16, 2015.

i) The Bonds are convertible at the option of the bondholders into shares, at any time on and after February 9, 2016, up to the close of business on December 21, 2020, at a fixed exchange rate on conversion of ₹ 66.139 per US$ 1.00 and at initial conversion price of ₹ 134.724 per share. The conversion price will be subject to adjustment for, among other things, subdivision or consolidation of shares, bonus issues, dividends, rights issues, distributions and other dilutive events.

ii) The Bonds were redeemable at the option of the holders on June 30, 2016 (Put Option Date). The Company made a partial pre-payment of US$ 22,000,000 on pro-rata basis to all the bondholders on August 3, 2016 in pursuance to the terms of bondholders. Further, the coupon rate was revised to 2.80 per cent payable semi-annually and the put option date was amended to December 30, 2016.

iii) In relation to the Put Option exercised on December 30, 2016, the Company had to enter into Standstill Agreement with the Participating Bondholders under which bondholders agreed standstill till March 31, 2017, on certain terms inter-alia including payment of US$12,000,000 on pro-rata basis to all the bondholders. Subsequently, the company had to seek approval of the bondholders for re-schedulement of the Bonds by way of extension of put option date to March 31, 2018, subject to satisfaction of certain conditions inter-alia including the approval of Reserve Bank of India. However, the said re-schedulement could not become effective and accordingly it is claimed by the bond holders that the entire FCCBs are due and payable. The Company has termed same being illegal and premature. Accordingly, the amount of foreign currency convertible bonds has been shown under short-term borrowings.

iv) The Bonds were compelled to be secured by way of an exclusive first ranking security interest over 40 percent of the issued equity share capital of Videocon Telecommunications Limited held by the Company and other shareholders, in favour of the Security Trustee; and by an unconditional and irrevocable personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N Dhoot. However it is the case of the company that the put option clause was mentioned in the contract under duress and no amount has yet become due and payable and had filed claim challenging the action of the bondholders in court of London.

d) The Company has made defaults in repayment of term loans and interest. The details of continuing defaults as at March 31, 2018 are as follows:

Particulars	₹ in Million
Principal amount of Loans	12,897.37
Interest on Loans	30,038.25

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 18			
Provisions			
Provision for gratuity (Refer Note 37)	**177.93**	210.36	192.05
Provision for warranty and maintenance expenses	**88.59**	217.37	199.87
Provision for abandonment and site restoration costs	**1,407.70**	1,371.64	1,924.92
	1,674.22	**1,799.37**	**2,316.84**
Note 19			
Deferred tax liabilities (net)			
Deferred tax liabilities (net)	**2,889.56**	8,639.28	13,041.51
	2,889.56	**8,639.28**	**13,041.51**
The deferred tax asset on unabsorbed depreciation and business losses has been recognised only to the extent of deferred tax liability (₹2,889.56 Million) due to uncertainity of future profits.			
Note 20			
Financial Liabilities			
Current Borrowings			
a) Secured			
Term Loans from banks	203,023.79	-	1,516.63
Overdraft against fixed deposits	-	-	20,264.32
Working capital loans from banks	16,528.35	11,961.22	10,321.48
Term loans from others	13.39	13.39	-
Foreign currency convertible bonds	4,948.44	-	-
Term loans from financial institutions	9,508.62	-	-
Vehicle loan from banks	8.84	-	-
b) Unsecured			
Term Loans from banks	11,008.08	11,486.34	11,285.02
	245,039.51	**23,460.95**	**43,387.45**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Details of Current borrowings:

Particulars	₹ in Million		Carrying rate of interest		Other Details
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	
Principal outstanding					
Secured					
Term loans from banks/financial institutions	180,097.23	-	12.4% to 14.4%	N.A.	Refer note 17(a) above
Vehicle loan from banks	8.84	-	9.5% to 13.0%	N.A.	Refer note 17(b) above
Loans from others	13.39	13.39	12.0%	12.0%	Refer note 20(b) below
Foreign currency convertible bonds	4,891.32	-	4.3%	N.A.	Refer note 17(c) above
Working capital loans from banks	15,327.52	11,953.95	12.7% to 15.8%	12.7% to 15.8%	Refer note 20 (c) below
Unsecured					
Loans from banks	9,250.00	11,150.00	12% to 13.7%	12% to 13.7%	Refer note 20 (d) below
Total Principal Outstanding	209,588.30	23,117.34			
Add: Interest accrued and due/accrued but not due	35,698.34	343.61			
Less: Ind AS reclassification/adjustments	247.13	0.00			
	245,039.51	23,460.95			

a) Details relating to term loans from banks and financial institutions

Due to default in repayment of the secured loans from the banks and financial institutions, they have recalled the entire loans outstanding. Accordingly, these have been included under short term borrowings. For securities for the loans refer note no. 17(a).

b) Details relating to loans from others

Loans from others amounting to ₹ 13.39 Million (As at March 31, 2017: ₹ 13.39 Million) is secured against surrender value of keyman insurance policy.

c) Details relating to working capital loans from banks

Working capital loans from banks are secured by hypothecation of the Company's stock of raw materials, packing materials, stock-in-process, finished goods, stores and spares, book debts of glass shell division and personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot and Mr. Rajkumar N. Dhoot.

d) Details relating to unsecured loans from banks

i) Loans amounting to ₹ 9,250.00 Million (As at 31st March, 2017 ₹ 9,250.00 Million) is secured by exclusive charge over the land situated at Dist. Rewa, Madhya Pradesh owned by the Subsidiary Company viz. Prosperous Energy Private Limited, stake in PT. Gaung Alam Semesta's coal concession in Indonesia owned by other entities and personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot.

ii) Unsecured loans from banks amounting to ₹ Nil (As at 31st March, 2017 ₹ 1,900.00 Million) is secured by lien marked on fixed deposits of other entities.

(₹ in Million)

	As at March 31, 2018	**As at March 31, 2017**	**As at January 1, 2016**
Note 21			
Financial Liabilities			
Current			
Trade payables			
Total outstanding due to micro and small enterprises (Refer Note 39)	171.77	520.80	97.62
Total outstanding due to creditors other than micro and small enterprises	12,565.07	18,528.04	11,551.03
	12,736.84	**19,048.84**	**11,648.65**
Note 22			
Financial Liabilities- Current			
Others			
Current maturities of long term borrowings	**-**	21,119.30	11,069.51
Bank overdraft as per books	**-**	13.13	-
Unclaimed dividend	**6.21**	8.23	9.43
Creditors for capital expenditure	**4.28**	21.04	44.75
Payable to related parties	**25,581.52**	26,105.04	7,893.47
Other payables	**1,102.24**	4,685.18	5,041.76
Deferred guarantee income	**91.94**	146.84	52.90
	26,786.19	**52,098.76**	**24,111.82**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 23			
Other current liabilities			
Others	2,918.88	1,020.09	835.71
	2,918.88	**1,020.09**	**835.71**
Note 24			
Provisions			
Provision for gratuity (Refer Note 37)	40.52	30.31	24.10
Provision for leave encashment (Refer Note 37)	50.82	74.17	65.70
Provision for warranty and maintenance expenses	457.51	410.26	399.81
	548.85	**514.74**	**489.61**

(₹ in Million)

Movement of Provision for warranty and maintenance expenses	As at March 31, 2018	As at March 31, 2017
At the commencement of the year/period	627.63	599.68
Provision made during the year/period	598.85	639.23
Utilisation of Provisions	639.23	619.07
Discounting of non current provision	41.15	(26.97)
Unused amount reversed during the year/period	-	19.18
At the end of the year/period	**546.10**	**627.63**

Provision for warranty and maintenance expenses

A provision is estimated for expected warranty claims in respect of products sold on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification and replacement. The costs include expenses to be incurred for repairs, replacement, material cost and servicing. It is expected that this expenditure will be incurred over the contractual warranty period that is usually one year and for certain of cases extended warranty for two to five years.

(₹ in Million)

Particulars	For the year ended March 31, 2018	For 15 Months ended March 31, 2017
Note 25		
Revenue from operations		
Sale of products	28,142.80	122,061.69
Income from services	65.39	65.80
Other operating revenue	190.42	397.41
	28,398.61	**122,524.90**
Note 26		
Other income		
Interest income - Interest on investments at amortized cost	494.93	1,391.33
Income from investments and securities division	420.35	41.42
Exchange rate fluctuation	921.74	272.00
Profit on sale of fixed assets	1.76	-
Insurance claim received	7.53	7.10
Gain on modification of financial instrument	-	60.47
Guarantee commision	56.41	95.85
Other non operating income	3,937.74	3,395.44
	5,840.46	**5,263.61**
Note 27		
Cost of materials consumed		
Imported	2,209.70	19,826.32
Indigenous	23,013.01	24,458.40
	25,222.71	**44,284.72**
Note 28		
Purchase of stock-in-trade		
Electrical and electronic items	9,005.84	43,055.27
	9,005.84	**43,055.27**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

(₹ in Million)

Particulars	For the year ended March 31, 2018	For 15 Months ended March 31, 2017
Note 29		
Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Opening inventory		
Finished goods and stock-in-trade	4,413.28	4,669.64
Work-in-process	1,470.16	1,425.49
	5,883.44	**6,095.13**
Closing inventory		
Finished goods and stock-in-trade	3,524.99	4,413.28
Work-in-process	1,294.93	1,470.15
	4,819.92	**5,883.43**
Changes in inventory	**1,063.52**	**211.70**
Note 30		
Production and exploration expenses - Oil and Gas		
Production and exploration expenses	597.19	696.72
Royalty	114.79	182.48
Cess	165.17	219.12
Production bonus	25.99	38.04
Government share in profit petroleum	2,454.44	2,922.98
Insurance expenses	4.07	13.55
	3,361.65	**4,072.89**
Note 31		
Employee benefits expenses		
Salary, wages and other benefits	1,970.71	3,430.15
Contribution to provident fund and other funds	109.90	183.14
Staff welfare expenses	90.16	140.20
	2,170.77	**3,753.49**
Note 32		
Finance costs		
Interest expense on financial liabilities measured at amortised cost	28,267.83	30,824.18
Other borrowing costs	-	713.73
Unwinding of discount on warranty provision	10.37	26.48
Unwinding of discount on site restoration provision	31.82	55.82
	28,310.02	**31,620.21**
Note 33		
Other expenses		
Power, fuel and water	157.01	448.98
Banking and other finance charges	519.61	1,080.63
Freight and forwarding	582.93	1,602.11
Vehicle running expenses	241.12	454.12
Rent	108.76	196.82
Rates and taxes	106.35	158.01
Repairs to building	0.91	8.90
Repairs to plant and machinery	11.88	71.51
Other repairs and maintenance	59.00	51.64
Insurance	34.22	62.07
Advertisement and publicity	429.15	2,169.63
Sales promotion expenses	54.35	200.13
Payment to auditors*	6.32	23.82
Directors' sitting fees	1.14	1.31
Legal and professional charges	341.73	399.01
Royalty	117.70	387.92
Printing and stationery	6.00	16.51

(₹ in Million)

Particulars	For the year ended March 31, 2018	For 15 Months ended March 31, 2017
Warranty and maintenance	890.91	1,291.58
Provision for doubtful debts	3,313.38	11.00
Loss on sale of fixed assets	-	100.84
Office and general expenses	1,437.22	1,179.24
	8,419.69	**9,915.78**
*Payment to Auditors:		
a) Statutory Audit Fees	4.80	12.00
b) Tax Audit Fees	1.40	2.80
c) Out of Pocket Expenses	0.12	0.30
d) Other Services	-	8.72
	6.32	**23.82**
Note 34		
Exceptional items		
Payment made towards settlement of obligation	1,434.31	-
Expenses related to aborted project	4,765.83	-
	6,200.14	**-**

Note: Exceptional items represents:

a) Payment made towards settlement of obligation under patronage letter / guarantee given to Intesa Sanpaolo S.p.A., an Italian bank for financial assistance given to the then one level step down subsidiary as detailed in Note No. 48 above ₹ 1,434.31 Million; and

b) Infructuous project expenses relating to project aborted by the Company ₹ 4,765.83 Million.

Note 35

Income taxes

Tax expense

(₹ in Million)

	For the year ended March 31, 2018	For the 15 month ended March 31, 2017
(a) Amounts recognised in statement of profit and loss		
Current tax expense		
Current year	-	-
Changes in estimates related to prior period	-	-
	-	-
Deferred tax expense		
Origination and reversal of temporary differences	(5,761.18)	(4,335.30)
	(5,761.18)	**(4,335.30)**
Tax expense for the year	**(5,761.18)**	**(4,335.30)**
(b) Amounts recognised in other comprehensive income		
Deferred tax on remeasurements of the defined benefit plans	11.06	1.24
Deferred tax on equity instruments FVTOCI	2,940.50	-
	2,951.55	**1.24**
(c) Reconciliation of effective tax rate		
Profit before tax	(58,401.55)	(25,135.47)
Statutory income tax rate	34.61%	34.610%
Expected income tax expense	(20,211.61)	(8,699.39)
Tax effect of:		
Profit on sale of investments	(21,452.18)	(3,249.81)
Loss on sale of Investment	1,374.99	
Permanent disallowables	11.10	10.16
Business loss	11,336.26	
Change in interest tax rate	0.04	
Difference due to opening and closing WDV of producing properties		(19.51)
Difference due to production properties		(21.06)
Indexation impact on account of fair valuation of land and building	2,943.83	46.42
MAT written off on account of uncertainity	73.05	-
Deferred fax not credited on losses	-	(141.26)
Others	(48.28)	(960.23)
Total tax expense	**(5,761.18)**	**(4,335.30)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Deferred tax assets and liabilities are attributable to the following:

(₹ in Million)

Particulars	Net deferred tax asset/ (liabilities)		
	January 1, 2016	March 31, 2017	March 31, 2018
Property, plant and equipment	(14,112.61)	(12,897.64)	(11,505.84)
Expenses allowable in future	99.44	2,967.02	5,869.89
Unabsorbed depreciation and losses	1,209.02	1,224.86	2,928.97
Fair valuation of investments through OCI	(47.01)	(47.01)	(47.42)
Borrowing Costs - EIR	(122.65)	(71.97)	(45.78)
Site Restoration Liability	26.30	45.62	(55.03)
FCCB	(122.32)	0.07	-
MAT credit entitlement	7.37	73.05	-
Warranty Provision	(13.35)	(4.02)	(18.26)
Corporate Guarantee	18.30	50.82	(34.39)
Others	16.00	19.92	18.30
	(13,041.51)	**(8,639.28)**	**(2,889.56)**

Movement in Temporary differences:

(₹ in Million)

Particulars	Balance as at January 1, 2016	Recognised in Profit and Loss during 2016-17	Recognised in OCI during 2016-17	Balance as at March 31, 2017	Recognised in Profit and Loss during 2017-18	Recognised in OCI during 2017-18	Balance as at March 31, 2018
Property, Plant and Equipment	(14,112.61)	1,214.97		(12,897.64)	1,391.80		(11,505.84)
Expenses allowable in future	99.44	2,867.58		2,967.02	2,902.87		5,869.89
Unabsorbed depreciation and losses	1,209.02	15.84		1,224.86	1,704.11		2,928.97
Fair valuation of investments through OCI	(47.01)	-		(47.01)	-	(0.41)	(47.42)
Borrowing Costs - EIR	(122.65)	50.68		(71.97)	26.19		(45.78)
Site Restoration Liability	26.30	19.32		45.62	(100.65)		(55.03)
FCCB	(122.32)	122.39		0.07	(0.07)		-
MAT credit entitlement	7.37	65.68		73.05	(73.05)		-
Remeasurements of defined benefit obligation	-	(1.24)	1.24	-	11.05	(11.05)	-
Warranty provision	(13.35)	9.33		(4.02)	(14.24)		(18.26)
Corporate guarantee	18.30	32.52		50.82	(85.21)		(34.39)
Others	16.00	3.92		19.92	(1.62)		18.30
Total	**(13,041.51)**	**4,400.99**	**1.24**	**(8,639.28)**	**5,761.18**	**(11.46)**	**(2,889.56)**

Note 36

Earnings per share (EPS)

Basic EPS calculated by dividing the Net profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	March 31, 2018	March 31, 2017
Basic and diluted earnings per share for equity shareholders		
i. Profit/(Loss) attributable to equity share holders (₹ in Millions)	(52,640.37)	(20,800.17)
ii. Weighted average number of equity shares	334,458,875	334,458,875
iii. Basic and diluted earnings per share (₹)	(157.39)	(62.19)
iv. Nominal value of equity shares (₹)	10.00	10.00

Note

1. Weighted average number of shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during year, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
2. The effect of conversion option of FCCBs is anti dilutive in nature.

3) The financial institutions have a right to convert, at their option, the whole outstanding amount of term loans or a part not exceeding 20% of defaulted amount of loan, whichever is lower, into fully paid up equity shares of the Company at par on default in payments/repayments of three consecutive installments of principal and/or interest thereon or on mismanagement of the affairs of the Company. Such conversion are considered to be anti-dilutive in nature and hence not considered for computation of the diluted earnings per share.

Note 37

Employee benefits

a) Defined contribution plan

The contributions paid/payable to Provident Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Company has recognised the following amounts in the statement of profit and loss for the year.

(₹ in Million)

Particulars	March 31, 2018	March 31, 2017
Employer's contribution to Provident Fund and ESIC	109.90	183.14
	109.90	**183.14**

b) Defined benefit plan

Gratuity

The company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in Million)

Particulars	March 31, 2018	March 31, 2017
Defined benefit obligation	281.48	331.20
Less : Fair value of plan assets	63.02	90.53
Net defined benefit obligations	**218.46**	**240.67**

Fair value of the plan assets and present value of the defined benefit liabilities

The amount included in the Balance sheet arising from the Company's obligations and plan assets in respect of its defined benefit schemes is as follows:

(₹ in Million)

	Particulars	March 31, 2018	March 31, 2017
1	**Movement in defined benefit obligations:**		
	At the beginning of the year	331.20	293.20
	Liabilities assumed on business combination	1.22	3.72
	Recognised in profit or loss		
	Prior Year Charge	-	5.79
	Current service cost	30.89	37.13
	Interest cost	21.25	27.20
	Past Service Cost	8.28	-
	Recognised in other comprehensive income		
	Actuarial (gains)/losses on obligations -	(31.95)	3.58
	Benefit paid	(79.41)	(39.42)
	At the end of the year	**281.48**	**331.20**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

(₹ in Million)

Particulars		March 31, 2018	March 31, 2017
2	**Movement in fair value of plan assets:**		
	At the beginning of the year	90.53	77.04
	Recognised in profit or loss		
	Interest income	5.52	7.05
	Expected Return on Plan Assets	(0.71)	0.29
	Recognised in other comprehensive income		
	Actuarial gains/(losses)		
	Employer contributions	3.56	18.83
	Benefit paid	(35.88)	(12.68)
	At the end of the year	**63.02**	**90.53**
3	**Recognised in profit or loss**		
	Current service cost	30.89	37.13
	Interest expense	21.25	27.20
	Interest income	5.52	7.05
	For the year	**46.62**	**57.28**
4	**Recognised in Other Comprehensive Income**		
	Actuarial (gains)/losses on obligations	(31.95)	3.58
	Actuarial (gains)/losses on plan assets	-	-
	For the year	**(31.95)**	**3.58**

5 **Plan assets for this Fund are insurance funds. (100%)**

6 **The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):**

Particulars	March 31, 2018	March 31, 2017
Rate of increase in salaries (%)	5% per annum	5% per annum
Discount rate (%)	7.00% and 7.50% per annum	7.00% and 7.50% per annum
Emplyee turnover rate	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

7 **Sensitivity of the defined benefit obligation**

	March 31, 2018		March 31, 2017	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (0.50% movement)	(273.82)	289.57	(319.36)	341.30
Rate of increase in salaries (0.50% movement)	289.43	(273.94)	340.79	(319.50)
Rate of employee turnover (0.50% movement)	(282.26)	280.64	(330.87)	329.12

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

8 **Expected contributions to gratuity fund for the year ended March 31, 2019 is ₹ 24.43 Million.**

9 **The expected future cash flows as at March 31, were as follows:**

(₹ in Million)

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
March 31, 2018					
Defined benefit obligations (Gratuity - funded)	24.43	26.74	59.78	138.67	249.62
March 31, 2017					
Defined benefit obligations (Gratuity - funded)	46.41	24.43	86.52		157.37

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

(₹ in Million)

Particulars		March 31, 2018	March 31, 2017
Note 38			
Contingent liabilities and commitments (to the extent not provided for)			
Commitments			
Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)		745.49	685.36
Contingent Liabilities			
1	Letters of Guarantees	253,953.87	37,705.16
2	Letters of Credit opened (including Standby Letters of Credit and Letter of Comfort)	45.31	6,291.74
3	*Claims against the Company not acknowledged as debts*		
3.1	Custom Duty demands and penalties under dispute [Amount paid under protest ₹ 0.17 Million (As at March 31, 2017 ₹ 0.17 Million)]	260.65	453.94
3.2	Income Tax demands under dispute	3,039.40	2,932.00
3.3	Excise Duty and Service Tax demands and penalties under dispute [Amount paid under protest ₹ 107.58 Million (As at March 31, 2017 ₹ 53.60 Million)]	1,667.44	1,383.46
3.4	Sales Tax demands under dispute [Amount paid under protest ₹ 74.89 Million (As at March 31, 2017 ₹ 83.95 Million)]	476.26	846.82
3.5	Others [Amount paid under protest ₹ 50.00 Million (As at March 31, 2017 ₹ 50.00 Million)]	2,246.00	2,186.97
3.6	Show Cause Notices (SCNs) have been served on the Operator of the Ravva Oil & Gas Field Joint Venture (Ravva JV) for non payment of Service Tax and Educational Cess on various services for the period July 2003 to March 31, 2014. The amount involved relating to Ravva Block is ₹ 263.72 Million (As at March 31, 2017 ₹ 263.72 Million). The Operator is contesting the SCNs/demands before Commissioner of Service Tax and has filed appeal before CESTAT, Bangalore and also writ petition before Hon'ble High Court of Madras challenging service tax demands on some of the services and believes that its position is likely to be upheld. The ultimate outcome of the matter cannot be presently determined and no provision for any liability that may result has been made in the accounts as the same is subject to agreement by the members of the Joint Venture. Should it ultimately become payable, the Company's share as per the participating interest would be upto ₹ 65.93 Million (As at March 31, 2017 ₹ 65.93 Million).		
3.7	Disputed Income Tax demand amounting to ₹ Nil (As at March 31, 2017 ₹ 22.29 Million) in respect of certain payments made by Ravva Oil & Gas Field Joint Venture is currently pending before the Hon'ble High Court of Madras. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made as the same is subject to agreement by the members of the Joint Venture. Should it ultimately become payable, the Company's share as per the participating interest would be upto ₹ Nil (As at March 31, 2017 ₹ 5.57 Million).		

Note 39

Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 :

Particulars		March 31, 2018	March 31, 2017
1	Principle amount remaining unpaid as at the end of the year/period	171.77	520.80
2	Interest due thereon as at the end of the year/period	15.42	5.72
3	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year/period	229.31	16.24
4	Interest due and payable for the period of delay in making payment	15.42	5.72
5	Interest accrued and remaining unpaid at the end of the year/period	15.42	5.72
6	Further interest remaining due and payable even in the succeeding years, untill such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note: This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such vendors/parties have been identified on the basis of information available with the Company.

Note 40

Corporate social responsibility

The Company in light of losses incurred in the past years is not required to spend any amount towards Corporate Social Responsibility for the year ended March 31, 2018.

Note 41

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

(₹ in Million)

March 31, 2018	Carrying Amount				Fair Value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current financial assets								
Investment in equity of subsidiaries and joint venture - Unquoted	-	95,245.55	-	95,245.55			95,245.55	95,245.55
Investment in equity shares other than Subsidiaries and Joint ventures - Unquoted	-	580.80	-	580.80			580.80	580.80
Investment in equity shares other than Subsidiaries and Joint ventures - Quoted	-	104.66	-	104.66	104.66			104.66
Investments in Preference shares	-	-	1,055.18	1,055.18		1,055.18		1,055.18
Loans	-	-	106,061.36	106,061.36		106,061.36		106,061.36
Others	-	-	39.25	39.25		39.25		39.25
Current financial assets								
Trade receivables	-	-	7,410.13	7,410.13				
Cash and cash equivalents	-	-	2,247.64	2,247.64				
Bank balances	-	-	2,039.59	2,039.59				
Loans	-	-	41,947.10	41,947.10				
Others	-	-	737.89	737.89				
	-	**95,931.01**	**161,538.14**	**257,469.15**	**104.66**	**107,155.79**	**95,826.35**	**203,086.80**
Financial liabilities								
Current financial liabilities								
Borrowings	-	-	245,039.51	245,039.51				
Trade payables	-	-	12,736.84	12,736.84				
Others	-	-	26,786.19	26,786.19				
	-	**-**	**284,562.54**	**284,562.54**	**-**	**-**	**-**	**-**

(₹ in Million)

March 31, 2017	Carrying Amount				Fair Value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current financial assets								
Investment in equity of subsidiaries and joint venture - Unquoted	-	100,810.15	-	100,810.15			100,810.15	100,810.15
Investment in equity shares other than Subsidiaries and Joint ventures - Unquoted	-	580.83	-	580.83			580.83	580.83
Investment in equity shares other than Subsidiaries and Joint ventures - Quoted	-	102.94	-	102.94	102.94			102.94
Investments in Preference shares	-	-	1,062.68	1,062.68		1,062.68		1,062.68
Loans	-	-	35,561.68	35,561.68		35,561.68		35,561.68
Others	-	-	90.95	90.95		90.95		90.95
Current financial assets								
Trade receivables	-	-	24,003.15	24,003.15				
Cash and cash equivalents	-	-	441.51	441.51				
Bank balances other than (11a) above	-	-	5,120.28	5,120.28				
Loans	-	-	104,822.81	104,822.81				
Others	-	-	515.14	515.14				
	-	**101,493.92**	**171,618.20**	**273,112.12**	**102.94**	**36,715.31**	**101,390.98**	**138,209.23**
Financial liabilities								
Non-current financial liabilities								
Borrowings	-	-	171,619.12	171,619.12		171,619.12		171,619.12
Others	-	-	-	-				
Current financial liabilities								
Borrowings	-	-	23,460.95	23,460.95				
Trade payables	-	-	19,048.84	19,048.84				
Others	-	-	52,098.76	52,098.76				
	-	**-**	**266,227.67**	**266,227.67**	**-**	**171,619.12**	**-**	**171,619.12**

(₹ in Million)

January 1, 2016	Carrying Amount				Fair Value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current financial assets								
Investment in equity of subsidiaries and joint venture - Unquoted	-	88,314.44	-	88,314.44			88,314.44	88,314.44
Investment in equity shares other than Subsidiaries and Joint ventures - Unquoted	-	504.35	-	504.35			504.35	504.35
Investment in equity shares other than Subsidiaries and Joint ventures - Quoted	-	123.00	-	123.00	123.00			123.00
Investments in Preference shares	-	-	1,062.68	1,062.68		1,062.68		1,062.68
Loans	-	-	39,413.48	39,413.48		39,413.48		39,413.48
Others	-	-	108.79	108.79		108.79		108.79
Current financial assets								
Investments	-	-	52.00	52.00	52.00			52.00
Trade receivables	-	-	28,585.19	28,585.19				
Cash and cash equivalents	-	-	1,407.27	1,407.27				
Bank balances other than (11a) above	-	-	25,936.54	25,936.54				
Loans	-	-	105,478.48	105,478.48				
Others	-	-	880.30	880.30				
	-	**88,941.79**	**202,924.73**	**291,866.52**	**175.00**	**40,584.95**	**88,818.79**	**129,578.74**
Financial liabilities								
Non-current financial liabilities								
Borrowings	-	-	185,183.93	185,183.93		185,183.93		185,183.93
Others	-	-	-	-				
Current financial liabilities								
Borrowings	-	-	43,387.45	43,387.45				
Trade payables	-	-	11,648.65	11,648.65				
Others	-	-	24,111.82	24,111.82				
	-	**-**	**264,331.85**	**264,331.85**	**-**	**185,183.93**	**-**	**185,183.93**

B) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

i) Credit risk ;

ii) Liquidity risk ; and

iii) Interest risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk Board of Directors 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 Board of Directors policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and Board of Directors standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors monitors compliance with the company's risk Board of Directors policies and procedures, and reviews the adequacy of the risk Board of Directors framework in relation to the risks faced by the Company. The Board of Directors is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk Board of Directors controls and procedures, the results of which are reported to the Board of Directors.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

a. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company does not have any significant concentration of credit risk. There are 2 customers which accounted for 10% or more of the total trade receivables as at the year end.

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

(₹ in Million)

	Gross carrying amount		
	March 31, 2018	**March 31, 2017**	**January 1, 2016**
Past due not impaired			
Less than 30 days	257.26	6,503.42	7,744.87
Past due 31–60 days	217.04	6,316.94	7,522.80
Past due 61–90 days	349.79	5,859.89	7,228.50
Past due 91–120 days	171.88	3,463.20	3,874.31
Past due 121–180 days	499.16	1,196.37	1,493.52
More than 180 days	5,915.00	663.33	721.19
Total	**7,410.13**	**24,003.15**	**28,585.19**

Management has analysed the debtors outstanding as of March 31, 2018 and concluded that the history of bad debts on the profile of its current debtors is insignificant. The debtors which are outstanding as of March 31, 2018 have been generally regular in making payments and hence it does not expect significant impairment losses on its current profile of outstanding debtors. The debtors which have defaulted in the past are mostly on account of any litigations and its experience regarding bad debts has been very low in the past.

On the basis of above, no additional provision has been made in the books of accounts under Ind AS.

b. Cash and cash equivalents and Other bank balances

The Company held cash and cash equivalents and other bank balances of ₹4,287.23 Millions at March 31, 2018 (March 31, 2017: ₹ 5,561.79 Millions, January 1, 2016 : ₹ 27,343.81 Millions). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

c. Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

d. Other financial assets

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity risk is managed by Company through effective fund management. The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through foreign currency borrowings and other debt instruments.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Million)

		Contractual cash flows				
March 31, 2018	**Carrying amount**	**Total**	**< 1 Year**	**1-3 Years**	**3-5 Years**	**More than 5 Years**
Non-derivative financial liabilities						
Non current, non derivative financial liabilities						
Current, non derivative financial liabilities						
Borrowings	245,039.51	29,482.22	29,482.22	-	-	-
Trade payables	12,736.84	12,736.84	12,736.84	-	-	-
Other current financial liabilities (Excluding current Maturity of Long term debt)	26,786.19	70,202.79	70,202.79	-	-	-
Total	**284,562.54**	**112,421.86**	**112,421.86**	**-**	**-**	**-**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

(₹ in Million)

March 31, 2017	Contractual cash flows					
	Carrying amount	Total	< 1 Year	1-3 Years	3-5 Years	More than 5 Years
Non-derivative financial liabilities						
Non current, non derivative financial liabilities						
Borrowings (Including current Maturity of Long term debt)	192,738.42	188,185.35	21,119.30	120,249.73	46,816.32	-
Current, non derivative financial liabilities						
Borrowings	23,460.95	23,117.34	23,117.34	-	-	-
Trade payables	19,048.84	19,048.84	19,048.84	-	-	-
Other current financial liabilities (Excluding current Maturity of Long term debt)	30,979.46	32,196.32	32,196.32	-	-	-
Total	**266,227.67**	**262,547.85**	**95,481.80**	**120,249.73**	**46,816.32**	**-**

(₹ in Million)

January 1, 2016	Contractual cash flows					
	Carrying amount	Total	< 1 Year	1-3 Years	3-5 Years	More than 5 Years
Non-derivative financial liabilities						
Non current, non derivative financial liabilities						
Borrowings (Including current Maturity of Long term debt)	196,253.44	190,480.27	11,069.51	78,173.36	101,126.65	110.75
Current, non derivative financial liabilities						
Borrowings	43,387.45	43,122.05	43,122.05	-	-	-
Trade payables	11,648.65	11,648.65	11,648.65	-	-	-
Other current financial liabilities (Excluding current Maturity of Long term debt)	13,042.31	14,097.77	14,097.77	-	-	-
Total	**264,331.85**	**259,348.74**	**79,937.98**	**78,173.36**	**101,126.65**	**110.75**

(iii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

(₹ in Million)

	Carrying amount		
	March 31, 2018	March 31, 2017	January 1, 2016
Variable-rate instruments			
Non current borrowings			
Secured			
Rupee Term Loans from Banks	-	159,075.85	171,019.61
Rupee Term Loans from Financial Institutions	-	7,773.38	8,037.37
Vehicle Loan from Banks	-	8.87	6.62
Foreign Currency Convertible Bonds	-	4,761.02	6,120.33
Current Maturities of Long Term Borrowings	-	21,119.30	11,069.51
Current borrowings			
Secured			
Loans from Banks	203,023.79	336.34	1,516.63
Overdraft against Fixed Deposits	-	-	20,264.32
Working Capital Loans from Banks	16,528.35	11,961.22	10,321.48
Loans from Others	13.39	13.39	-
Foreign Currency Convertible Bonds	4,948.43	-	-
Loans from Financial Institutions	9,508.62	-	-
Vehicle Loan from banks	8.85	-	-
Unsecured			
Loans from Banks	11,008.08	11,150.00	11,285.02
	245,039.51	**216,199.37**	**239,640.89**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Fair value sensitivity analysis for fixed-rate instruments

All the borrowings of company are at variable interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalized to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

(₹ in Million)

	Profit or loss before tax	
	100 bp increase	**100 bp decrease**
March 31, 2018	(2,450.40)	2,450.40
March 31, 2017	(2,161.99)	2,161.99
January 1, 2016	(2,396.41)	2,396.41

Note 42

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings, less cash and cash equivalents and bank deposits. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio is as follows: (₹ in Million)

Particulars	March 31, 2018	March 31, 2017	January 1, 2016
Total borrowings	245,039.51	216,199.37	239,640.89
Less : Cash and cash equivalents	2,247.64	441.51	1,407.27
Less : Bank deposits	2,039.59	5,120.28	25,936.54
Adjusted net debt	240,752.28	210,637.58	212,297.08
Total equity	41,771.43	98,330.99	119,218.81
Adjusted net debt to adjusted equity ratio	**5.76**	**2.14**	**1.78**

Note 43

Segement Reporting

Segment repoting will be presented in the consolidated financial statements.

Note 44

Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A. **Relationships -**

Subsidiaries:

a) Chhattisgarh Power Ventures Private Limited (up to March 29, 2018)

b) Middle East Appliances LLC

c) Pipavav Energy Private Limited

d) Prosperous Energy Private Limited

e) Videocon Electronics (Shenzhen) Limited (Chinese Name - Weiyoukang Electronic (Shenzhen) Co., Ltd.)

f) Videocon Global Limited

g) VOVL Limited (formerly Videocon Oil Ventures Limited) and its subsidiaries

Videocon Hydrocarbon Holdings Limited and its subsidiaries

Videocon JPDA 06-103 Limited

Videocon Indonesia Nunukan Inc.

Videocon Energy Brazil Limited

Videocon Australia WA-388-P Limited

Videocon Mauritius Energy Limited

Videocon International Cooperatie U.A. and its subsidiaries

Videocon Hydrocarbon Ventures B.V.

Videocon Brazil Ventures B.V. and its subsidiary

Videocon Brasil Petroleo Ltda

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

h) Electroworld Digital Solutions Limited (formerly Videocon International Electronics Limited) and its subsidiaries - Jumbo Techno Services Private Limited

Senior Consulting Private Limited

Videocon Telecommunications Limited and its subsidiary

Videocon Easypay Private Limited (formerly Datacom Telecommunications Private Limited)

i) Videocon Energy Limited and its subsidiary

Proficient Energy Private Limited and its subsidiary (upto March 31, 2018)

Applied Energy Private Limited (upto March 31, 2018)

Associates and Joint Ventures:

Radium Appliances Private Limited - Associate - 26%

Unity Power Private Limited - Associate - 26% (upto May 26, 2017)

VISPL LLP - Associate of Videocon Telecommunications Limited - 50% (w.e.f. January 2, 2018)

Videocon Infinity Infrastructure Private Limited - Joint Venture - 50%

IBV Brasil Petroleo Limitada - (50% Joint Venture of Videocon Energy Brazil Limited)

Liberty Videocon General Insurance Company Limited (up to March 14, 2018)

Key Management Personnel:

Mr. Venugopal N. Dhoot - Managing Director & CEO

Mr. Sunil Tandon - Senior Vice President

Mr. Mandar C. Joshi - Company Secretary

B. Transactions with the related parties:

(₹ in Million)

Particulars	Year	Name of Related Party	Subsidiaries	Associates
Sales of Product	FY 2017-18	Middle East Appliances LLC	2.01	
	FY 2016-17	Videocon Telecommunications Limited	22.69	
		Middle East Appliances LLC	14.03	
Other Operating Revenue	FY 2017-18	Videocon Telecommunications Limited	2.03	
	FY 2016-17	Videocon Telecommunications Limited	1.68	
		Proficient Energy Private Limited	0.03	
Income from Investments and Securities Division	FY 2016-17	Videocon Telecommunications Limited	(143.29)	
Other Non Operating Income	FY 2017-18	Videocon Energy Brazil Limited	15.61	
		Videocon Hydrocarbon Holdings Limited	4,067.68	
	FY 2016-17	Videocon Hydrocarbon Holdings Limited	1,030.62	
		Videocon Telecommunications Limited	2,250.00	
		Videocon Energy Brazil Limited	25.57	
		Videocon Indonesia Nunukan Inc.	3.79	
Interest Recovered	FY 2017-18	Electroworld Digital Solutions Limited	610.14	
		Videocon Oil Ventures Limited	579.14	
	FY 2016-17	Electroworld Digital Solutions Limited	424.14	
		Videocon Hydrocarbon Holdings Limited	7.84	
		Videocon Oil Ventures Limited	885.68	
SBLC charges & other expenses reiumbursed	FY 2016-17	Videocon Hydrocarbon Holdings Limited	3,764.57	
		Videocon Oil Ventures Limited	764.90	
		Videocon Energy Brazil Limited	4.75	
Office and general expenses	FY 2017-18	Videocon Telecommunications Limited	4.28	
		Liberty Videocon General Insurance Company Limited		0.26
	FY 2016-17	Videocon Oil Ventures Limited	135.70	
		Videocon Global Limited	25.51	
		Videocon Telecommunications Limited	0.90	
		Liberty Videocon General Insurance Company Limited		0.39
Purchase of Investments	FY 2016-17	Electroworld Digital Solutions Limited	12,380.49	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Long term advances given	FY 2017-18	Electroworld Digital Solutions Limited	1,111.93	
		Videocon Oil Ventures Limited	2,133.17	
	FY 2016-17	Videocon Oil Ventures Limited	1,390.13	
Long term advances received back	FY 2016-17	Videocon Telecommunications Limited	1,299.56	
		Electroworld Digital Solutions Limited	985.78	
Short term advances given	FY 2017-18	Prosperous Energy Private Limited	1.87	
		Videocon Infinity Infrastructure Private Limited		0.00
	FY 2016-17	Applied Energy Private Limited	0.00	
		Radium Energy Private Limited		0.01
Short term advances received back	FY 2017-18	Liberty Videocon General Insurance Company Limited		0.00
		Videocon Infinity Infrastructure Private Limited		2.50
	FY 2016-17	Videocon Easypay Private Limited	0.03	
		Prosperous Energy Private Limited	18.17	
Increase in Other receivables	FY 2017-18	Videocon Energy Brazil Limited	15.77	
		Videocon Hydrocarbon Holdings Limited	305.02	
Decrease in Other receivables	FY 2016-17	Videocon Energy Brazil Limited	9.68	
		Videocon Hydrocarbon Holdings Limited	269.55	
		Videocon Indonesia Nunukan Inc.	0.50	
		Videocon Telecommunications Limited	145.64	
Increase in Other payables	FY 2017-18	Videocon Mauritius Energy Limited	24.25	
		Videocon Global Limited	2.65	
		Videocon Indonesia Nunukan Inc.	0.01	
	FY 2016-17	Videocon Telecommunications Limited	18,452.32	
Decrease in Other payables	FY 2017-18	Videocon Telecommunications Limited	550.43	
	FY 2016-17	Videocon Global Limited	15.03	
		Comet Power Limited	17.03	
		Videocon Electronics (Shenzhen) Limited	0.83	
		Videocon Mauritius Energy Limited	207.85	

- Remuneration to Key Management Personnel ₹ 33.20 Million (Previous Period ₹ 84.70 Million)

C. Balances due from/to the related parties:

(₹ in Million)

Particulars	Year	Name of Related Party	Subsidiaries	Associates
Long term advances given	FY 2017-18	Electroworld Digital Solutions Limited	5,333.77	
		Videocon Oil Ventures Limited	8,460.66	
	FY 2016-17	Electroworld Digital Solutions Limited	4,221.84	
		Videocon Oil Ventures Limited	6,327.48	
Short term advances given	FY 2017-18	Applied Energy Private Limited	3.27	
		Prosperous Energy Private Limited	17.95	
		Radium Energy Private Limited		0.58
		Videocon Infinity Infrastructure Private Limited		0.29
	FY 2016-17	Applied Energy Private Limited	3.27	
		Prosperous Energy Private Limited	16.08	
		Liberty Videocon General Insurance Company Limited		0.00
		Radium Energy Private Limited		0.58
		Videocon Infinity Infrastructure Private Limited		2.79
Other receivables	FY 2017-18	Videocon Energy Brazil Limited	38.60	
		Videocon Hydrocarbon Holdings Limited	621.94	
		Videocon Indonesia Nunukan Inc.	2.44	
	FY 2016-17	Videocon Energy Brazil Limited	22.83	
		Videocon Hydrocarbon Holdings Limited	316.92	
		Videocon Indonesia Nunukan Inc.	2.44	
Other payables	FY 2017-18	Videocon Global Limited	4.42	

		Videocon Mauritius Energy Limited	7,675.20
		Videocon Telecommunications Limited	17,901.89
	FY 2016-17	Videocon Global Limited	1.77
		Videocon Mauritius Energy Limited	7,650.95
		Videocon Telecommunications Limited	18,452.32

Note 45

There are certain disputes with the Government of India ("GOI") with respect to the Production Sharing Contract dated October 28, 1994 ("Ravva PSC") pertaining to Ravva Oil & Gas Field which were referred to more than one international arbitration for resolution. The respective International Arbitral Tribunals have issued their respective Awards from time to time substantially in favour of the Company. However the GOI has preferred to challenge few of the Awards in various Courts in India and overseas but has not succeeded so far in any of the Courts. Pending final resolution of the disputes, certain amounts have been excess recovered, deducted or short paid by the GOI and / or its Nominees which have been challenged by the Company and the Company is seeking recovery of amounts excessively recovered, deducted or short paid by the GOI and/or its Nominees. Based on legal advice, the Company believes its contentions will be upheld. Any further sum required to be paid by the Company or recoverable by the Company in respect of any of these disputes in accordance with the determination of the amount by the Hon'ble Arbitral Tribunal/relevant courts in this regard shall be accounted for on the final outcome in those matters.

Note 46

The Company alongwith 13 other affiliates/entities (collectively referred to as 'Obligors' or individually as 'Borrower') executed Facility Agreement with the consortium of existing domestic rupee term lenders (RTL Lenders), under the obligor/co-obligor structure, wherein all the Rupee Term Loans of the Obligors are pooled together. The Borrower entities are Videocon Industries Limited, Value Industries Limited, Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited, Electroworld Digital Solutions Limited and Videocon Telecommunications Limited.

As per the said Facility Agreement, the Company is agent of the Obligors and has been referred to as 'Obligor Agent'. The Rupee Term Loans have to be utilised for the purpose mentioned in the Facility Agreement which is mainly for refinancing of existing Rupee Term Loans of the Obligors. Accordingly, the Rupee Term Loans were allocated to respective Obligors based on their outstanding amount as on December 31, 2011 and the lenders have also directly disbursed further amounts to some of the Obligors. As the Company is a co-obligor, it is contingently liable in respect of the borrowings of other Obligors/Borrowers to the extent of outstanding balance of Rupee Term Loans as on March 31, 2018 of ₹ 49,173.91 Million (As at March 31, 2017 ₹ 50,822.98 Million).

Note 47

The Consortium of various banks have sanctioned the Letter of Comfort (LoC)/Stand-by Letters of Credit (SBLC) facility to the Company and its subsidiary VOVL Limited (VOVL) (collectively referred to as 'Obligors') to secure the foreign currency facility raised / to be raised by Videocon Hydrocarbon Holdings Limited (VHHL), an overseas subsidiary, from its lenders. The LoC/SBLC facility is secured by first ranking pledge of 100% shares of VOVL, VHHL and shares of certain subsidiaries of VHHL and IBV Brasil Petroleo Limitada, a 50:50 joint venture of a subsidiary of VHHL, charge over fixed assets of certain subsidiaries of VHHL, VHHL's share of cash flows from identified oil & gas assets through escrow of receivables, first ranking / exclusive charge on specified bank accounts for the benefit of the LoC/SBLC providers, exclusive charge on oil & gas facility servicing account of Obligors set-up under the onshore Trust and Retention Accounts, negative lien on shares of other subsidiaries of VHHL viz. Videocon JPDA 06-103 Limited and Videocon Australia WA-388-P Limited, first pari-passu charge on Videocon brand and personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot and Mr. Rajkumar N. Dhoot.

During the year, some of the LOC/SBLC Lenders released the Company from its obligations, as an obligor/co-obligor under the LoC/ SBLC facility. In turn, the Company issued a corporate guarantee in favour of such lenders. Accordingly, the Company is contingently liable in respect of the LoC/SBLC facility of VOVL to the extent of ₹ 1,165.59 Million (As at March 31, 2017 ₹ 198,943.99 Million).

Note 48

The Directorate of Revenue Intelligence, Mumbai Zonal Unit ('DRI') has issued Show Cause Notice(s) ('SCN') dated September 10, 2014 and December 30, 2014 to the Company in connection with import of Colour Picture Tubes ('CPTs') by the Company and other concerns. Vide SCNs, the Company has been asked to explain / as to why the declared value of CPTs imported should not be rejected and re-determined and why the amount of anti-dumping duty of ₹ 1,657.21 Million and penalty thereon should not be recovered under the extended period under the provisions of the Customs Act, 1962.

In order to buy peace, the Company filed application with the Adjudication Authority who vide order dated April 20, 2017 determined that the declared value of the Company is liable to be rejected and re-determined under Customs Valuation Rules read with Section 14 of the Customs Act, 1962 and the Company is liable to payment of anti-dumping duty amounting to ₹ 687.49 Million payable on the import of CPTs and the penalty of equivalent amount along with interest thereon under Section 114A of the Customs Act, 1962. Further, the Adjudication Authority imposed a penalty of ₹ 0.50 Million on the Company on High Sea Sales under Section 112(a) of the Customs Act, 1962. Subsequently, the Company has filed an appeal against the Order passed by Adjudication Authority before The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) and the same is pending before the said CESTAT. The Company has been advised by its counsels that the Order passed by Adjudication Authority is untenable in the court of laws. Hence, no provision has been considered necessary in the financial statements.

Note 49

Intesa Sanpaolo S.p.A., an Italian bank, had initiated winding up proceedings against the Company on the basis of 'Patronage Letter' issued by the Company to the said Italian bank in June, 2007 for financial assistance given to the then one level step down subsidiary, M/s. VDC Technologies S.p.A., an Italian defunct company acquired by another subsidiary of the Company, M/s. Eagle Corporation Limited registered in Cayman Island. Single judge vide judgement dated December 5, 2013 passed a conditional order of winding up of the Company on its failure to deposit in court the amount of ₹ 2,597.30 Million equivalent of Euro 38.00 Million, which was confirmed by the division bench of the High Court of Judicature at Bombay on July 18, 2014.

The Company had challenged the order of Bombay High Court by way of Special Leave Petition ('SLP') in the Supreme Court. The Company had denied its liability out of the said 'Patronage Letter'. The Company, pending the final disposal of SLP, agreed to create lien on Fixed Deposit Receipts of ₹ 1,363.82 Million and ₹ 1,210.40 Million in favour of the Registrar of Supreme Court. The Hon'ble Supreme Court had stayed the impugned order of the Bombay High Court and directed to issue notice for further hearing of the matter. The Hon'ble Supreme Court had also admitted SLP filed by the Company and final hearing was pending.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Intesa Sanpaolo S.p.A. had also obtained exparte decree against the Company from Turin Court of Italy and on the basis of said decree, Intesa Sanpaolo S.p.A. had filed suit bearing No.2434/2012 in Bombay High Court for obtaining decree against the Company. The Company had appeared in the matter and was contesting the said exparte decree on merit. While the aforesaid suits and litigation were in progress, the Company and Intesa settled the matter by filing the Consent Terms before the Hon'ble Supreme Court at Euro 21.00 Million equivalent to ₹ 1,434.31 Million. As per the Consent Terms the Company has paid ₹ 1,434.31 Million towards full and final repayment of principal sum and Intesa waived off all its other claims including interest due on loan availed by VDC Technologies S.p.A. in full and final settlement and all the pending suits / petitions are withdrawn by both the parties. Further, all rights, interest and claims against VDC Technologies S.p.A. have been assigned and transferred to the Company. However, considering that the said VDC Technologies S.p.A. is defunct and under liquidation, said amount paid on settlement is charged to revenue.

Note 50

The Company has, directly and through its subsidiaries, made investments of ₹ 75,339.53 Million in Videocon Telecommunications Limited (VTL), the subsidiary.

Though VTL has huge accumulated losses and has been referred to National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016 as amended, its networth is positive and the management is confident of continuing its commercial operations in the National Long Distance (NLD) and International Long Distance (ILD) Business. Accordingly, in the opinion of the management, no provision is required for diminution in the value of aforesaid investments and advances to VTL.

Note 51

The confirmations and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances. In the opinion of the management, there will not be any material impact on the standalone Ind AS financial statements.

Note 52

State Bank of India, the lead bank of the Company has initiated Corporate Insolvency Resolution Process (CIRP) for the Company under the Insolvency and Bankruptcy Code, 2016 as amended and has filed the petition in National Company Law Tribunal (NCLT), Mumbai. The matter is under consideration of the NCLT. In view of the above and in view of the persistent severe strains on the working capital for more than a year, there is a significant drop in the production and sale of products which raises doubt on the ability of the Company to continue as "Going Concern" for the purpose of activities and operations of the Company along with activities and operations of other co-obligor companies. Also, the referral of the Company, in line with the directives of Reserve Bank of India, to NCLT under the Insolvency and Bankruptcy Code by lenders, amounts to a very material event. On this background during the year, the Company has discarded and /or disposed of certain current assets in view of the same being irretrievable for the purpose of business. The Company continues the process for ascertaining the liquidation value for remaining current assets such as raw materials, finished goods, stock-in-process, receivables etc., justifiably assuming that the going concern concept stands vitiated and necessary adjustments will be effected in the due course.

Note 53

The manufacturing activity of Glass Shell division located at Bharuch, which manufactured panels and funnels used in colour picture tube for colour television, has been suspended from July, 2017 due to poor demand of these products due to changes in technology for colour televisions. The management is of the view that the said factory and facilities can be, with some modifications, used for production of solar panel glass, solar lense, glass fibre and glass blocks which have good demand in the market. In view of the above, no provision for impairment has been considered necessary for the assets of the glass shell division at this stage.

Note 54

There are no amounts due and outstanding, to be credited to the Investor Education and Protection Fund.

Note 55.1

Unincorporated Joint Ventures:

The Financial Statements reflect the share of the Company in the assets and the liabilities as well as the income and the expenditure of Joint Venture Operations on a line-by-line basis. The Company incorporates its share in the operations of the Joint Venture based on statements of account received from the Operator. The Company has, in terms of Significant Accounting Policy No. 1.3 (E), recognised abandonment costs based on the technical assessment of current costs as cost of producing properties and has provided depletion thereon under 'Unit of Production' method as part of Producing Properties in line with Guidance Note on Accounting of Oil and Gas Producing Activities issued by the Institute of Chartered Accountants of India.

The Company has participating interest of 25% in Ravva Oil and Gas Field Joint Venture (JV) through a Production Sharing Contract (PSC). Other members of the JV are Oil and Natural Gas Corporation Limited, Cairn India Limited and Ravva Oil (Singapore) Pte. Limited. The parties have pursuant to the PSC, entered into a Joint Operating Agreement. Cairn India Limited is the Operator.

Note 55.2

Incorporated Jointly Controlled Entities:

i) Videocon Infinity Infrastructures Private Limited is a 50 : 50 Joint Venture Company incorporated in India, with Infinity Infotech Parks Limited to carry on the business of infrastructure development like construction of IT/ITes Parks, Biotech Parks etc. The Joint Venture Company has not commenced its commercial operations.

ii) Liberty Videocon General Insurance Company Limited is a Joint Venture Company incorporated in India, to carry non life insurance business in India. Upto March 14, 2018 the Company holds 56.53% stake in joint venture and the remaining equity is owned by Liberty Mutual Insuance Group. As on March 14, 2018, the Company sold/exited its stake on this joint venture.

iii) The financial interest of the Company in the jointly controlled incorporated entity based on financial statement received is as under:

(₹ in Million)

Company's share in	March 31, 2018	March 31, 2017
Assets	6.73	5,455.35
Liabilities	6.68	3,620.59
Income	-	3,225.56
Expenses	-	4,531.38
Tax	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Continued)

Note 55.3

The estimated amount of commitment of the Company towards contribution in various Joint Ventures for next year based on minimum work program is ₹ 2,663.41 Million (As at March 31, 2017 ₹ 1,075.04 Million).

Note 56

The Company has kept the investment activities separate and distinct from other businesses. Consequently, all the income and expenditure pertaining to investment activities have been allocated to the Investments and Securities Division and the income/(loss) after netting of the related expenditure has been shown as "Income/(Loss) from Investments and Securities Division" under "Other Income" which includes in respect of the long term investments, dividend of ₹1.39 Million (Previous year ₹ 0.95 Million), and profit on sale/disposal of investments of ₹ 65.31 Million (Previous year ₹ 27.26 Million).

C.I.F. Value of Imports, Expenditure and Earnings in Foreign Currency

(₹ in Million)

Particulars		For the year ended March 31, 2018	For 15 months ended March 31, 2017
Note 57			
a)	C.I.F. Value of Imports:		
	Raw Materials	8,991.96	30,656.21
	Capital Goods (including advances)	0.23	190.15
b)	Expenditure incurred in Foreign Currency:		
	Interest and Bank Charges	151.11	537.92
	Royalty	117.09	402.35
	Travelling	3.40	14.71
	Others	4.58	326.16
c)	Other Earnings/Receipts in Foreign Currency:		
	F.O.B. Value of Exports	989.25	5,625.73
	Others (including reimbursement of Expenses)	4,145.10	4,837.00

Note 58

Share of the Company in remaining reserves on proved and probable basis (as per Operator's estimates) in Ravva Oil & Gas field (Unincorporated) Joint Venture, relied upon by the auditors, being technical evaluation/matter.

Particulars	Unit of measurement	March 31, 2018	March 31, 2017
Crude Oil	Million Metric Tonnes	**0.19**	0.37
Natural Gas	Million Cubic Metres	-	28.67

Note 59

The Financial Institutions have a right to convert, at their option, the whole outstanding amount of term loans or a part not exceeding 20% of defaulted amount of loan, whichever is lower, into fully paid up Equity Shares of the Company at par on default in payments/repayments of three consecutive installments of principal and/or interest thereon or on mismanagement of the affairs of the Company. Such conversion are considered to be anti-dilutive in nature and hence not considered for computation of the diluted earnings per share.

Note 60

The figures for the comparative period represents profit/loss for the 15 month period ended March 31, 2017 while the figures for the current period are for the 12 month ended March 31, 2018. Accordingly, in addition to the factors highlighted in the notes above, the figures for the comparative period are not strictly comparable to the profit/loss for the current year. Previous period figures have been reclassified, regrouped, recasted to confirm to the classification of the current year.

Note 61

The Company has received Grant from Ozone Cell, Ministry of Environment & Forests, Government of India for financing the machinery under the Ozone Project. As per the accounting policy followed by the Company, the Grant received for Ozone Project has been treated as "deferred income" to be recognised in the Statement of Profit and Loss over the useful life of the assets under the Ozone Project. Accordingly, an amount of ₹ 4.07 Million (Previous period ₹ 5.10 Million) has been allocated to income and credited to other non-operating income, in proportion to the depreciation charged on those assets for the period. The balance deferred income has been carried to Balance Sheet as Grant for Ozone Project.

The accompanying notes are an integral part of the the financial statements

As Per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To

The Members of

VIDEOCON INDUSTRIES LIMITED

1. **Report on the Ind AS Consolidated Financial Statements**

We have audited the accompanying Consolidated Ind AS Financial Statements of **VIDEOCON INDUSTRIES LIMITED** ("the Holding Company") and its subsidiaries (together referred to as "the Group"), its associates and jointly controlled entities comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

2. **Management's Responsibility for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in term of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates and jointly controlled entities in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group and its associates and jointly controlled companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

3. **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 7(a) to 7(f) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS financial statements.

4. **Basis for Qualified Opinion**

a) *As mentioned in Note No. 50 to the consolidated Ind AS financial statements, during the year ended March 31, 2018, VTL has incurred a net loss of ₹ 4,070.39 Million and has accumulated losses of ₹ 67,022.59 Million as at March 31, 2018. Also, VTL has traded the right to use 2x5 MHz spectrum allotted to it in 6 circles, in terms the Guidelines for Trading of Access Spectrum by Access Service Providers dated October 12, 2015 issued by the WPC Wing of the Department of Telecommunications, (DoT), Government of India (Spectrum Trading Guidelines), which has resulted in closure of GSM (Global System for Mobile Communications) business operations of VTL in all 6 circles. Further, during the year financial creditors had filed application before NCLT Mumbai under Insolvency and Bankruptcy Code 2016. These factors indicate a material uncertainty that may cust significant doubt on the VTL's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.*

b) *As mentioned in Note No. 51 to the consolidated Ind AS financial statements, consequent to the agreement to transfer of the right to use 2x5 MHz Spectrum allotted to the Videocon Telecommunications Limited (VTL) in its 6 circles with Bharti Airtel Limited, VTL is in process of determining the impairment loss, on its assets including assets held for sale. As the impairment loss, in terms of Indian Accounting Standards 36 – 'Impairment of Assets' has not been determined. The consequential cumulative effect thereof on profit/loss including other comprehensive income for the year, assets, liabilities and other equity is unascertainable.*

c) *As mentioned in Note No. 52 to the consolidated Ind AS financial statements, VTL had given advances to Quadrant Televentures Limited ('QTL') of ₹ 12,860.00 Million for the proposed acquisition of indefeasible right of use (IRU) the UAS License of Punjab circle, subject to regulatory approvals. The same amount was converted into Unsecured Zero Coupon Compulsorily Convertible Debentures. The same investments has not been shown at fair value and in view of the huge accumulated losses of QTL, we are unable to express an opinion on the realizability of aforesaid investment and the effect of the same has not been ascertained. The consequential cumulative effect thereof on loss including other comprehensive income for the year, assets, liabilities and other equity is unascertainable.*

d) *As mentioned in Note No. 53 to the consolidated Ind AS financial statements, the subsidiary Videocon Mauritius Energy Limited has made investments of ₹ 16,662.27 Million which have been recognized / held at cost and the auditors of the said subsidiary have given disclaimer of opinion as it has not been possible to estimate the financial effect of not carrying these investments at fair value.*

e) *As mentioned in Note No. 55 to the consolidated Ind AS financial statements, the manufacturing activity of Glass Shell division which manufactured panels and funnels used in Colour Picture Tube of Colour Television, has been suspended from July, 2017 due to poor demand. However, the Company has not assessed or reviewed the plant and machinery and other fixed assets related to the Glass Shell division for the impairment and the impairment loss, if any, has not been ascertained. The consequent effect of the same is not ascertainable.*

f) *As mentioned in Note No. 63 to the consolidated Ind AS financial statements, the Parent Company and the subsidiary Electroworld Digital Solutions Limited (EDSL) and VTL have been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 as amended, and there are persistent severe strains on the working capital and there is considerable decline in level of operations of the Company and the Company has been incurring losses. These factors raise significant doubts on the ability of the Company to continue as a "Going Concern". The management of the Parent Company and the subsidiary EDSL and VTL have assumed that the going concern concept stands vitiated and is in the process of ascertaining the liquidation value of the assets. The necessary adjustments required on the carrying amount of assets and liabilities are not ascertainable at this stage.*

5. **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph 4 above,* the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs of the Group, its associates and jointly controlled companies as at March 31, 2018, and their consolidated loss, their consolidated cash flows and consolidated changes in equity for the year ended on that date.

6. **Emphasis of Matter:**

a) Attention is invited to Note No. 56 to consolidated Ind AS financial statements. The auditors of subsidiary companies, namely VOVL Limited, Videocon Hydrocarbon Holdings Limited, Videocon JPDA 06-103 Limited, Videocon Indonesia Nunukan Inc., Videocon Australia WA-388-P Limited, Videocon Energy Brazil Limited, and the joint venture IBV Brasil Petroleo Limitada have in their respective reports on separate financial statements, given Emphasis of Matter that as the said subsidiaries and the joint venture are in exploration/appraisal stage and have spent significant amounts on acquisitions, explorations and evaluation costs and have liabilities on this account, in the absence of commercial operations, the ability to continue as a going concern is substantially dependent on their ability to raise funds or continuous financial support from Parent Company to meet their operating and capital expenditure requirement.

The respective management of the aforesaid subsidiary companies, are hopeful of mobilizing the necessary resources for continuing the operations of each of the subsidiaries and the joint venture, with the support from the Parent Company and also in view of the fact that in certain cases of companies/joint venture engaged in exploration and production of oil and gas, the operators have reported major discoveries which they intend to develop in an integrated manner to make it optimal and more economical. Accordingly, the financial statements have been prepared by the said subsidiaries and joint venture on a going concern basis.

Our report for preceding financial year also contained similar emphasis of matter.

b) As mentioned in Note No. 62 to the consolidated Ind AS financial statements, the balance confirmations and reconciliation have not been received in respect of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances. In the opinion of the management, there will not be any material impact on the consolidated Ind AS financial statements.

c) The consolidated Ind AS financial statements reflect the share of the Company in the assets and the liabilities as well as the income and expenditure of joint venture operations on a line by line basis. The Company has participating interest of 25% in Ravva Oil and Gas Field Joint Venture through a Production Sharing Contract (PSC). The Company incorporates its share in the operations of the joint venture based on statement of account received from the Joint Venture/Operator. The Company has received the audited financial statements upto March 31, 2017 and un-audited financial statements for the period April 1, 2017 to March 31, 2018, in respect of the said joint venture from the Operator which has been certified by the management on which we have placed reliance.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

7. **Other Matters**

a) We did not audit the financial statements of 18 subsidiaries whose financial statements reflect total assets of ₹ 239,110.04 Million as at March 31, 2018, total revenue of ₹ 19,944.93 Million and net cash flows amounting to ₹ (293.21) Million for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of other auditors.

b) The accompanying consolidated Ind AS financial statements include total assets of ₹ 16,786.72 Million as at March 31, 2018 and total revenue of ₹ 101.12 Million and net cash flows amounting to ₹ (1.97) Million for the year ended on that date in respect of 4 foreign subsidiaries, which have been audited by other auditors, which financial statements, prepared under the generally accepted accounting principles ('GAAPs') accepted in the respective countries, other financial information and auditor's report have been furnished to us by the Company's management. The management of the Company has converted these audited financial statements from accounting principles generally accepted in the respective countries to accounting principles generally accepted in India, for the purpose of preparation of the Company's consolidated Ind AS financial statements under accounting principles generally accepted in India. We audited the adjustments that were applied to prepare the consolidated Ind AS financial statements made by the Company's management to convert these subsidiaries' and jointly controlled entity's financial statements and information from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India and followed by the Parent Company. In our opinion the adjustments have been properly applied. We were not engaged to audit, review or apply any procedure to the financial statements of these subsidiaries and jointly controlled entity, other than with respect to the adjustments and, accordingly, we do not express an opinion on the financial statements of these subsidiaries and jointly controlled entity, from which such adjustments were derived. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our reports in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of such other auditors under the aforementioned GAAPs in respective countries and the aforesaid conversion undertaken by the management examined by us on a test basis.

c) The accompanying consolidated Ind AS financial statements includes total assets of ₹ 16,664.10 Million as at March 31, 2018, total revenue of ₹ Nil and net cash flows amounting to ₹ (0.43) Million for the year ended on that date in respect of 2 foreign subsidiaries, for which the Company has received audited financial statements for the year ended December 31, 2017 (which have been audited by other auditor) and unaudited financial statements for the period January 1, 2018 to March 31, 2018 on which we have placed reliance.

d) The consolidated Ind AS financial statements also include the Company's share of profit of ₹ 1,991.71 Million for the year ended March 31, 2018, in respect of 1 associate and 3 joint ventures, whose financial statements have been audited by other auditors and whose reports have been furnished to us by the Company's Management, and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of these associates and joint ventures, and our reports in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates and joint ventures, is based solely on the reports of such other auditors.

e) We did not audit the financial statements of 3 subsidiaries whose financial statements reflect total assets of ₹ 6.56 Million as at March 31, 2018, total revenue of ₹ Nil and net cash flows amounting to ₹ Nil for the period ended on that date. These financial statements are unaudited and have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

f) The comparative financial information of the Group including its associates and jointly controlled entities for the period ended March 31, 2017 and the transition date opening balance sheet as at January 1, 2016 included in these Consolidated Ind AS Financial Statements, are based on the previously issued statutory consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditors whose report for the period ended March 31, 2017 and December 31, 2015 dated November 24, 2017 and May 14, 2016 respectively expressed modified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

Our opinion on the consolidated Ind AS financial statements, and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

8. **Report on Other Legal and Regulatory Requirements**

As required by section 143(3) of the Act, based on our audit and on consideration of the reports of other auditors on separate financial statements and other financial information of subsidiaries, associates and joint ventures referred in the Other Matters paragraph above, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Ind AS Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph above and Ind AS 36 'Impairment of Assets'*, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) The matter relating to the preparation of financial statements of Parent and the subsidiaries and the joint ventures entity on going concern basis and other matters described under Basis for Qualified Opinion paragraph 4 above and also under Emphasis of Matter paragraph 6 above, in our opinion, may have adverse effect on the functioning of the Company.

f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;

g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Reports in "Annexure A" which is based on the auditors' report of the Holding Company, subsidiary companies, associates and joint ventures incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company, its subsidiary companies, associates and jointly controlled companies', internal financial controls over financial reporting.

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

   i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note No. 40 to 47 to the consolidated financial statements.

   ii) The Company has made provision in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contacts.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, subsidiary companies, associates companies and jointly controlled companies incorporated in India.

For S Z DESHMUKH & CO.
Chartered Accountants
(Firm Registration No. 102380W)

D. U. KADAM
Partner
Membership No. 125886

Place: Mumbai
Date: June 5, 2018

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF VIDEOCON INDUSTRIES LIMITED

(Referred to in paragraph 8 (g) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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”)

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of **VIDEOCON INDUSTRIES LIMITED** (hereinafter referred to as “Holding Company”), its subsidiary companies (together referred to as “the Group”), its associates and jointly controlled entities on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, associates and jointly controlled entities incorporated in India are 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associates and jointly controlled entities in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors as referred to in the Other Matters paragraph, the Holding Company, its subsidiary companies, associates and jointly controlled entities, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by these entities 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 9 subsidiary companies, 1 joint venture and 2 associates which are companies incorporated in India, is based on the corresponding reports of the auditors of such company.

For S Z DESHMUKH & CO.
Chartered Accountants
(Firm Registration No. 102380W)

D. U. KADAM
Partner
Membership No. 125886

Place: Mumbai
Date: June 5, 2018

Consolidated Balance Sheet as at March 31, 2018

(₹ in Million)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
I. ASSETS				
1) Non-current assets				
Property, Plant and Equipment	2	62,215.24	70,387.06	87,882.77
Capital work-in-progress		520.30	6,674.06	18,634.15
Goodwill		11,059.11	11,059.14	11,059.99
Other Intangible assets	3	78.38	154.00	19,553.36
Equity accounted investees	4A	4,089.33	5,805.93	2,150.90
Financial assets				
i) Other investments	4B	32,132.64	34,085.56	22,492.89
ii) Loans	5	224,792.85	129,162.84	117,669.21
iii) Others	6	198.57	1,658.93	1,097.71
Other non-current assets	7	8,052.28	8,080.51	13,030.91
Other tax assets (Net)		756.39	870.16	768.80
Total non-current assets		**343,895.09**	**267,938.19**	**294,340.69**
2) Current Assets				
Inventories	8	14,089.98	28,660.70	23,649.06
Financial Assets				
i) Investments	9	-	-	52.39
ii) Trade receivables	10	7,433.68	24,439.63	30,477.79
iii) Cash and cash equivalents	11a	2,935.74	1,987.71	13,378.69
iv) Bank balances other than (11a) above	11b	4,768.21	8,508.40	28,224.65
iv) Loans	12	112,150.38	186,920.96	216,471.07
v) Others	13	472.41	320.63	131.91
Other current assets	14	2,110.04	382.72	866.27
		143,960.44	251,220.75	313,251.83
Disposal group-assets held for sale		9,163.20	9,321.37	-
Total current assets		**153,123.64**	**260,542.12**	**313,251.83**
TOTAL ASSETS		**497,018.73**	**528,480.31**	**607,592.52**
II. EQUITY AND LIABILITIES				
1) Equity				
Equity share capital	15	3,344.59	3,344.59	3,344.59
Other equity	16	(39,528.44)	24,705.27	83,558.31
Total Equity		**(36,183.85)**	**28,049.86**	**86,902.90**
2) Non controlling interest		564.86	1,066.13	250.32
3) Non current liabilities				
Financial liabilities				
i) Borrowings	17	1,696.33	355,834.14	325,159.82
Provisions	18	1,750.14	1,814.51	2,436.91
Grant for Ozone Project		52.26	56.33	61.43
Deferred tax liabilities (net)	19	2,773.53	8,523.81	12,942.43
Total non current liabilities		**6,272.26**	**366,228.79**	**340,600.59**
4) Current liabilities				
Financial liabilities				
i) Borrowings	20	500,911.68	27,183.31	50,022.46
ii) Trade payables	21	15,368.99	21,918.60	15,085.85
iii) Others	22	8,261.82	82,278.91	112,112.17
Other current liabilities	23	1,254.96	1,233.84	2,093.93
Provisions	24	568.01	520.87	524.30
Total Current liabilities		**526,365.46**	**133,135.53**	**179,838.71**
TOTAL EQUITY AND LIABILITIES		**497,018.73**	**528,480.31**	**607,592.52**
Significant Accounting Policies	1			

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(₹ in Million)

Particulars	Notes	For the year ended March 31, 2018	For 15 Months ended March 31, 2017
I. Income			
Revenue from operations	25	30,075.59	131,624.47
Other income	26	20,855.15	4,294.12
Total Income		**50,930.74**	**135,918.59**
II. Expenses			
Cost of materials consumed	27	25,223.21	44,284.86
Purchase of stock-in-trade	28	9,006.11	43,058.10
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	1,064.73	212.10
Excise duty		737.85	6,459.20
Production and exploration expenses - Oil and Gas	30	4,638.84	6,606.07
Access charges, license fees and network expenses	31	1,410.95	14,424.20
Employee benefits expenses	32	2,311.78	4,222.80
Finance costs	33	49,479.50	51,271.60
Depreciation and amortization expenses	2&3	8,307.57	11,044.26
Impairment of assets	58(B)(b)	-	8,498.49
Other Expenses	34	12,051.25	10,692.61
Total Expenses		**114,231.79**	**200,774.29**
Less: Exceptional items	54	6,281.86	-
Profit before extraordinary items and tax		**(69,582.91)**	**(64,855.70)**
Add: Extraordinary items		-	27,921.64
Profit/(Loss) before share of profit of associates/joint ventures and tax		**(69,582.91)**	**(36,934.06)**
Add: Share of Profit of equity accounted investees		(1,991.71)	5,345.41
Add: Profit on disposal/dilution of holding in subsidiaries/associates		274.10	1,723.85
Profit/(Loss) before tax		**(71,300.52)**	**(29,864.80)**
Tax expense:	35		
i) Current tax		0.29	3.39
ii) MAT credit entitlement		-	(3.20)
iii) Deferred tax		(5,763.71)	(4,360.84)
iv) (Excess)/Short provision of income tax for earlier years		0.09	(0.30)
Total tax expenses		**(5,763.33)**	**(4,360.95)**
Profit/(Loss) for the year from Continuing and Discontinued Operations		**(65,537.19)**	**(25,503.85)**
Profit/(Loss) from Continuing Operations Before Tax		(71,300.52)	(50,178.33)
Tax Expense		(5,763.33)	(4,360.95)
Profit/(Loss) from Continuing Operations After Tax		**(65,537.19)**	**(45,817.38)**
Profit/(Loss) from Discontinued Operations Before Tax		**-**	20,313.53
Tax Expense		**-**	-
Profit/(Loss) from Discontinued Operations After Tax		**-**	**20,313.53**
Net Profit/(Loss) from Continuing and Discontinued Operations		**(65,537.19)**	**(25,503.85)**
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss in subsequent period			
i) Remeasurements of the defined benefit plans		38.40	14.05
ii) Equity instruments through other comprehensive income - net change in fair value		(3.72)	(25.81)
iii) Debt instruments through other comprehensive income - net change in fair value		(66.12)	26.87
iv) Income tax on above		(13.43)	(3.96)
Items that will be reclassified to statement of profit or loss in subsequent period			
i) Exchange differences in translating financial statements of foreign operations		1,186.08	(5,370.06)
		1,141.21	**(5,358.91)**
Total comprehensive income/(loss) for the year/period		**(64,395.98)**	**(30,862.76)**
Profit/(Loss) attributable to:			
Owners of the Company		(66,535.52)	(26,421.56)
Non-Controlling Interests		998.33	917.71
Other Comprehensive Income/(Loss) attributable to:			
Owners of the Company		1,140.81	(5,360.01)
Non-Controlling Interests		0.40	1.10
Total Comprehensive Income/(Loss) attributable to:			
Owners of the Company		(65,394.71)	(31,781.57)
Non-Controlling Interests		998.73	918.81
Earnings per equity share			
Basic and diluted earnings per share	36	(195.95)	(76.25)
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

Consolidated Statement of Cash Flows for the year ended March 31, 2018

(₹ in Million)

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before tax		(71,300.52)	(29,864.80)
Adjustments for:			
Depreciation and amortisation		8,307.57	11,044.26
Impairment of assets		-	8,498.49
Finance costs		49,479.50	51,271.60
Provision for warranty and maintenance expenses		(81.53)	27.95
Provision for gratuity		(10.30)	(4.85)
Provision for leave encashment		(28.25)	(6.41)
Provision for abandonment and site restoration costs		102.85	(642.52)
Provision for doubtful debts		3,314.57	20.86
Interest income		(15,095.47)	(1,391.35)
(Income)/Loss from investments and securities division/Loss on investments		1,796.61	(13.93)
Loss on sale/discard of fixed assets		906.32	237.84
Minority Interest for the year/period		(998.73)	(918.81)
Adjustment of grant		(4.07)	(5.10)
Extraordinary items		-	(27,921.64)
Operating Profit before Working Capital Changes		**(23,611.45)**	**10,331.59**
Adjustments for:			
Inventories		14,570.72	(5,011.64)
Trade receivables		13,691.38	6,017.30
Other financial and non financial assets		(22,710.30)	23,301.71
Trade payables		(6,549.61)	6,832.75
Other financial and non financial liabilities		757.47	(1.91)
Cash generated from Operations		**(23,851.79)**	**41,469.80**
Less: Taxes paid (net)		(113.39)	101.25
Net Cash (used in) / from Operating Activities	**(A)**	**(23,738.40)**	**41,368.55**
B. CASH FLOW FROM INVESTING ACTIVITIES			
(Purchase)/Sale of fixed assets (Including capital work-in-progress)		5,345.48	47,613.10
Interest Income		15,095.47	1,391.35
(Increase)/Decrease in fixed deposits and other bank balances		5,200.55	19,155.03
(Purchase)/Sale of investments (Net)		4,760.68	(42,248.91)
Decrease in goodwill on consolidation		0.03	0.85
Income/(Loss) from Investments and securities division/Loss on investments		(1,796.61)	13.93
Net Cash from Investing Activities	**(B)**	**28,605.60**	**25,925.35**
C. CASH FLOW FROM FINANCING ACTIVITIES			
(Decrease) in securities premium on account of disposal of subsidiaries		-	(16.81)
Increase/(Decrease) in foreign currency translation reserve on consolidation		1,186.08	(5,370.06)
Increase/(Decrease) in minority interest		(501.27)	815.81
Increase/(Decrease) in non-current borrowings		44,511.02	(1.87)
Increase/(Decrease) in current borrowings		366.52	(22,839.15)
Finance costs		(49,479.50)	(51,271.60)
Payment of dividend		(2.02)	(1.20)
Net Cash (used in) Financing Activities	**(C)**	**(3,919.17)**	**(78,684.88)**
Net Change in Cash and Cash Equivalents	**(A+B+C)**	**948.03**	**(11,390.98)**
Cash and Cash Equivalents at beginning of the year/period		1,987.71	13,378.69
Cash and Cash Equivalents at end of the year/period		**2,935.74**	**1,987.71**

Notes: The movement of borrowings as per Ind AS 7 is as follows:

	Non-Current	Current	Total
Opening borrowings as on April 1, 2017	430,615.10	27,183.31	457,798.41
Proceeds/(Repayments) during the year	44,511.02	366.52	44,877.54
Non-cash adjustments*	(473,361.85)	473,361.85	-
Closing borrowings as on March 31, 2018	**1,764.27**	**500,911.68**	**502,675.95**

*Includes transfer from non current borrowings to current borrowings

As per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

VIDEOCON

STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED MARCH 31, 2018

a) Equity share capital

Particulars	Note	₹ in Million
Balance as at January 1, 2016		3,344.59
Changes in equity share capital during the period	15	-
Balance as at March 31, 2017		3,344.59
Changes in equity share capital during the year	15	-
Balance as at March 31, 2018		3,344.59

b) Other equity

(₹ in Million)

Particulars	Attributable to the owners of the Company											Non Controlling Interest	Total
	Equity component of financial instruments	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Bond/ Debenture Redemption Reserve	General Reserve	Legal Reserve	Retained earnings*	Exchange differences in translating financial statements of foreign operations	Debt instruments through OCI	Equity investments through OCI		
Balance at January 1, 2016	**24.31**	**5.68**	**997.59**	**48,893.80**	**1,618.38**	**16,801.48**	**0.32**	**15,187.91**	**-**	**39.25**	**(10.41)**	**250.32**	**83,808.63**
Profit for the period	-	-	-	-	-	-	-	(26,421.56)	-	-	-	917.71	(25,503.85)
Other comprehensive income for the period	-	-	-	-	-	-	-	8.99	(5,370.06)	26.87	(25.81)	1.10	(5,358.91)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(26,412.57)**	**(5,370.06)**	**26.87**	**(25.81)**	**918.81**	**(30,862.76)**
Decrease on account of disposal of subsidiaries	-	-	-	(16.81)	-	-	-	-	-	-	-	-	(16.81)
Acquisition of stake of subsidiary	-	-	-	-	-	-	-	-	-	-	-	(103.00)	(103.00)
Deemed equity contribution to promoters	-	-	-	-	-	-	-	(59.51)	-	-	-	-	(59.51)
Transferred to/ from retained earnings	-	-	-	-	(399.41)	-	-	399.41	-	-	-	-	-
Capital Infused in joint venture	-	-	-	-	-	-	-	(26,995.15)	-	-	-	-	(26,995.15)
Balance at March 31, 2017	**24.31**	**5.68**	**997.59**	**48,876.99**	**1,218.97**	**16,801.48**	**0.32**	**(37,879.91)**	**(5,370.06)**	**66.12**	**(36.22)**	**1,066.13**	**25,771.40**
Profit for the year	-	-	-	-	-	-	-	(66,535.52)	-	-	-	998.33	(65,537.19)
Other comprehensive income for the year	-	-	-	-	-	-	-	24.57	1,186.08	(66.12)	(3.72)	0.40	1,141.21
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(66,510.95)**	**1,186.08**	**(66.12)**	**(3.72)**	**998.73**	**(64,395.98)**
Deemed equity contribution to promoters	-	-	-	-	-	-	-	(1.50)	-	-	-	-	(1.50)
Transferred to/ from retained earnings	-	-	-	-	3.86	-	-	(3.86)	-	-	-	-	-
Dilution in stake of subsidiary	-	-	-	-	-	-	-	-	-	-	-	(1,500.00)	(1,500.00)
Adjustment on account of additional stake acquired from Non-Controlling interest	-	-	-	-	-	-	-	1,162.50	-	-	-	-	1,162.50
Balance at March 31, 2018	**24.31**	**5.68**	**997.59**	**48,876.99**	**1,222.83**	**16,801.48**	**0.32**	**(103,233.72)**	**(4,183.98)**	**-**	**(39.94)**	**564.86**	**(38,963.58)**

* Includes fair valuation impact of Land and Building ₹ 13,876.67 Million for March 2018, ₹14,275.59 Million in March 2017 and ₹ 15,737.43 Million in January 1, 2016. Such amounts are not available for distribution as dividend.

As per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1

1.1 Corporate Information

The Consolidated Financial Statements comprise financial statements of Videocon Industries Limited ('the Holding Company') and its subsidiaries (collectively referred to as 'the Group') for the year ended March 31, 2018.

The principal activities of the Group, its joint ventures and associates consist of manufacturing and trading of consumer electronics and home appliances products, extraction of crude oil and natural gas and telecommunication services. Further details about the business operations of the Group are provided in Note 65 – Segment Information.

1.2 Basis of preparation and Significant Accounting Policies

A. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

These Consolidated Financial Statements for the year ended March 31, 2018 are the first financial statement prepared under Ind AS. For all periods upto and including the period ended March 31, 2017, the Group prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The Consolidated Financial Statements for the period ended March 31, 2017 and the opening Balance Sheet as at January 1, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Equity, Total Comprehensive Income and Cash Flows are provided.

The Consolidated Financial Statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Consolidated Financial Statements, including the preparation of the opening Ind AS Balance Sheet as at January 1, 2016 being the 'date of transition to Ind AS'.

The financial statements of the Company for the year ended March 31, 2018 were approved for issue in accordance with the resolution of the Board of Directors on June 5, 2018. Details of accounting policies are included in Note 1.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the entity's functional currency. All amounts have been rounded off to the nearest rupee in Millions with two decimals, unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

- Net defined benefit (asset) / liability – fair value of plan assets less present value of defined benefit obligations.

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

D. Key estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Judgements:

Determination of the estimated useful lives

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 1.2.I – Useful life of property, plant and equipment and intangible assets

Assumptions and estimation uncertainities

Note 1.2.W – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used

Note 1.2.P – measurement of defined benefit obligations: key actuarial assumptions;

Notes 1.2.Q – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

E. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for both financial and non-financial instruments.

The Group has an established control framework with respect to the measurement of fair values. 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, regardless of whether that price is directly observable or estimated using another valuation technique. The management regularly reviews significant unobservable inputs and valuation adjustments.

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The entity has recognised certain assets at fair value and further information is included in the relevant notes.

F. Basis of consolidation

(i) Business Combinations

As part of its transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business combinations, to only those business combinations that occurred on or after the transition date i.e. April 1, 2016.

The Group has accounted merger schemes in a manner prescribed by the High Court orders. The book values of the assets, liabilities and reserves of the Transferor Company have been recorded and the identity of the reserves has been maintained. The excess of book value of the net assets and reserves of the Transferor Company taken over, over the face value of the shares issued by the transferee Company has been debited to the Goodwill as per the Scheme. Any goodwill that arises is tested annually for impairment.

Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are recognised in the Consolidated Statement of Profit and Loss.

Common control

Business combinations involving entities that are ultimately controlled by the same parties before and after the business combination are considered as Common control entities. Common control transactions are accounted using pooling of interest method. The financial statements in respect of prior periods have been restated from the period that the Transferor Company became a subsidiary of the Transferee Company where the assets and liabilities of the transferee are recorded at their existing carrying values, the identity of reserves of the transferee company is preserved.

(ii) **Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the Consolidated Financial Statement. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the Consolidated Financial Statements. In case of acquisition of additional stake in the existing subsidiary, the excess of purchase consideration over the Group's portion of equity of the subsidiary on the date on which the additional investment is made, is adjusted in equity.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separately within equity.

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and

b) The non-controlling interest's share of movements in equity since the date parent subsidiary relationship came into existence.

The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the Consolidated Statement of Profit and Loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost and the differential is recognised in Consolidated Statement of Profit and Loss. Subsequently, it is accounted for as an equity-accounted investee depending on the level of influence retained.

As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's standalone financial statements.

The companies considered in the preparation of the Consolidated Financial Statements and the shareholding of the Group in these Companies as of March 31, 2018 is as follows:

Subsidiaries	Country of Incorporation	Percentage of Ownership Interest as at	
		March 31, 2018	March 31, 2017
Chhattisgarh Power Ventures Private Limited (upto March 29, 2018)	India	0%	100%
Middle East Appliances LLC	Sultanate of Oman	100%	100%
Pipavav Energy Private Limited	India	100%	100%
Prosperous Energy Private Limited	India	100%	100%
Videocon Electronics (Shenzhen) Limited (Chinese Name Weiyoukang Electronic (Shenzhen) Co., Ltd.)	China	100%	100%
Videocon Global Limited	British Virgin Islands	100%	100%
VOVL Limited (Formerly Videocon Oil Ventures Limited)	India	100%	100%
Videocon Hydrocarbon Holdings Limited (1)	Cayman Islands	100%	100%
Videocon JPDA 06-103 Limited (2)	Cayman Islands	100%	100%
Videocon Indonesia Nunukan Inc. (2)	Cayman Islands	100%	100%
Videocon Energy Brazil Limited (2)	British Virgin Islands	100%	100%
Videocon Australia WA-388-P Limited (2)	Cayman Islands	100%	100%
Videocon Mauritius Energy Limited (2)	Mauritius	100%	100%
Videocon International Cooperatie U.A. (2)	The Netherlands	100%	100%
Videocon Hydrocarbon Ventures B.V. (3)	The Netherlands	100%	100%
Videocon Brazil Ventures B.V. (3)	The Netherlands	100%	100%
Videocon Brasil Petroleo Ltda (4)	Brazil	100%	100%
Electroworld Digital Solutions Limited	India	100%	100%
Jumbo Techno Services Private Limited(5)	India	100%	100%
Senior Consulting Private Limited(5)	India	100%	100%
Videocon Telecommunications Limited(5)	India	95.63%	93.75%
Videocon Easypay Private Limited (6)	India	95.63%	93.75%
Videocon Energy Limited	India	100%	100%
Proficient Energy Private Limited (7)(upto March 31, 2018)	India	0%	100%
Applied Energy Private Limited (8)(upto March 31, 2018)	India	0%	100%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Joint Ventures	Country of Incorporation	Percentage of Ownership Interest as at	
		March 31, 2018	March 31, 2017
IBV Brasil Petroleo Limitada [9]	Brazil	50%	50%
Videocon Infinity Infrastructure Private Limited	India	50%	50%
Liberty Videocon General Insurance Company Limited (upto March 14, 2018)	India	0%	56.53%

[1]Subsidiary of VOVL Limited

[2]Subsidiary of Videocon Hydrocarbon Holdings Limited.

[3]Subsidiary of Videocon International Cooperatie U.A.

[4]Subsidiary of Videocon Brazil Ventures B.V.

[5]Subsidiary of Electroworld Digital Solutions Limited.

[6]Subsidiary of Videocon Telecommunications Limited.

[7]Subsidiary of Videocon Energy Limited.

[8]Subsidiary of Proficient Energy Private Limited.

[9]Joint Venture of Videocon Energy Brazil Limited.

Associate/Partnership Firm	Country of Incorporation	Percentage of Ownership Interest as at	
		March 31, 2018	March 31, 2017
Radium Appliances Private Limited	India	26%	26%
Unity Power Private Limited (upto May 26, 2017) [1]	India	0%	26%
VISPL LLP (w.e.f. January 2, 2018)[2]	India	50%	0%

[1]Associate of Applied Energy Private Limited.

[2]Partnership firm of Videocon Telecommunications Limited.

(iii) **Equity accounted investees**

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

G. **Financial assets**

(i) Initial recognition and measurement

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the Consolidated Statement of Profit and Loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

(ii) Classification and subsequent measurement

Financial assets are subsequently classified and measured at

• amortised cost

• fair value through profit and loss (FVTPL)

• fair value through other comprehensive income (FVOCI).

Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

(iii) Debt Instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.

(c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss. In addition, the Company may, at initial recognition, irrevocably designate a debt instrument, which otherwise meets amortized cost or FVOCI 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').

(iv) Equity instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

(v) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset and associated liability for any amounts it may have to pay.

(vi) Impairment of Financial Asset

Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security deposit collected etc. and expectations about future cash flows. The Fixed Assets or a group of assets (cash generating unit) and Producing Properties are reviewed for impairment at each Balance Sheet date. In case of any such indication, the recoverable amount of these assets or group of assets is determined, and if such recoverable amount of the asset or cash generating unit to which the asset belongs is less than it's carrying amount, the impairment loss is recognised by writing down such assets and Producing Properties to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

H. **Financial liabilities**

(i) Initial recognition and measurement

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. The classification is done in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities at amortised cost includes loan and borrowings, interest accrued but not due on borrowings, trade and other payables. Such financial liabilities are recognised initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method..

(ii) Financial guarantee contracts

The Group has elected to account all its financial guarantee contracts as financial instruments as specified in Ind AS 109 on Financial Instruments. The Group recognises the commission income on such financial guarantees and accounts for the same in Profit and Loss account over the tenure of the financial guarantee.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

I. **Property, Plant and Equipment**

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. If significant parts of PPE have different useful lives, then they are accounted for as seperate items (major comopnents) of PPE.

Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Capital work in progress is carried at cost, comprising of direct cost, attributable interest and related incidental expenditure.

Advances paid towards the acquisition of PPE outstanding at each reporting date are classified as capital advances under Other Non-Current Assets.

PPE are eliminated from financial statement on disposal and gains or losses arising from disposal are recognised in the statement of Profit and Loss in the year of occurrence.

(ii) Transition to Ind AS

On transition to Ind AS certain items of property, plant and equipment have been fair valued and such fair value is considered as deemed cost on the transition date.

The Group has elected to apply the exemption available under Ind AS 101 to continue the carrying value as recognised in the financial statements as at the date of transition to Ind AS for other than the items of its property, plant and equipment that have been fair valued, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the entity.

(iv) Depreciation

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on straight line method, based on useful life of assets as prescribed in Schedule II to the Companies Act, 2013 with the exception of fixed assets amounting to ₹ 5,000/- or less which are fully depreciated in the year of purchase.

The estimated useful life of items of property,plant and equipment for the current and comparative period are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Buildings	30 years	30 years
Plant and Machinery	15 years	15 years
Furnace	10 years	10 years
Furnitures and Fixtures	10 years	10 years
Computers	3 years	3 years
Electrical Installation	10 years	10 years
Office Equipments	5 years	5 years
Vehicles	10 years	10 years

Leasehold land and Leasehold Improvements is amortised over the period of lease.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

J. **Intangible assets**

(i) **Recognition and measurement**

Intangible assets are recognised when it is probable that future economic benefits that are attributable to concerned assets will flow to the Group and the cost of the assets can be measured reliably.

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) **Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) **Transition to Ind AS**

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

(iv) **Amortisation**

Intangible assets are amortised using the straight-line method over a period of five years.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

(v) **Expenditure on research and development**

Revenue expenditure pertaining to research and development is charged to revenue under the respective heads of account in the period in which it is incurred. Capital expenditure, if any, on research and development is shown as an addition to fixed assets under the respective heads.

K. **Inventories**

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is determined using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

L. **Impairment of non-financial assets**

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation oramortisation, if no impairment loss had been recognised.

M. **Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

a) Revenue from sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer. The Company recognizes revenues on the sale of products, net of returns, discounts, sales incentives/rebate, amounts collected on behalf of third parties (such as sales tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

b) Revenue from sale of electrical energy is accounted for on the basis of billing as per the provisions of Power Purchase Agreement.

c) Insurance, Duty Drawback and other claims are accounted for as and when admitted by the appropriate authorities.

N. **Recognition of dividend income, interest income or expense**

Dividend income is recognised in profit and loss on the date on which the Company's right to receive payment is established.

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument as increased significantly since initial recognition.

O. **Foreign currency transactions**

Transactions and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in profit or loss.

P. **Employee benefits**

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss of the year in which the employee renders the related service.

(ii) Provident Fund - Defined contribution plan

The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iii) Gratuity - Defined benefit plan

The Group provides for gratuity to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs on completion of five years of service.

Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Other Comprehensive Income. Net interest expense and other expenses related to defined benefit plans are recognized in Consolidated Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Consolidated Statement of Profit and Loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Leave Encashment

Liability in respect of leave encashment is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognized immediately in the Consolidated Statement of Profit and Loss. The Group presents the above liability/ (asset) as current in the balance sheet.

Q. **Provisions (other than for employee benefits)**

Provisions are recognized when the Group has a present obligation 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 when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

Warranties

Provision for the estimated liability in respect of warranty on sale of consumer electronics and home appliances products is made in the year in which the revenues are recognised, based on technical evaluation and past experience. Warranty provision is accounted as current and non-current provision. Non-current provision is discounted to its present value and the subsequent unwinding effect is passed through Profit and Loss account under Finance Cost.

R. **Contingent liabilities and Contingent assets**

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

Disputed demands in respect of custom duty, income tax, sales tax and others are disclosed as contingent liabilities. Payment in respect of such demands, if any, is shown as an advance, till the final outcome of the matter.

Contingent assets are not recognised in the financial statements.

S. **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

Leased Assets:

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Consolidated Ind AS Financial Statements.

Lease payments:

Payments made under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight line basis over the term of the lease unless such payments are structured solely to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increase, such increases are recognised in the years in which such benefits accrue.

T. **Exploration, Development Costs and Producing Properties:**

The Company has adopted Successful Efforts Method (SEM) of accounting for its Oil and Gas activities. The policy of recognition of exploration and evaluation expenditure is considered in line with the principle of SEM. Seismic costs, geological and geophysical studies, petroleum exploration license fees and general and administration costs directly attributable to exploration and evaluation activities are expensed off. The costs incurred on acquisition of interest in oil and gas blocks and on exploration and evaluation other than those which are expensed off are accounted for as Intangible Assets Under Development. All development costs incurred in respect of proved reserves are also capitalized under Intangible Assets Under Development. Once a well is ready to commence commercial production, the costs accumulated in Intangible Assets Under Development are classified as Intangible Assets corresponding to prove developed oil and gas reserves. The exploration and evaluation expenditure which does not result in discovery of proved oil and gas reserves and all cost pertaining to production are charged to the Statement of Profit and Loss.

The Company used technical estimation of reserves as per the Petroleum Resources Management System guidelines 2011 and standard geological and reservoir engineering methods. The reserve review and evaluation is carried out annually.

Assets and liabilities, as well as income and expenditure relating to Incorporated Joint Ventures,which are in the nature of joint venture, are accounted on the equity method in accordance with Ind AS 28, Investments in Associates and Joint Ventures.

Pre-acquisition costs:

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

Exploration stage:

Acquisition cost relating to projects under exploration are initially accounted as “Intangible assets under development”. The expenses on oil and gas assets that is classified as intangible include:

• acquired rights to explore

• exploratory drilling costs

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred If the project is not viable based upon technical feasibility and commercial viability study, then all costs relating to Exploratory Wells is expensed in the year when determined to be dry. If the project is proved to be viable, then all costs relating to drilling of Exploratory Wells shall be continued to be presented as “Intangible Assets under Development”.

Development stage:

Acquisition cost relating to projects under development stage are presented as “Capital work-in-progress”.

Currently all the wells are under exploration and development stage.

U. **Abandonment Costs:**

Abandonment Costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

V. **Government Grant**

Grants are recognised when there is reasonable assurance that the grant will be received and conditions attached to them are complied with. Grants related to depreciable assets are treated as deferred income, which is recognised in the Consolidated Statement of Profit and Loss over the period of useful life of the assets and in the proportions in which depreciation on related assets is charged.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

W. **Income tax**

Income tax comprises current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expenses that are taxable or deductible in other years & items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

• temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

• indexation benefit in relation to investments in subsidiaries, given that the Group does not have any intentions to dispose such investments in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Consolidated Statement of Profit and Loss.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

X. **Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of a qualifying asset which necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Y. **Operating segments**

(i) Basis for segmentation

An operating segment is a component of the entity that engages in business activities from which it may earn and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components and for which discrete financial information is available. Such decision is taken by chief operating decision maker (CODM). Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

(ii) Business segment

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services and serves different markets. Accordingly, the Group has identified 'Consumer electronics and home appliances', 'Crude oil and natural gas' and 'Telecommunications' segments as the primary reportable segments.

(iii) Geographical segment

The Group has engaged in its business primarily within India and outside India.

(iv) Segment information

- Inter-segment transfers: The Group generally accounts for inter-segment sales and transfers at cost plus appropriate margins.

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

- Unallocated items: Unallocated items include general corporate income and expense items which are not allocated to any business segment.

- Segment accounting policies: The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Z. **Translation of the financial statements of foreign branch**

i) Revenue items are translated at average rates.

ii) Opening and closing inventories are translated at the rate prevalent at the commencement and close of the accounting year, respectively.

iii) Fixed assets are translated at the exchange rate as on the date of the transaction. Depreciation on fixed assets is translated at the rates used for translation of the value of the assets to which it relates.

iv) Other current assets and current liabilities are translated at the closing rate.

AA. **Premiun on Redemption of Bonds/Debentures**

Premium on Redemption of Bonds/Debentures are written off to Securities Premium Account.

AB. **Share Issue Expenses**

Share issue expenses are written off to Securities Premium Account.

AC. **Excise and Custom Duty**

Excise Duty in respect of finished goods lying in the factory premises and Custom Duty on goods lying in custom bonded warehouse are provided for and included in the valuation of inventory.

AD. **CENVAT/Value Added Tax**

CENVAT/Value Added Tax benefit is accounted for by reducing the purchase cost of the materials/fixed assets/services.

AE. **Prior Period Items**

Prior period items are included in the respective heads of accounts and material items are disclosed by way of Notes to Consolidated Financial Statements.

AF. **Earnings per share**

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The Group has no potentially dilutive equity shares.

AG. **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash on hand, unrestricted bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

AH. **Current and non-current classification**

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within twelve months after the Balance Sheet date; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the Balance Sheet date; or

(d) the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

AI. **Recent accounting pronouncements**

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the 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 amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115 - Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

• Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch-up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Group will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted.

Explanation of transition to Ind AS:

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following table represents the equity reconciliation from previous GAAP to Ind AS:

As stated in Note 1, these financial statements for the year ended March 31, 2018 are the first financial statement the Company has prepared in accordance with Ind AS. In preparing these financial statements, the Company's opening balance sheet was prepared as at January 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at January 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

Optional exemptions availed and mandatory exceptions

In preparing the financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A) Optional exemptions availed

1) Site Restoration Cost/Asset retirement obligation

The Company has used the exemption in Paragraph D8 A (b) of Ind AS 101 and has measured decommissioning, restoration and similar liabilities as at the date of transition to Ind AS in accordance with Ind AS 37 and recognise directly in retained earnings any difference between that amount and the carrying amount of those liabilities at the date of transition to Ind AS determined under IGAAP.

B) Mandatory Exceptions

1) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

2) Classification and measurement of financial assets

As permited under Ind AS 101, Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. In line with Ind AS 101, measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Reconciliation of Consolidated statement of Equity as previously reported under IGAAP and Ind AS

(₹ in Million)

Particulars	Note No.	As at March 31, 2017	As at January 1, 2016
Total Equity as per previous GAAP		**58,951.73**	**80,900.27**
Amortised cost measurement of borrowings	2	207.95	354.40
Equity component of FCCB recognised separately	4	114.84	353.19
Fair valuation of investments	3	76.92	75.85
Fair valuation of Property, plant and equipment	1	19,246.56	21,482.05
Guarantee comission	8	(18.26)	(32.19)
Provision for Site restoration liability	5	(141.41)	(106.27)
Deferment of revenue		(11,677.81)	(7,127.63)
Pre-operative expenditure pending allocation written off		(1,680.07)	(1,680.54)
Joint Venture Impact - IBV Brasil Petroleo Ltda.		(32,426.00)	(1,444.38)
Joint Venture Impact - Videocon Infinity Infrastruture Private Limited		0.04	0.04
Loss on Dilution of stake of Liberty Videocon General Insurance Co. Limited		313.58	-
Others	8	11.60	38.57
Deferred tax impact on above adjustments	6	(4,929.81)	(5,910.46)
Total Equity as per Ind AS		**28,049.86**	**86,902.90**

Reconciliation of total comprehensive income as previously reported under IGAAP and Ind AS

(₹ in Million)

Particulars	Note No.	For the 15 Months ended March 31, 2017
Net profit after tax as per previous Indian GAAP		**(26,901.75)**
Amortised cost measurement of borrowings	2	(146.45)
Equity component of FCCB recognised separately	4	(238.35)
Fair valuation of PPE	1	(2,235.50)
Guarantee comission	8	73.43
Provision for Site restoration liability	5	(35.14)
Deferment of revenue		(59.53)
Pre-operative expenditure pending allocation written off		0.47
Joint Venture -Insurance Segment		6,900.41
Minority interest impact		730.56
Others	8	(26.96)
Deferred tax impact on above adjustments	6	980.65
Actuarial loss on remeasurement of defined benefit obligation	7	14.05
Deferred tax impact on above	6	(3.96)
Profit/(loss) for the year as per Ind AS		**(20,948.07)**
Fair valuation of investments	3	1.07
Loss on Dilution of Liberty stake		313.58
Change from full cost to successful cost method for oil segment		(10,219.25)
Actuarial loss on remeasurement of defined benefit obligation	7	(14.05)
Deferred tax impact on above	6	3.96
Total comprehensive income for the year as per Ind AS		**(30,862.76)**

Reconciliation of statement of cash flows

The transition from previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

1) **Property, Plant and Equipment**

On the date of transition the company has chosen to reflect fair value as the deemed cost of Property, Plant and Equipment.

2) **Accounting for transaction costs on borrowings as per effective interest method**

Under previous GAAP, directly attributable transaction costs were charged to the Statement of Profit and Loss or capitalised as part of property, plant and equipment in the year of disbursement of the loan. As per the requirements of Ind AS, the Company has measured the borrowings at amortised cost (including the directly attributable transaction costs) based on the effective interest rate of the borrowings. Accordingly, suitable restatement adjustments have been made in the Restated Summary Statement of Profit and Loss and Property, plant and equipment.

3) **Fair value movement of FVOCI investments**

Under previous GAAP, non-current investments were carried at cost less provision for diminution (other than temporary). Under Ind AS, investment in equity shares (other than subsidiaries and associates) are measured at fair value, with fair value changes being routed through the other comprehensive income.

4) **Foreign Currency Convertible bonds**

The company had issued FCCBs which were modified in August 2016. These bonds are in the nature of compound financial instrument and the equity and liability components have been reflected accordingly. Subsequently the interest cost and foreign exchange fluctuations have been reflected through Statement of Profit and Loss.

5) **Asset Retirement Obligation**

The site restoration cost has been present valued and subsequent producing property asset has been created under Intangible assets. Interest accretion on the present valuation of the obligation and depreciation on the producing property has been reflected through Statement of Profit and Loss account.

6) **Deferred Tax**

Previous GAAP requires deferred tax to be recognised with reference to the income statement approach. Ind AS 12 requires entities to determine deferred taxes with reference to the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax related adjustments in relation to certain items such as fair valuation of land, indexation benefit on land, fair value of investments which were not required to be considered under the income statement approach.

7) **Actuarial gain and loss**

Under previous GAAP, the company recognised remeasurement on defined benefit plans of the company were recognised in the statement of Profit or Loss. However, as per the requirements of Ind AS, the company has recognised these in Other comprehensive income.

8) **Others**

Other impacts include impacts on Financial Guarantee and Warranty expenses. At the date of transition all the financial guarantees have been identified as financial instruments as per Ind AS 109. Commission income accretion on these guarantees has been recorded under Deferred Commission income and subsequent unwinding is recorded through Statement of Profit and Loss.

Extended warranty provision has been reflected as non current warranty provision which was earlier a part of current provision under IGAAP. Subsequenty the non current provision is discounted to its present value and subsequent unwinding of the interest cost is adjusted through the Statement of Profit and Loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2

Property, Plant and Equipment

(₹ in Million)

Particulars	Freehold Land	Leasehold Land	Building	Lease-hold Im-prove-ments	Plant and Machinery	Furnace	Electrical Installa-tion	Comput-ers	Furniture and Fixtures	Office Equip-ments	Vehicles	Others	Total
Deemed Cost as at January 1, 2016	12,307.32	1,848.03	12,143.91	788.97	134,105.44	1,531.26	177.06	412.83	316.37	414.91	1,307.49	1.45	165,355.04
Additions	0.31	-	4.29	2.97	2,437.47	-	1.97	13.15	1.95	5.47	26.21	-	2,493.79
Currency translation adjustment	-	-	(4.67)	-	(2.80)	-	-	0.50	(0.12)	-	0.58	0.22	(6.29)
Disposals	-	-	1.09	26.93	20,935.21	153.87	0.01	4.92	5.72	3.56	19.58	0.13	21,151.02
Cost as at March31, 2017 (A)	**12,307.63**	**1,848.03**	**12,142.44**	**765.01**	**115,604.90**	**1,377.39**	**179.02**	**421.56**	**312.48**	**416.82**	**1,314.70**	**1.54**	**146,691.52**
Accumulated depreciation as at January 1, 2016	-	-	-	435.80	73,477.30	1,516.62	149.77	386.27	242.46	358.78	904.18	1.09	77,472.27
Depreciation for the period	-	28.79	2,365.96	79.45	7,681.37	-	9.70	19.23	20.41	30.48	121.35	0.09	10,356.83
Currency translation adjustment	-	-	(1.98)	(0.01)	(2.80)	-	-	0.31	(0.15)	-	0.60	0.16	(3.87)
Disposals	-	-	0.45	18.63	11,319.40	152.33	0.01	4.68	3.55	3.31	18.34	0.07	11,520.77
Accumulated depreciation as at March 31, 2017 (B)	**-**	**28.79**	**2,363.53**	**496.61**	**69,836.47**	**1,364.29**	**159.46**	**401.13**	**259.17**	**385.95**	**1,007.79**	**1.27**	**76,304.46**
Net carrying amount as at March 31, 2017 (A) - (B)	**12,307.63**	**1,819.24**	**9,778.91**	**268.40**	**45,768.43**	**13.10**	**19.56**	**20.43**	**53.31**	**30.87**	**306.91**	**0.27**	**70,387.06**
Cost as at April 1, 2017	12,307.63	1,848.03	12,142.44	765.01	115,604.90	1,377.39	179.02	421.56	312.48	416.82	1,314.70	1.54	146,691.52
Additions	2.97	-	-	-	97.18	-	-	1.10	2.26	2.80	-	0.08	106.39
Disposals	-	1.50	-	50.86	34.04	139.90	0.60	70.07	68.53	39.03	250.12	-	654.65
Cost as at March 31, 2018 (A)	**12,310.60**	**1,846.53**	**12,142.44**	**714.15**	**115,668.04**	**1,237.49**	**178.42**	**352.59**	**246.21**	**380.59**	**1,064.58**	**1.62**	**146,143.26**
Accumulated depreciation as at April 1, 2017	-	28.79	2,363.53	496.61	69,836.47	1,364.29	159.46	401.13	259.17	385.95	1,007.79	1.27	76,304.46
Depreciation for the year	-	0.77	121.91	61.02	7,915.99	-	3.52	8.59	11.68	6.28	81.67	0.04	8,211.47
Disposals	-	0.05	-	37.78	24.61	138.50	0.59	69.65	56.66	38.43	221.64	-	587.91
Accumulated depreciation as at March 31, 2018 (B)	**-**	**29.51**	**2,485.44**	**519.85**	**77,727.85**	**1,225.79**	**162.39**	**340.07**	**214.19**	**353.80**	**867.82**	**1.31**	**83,928.02**
Net carrying amount as at March 31, 2018 (A) - (B)	**12,310.60**	**1,817.02**	**9,657.00**	**194.30**	**37,940.19**	**11.70**	**16.03**	**12.52**	**32.02**	**26.79**	**196.76**	**0.31**	**62,215.24**

The Company has decided to reflect fair value for Land (leasehold and free hold) and Building as the deemed cost as per Ind AS 101. The fair valuation impact for January 1, 2016 is ₹ 11,418.25 Million for freehold land, ₹ 1,814.07 Million for leasehold land and ₹ 8,249.73 Million for Building. The numbers are gross and do not include tax effect.

Plant and Machinery (Gross Block) includes assets capitalised under finance lease of ₹ 806.14 Million (As at March 31, 2017: ₹ 806.14 Million, January 1, 2016: ₹ 806.14 Million) and corresponding accumulated depreciation of ₹ 806.14 Million (As at March 31, 2017: ₹ 806.14 Million, January 1, 2016: ₹ 802.20 Million).

Out of the Depreciation for the year, an amount of ₹ 0.47 Million (Previous period March 31, 2017: ₹ 0.63 Million) is transferred to “Capital Work-in-Progress”.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3

Other Intangible Assets

(₹ in Million)

Particulars	Computer Software	License/Spectrum Fees	Producing Properties	Total
Gross Block as on January 1, 2016	1,222.57	22,333.77	6,277.55	29,833.89
Accumulated depreciation	1,146.00	3,213.12	5,921.41	10,280.53
Deemed Cost (Net block) as on January 1, 2016	**76.57**	**19,120.65**	**356.14**	**19,553.36**

Particulars	Computer Software	License/Spectrum Fees	Producing Properties	Total
Gross Block as at January 1, 2016	1,222.57	22,333.77	6,277.55	29,833.89
Additions	4.98	-	55.44	60.42
Currency translation adjustment	0.08	-	-	0.08
Disposals/ adjustments	0.01	22,274.40	163.38	22,437.79
Cost as at March 31, 2017 (A)	**1,227.62**	**59.37**	**6,169.61**	**7,456.60**
Accumulated depreciation as at January 1, 2016	1,146.00	3,213.12	5,921.41	10,280.53
Depreciation for the period	34.36	474.24	179.46	688.06
Currency translation adjustment	0.05	-	-	0.05
Disposals	-	3,666.04	-	3,666.04
Accumulated depreciation as at March 31, 2017 (B)	**1,180.41**	**21.32**	**6,100.87**	**7,302.60**
Net carrying amount as at March 31, 2017 (A) - (B)	**47.21**	**38.05**	**68.74**	**154.00**
Cost as at April 1, 2017	1,227.62	59.37	6,169.61	7,456.60
Additions	0.17	-	22.51	22.68
Disposals/ adjustments	10.33	-	-	10.33
Cost as at March 31, 2018 (A)	**1,217.46**	**59.37**	**6,192.12**	**7,468.95**
Accumulated depreciation as at April 1, 2017	1,180.41	21.32	6,100.87	7,302.60
Depreciation for the year	18.56	2.94	75.07	96.57
Disposals	8.60	-	-	8.60
Accumulated depreciation as at March 31, 2018 (B)	**1,190.37**	**24.26**	**6,175.94**	**7,390.57**
Net carrying amount as at March 31, 2018 (A) - (B)	**27.09**	**35.11**	**16.18**	**78.38**

The Company has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount as per previous GAAP has been considered as the gross block carrying amount as on January 1, 2016 (transition date).

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 4A			
Financial Assets - Non Current			
Equity accounted investees			
Unquoted			
a) Investment in equity of associates			
Radium Appliances Private Limited	0.01	0.01	0.01
Unity Power Private Limited	-	50.45	26.05
Videocon Infinity Infrastructures Private Limited	-	-	-
VISPL LLP	0.09	-	-
b) Investment in equity of joint venture			
IBV Brasil Petroleo Ltda	4,089.23	3,518.06	-
Liberty Videocon General Insurance Company Limited	-	2,237.41	2,124.84
Total (A)	**4,089.33**	**5,805.93**	**2,150.90**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 4B			
Other Investments			
Quoted			
Investments measured at fair value through other comprehensive income			
Investments in Equity Instruments	104.68	102.97	123.02
Unquoted			
Investments measured at fair value through other comprehensive income			
Investments in Equity Instruments	18,112.12	18,099.61	18,434.37
Investments measured at fair value through profit or loss			
In Units (Fully Paid-up) - Mutual Funds	-	-	52.64
Investments in Co-operative bank	0.64	0.64	0.52
Investments measured at amortised cost			
In Redeemable Preference Shares	1,055.18	1,062.68	1,062.68
In Government Securities	0.02	0.02	0.02
In Bonds / Debentures (Fully Paid-up)	12,860.00	14,819.64	2,819.64
Total (B)	**32,132.64**	**34,085.56**	**22,492.89**
Total (A+B)	**36,221.97**	**39,891.49**	**24,643.79**
Aggregate amount of Quoted Investments	104.68	102.97	123.02
Aggregate Market value of Quoted Investments	104.68	102.97	123.02
Aggregate amount of Unquoted Investments	36,117.29	39,788.52	24,520.77
Note 5			
Financial Assets - Non Current			
Loans			
Sundry deposits	249.99	624.28	579.59
Loans and advances to related parties	132,524.89	104,262.14	89,404.18
Loans and advances to others	92,017.97	24,276.42	27,685.44
	224,792.85	**129,162.84**	**117,669.21**
Note 6			
Financial Assets - Non Current			
Others			
Bank balances other than (11a) below			
Fixed deposits with maturity more than 12 months (Held as margin money for credit facilities and other commitments)	198.57	1,658.93	1,097.71
	198.57	**1,658.93**	**1,097.71**
Note 7			
Other non-current assets			
Capital advance	7,612.98	7,610.53	10,665.87
Balance with government authorities	439.30	469.98	2,102.79
	8,052.28	**8,080.51**	**13,030.91**
Note 8			
Inventories			
(valued at lower of cost or net realisable value)			
Raw materials including consumables, stores and spares	8,179.31	19,725.61	15,048.52
Materials in transit and in bonded warehouse	702.39	2,633.42	2,046.16
Work-in-process	1,294.93	1,470.15	1,425.49
Finished goods and stock in trade	3,465.76	4,346.87	4,626.96
Drilling and production materials	388.36	409.40	415.40
Crude oil	59.23	75.25	51.92
Sim card	-	-	34.61
	14,089.98	**28,660.70**	**23,649.06**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 9			
Financial Assets - Current			
Current investments			
Unquoted			
Investment in units of Mutual Funds	-	-	52.39
	-	**-**	**52.39**
Note 10			
Financial Assets - Current			
Trade receivables			
Unsecured considered good	7,433.68	24,439.63	30,477.79
Considered Doubtful	3,697.08	382.71	382.10
	11,130.76	24,822.34	30,859.89
Less: Provision for doubtful debts	3,697.08	382.71	382.10
	7,433.68	**24,439.63**	**30,477.79**
Note 11a			
Financial Assets - Current			
Cash and cash equivalents			
Cash on hand	5.56	8.36	13.07
Cheques/Drafts on hand/in transit	111.96	237.62	0.36
Balance with banks:			
- in Current accounts	2,818.20	1,738.64	13,290.39
- In Fixed Deposits having maturity of 3 months or less	0.02	3.09	74.87
	2,935.74	**1,987.71**	**13,378.69**
Note 11b			
Financial Assets - Current			
Bank balances other than (11a) above			
In Dividend warrant accounts	6.21	8.23	9.42
In Fixed deposits earmarked	791.67	606.00	522.25
In Fixed deposits earmarked towards site restoration costs	1,388.50	1,295.41	1,199.33
In Fixed deposits lien in favour of the Registrar, Supreme Court of India	-	2,657.62	2,838.63
In Other Fixed deposits with maturity 12 months or less:			
- Held as margin money for credit facilities and other commitments	2,581.83	3,941.14	3,110.37
- Provided as security for overdraft facility	-	-	20,544.65
	4,768.21	**8,508.40**	**28,224.65**
Note 12			
Financial Assets - Current			
Loans			
(Unsecured, considered good, unless otherwise specified)			
Sundry deposits	342.63	9.61	8.22
Loans and advances to related parties	0.58	0.58	0.57
Loans and advances to others	111,807.17	186,910.77	216,462.28
	112,150.38	**186,920.96**	**216,471.07**
Note 13			
Financial Assets - Current			
Others			
Insurance claim receivable	2.64	0.97	0.46
Other receivables	469.77	319.66	131.45
	472.41	**320.63**	**131.91**
Note 14			
Other current assets			
Deferred guarantee income	9.28	-	-
Balance with government authorities	2,100.76	382.72	866.27
	2,110.04	**382.72**	**866.27**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 15

Share Capital

a) Details of the authorised, issued, subscribed and paid-up share capital as below:

(₹ in Million)

		As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
i)	Authorised Capital			
	1,300,000,000 (March 31, 2017: 1,300,000,000, January 1, 2016: 1,300,000,000) equity shares of the par value of ₹ 10 each	13,000.00	13,000.00	13,000.00
	20,000,000 (March 31, 2017: 20,000,000, January 1, 2016: 20,000,000) redeemable preference shares of ₹ 100 each	2,000.00	2,000.00	2,000.00
		15,000.00	**15,000.00**	**15,000.00**
ii)	Issued, Subscribed and Paid-up			
	334,458,875 (March 31, 2017: 334,458,875, January 1, 2016: 334,458,875) equity shares of ₹ 10 each fully paid up	3,344.59	3,344.59	3,344.59
		3,344.59	**3,344.59**	**3,344.59**

b) Reconciliation of the number of shares outstanding at the beginning and end of the year/period:

	As at March 31, 2018		As at March 31, 2017		As at January 1, 2016	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million	No. of Shares	₹ in Million
At the beginning of the year/period	334,458,875	3,344.59	334,458,875	3,344.59	334,458,875	3,344.59
Issued during the year/period	-	-	-	-	-	-
At the end of the year/period	334,458,875	3,344.59	334,458,875	3,344.59	334,458,875	3,344.59

c) Rights, Preferences and restrictions attached to equity shares:

i) The Company has a single class of equity shares referred to as equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to equal right of voting and dividend.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of Shareholders holding more than 5% Shares:

Name of Shareholders	As at March 31, 2018		As at March 31, 2017		As at January 1, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
a) Dome-Bell Electronics India Private Limited	15,468,366	4.62	16,408,315	4.91	19,741,704	5.90
b) Shree Dhoot Trading and Agencies Limited (Amalgamated with Electroparts India Private Limited)	20,517,327	6.13	26,179,336	7.83	26,604,836	7.95
c) Videocon Realty and Infrastructures Limited	51,084,195	15.27	63,945,518	19.12	64,670,518	19.34
d) Deutsche Bank Trust Company Americas (As depository of Global Deposits Receipts)	38,834,979	11.61	38,835,179	11.61	39,705,381	11.87

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 16			
Other equity			
Capital Reserve	5.68	5.68	5.68
Capital Redemption Reserve	997.59	997.59	997.59
Securities Premium Account	48,876.99	48,876.99	48,893.80
Bond/Debenture Redemption Reserve	1,222.83	1,218.97	1,618.38
Legal Reserve	0.32	0.32	0.32
Exchange differences in translating financial statements of foreign operations	(4,183.98)	(5,370.06)	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Equity component of compound financial instruments	24.31	24.31	24.31
Equity instruments through OCI	(39.94)	(36.22)	(10.41)
Debt instruments through OCI	-	66.12	39.25
General Reserve	16,801.48	16,801.48	16,801.48
Retained Earnings	(103,233.72)	(37,879.91)	15,187.91
	(39,528.44)	**24,705.27**	**83,558.31**

Capital Reserve

Capital reserve represents subsidy received, reserves transferred on account of amalgamation.

Capital Redemption Reserve

The Company recognises the capital redemption reserve from its retained earnings as per the provisions of Companies Act, 2013, as applicable.

Bond/Debenture Redemption Reserve

The Company had issued Foreign currency convertible bonds and as per the provisions of the Companies Act, 2013, is required to create debenture redemption reserve out of the profits of the Company available for the payment of dividend.

Exchange differences in translating financial statements of foreign operations

In accordance with Ind AS 101, the Group has elected to deem foreign currency translation differences that arose prior to the date of transition to Ind AS, (January 1, 2016), in respect of all foreign operations to be Nil at the date of transition. From January 1, 2016 onwards, such exchange differences are recognised through other comprehensive income.

Equity component of compound financial instrument

The account represents the equity component of Foreign currency convertible bonds calculated as per Ind AS 109.

Equity instruments through OCI

This account represents the fair value changes in the investments calculated at every reporting date as per Ind AS 109.

Debt instruments through OCI

This account represents the fair value changes in the debt investments calculated at every reporting date as per Ind AS 109

General Reserve

The Company was required to transfer a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Retained Earnings

This account includes the amount of profit and loss account transferred to the equity.

Minority Interest			
Non-Controlling Interest	564.86	1,066.13	250.32

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 17			
Financial Liabilities			
Non current borrowings			
i) Secured			
Term loans from banks	1,670.33	341,175.02	299,306.81
Term loans from financial institutions	-	9,863.18	11,581.61
Vehicle loan from banks	-	8.87	6.62
Loan from others	-	0.05	0.05
Foreign currency convertible bonds	-	4,761.02	6,120.33
Deferred payment liabilities	-	-	8,118.40
ii) Unsecured			
Loan from others	26.00	26.00	26.00
	1,696.33	**355,834.14**	**325,159.82**

Details of Non-current borrowings:

Particulars	₹ Million		Carrying rate of interest		Other Details
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	
Principal outstanding					
Secured					
Term loans from banks/financial institutions	-	208,003.34	12.8% to 14.8%	12.8% to 14.8%	Refer note 17(a) below
Term loans from banks	1,738.27	208,654.68	12.8%	3.3% to 6.4%	Refer note 17(a) below
Vehicle loan from banks	-	13.84	9.5% to 13.0%	9.5% to 13.0%	Refer note 17(b) below
Foreign currency convertible bonds	-	4,875.86	4.3%	4.3%	Refer note 17(c) below
Loans from others	-	0.05	N.A.	N.A.	
Unsecured					
Loans from others	26.00	26.00	N.A.	N.A.	
Total Principal Outstanding	1,764.27	421,573.77			
Less: Current maturity of non-current borrowings	67.94	74,780.96			
Add: Interest accrued and due/accrued but not due	-	9,364.12			
Less: Ind AS reclassification/adjustments	-	322.79			
	1,696.33	355,834.14			

a) Details relating to term loans from banks and financial institutions

i) The Company, the subsidiary Electroworld Digital Solutions Limited alongwith 11 other entities (collectively referred to as 'Obligors' and individually referred to as 'Borrower') executed facility agreement with consortium of existing domestic rupee term lenders, in the obligor/co-obligor structure, wherein all the Rupee Term Loans of the Obligors are pooled together. The Borrower entities covered are Videocon Industries Limited (VIL), Value Industries Limited, Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited and Electroworld Digital Solutions Limited.

Further, Videocon Telecommunications Limited (VTL), the subsidiary, had availed financial assistance from consortium of Banks/Financial Institutions (VTL Lenders). It has been agreed between the RTL Lenders and VTL Lenders to share the security available to the RTL Lenders under the RTL Agreement (including the receivables from each of the Obligors) with the VTL Lenders under the VTL facility agreement (including the receivables from VTL) on a reciprocal first *pari-passu* charge basis. Thus, VTL is also inducted as co-obligor in the said facility agreement with the consortium of RTL Lenders.

Loans amounting to ₹ 165,202.12 Million (As at March 31, 2017 ₹ 166,313.66 Million) are secured by first *pari-passu* charge on all present and future tangible/intangible assets (excluding the Identified Properties) of each of the Borrower, first *pari-passu* charge on the Trust and Retention Accounts of the Borrowers, second pari-passu charge on Identified Assets of Videocon Hydrocarbon Holdings Limited's (VHHL) subsidiaries through pledge of entire shareholding of VHHL in these overseas subsidiaries, second charge on pledge of 100% shares of VOVL Limited and VHHL, second *pari-passu* charge on VHHL's share of cash flows from Identified Assets and second *pari-passu* charge over current assets of each of the Borrowers. The Rupee Term Loans are also secured by first ranking pledge over specified numbers of equity shares of Videocon Industries Limited, Trend Electronics Limited and Value Industries Limited held by the promoters, the personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot, Mr. Rajkumar N. Dhoot and first *pari-passu* charge on 'Videocon' brand (Also Refer Note 42).

ii) The Consortium of various banks have sanctioned the Letter of Comfort (LoC)/Stand-by Letters of Credit (SBLC) facility to the Company and its subsidiary VOVL Limited (VOVL) (collectively referred to as 'Obligors') to secure the foreign currency facility raised / to be raised by Videocon Hydrocarbon Holdings Limited (VHHL), an overseas subsidiary, from its lenders.

During the year, part of the LoC/SBLC facility aggregating to ₹ 143,376.61 Million (As at 31st March, 2017 ₹ Nil) has been invoked by foreign currency lenders of VHHL and recalled from VOVL Limited. Further, the loans amounting to ₹ 80,406.70 Million (As at March 31, 2017 ₹ 208,654.68 Million) were outstanding as on March 31, 2018. All these loans/facilities are are secured by first ranking pledge of 100% shares of VOVL Limited, VHHL and shares of certain subsidiaries of VHHL, charge over their fixed assets, VHHL's share of cash flows from identified oil & gas assets through escrow of receivables, first ranking / exclusive charge on specified bank accounts for the benefit of the relevant LoC/SBLC provider, exclusive charge on oil & gas facility servicing account of Obligors set-up under the onshore Trust and Retention Accounts, negative lien for shares of other subsidiaries of VHHL viz. Videocon JPDA 06-103 Limited and Videocon Australia WA-388P Limited, first *pari-passu* charge on Videocon brand and personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot and Mr. Rajkumar N. Dhoot.

iii) Loans amounting to ₹ 15,474.30 Million (As at March 31, 2017 ₹ 15,506.25 Million) are secured by first pari-passu charge on book debts of consumer electronics and home appliances division which are not charged to bankers for securing working capital loans and first *pari-passu* charge on equitable mortgage of specified properties owned by the Company and owned by other 6 entities. The loans are further secured by personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot and corporate guarantee of the entities whose properties have been mortgaged.

iv) Loans amounting to ₹ 1,500.00 Million (As at March 31, 2017 ₹ 1,500.00 Million) is secured by mortgage of specified property owned by the Company, negative lien on property owned by other entities and personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot.

v) Loans amounting to ₹ 23,749.38 Million (As at March 31, 2017 ₹ 24,683.43 Million) are secured by first *pari-passu* charge on existing and future assets of the Subsidiary Company viz. Videocon Telecommunications Limited (VTL), assignment of all telecom licenses held VTL by way of tripartite agreement to be executed between the Department of Telecommunications, VTL and Lenders and personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b) Details relating to vehicle loans

Vehicle Loan from Banks are secured by way of hypothecation of Vehicles acquired out of the said loan. The loans are also secured by personal guarantee of Mr. Venugopal N. Dhoot.

c) Details relating to foreign currency convertible bonds

The Company has issued 4.30 per cent foreign currency convertible bonds (Bonds) of US$ 97,200,000 during the year 2015, due on December 31, 2020 (Maturity Date). These Bonds were issued under the exchange offer to the holders of the Bonds of US$ 194,400,000 due on December 16, 2015.

i) The Bonds are convertible at the option of the bondholders into shares, at any time on and after February 9, 2016, up to the close of business on December 21, 2020, at a fixed exchange rate on conversion of ₹ 66.139 per US$ 1.00 and at initial conversion price of ₹ 134.724 per share. The conversion price will be subject to adjustment for, among other things, subdivision or consolidation of shares, bonus issues, dividends, rights issues, distributions and other dilutive events.

ii) The Bonds were redeemable at the option of the holders on June 30, 2016 (Put Option Date). The Company made a partial pre-payment of US$ 22,000,000 on pro-rata basis to all the bondholders on August 3, 2016 in pursuance to the terms of bondholders. Further, the coupon rate was revised to 2.80 per cent payable semi-annually and the put option date was amended to December 30, 2016.

iii) In relation to the Put Option exercised on December 30, 2016, the Company had to enter into Standstill Agreement with the Participating Bondholders under which bondholders agreed standstill till March 31, 2017, on certain terms inter-alia including payment of US$12,000,000 on pro-rata basis to all the bondholders. Subsequently, the company had to seek approval of the bondholders for re-schedulement of the Bonds by way of extension of put option date to March 31, 2018, subject to satisfaction of certain conditions inter-alia including the approval of Reserve Bank of India. However, the said re-schedulement could not become effective and accordingly it is claimed by the bond holders that the entire FCCBs are due and payable. The Company has termed same being illegal and premature. Accordingly, the amount of foreign currency convertible bonds has been shown under short-term borrowings.

iv) The Bonds were compelled to be secured by way of an exclusive first ranking security interest over 40 percent of the issued equity share capital of Videocon Telecommunications Limited held by the Company and other shareholders, in favour of the Security Trustee; and by an unconditional and irrevocable personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N Dhoot. However it is the case of the company that the put option clause was mentioned in the contract under duress and no amount has yet become due and payable and had filed claim challenging the action of the bondholders in court of London.

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 18			
Provisions			
Provision for gratuity (Refer Note 37)	179.30	217.74	215.12
Provision for abandonment and site restoration costs	1,482.25	1,379.40	2,021.92
Provision for warranty and maintenance expenses	88.59	217.37	199.87
	1,750.14	**1,814.51**	**2,436.91**
Note 19			
Deferred tax liabilities (net)			
Deferred tax liabilities (net)	2,773.53	8,523.81	12,942.43
	2,773.53	**8,523.81**	**12,942.43**
Note 20			
Financial Liabilities			
Current Borrowings			
i) Secured			
Term loans from banks	465,352.17	9,569.72	10,766.63
Term loans from financial institutions	14,060.48	-	-
Vehicle loan from banks	8.84	-	-
Overdraft against fixed deposits	-	-	20,264.32
Loans from others	13.39	13.39	-
Foreign currency convertible bonds	4,948.44	-	-
Working capital loans from banks	16,528.36	11,961.22	10,321.48
ii) Unsecured			
Loans from banks	-	5,638.98	8,670.03
	500,911.68	**27,183.31**	**50,022.46**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Details of Current borrowings:

Particulars	₹ in Million		Carrying rate of interest		Other Details
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	
Principal outstanding					
Secured					
Term loans from banks/financial institutions	205,925.80	-	12.8% to 14.8%	N.A.	Refer note 17(a) above
Term loans from banks	143,376.61	-	12.4% to 17.3%	N.A.	Refer note 17(a) above
Term loans from banks	78,668.43		4.4% to 9.2%	N.A.	Refer note 17(a) above
Term loans from banks	9,250.00	9,250.00	12.8%	12.8%	Refer note (a) below
Vehicle loan from banks	8.84	-	9.5% to 13.0%	N.A.	Refer note 17(b) above
Loans from others	13.39	13.39	12.0%	12.0%	Refer note (b) below
Foreign currency convertible bonds	4,891.32	-	4.3%	N.A.	Refer note 17(c) above
Working capital loans from banks	15,327.52	11,953.95	12.7% to 15.8%	12.7% to 15.8%	Refer note (c) below
Unsecured					
Loans from banks	-	5,482.27	N.A.	12% to 13.70%	Refer note (d) below
Total Principal Outstanding	457,461.91	26,699.61			
Add: Interest accrued and due/accrued but not due	43,696.90	483.70			
Less: Ind AS reclassification/adjustments	247.13	-			
	500,911.68	27,183.31			

a) **Details relating to term loans from banks and financial institutions**

i) Due to default in repayment of the secured loans from the banks and financial institutions, they have recalled the entire loans outstanding. Accordingly, these have been included under short term borrowings. For securities for the loans also Refer note no. 17(a).

ii) Loans amounting to ₹ 9,250.00 Million (As at March 31, 2017 ₹ 9,250.00 Million) is secured by exclusive charge over the land situated at Dist. Rewa, Madhya Pradesh owned by the Subsidiary Company viz. Prosperous Energy Private Limited, stake in PT. Gaung Alam Semesta's coal concession in Indonesia owned by other entities and personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot.

b) **Details relating to loans from others**

Loans from others amounting to ₹ 13.39 Million (As at March 31, 2017: ₹ 13.39 Million) is secured against surrender value of keyman insurance policy.

c) **Details relating to working capital loans from banks**

Working capital loans from banks are secured by hypothecation of the Company's stock of raw materials, packing materials, stock-in-process, finished goods, stores and spares, book debts of glass shell division and personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot and Mr. Rajkumar N. Dhoot.

d) **Details relating to unsecured loans from banks**

i) Unsecured loans from banks amounting to ₹ Nil (As at March 31, 2017 ₹ 1,900.00 Million) is secured by lien marked on fixed deposits of other entities.

ii) Unsecured loans from banks amounting to ₹ Nil (As at March 31, 2017 ₹ 3,582.27 Million) is secured by negative lien on property owned by other entity.

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 21			
Financial Liabilities - Current			
Trade payables			
Total outstanding due to micro and small enterprises	171.77	520.80	97.62
Total outstanding due to creditors other than micro and small enterprises	15,197.22	21,397.80	14,988.23
	15,368.99	**21,918.60**	**15,085.85**
Note 22			
Financial Liabilities - Current			
Others			
Current maturities of non current borrowings	67.94	74,780.96	105,457.15
Bank overdraft as per books	23.97	60.96	300.86
Creditors for capital expenditure	274.25	290.78	469.00
Other payables	7,895.66	7,146.21	5,885.16
	8,261.82	**82,278.91**	**112,112.17**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Note 23			
Other current liabilities			
Deferred guarantee income	-	38.34	37.19
Unclaimed dividend	6.21	8.23	9.43
Advances from customers and unearned income	82.87	53.49	634.60
Others	1,165.88	1,133.78	1,412.71
	1,254.96	**1,233.84**	**2,093.93**
Note 24			
Provisions			
Provision for gratuity (Refer Note 37)	59.32	31.18	38.65
Provision for leave encashment (Refer Note 37)	51.18	79.43	85.84
Provision for warranty and maintenance expenses	457.51	410.26	399.81
	568.01	**520.87**	**524.30**

Movement of provision for warranty and maintenance expenses

(₹ in Million)

	As at March 31, 2018	As at March 31, 2017
At the commencement of the year/period	627.63	599.68
Provision made during the year/period	598.85	639.23
Utilisation of provisions	639.23	619.07
Discounting of nun current provision	41.15	(26.97)
Unused amount reversed during the year/period	-	19.18
At the end of the year/period	**546.10**	**627.63**

Provision for warranty and maintenance expenses

A provision is estimated for expected warranty claims in respect of products sold on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification and replacement. The costs include expenses to be incurred for repairs, replacement, material cost and servicing. It is expected that this expenditure will be incurred over the contractual warranty period that is usually one year and for certain of cases extended warranty for two to five years.

(₹ in Million)

Particulars	Year ended March 31, 2018	15 months ended March 31, 2017
Note 25		
Revenue from operations		
Sale of products / services	29,666.53	131,016.90
Income from other services	218.69	209.13
Other operating revenue	190.37	398.44
	30,075.59	**131,624.47**
Note 26		
Other income		
Interest income	15,095.47	1,391.35
Income from investments and securities division	421.69	13.93
Exchange rate fluctuation	2,248.60	330.84
Insurance claim received	7.53	7.10
Gain on modification of financial instrument	-	60.47
Guarantee commision	49.12	73.43
Unwinding of discount on site restoration provision	-	33.41
Expenses pending allocation	-	0.47
Other non operating income	3,032.74	2,383.12
	20,855.15	**4,294.12**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

Particulars	Year ended March 31, 2018	15 months ended March 31, 2017
Note 27		
Cost of materials consumed		
Cost of materials consumed	25,223.21	44,284.86
	25,223.21	**44,284.86**
Note 28		
Purchase of stock-in-trade		
Electrical and Electronic items	9,006.11	43,058.10
	9,006.11	**43,058.10**
Note 29		
Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Opening inventory		
Finished goods and stock-in-trade	4,422.12	4,678.88
Work-in-process	1,470.15	1,425.49
	5,892.27	**6,104.37**
Closing inventory		
Finished goods and stock-in-trade	3,532.61	4,422.12
Work-in-process	1,294.93	1,470.15
	4,827.54	**5,892.27**
Changes in inventory	**1,064.73**	**212.10**
Note 30		
Production and exploration expenses - Oil and Gas		
Production and exploration expenses	1,874.38	3,229.90
Royalty	114.79	182.48
Cess	165.17	219.12
Production bonus	25.99	38.04
Government share in profit petroleum	2,454.44	2,922.98
Insurance expenses	4.07	13.55
	4,638.84	**6,606.07**
Note 31		
Access charges, license fees and network expenses		
Access and roaming charges	1,306.14	5,271.85
License fees and WPC charges	4.30	5,935.41
Rent	8.13	778.95
Leased line, port and bandwidth charges	64.52	2,008.86
Power and fuel	9.55	255.90
IT expenses	7.23	22.47
Other value added services charges	0.90	3.57
Sim cost	-	43.35
Network expenses- Others	8.29	66.42
Site expenses- Managed services	-	28.29
Freight and carriage expenses	0.34	6.50
Repairs and maintenance- Site buildings	1.55	2.63
	1,410.95	**14,424.20**
Note 32		
Employee Benefits Expenses		
Salary, Wages and Other Benefits	2,092.14	3,836.71
Contribution to Provident Fund and Other Funds	119.33	214.71
Staff Welfare Expenses	100.31	171.38
	2,311.78	**4,222.80**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

Particulars	Year ended March 31, 2018	15 months ended March 31, 2017
Note 33		
Finance Costs		
Interest expense on financial liabilities measured at amortised cost	41,640.37	50,187.02
Other borrowing costs	7,730.14	1,058.10
Unwinding of discount on warranty provision	10.36	26.48
Unwinding of discount on site restoration provision	98.63	-
	49,479.50	**51,271.60**
Note 34		
Other Expenses		
Power, fuel and water	157.85	459.80
Freight and forwarding	582.93	1,602.11
Vehicle running expenses	240.68	453.50
Rent, rates and taxes	245.04	487.83
Repairs to building	1.14	13.92
Repairs to plant and machinery	11.88	76.40
Other repairs and maintenance	61.13	73.17
Insurance	40.06	72.86
Advertisement and publicity	429.63	2,179.47
Sales promotion expenses	54.35	202.97
Bank charges	204.32	535.85
Payment to auditors	13.36	36.42
Directors' sitting fees	1.14	1.31
Legal and professional charges	732.26	912.29
Customer service cost	0.13	24.41
Royalty	117.70	387.92
Printing and stationery	6.77	18.85
Warranty and maintenance	890.91	1,291.58
Provision for doubtful debts	3,314.57	20.86
Loss on sale of fixed assets	906.32	237.84
Loss on sale of investments	2,218.30	-
Office and general expenses	1,820.78	1,603.25
	12,051.25	**10,692.61**
Note 35		
Income Taxes		
a) Amounts recognised in statement of profit and loss		
Current tax expense	0.29	3.39
MAT credit entitlement	-	(3.20)
Changes in estimates related to prior period	0.09	(0.30)
Deferred tax expense		
Origination and reversal of temporary differences	(5,763.71)	(4,360.84)
Tax expense for the year/period	**(5,763.33)**	**(4,360.95)**
b) Amounts recognised in other comprehensive income		
Deferred tax on remeasurements of the defined benefit plans	(13.43)	(3.96)
Deferred tax on equity instruments FVTOCI	-	-
	(13.43)	**(3.96)**
c) Reconciliation of effective tax rate		
Profit before tax	(69,582.91)	(36,934.06)
Statutory income tax rate	34.61%	34.61%
Effective tax amount	(24,081.25)	(12,782.88)
Tax effect of:		
Profit on sale of investments	(20,077.18)	(3,249.81)
Permanent disallowables	11.10	10.16

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

Particulars	Year ended March 31, 2018	15 months ended March 31, 2017
Business loss	11,336.26	-
Change in interest tax rate	0.04	-
Difference due to opening and closing WDV of producing properties	-	(19.51)
Difference due to producing properties	-	(21.06)
Indexation impact on account of fair valuation of land and building	2,943.83	46.42
MAT written off on account of uncertainity	73.05	-
Deferred tax not created on losses of Group	(2.15)	(166.92)
Others	(48.28)	(960.23)
Total tax expense	**(5,763.33)**	**(4,360.95)**

Deferred Tax assets and liabilities are attributable to the following:

(₹ in Million)

Particulars	Net deferred Tax Asset/ (liabilities)		
	March 31, 2018	March 31, 2017	January 1, 2016
Related to depreciation and amortisation on fixed assets	9,060.26	6,655.40	7,159.04
Expenses charged in the financial statements but allowable as deduction in future years under the Income Tax Act, 1961	(13,962.60)	(2,967.02)	(99.44)
MAT credit entitlement	(73.05)	(73.05)	(11.31)
Fair valuation of investments	47.41	47.01	47.01
Provision for Site restoration liability	15.92	(41.60)	(12.95)
Borrowing cost amortisation as per EIR	45.72	71.90	244.98
Guarantee comission and reversal of inter company guarantee	24.11	(58.58)	(18.34)
Fair valuation of Land, building and plant & machinery	7,533.37	4,863.26	5,649.44
Impact of change in tax rate for capital gains tax	100.69	46.42	-
Others	(18.30)	(19.93)	(16.00)
Net deferred tax (assets) / liability	**2,773.53**	**8,523.81**	**12,942.43**

Movement in Temporary differences:

(₹ in Million)

Particulars	Balance as at January 1, 2016	Recognised in Profit and Loss during 2016-17	Recognised in OCI during 2016-17	Balance as at March 31, 2017	Recognised in Profit and Loss during 2017-18	Recognised in OCI during 2017-18	Balance as at March 31, 2018
Related to depreciation and amortisation on fixed assets	7,159.04	(503.64)		6,655.40	2,404.86		9,060.26
Expenses charged in the financial statements but allowable as deduction in future years under the Income Tax Act, 1961	(99.44)	(2,867.58)		(2,967.02)	(10,995.58)		(13,962.60)
MAT credit entitlement	(11.31)	-	(61.74)	(73.05)	-		(73.05)
Fair valuation of investments	47.01	-		47.01	0.40		47.41
Provision for Site restoration liability	(12.95)	(28.65)		(41.60)	57.52		15.92
Borrowing cost amortisation as per EIR	244.98	(173.08)		71.90	(26.18)		45.72
Guarantee comission and reversal of inter company guarantee	(18.34)	(40.24)		(58.58)	82.69		24.11
Fair valuation of Land, building and plant & machinery	5,649.44	(786.18)		4,863.26	2,670.11		7,533.37
Impact of change in tax rate for capital gains tax	-	46.42		46.42	54.27		100.69
Employee benefit expense	-	(3.96)	3.96	-	(13.43)	13.43	-
Others	(16.00)	(3.93)		(19.93)	1.63		(18.30)
Total	**12,942.43**	**(4,360.84)**	**(57.78)**	**8,523.81**	**(5,763.71)**	**13.43**	**2,773.53**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 36

Earnings per share (EPS)

Basic EPS calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year/period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of equity shares outstanding during the year/period and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	Year ended March 31, 2018	15 months ended March 31, 2017
Basic and diluted earnings per share for ordinary shareholders		
a) Profit/(Loss) attributable to equity shareholders (₹ Million)	(65,537.19)	(25,503.85)
b) Weighted average number of equity shares	334,458,875	334,458,875
c) Basic and diluted earnings per share (₹)	(195.95)	(76.25)
d) Nominal value of equity shares (₹)	10.00	10.00

Note:

a) Weighted average number of shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during year/period, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.

b) The effect of conversion option of FCCBs is anti dilutive in nature.

c) The financial institutions have a right to convert, at their option, the whole outstanding amount of term loans or a part not exceeding 20% of defaulted amount of loan, whichever is lower, into fully paid up equity shares of the Company at par on default in payments/repayments of three consecutive installments of principal and/or interest thereon or on mismanagement of the affairs of the Company. Such conversion are considered to be anti-dilutive in nature and hence not considered for computation of the diluted earnings per share.

Note 37

Employee benefits

A) Defined Contribution Plans:

The contributions paid/payable to Provident Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Consolidated Statement of Profit and Loss during the year/period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Group has recognised the following amounts in the consolidated statement of profit and loss for the year/period.

(₹ in Million)

Particulars	March 31, 2018	March 31, 2017
Employer's contribution to Provident Fund and ESIC	119.33	214.71
	119.33	**214.71**

B) Defined Benefit Plan: Gratuity

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in Million)

Particulars	March 31, 2018	March 31, 2017
Defined benefit obligation	281.48	331.20
Less: Fair value of plan assets	63.02	90.53
Net defined benefit obligations	**218.46**	**240.67**

Fair value of the plan assets and present value of the defined benefit liabilities

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The amount included in the Balance sheet arising from the Group's obligations and plan assets in respect of its defined benefit schemes is as follows:

i) Movement in defined benefit obligations:

(₹ in Million)

Particulars	Gratuity (Funded)		Gratuity (Non-Funded)		Leave Encashment	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
At the beginning of the year/period	331.20	293.20	9.47	37.19	5.05	18.67
Liabilities assumed on business combination	1.22	3.72	-	-	-	-
Recognised in profit or loss						
Prior year charge	-	5.79	-	-	-	-
Current service cost	30.89	37.13	0.19	2.16	0.08	1.19
Interest cost	21.25	27.20	0.76	2.60	0.40	1.31
Past service cost	8.28	-	-	-	-	-
Recognised in other comprehensive income						
Actuarial (gains)/losses on obligations	(31.95)	3.58	(6.45)	(17.63)	(3.88)	(5.41)
Unextinguished employee liabilities assumes	-	-	20.08	-	-	-
Benefit payable	(79.41)	(39.42)	-	-	-	-
Benefit paid	-	-	(2.42)	(14.85)	(1.28)	(10.71)
At the end of the year/period	**281.48**	**331.20**	**21.63**	**9.47**	**0.37**	**5.05**

ii) Movement in fair value of plan assets:

(₹ in Million)

Particulars	Gratuity (Funded)	
	March 31, 2018	March 31, 2017
At the beginning of the year/period	90.53	77.04
Recognised in profit or loss		
Interest income	5.52	7.05
Expected return on plan assets	(0.71)	0.29
Recognised in other comprehensive income		
Employer contributions	3.56	18.83
Benefit paid	(35.88)	(12.68)
At the end of the year/period	**63.02**	**90.53**

iii) Expense recognised in the Statement of profit and loss and Other comprehensive Income:

(₹ in Million)

Particulars	Gratuity (Funded)		Gratuity (Non-Funded)		Leave Encashment	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Recognised in the Statement of profit and loss						
Current service cost	30.89	37.13	0.19	2.16	0.08	1.19
Interest expense	21.25	27.20	0.76	2.60	0.40	1.31
Past service cost	8.28	-	-	-	-	-
Interest income	5.52	7.05	-	-	-	-
For the year	**54.90**	**57.28**	**0.95**	**4.76**	**0.48**	**2.50**
Recognised in the Other comprehensive income						
Actuarial (gains) / losses on obligations	(31.95)	3.58	(6.45)	(17.63)	(3.88)	(5.41)
Actuarial (gains) / losses on plan assets	0.71	(0.29)	-	-	-	-
For the year	**(31.24)**	**3.29**	**(6.45)**	**(17.63)**	**(3.88)**	**(5.41)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

iv) Actuarial assumptions:

The principal actuarial assumptions used for estimating the Group's benefit obligations are set out below (on a weighted average basis):

(₹ in Million)

Particulars	March 31, 2018	March 31, 2017
Rate of increase in salaries (%)	5% per annum	5% per annum
Discount rate	7% and 7.50% per annum	7% and 7.50% per annum
Employee turnover rate	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
Mortality rate	Indian assured life mortality (2006-2008) ultimate	Indian assured life mortality (2006-2008) ultimate

v) Sensitivity of the defined benefit obligation:

(₹ in Million)

Particulars	March 31, 2018		March 31, 2017	
	Increase	Decrease	Increase	Decrease
Gratuity				
Discount rate (0.50% movement)	(273.82)	289.57	(319.36)	341.30
Rate of increase in salaries (0.50% movement)	289.43	(273.94)	340.79	(319.50)
Withdrawal rate (10% movement)	(282.26)	280.64	(330.87)	329.12

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

vi) The expected future cash flows as at March 31, were as follows:

(₹ in Million)

Particulars	Upto 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
Defined benefit obligations:					
Gratuity - Funded					
March 31, 2018	24.43	26.74	59.78	138.67	249.62
March 31, 2017	46.41	24.43	86.52	-	157.36
Gratuity - Non funded					
March 31, 2018	0.21	0.22	0.70	3.45	4.58
March 31, 2017	1.63	2.32	5.57	30.23	39.75
Leave encashment - Non funded					
March 31, 2018	0.18	0.17	0.48	1.75	2.58
March 31, 2017	1.07	1.90	3.25	9.05	15.27

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 38

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

(₹ in Million)

As at March 31, 2018	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets								
Investments in equity shares	0.64	18,216.80	-	18,217.44	104.68	-	18,112.76	18,217.44
Investments in preference shares/ bonds/debentures	-	-	13,915.20	13,915.20	-	13,915.20	-	13,915.20
Loans	-	-	224,792.85	224,792.85	-	224,792.85	-	224,792.85
Others	-	-	198.57	198.57	-	198.57	-	198.57
Current financial assets								
Investments	-	-	-	-				
Trade receivables	-	-	7,433.68	7,433.68				
Cash and cash equivalents	-	-	2,935.74	2,935.74				
Other bank balances	-	-	4,768.21	4,768.21				
Loans	-	-	112,150.38	112,150.38				
Other current financial assets	-	-	472.41	472.41				
	0.64	**18,216.80**	**366,667.04**	**384,884.48**	**104.68**	**238,906.62**	**18,112.76**	**257,124.06**
Non-current financial liabilities								
Borrowings	-	-	1,696.33	1,696.33	-	1,696.33	-	1,696.33
Current financial liabilities								
Borrowings	-	-	500,911.68	500,911.68				
Trade payables	-	-	15,368.99	15,368.99				
Others	-	-	8,261.82	8,261.82				
	-	**-**	**526,238.82**	**526,238.82**	**-**	**1,696.33**	**-**	**1,696.33**

(₹ in Million)

As at March 31, 2017	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets								
Investments in equity shares	0.64	18,202.58	-	18,203.22	102.97	-	18,100.25	18,203.22
Investments in preference shares/ bonds/debentures	-	-	15,882.34	15,882.34	-	15,882.34	-	15,882.34
Loans	-	-	129,162.84	129,162.84	-	129,162.84	-	129,162.84
Others	-	-	1,658.93	1,658.93	-	1,658.93	-	1,658.93
Current financial assets								
Investments				-				
Trade receivables	-	-	24,439.63	24,439.63				
Cash and cash equivalents	-	-	1,987.71	1,987.71				
Other bank balances	-	-	8,508.40	8,508.40				
Loans	-	-	186,920.96	186,920.96				
Other current financial assets	-	-	320.63	320.63				
	0.64	**18,202.58**	**368,881.64**	**387,084.66**	**102.97**	**146,704.11**	**18,100.25**	**164,907.33**
Non-current financial liabilities								
Borrowings	-	-	355,834.14	355,834.14	-	355,834.14	-	355,834.14
Current financial liabilities								
Borrowings	-	-	27,183.31	27,183.31				
Trade payables	-	-	21,918.60	21,918.60				
Others	-	-	82,278.91	82,278.91				
	-	**-**	**487,214.96**	**487,214.96**	**-**	**355,834.14**	**-**	**355,834.14**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

As at January 1, 2016	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets								
Investments in equity shares	53.16	18,557.39	-	18,610.55	123.02	-	18,487.53	18,610.55
Investments in preference shares/ bonds/debentures	-	-	3,882.34	3,882.34	-	3,882.34	-	3,882.34
Loans	-	-	117,669.21	117,669.21	-	117,669.21	-	117,669.21
Others	-	-	1,097.71	1,097.71	-	1,097.71	-	1,097.71
Current financial assets								
Investments	-	52.39	-	52.39	-	52.39	-	52.39
Trade receivables	-	-	30,477.79	30,477.79				
Cash and cash equivalents	-	-	13,378.69	13,378.69				
Other bank balances	-	-	28,224.65	28,224.65				
Loans	-	-	216,471.07	216,471.07				
Other current financial assets	-	-	131.91	131.91				
	53.16	**18,609.78**	**411,333.37**	**429,996.31**	**123.02**	**122,701.65**	**18,487.53**	**141,312.20**
Non-current financial liabilities								
Borrowings			325,159.82	325,159.82	-	325,159.82	-	325,159.82
Current financial liabilities								
Borrowings			50,022.46	50,022.46				
Trade payables			15,085.85	15,085.85				
Others			112,112.17	112,112.17				
			502,380.30	**502,380.30**	**-**	**325,159.82**	**-**	**325,159.82**

Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include :

- the fair value of certain unlisted equity shares are determined based on the income approach or the comparable market approach.
- the fair value preference shares and the remaining financial instruments is determined using discounted cash flow analysis. 'The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

The investments included in level 3 of the fair value hierarchy have been valued using the discounted cash flow technique to arrive at the fair value.

B. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

i) Credit risk;

ii) Liquidity risk; and

iii) Interest risk

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk board of directors policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk board of directors policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and board of directors standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board of directors monitors compliance with the company's risk board of directors policies and procedures, and reviews the adequacy of the risk board of directors framework in relation to the risks faced by the Group. The board of directors is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk board of directors controls and procedures, the results of which are reported to the board of directors.

i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

a) Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Company has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The following table provides information about the exposure to credit risk for trade receivables:

(₹ in Million)

	Gross carrying amount		
	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Past due not impaired			
Past due 1-30 days	272.69	6,696.46	8,574.54
Past due 31-60 days	219.40	6,465.84	7,861.90
Past due 61-90 days	353.60	5,867.87	7,291.41
Past due 91-120 days	172.32	3,470.42	3,925.58
Past due 121-180 days	500.57	1,275.68	2,103.75
More than 180 days	5,915.10	663.36	720.61
Total	**7,433.68**	**24,439.63**	**30,477.79**

Management has analysed the debtors outstanding as of March 31, 2018 and concluded that the history of bad debts on the profile of its current debtors is insignificant. The debtors which are outstanding as of March 31, 2018 have been generally regular in making payments and hence it does not expect significant impairment losses on its current profile of outstanding debtors. The debtors which have defaulted in the past are mostly on account of any litigations and its experience regarding bad debts has been very low in the past.

b) Cash and cash equivalents and Other bank balances

The Group held cash and cash equivalents and other bank balances of ₹ 7,703.95 Million as at March 31, 2018 (March 31, 2017: ₹ 10,496.11 Million, January 1, 2016: ₹ 41,603.34 Million). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

c) Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

d) Other financial assets

Other than trade and other receivables, the Group has no other financial assets that are past due not impaired.

ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Liquidity risk is managed by Group through effective fund management. The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through foreign currency borrowings and other debt instruments.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Million)

As at March 31, 2018	Carrying Amount	Contractual cash flows				
		Total	Upto 1 Year	2 to 3 Years	4 to 5 Years	More than 5 Years
Non-derivative financial liabilities						
Non-Current, non derivative financial liabilities						
Borrowings (including current maturity of long term debt)	1,764.27	1,764.27	67.94	213.02	311.61	1,171.70
Current, non derivative financial liabilities						
Borrowings	500,911.68	500,911.68	500,911.68	-	-	-
Trade payables	15,368.99	15,368.99	15,368.99	-	-	-
Other current liabilities (excluding current maturity of long term debt)	8,193.88	8,193.88	8,193.88	-	-	-
Total	**526,238.82**	**526,238.82**	**524,542.49**	**213.02**	**311.61**	**1,171.70**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

As at March 31, 2017	Carrying Amount	Contractual cash flows				
		Total	Upto 1 Year	2 to 3 Years	4 to 5 Years	More than 5 Years
Non-derivative financial liabilities						
Non current, non derivative financial liabilities						
Borrowings (including current maturity of long term debt)	430,615.10	430,615.10	65,416.84	134,605.31	159,196.21	71,396.74
Current, non derivative financial liabilities						
Borrowings	27,183.31	27,183.31	27,183.31	-	-	-
Trade payables	21,918.60	21,918.60	21,918.60	-	-	-
Other current liabilities (excluding current maturity of long term debt)	7,497.95	7,497.95	7,497.95	-	-	-
Total	**487,214.96**	**487,214.96**	**122,016.70**	**134,605.31**	**159,196.21**	**71,396.74**

(₹ in Million)

As at January 1, 2016	Carrying Amount	Contractual cash flows				
		Total	Upto 1 Year	2 to 3 Years	4 to 5 Years	More than 5 Years
Non-derivative financial liabilities						
Non current, non derivative financial liabilities						
Borrowings (including current maturity of long term debt)	430,616.97	430,616.97	100,894.70	49,036.08	176,406.64	104,279.55
Current, non derivative financial liabilities						
Borrowings	50,022.46	50,022.46	50,022.46	-	-	-
Trade payables	15,085.85	15,085.85	15,085.85	-	-	-
Other current liabilities (excluding current maturity of long term debt)	6,655.02	6,655.02	6,655.02	-	-	-
Total	**502,380.30**	**502,380.30**	**172,658.03**	**49,036.08**	**176,406.64**	**104,279.55**

iii) Interest risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect Statement of profit or loss.

Group's interest rate risk arises from borrowings. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group's is as follows.

(₹ in Million)

Borrowings	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Variable rate borrowings			
Non current borrowings			
a) Secured			
Term loans from banks	1,670.33	341,175.02	299,306.81
Term loans from financial institutions	-	9,863.18	11,581.61
Vehicle loan from banks	-	8.87	6.62
Loan from others	-	0.05	0.05
Foreign currency convertible bonds	-	4,761.02	6,120.33
Deferred payment liabilities	-	-	8,118.40

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Million)

Borrowings	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
b) Unsecured			
Loan from others	26.00	26.00	26.00
Current maturities of long term borrowings	67.94	74,780.96	105,457.15
Current borrowings			
a) Secured			
Term loans from banks	465,352.17	9,569.72	10,766.63
Term loans from financial institutions	14,060.48	-	-
Vehicle loan from banks	8.84		
Overdraft against fixed deposits	-	-	20,264.32
Loans from others	13.39	13.39	-
Foreign currency convertible bonds	4,948.44	-	-
Working capital loans from banks	16,528.36	11,961.22	10,321.48
b) Unsecured			
Loans from banks	-	5,638.98	8,670.03
	502,675.95	**457,798.41**	**480,639.43**

Fair value sensitivity analysis for fixed-rate instruments

All the borrowings of Group are at variable interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets.

(₹ in Million)

Particulars	Profit or (Loss) before tax	
	100bp increase	**100bp decrease**
March 31, 2018	(5,026.76)	5,026.76
March 31, 2017	(4,577.98)	4,577.98
January 1, 2016	(4,806.39)	4,806.39

Note 39

Capital Management

The Groups's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings, less cash and cash equivalents and bank deposits. Adjusted equity comprises all components of equity.

The entity monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

The Group's adjusted net debt to equity ratio is as follows:

(₹ in Million)

Particulars	As at March 31, 2018	As at March 31, 2017	As at January 1, 2016
Non current borrowings	1,696.33	355,834.14	325,159.82
Current borrowings	500,911.68	27,183.31	50,022.46
Current maturity of long term borrowings	67.94	74,780.96	105,457.15
Gross Debt	**502,675.95**	**457,798.41**	**480,639.43**
Less: Cash and cash equivalents	2,935.74	1,987.71	13,378.69
Less: Other bank balances	4,768.21	8,508.40	28,224.65
Adjusted Net Debt	**494,972.00**	**447,302.30**	**439,036.09**
Total Equity	(36,183.85)	28,049.86	86,902.90
Adjusted Net Debt to Total Equity	**(13.68)**	**15.95**	**5.05**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 40

Contingent Liabilities and Commitments (to the extent not provided for):

(₹ in Million)

			As at March 31, 2018	As at March 31, 2017
Commitments :				
Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)			**745.49**	703.25
Contingent Liabilities not provided for:				
i)	Letters of Guarantees		**31,819.28**	32,657.45
ii)	Letters of Credit opened (including Standby Letters of Credit and Letter of Comfort)		**45.31**	1,501.46
iii)	Claims against the Company not acknowledged as debts			
	a)	Custom Duty demands and penalties under dispute	**260.65**	453.94
		[Amount paid under protest ₹ 0.17 Million (As at March 31, 2017 ₹ 0.17 Million)]		
	b)	Income Tax demands under dispute	**3,170.60**	3,202.00
		[Amount paid under protest ₹ 17.86 Million (As at March 31, 2017 ₹ 1.60 Million)]		
	c)	Excise Duty and Service Tax demands and penalties under dispute	**2,663.83**	1,451.61
		[Amount paid under protest ₹ 235.08 Million (As at March 31, 2017 ₹ 86.85 Million)]		
	d)	Sales Tax demands under dispute	**484.63**	855.19
		[Amount paid under protest ₹ 76.79 Million (As at March 31, 2017 ₹ 85.85 Million)]		
	e)	Others	**4,505.14**	6,852.37
		[Amount paid under protest ₹ 50.00 Million (As at March 31, 2017 ₹ 50.00 Million)]		

f) Show Cause Notices (SCNs) have been served on the Operator of the Ravva Oil & Gas Field Joint Venture (Ravva JV) for non payment of Service Tax and Educational Cess on various services for the period July 2003 to 31st March 2014. The amount involved relating to Ravva Block is ₹ 263.72 Million (As at March 31, 2017 ₹ 263.72 Million). The Operator is contesting the SCNs/demands and has filed appeal before CESTAT, Bangalore and also writ petition before Hon'ble High Court of Madras challenging service tax demands on some of the services and believes that its position is likely to be upheld. The ultimate outcome of the matter cannot be presently determined and no provision for any liability that may result has been made in the accounts as the same is subject to agreement by the members of the Joint Venture. Should it ultimately become payable, the Company's share as per the participating interest would be upto ₹ 65.93 Million (As at March 31, 2017 ₹ 65.93 Million).

g) Disputed Income Tax demand amounting to ₹ Nil (As at March 31, 2017 ₹ 22.29 Million) in respect of certain payments made by Ravva Oil & Gas Field Joint Venture is currently pending before the Hon'ble High Court of Madras. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made as the same is subject to agreement by the members of the Joint Venture. Should it ultimately become payable, the Company's share as per the participating interest would be upto ₹ Nil (As at March 31, 2017 ₹ 5.57 Million).

Note 41

There are certain disputes with the Government of India ("GOI") with respect to the Production Sharing Contract dated October 28, 1994 ("Ravva PSC") pertaining to Ravva Oil & Gas Field which were referred to more than one international arbitration for resolution. The respective International Arbitral Tribunals have issued their respective Awards from time to time substantially in favour of the Company. However the GOI has preferred to challenge few of the Awards in various Courts in India and overseas but has not succeeded so far in any of the Courts. Pending final resolution of the disputes, certain amounts have been excess recovered, deducted or short paid by the GOI and / or its Nominees which have been challenged by the Company and the Company is seeking recovery of amounts excessively recovered, deducted or short paid by the GOI and/or its Nominees. Based on legal advice, the Company believes that its contentions will be upheld. Any further sum required to be paid by the Company or recoverable by the Company in respect of any of these disputes in accordance with the determination of the amount by the Hon'ble Arbitral Tribunal/relevant courts in this regard shall be accounted for on the final outcome in those matters.

Note 42

The Parent Company alongwith the subsidiary Electroworld Digital Solutions Limited (EDSL), Videocon Telecommunications Limited (VTL) and 11 other entities (collectively referred to as 'Obligors' or individually as 'Borrower') executed Facility Agreement with the consortium of existing domestic rupee term lenders (RTL Lenders), under the obligor/co-obligor structure, wherein all the Rupee Term Loans of the Obligors are pooled together. The Borrower entities are Videocon Industries Limited, Value Industries Limited, Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited, Electroworld Digital Solutions Limited and Videocon Telecommunications Limited.

As per the said Facility Agreement, the Parent Company is agent of the Obligors and has been referred to as 'Obligor Agent'. The Rupee Term Loans have to be utilised for the purpose mentioned in the Facility Agreement which is mainly for refinancing of existing Rupee Term Loans of the Obligors. Accordingly, the Rupee Term Loans were allocated by the Company to respective Obligors based on their outstanding amount as on December 31, 2011. The lenders, except IDBI Bank Limited have not allocated the loans to respective obligors till date. As the Parent Company, EDSL and VTL are co-obligors, they are contingently liable in respect of the borrowings of other Obligors/Borrowers to the extent of outstanding balance of Rupee Term Loans as on March 31, 2018 of ₹ 23,345.34 Million (As at March 31, 2017 ₹ 23,868.55 Million).

Note 43

Intesa Sanpaolo S.p.A., an Italian bank, had initiated winding up proceedings against the Parent Company on the basis of 'Patronage Letter' issued by the Company to the said Italian bank in June, 2007 for financial assistance given to the then one level step down subsidiary, M/s. VDC Technologies S.p.A., an Italian defunct company acquired by another subsidiary of the Company, M/s. Eagle Corporation Limited registered in Cayman Island. Single judge vide judgement dated December 5, 2013 passed a conditional order of winding up of the Company on its failure to deposit in court the amount of ₹ 2,597.30 Million equivalent of Euro 38.00 Million, which was confirmed by the division bench of the High Court of Judicature at Bombay on July 18, 2014.

The Company had challenged the order of Bombay High Court by way of Special Leave Petition ('SLP') in the Supreme Court. The Company had denied its liability out of the said 'Patronage Letter'. The Company, pending the final disposal of SLP, agreed to create lien on Fixed Deposit Receipts of ₹ 1,363.82 Million and ₹ 1,210.40 Million in favour of the Registrar of Supreme Court. The Hon'ble Supreme Court had stayed the impugned order of the Bombay High Court and directed to issue notice for further hearing of the matter. The Hon'ble Supreme Court had also admitted SLP filed by the Company and final hearing was pending.

Intesa Sanpaolo S.p.A. had also obtained exparte decree against the Company from Turin Court of Italy and on the basis of said decree, Intesa Sanpaolo S.p.A. had filed suit bearing No.2434/2012 in Bombay High Court for obtaining decree against the Company. The Company had appeared in the matter and was contesting the said exparte decree on merit. While the aforesaid suits and litigation were in progress, the Company and Intesa settled the matter by filing the Consent Terms before the Hon'ble Supreme Court at Euro 21.00 Million equivalent to ₹ 1,434.31 Million. As per the Consent Terms the Company has paid ₹ 1,434.31 Million towards full and final repayment of principal sum and Intesa waived off all its other claims including interest due on loan availed by VDC Technologies S.p.A. in full and final settlement and all the pending suits / petitions are withdrawn by both the parties. Further, all rights, interest and claims against VDC Technologies S.p.A. have been assigned and transferred to the Company. However, considering that the said VDC Technologies S.p.A. is defunct and under liquidation, said amount paid on settlement is charged to revenue as exceptional items.

Note 44

The Directorate of Revenue Intelligence, Mumbai Zonal Unit ('DRI') has issued Show Cause Notice(s) ('SCN') dated 10th September, 2014 and 30th December, 2014 to the Parent Company in connection with import of Colour Picture Tubes ('CPTs') by the Company and other concerns. Vide SCNs, the Company has been asked to explain / as to why the declared value of CPTs imported should not be rejected and re-determined and why the amount of anti-dumping duty of ₹ 1,657.21 Million and penalty thereon should not be recovered under the extended period under the provisions of the Customs Act, 1962.

In order to buy peace, the Company filed application with the Adjudication Authority who vide order dated 20th April, 2017 determined that the declared value of the Company is liable to be rejected and re-determined under Customs Valuation Rules read with Section 14 of the Customs Act, 1962 and the Company is liable to payment of anti-dumping duty amounting to ₹ 687.49 Million payable on the import of CPTs and the penalty of equivalent amount along with interest thereon under Section 114A of the Customs Act, 1962. Further, the Adjudication Authority imposed a penalty of ₹ 0.50 Million on the Company on High Sea Sales under Section 112(a) of the Customs Act, 1962. Subsequently, the Company has filed an appeal against the Order passed by Adjudication Authority before The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) and the same is pending before the said CESTAT. The Company has been advised by its counsels that the Order passed by Adjudication Authority is untenable in the court of laws. Hence, no provision has been considered necessary in the financial statements.

Note 45

Videocon Telecommunications Limited ('VTL'), a subsidiary, had received a notice dated November 17, 2014 from the Department of Telecommunications ('DoT') (Access Service Division), Ministry of Communications & IT directing it to show cause as to why the reserve price of ₹ 4,766.90 Million and interest on this amount are not to be recovered from VTL as per the direction of Hon'ble Supreme Court of India in I.A. No. 11 of 2012 in Writ Petition (Civil) No. 423 of 2010.

VTL in its response to the said show cause notice has submitted that VTL is not liable to make payment of the reserve price of ₹ 4,766.90 Million and interest on this amount as per the direction of the Hon'ble Supreme Court and that the said show cause notice is not sustainable on facts and in law for the reasons given therein. The said demand along with interest has been challenged before the Hon'ble TDSAT and the demand has been stayed.

Further, VTL has received revised notice dated February 14, 2017 from the Department of Telecommunications (DoT) (Access Service Division), Ministry of Communications & IT for ₹ 7,234.64 Million (including interest) with revised reserve price of ₹ 4,567.50 Million.

Note 46

The DoT had issued demand notices for Liquidated Damages aggregating to ₹ 534.50 Million for 20 out of the 21 circles (all the circles except Delhi) allotted to VTL on account of delay in meeting 10% roll-out obligations as stipulated in the Unified Access Service License (UASL) (since quashed vide judgement dated February 2, 2012 of Hon'ble Supreme Court). Against these demand notices, VTL has paid a total sum of ₹ 419.30 Million, out of which VTL has charged ₹ 169.50 Million to the Statement of Profit and Loss for the year ended 31st December, 2011 and the remaining amount of ₹ 249.80 Million has been shown under Long Term Loans and Advances as the same are disputed and paid 'under protest'.

A) VTL challenged these demand notices before the Hon'ble Telecom Dispute Settlement Appellate Tribunal ('TDSAT') in respect of 10 circles (i.e. Andhra Pradesh, Assam, Haryana, Jammu & Kashmir, Karnataka, Kolkata, Madhya Pradesh, North East, Uttar Pradesh – East and West Bengal) seeking interim stay and requesting for setting aside the impunged demand, inter alia on the ground that (1) there has been a delay in the allocation of start-up spectrum; (2) delay in SACFA clearance, which should have been calculated on the actual maximum delay and not on the average delay; and (3) delay in meeting 10% roll-out obligations was on account of introduction by the DoT of new and onerous conditions in the license agreement (e.g. LI Testing, security clearance of equipment, etc.).

   The Hon'ble TDSAT vide its order and judgment dated January 13, 2012 whereby it has set aside the demands of DoT in respect of 10 circles and directed DoT to give opportunity to the licensee before raising fresh demands for liquidated damages. The Hon'ble TDSAT, vide its said judgment has also directed DoT to refund the amount of ₹ 242.30 Million paid by VTL as liquidated damages in respect of 10 circles along with 12% interest and VTL has been directed to deposit bank guarantees for the amount of liquidated damages originally demanded.

B) VTL has also challenged before the Hon'ble TDSAT the claim of Liquidated Damages in respect of 7 circles (i.e. Bihar, Gujarat, Kerala, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh-West) seeking interim stay and setting aside the demand, inter alia on the ground that (1) there has been a delay in the allocation of start-up spectrum; (2) delay in SACFA clearance should have been calculated on the actual maximum delay and not on the average delay; and (3) delay in meeting 10% roll-out obligations was on account of introduction by the DoT of new and onerous conditions in the license agreement (e.g. LI Testing, security clearance of equipment, etc.).

   The Hon'ble TDSAT passed an order on April 30, 2014 whereby the demands of DoT were quashed in respect of 7 circles in line with the TDSAT order dated January 13, 2012 and directed DoT to give opportunity to the licensee before raising fresh demands for liquidated damages. The Hon'ble TDSAT, vide its said judgment has also directed DoT to refund the amount of ₹ 82.00 Million paid by VTL as liquidated damages in respect of 7 circles along with 12% interest and VTL has been directed to deposit bank guarantees for the amount of liquidated damages originally demanded.

   The order of the Hon'ble TDSAT dated January 13, 2012 has been challenged by the DoT before the Hon'ble Supreme Court and by an order dated November 23, 2012, the Hon'ble Supreme Court has admitted the appeal and directed that there will be an interim order staying the interest payable only on the principal amount, in terms of the impugned judgment of the TDSAT.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

After the order of Hon'ble TDSAT dated January 13, 2012, VTL has received revised liquidated damage demand notices of ₹ 657.50 Million vide letter dated November 4, 2013, June 23, 2016 and August 5, 2016 under the 21 UAS License. VTL has contested the demand raised by DoT and submitted its representation and personal hearing over this issue is awaited.

C) VTL has also received the demand notices dated February 21, 2014, issued by DoT imposing liquidated damages pertaining to the alleged delay/default in completion of 2nd phase roll out obligation of North East service area amounting to ₹ 70.00 Million. VTL has challenged the said demand in TDSAT vide petition no. 170 of 2014 and an exparte ad interim protection against encashment of bank guarantee was conferred to VTL subject to keeping the bank guarantee to the tune of ₹ 32.60 Million alive during the pendency of the petition and furnishing of an undertaking to pay the unsecured amount of the entire demand raised in the event the petition fails.

D) VTL has also received liquidated damage demand notice of ₹ 420.00 Million from DoT in respect of non-fulfilment of 2nd Phase and 3rd Phase rollout obligation under the UL (AS) license for Bihar, Uttar Pradesh - East and Uttar Pradesh - West service areas. VTL has contested the demand raised by DoT and submitted its representation and personal hearing over this issue is awaited.

The final demands payable by VTL, if any, is, therefore, unascertainable.

Note 47

Infrastructure provider companies, ATC Telecom Infrastructure Private Limited (formerly VIOM Networks Limited), Tower Vision India Private Limited, ATC Telecom Tower Corporation Private Limited, Indus Towers Limited, Ascend Telecom Infrastructure Private Limited, Bharti Infratel Limited, GTL Infrastructure Limited, Chennai Network Infrastructure Limited and Reliance Infratel Limited have filed petition in Delhi High Court against VTL for claiming amount towards infrastructure provider fees, power and fuel dues, exit charges and interest aggregating to ₹ 9,304.72 Million (net of amounts provided for). According to VTL the same are not payable and VTL is disputing the same because under the contract VTL has made all the payment and nothing stands unpaid. (Reliance Infratel Limited and Ascend Telecom Infrastructure Private Limited cases has been disposed off in Delhi High Court). Aarbitration are also going on in the above cases except Reliance Infratel Limited.

VTL has been advised by the legal counsel that the claims are not maintainable and VTL has reasonably good chances of succeeding in the matter. VTL has already provided for the amount payable as per the contract and no further provision is considered necessary.

Note 48

VTL was awarded licenses by the Department of Telecommunications ('DoT') to provide Unified Access Services ('UAS') in 21 telecom circles in India effective from January 25, 2008 which were valid for a period of 20 years. VTL was also allocated spectrum in 20 circles and had launched its commercial operations in 17 circles. The Hon'ble Supreme Court of India, vide its order and judgment dated February 2, 2012 ('Judgment') in two separate writ petitions, quashed the UAS licenses granted on or after January 10, 2008 and the subsequent allocation of spectrum to licensees which included the 21 UAS licenses issued and allocation of spectrum to VTL. The same judgment was based on inappropriateness in the conduct of Government of India ('GoI') and certain other parties (other than VTL) and therefore VTL has been penalized for the reasons attributable to the GoI and not VTL.

The Hon'ble Supreme Court of India vide its Judgment had also directed the Central Government to grant fresh UAS licenses and spectrum allocation by auction. The DoT, had issued a Notice inviting applications for auction of spectrum. VTL participated in the said auction and was awarded the Unified Licenses (Access Services) for 6 circles namely, Bihar, Gujarat, Haryana, Madhya Pradesh, Uttar Pradesh (East) and Uttar Pradesh (West) with effect from 16th February, 2013 which are valid for a period of 20 years. VTL was also allotted spectrum in these 6 circles, which were transferred consequent to the VTL's agreement dated March 16, 2016 with Bharti Airtel Limited for trading the right to use 2 x 5 MHz spectrum.

VTL has also filed petition against DoT and Telecom Regulatory Authority of India ('TRAI') before Hon'ble TDSAT seeking award of restitution of net expenditure from issuance of Letter of Intent ('LOI') to January 18, 2013 and damages on various counts owing to the financial and business loss on cancellation of UASL held by VTL vide Hon'ble Supreme Court judgement dated February 2, 2012. Notice has been issued by the TDSAT to GoI and TRAI.

a) VTL has entered into agreement dated March 16, 2016 with Bharti Airtel Limited for trading the right to use 2 x 5 MHz spectrum allotted to it in these 6 circles at an aggregate consideration of ₹ 46,530.00 Million, in terms of the Guidelines for Trading of Access Spectrum by Access Service Providers dated 12th October, 2015 issued by the WPC Wing of the Department of Telecommunications (DoT) (Spectrum Trading Guidelines). The said transaction has been concluded on May 24, 2016 following all necessary approvals and the satisfaction of all the conditions including conditions stated in the Spectrum Trading Guidelines. Thus, VTL has discontinued the operations of GSM services (discontinued operations) with effect from May 18, 2016. VTL is carrying on the business operations in the National Long Distance (NLD) and International Long Distance (ILD) business.

b) The Extraordinary Item of ₹ 27,921.64 Million in the previous period ended March 31, 2017 represents the aggregate consideration for trading of right to use 2x5 MHz Spectrum allocated to VTL of ₹ 46,530.00 Million net of the written down value of the spectrum of ₹ 18,608.36 Million which has been disposed off.

Note 49

Discontinued Operations:

a) VTL has entered into agreement dated March 16, 2016 with Bharti Airtel Limited for trading the right to use 2 x 5 MHz spectrum allotted to it in these 6 circles at an aggregate consideration of Rs. 46,530.00 Million, in terms of the Guidelines for Trading of Access Spectrum by Access Service Providers dated 12th October, 2015 issued by the WPC Wing of the Department of Telecommunications (DoT) (Spectrum Trading Guidelines). The said transaction has been concluded on May 24, 2016 following all necessary approvals and the satisfaction of all the conditions including conditions stated in the Spectrum Trading Guidelines. Thus, VTL has discontinued the operations of GSM services (discontinued operations) with effect from May 18, 2016. VTL is carrying on the business operations in the National Long Distance (NLD) and International Long Distance (ILD) business.

b) The Extraordinary Item of Rs. 27,921.64 Million in the previous period ended March 31, 2017 represents the aggregate consideration for trading of right to use 2x5 MHz Spectrum allocated to VTL of Rs. 46,530.00 Million net of the written down value of the spectrum of Rs. 18,608.36 Million which has been disposed off.

Note 50

During the year, VTL has incurred a net loss of ₹ 4,070.39 Million resulting into accumulated losses of ₹ 67,022.59 Million as at March 31, 2018. VTL has also shut down its GSM services. Though VTL has huge accumulated losses, its net worth as on March 31, 2018 is positive and the management of VTL is confident of continuing its commercial operations in the National Long Distance (NLD) and International Long Distance (ILD) Business. Accordingly, the financial statements of VTL have been prepared on a going concern basis.

Note 51

Consequent to VTL's agreement dated March 16, 2016 with Bharti Airtel Limited for trading the right to use 2x5 MHz spectrum allocated to it in the 6 circles, GSM Network Assets including Assets held for Sale of ₹ 9,163.20 Million (As at March 31, 2017 ₹ 9,321.37 Million) has been shown under "Current Assets" as 'Disposal group-assets held for Sale'. VTL is in the process of ascertaining the impairment loss, if any, on its fixed assets including capital work-in-progress. The requisite accounting effect, if any, will be given upon such ascertainment/determination.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 52

VTL had given advances of ₹ 12,860.00 Million to Quadrant Televentures Limited (QTL) for the proposed acquisition of indefeasible Rights of Use (IRU) the UAS License of QTL in Punjab circle, subject to regulatory approvals. The same has been converted into Unsecured Zero Coupon Compulsory Convertible Debentures of face value ₹ 1000/- each (CCD) (Convertible into 2% Non-Cumulative, Non-Convertible, Redeemable Preference Shares). VTL is in process of ascertaining the fair value of Unsecured Zero Coupon Compulsory Convertible Debentures and its accounting impact, if any, will be given upon such fair valuation.

Note 53

The subsidiary Videocon Mauritius Energy Limited (VMEL) holds investments of ₹ 16,662.27 Million classified as unquoted investments in equity instruments - financial assets, which have been recognised at cost, and have not been carried at fair value. The Auditors of VMEL have given disclaimer of opinion as it has not been possible to estimate the financial effects of not carrying these investments at fair falue.

Note 54

Exceptional items represents:

a) Payment made towards settlement of obligation under patronage letter / guarantee given to Intesa Sanpaolo S.p.A., an Italian bank for financial assistance given to the then one level step down subsidiary as detailed in Note No. 43 above ₹ 1,434.31 Million; and

b) Infructuous project expenses relating to project aborted by the Parent Company ₹ 4,765.83 Million and subsidiary company ₹ 81.72 Million.

Note 55

The manufacturing activity of Glass Shell division located at Bharuch, which manufactured panels and funnels used in colour picture tube for colour television, has been suspended from July, 2017 due to poor demand of these products due to changes in technology for colour televisions. The management is of the view that the said factory and facilities can be, with some modifications, used for production of solar panel glass, solar lense, glass fibre and glass blocks which have good demand in the market. In view of the above, no provision for impairment has been considered necessary for the assets of the glass shell division at this stage.

Note 56

VOVL Limited, Videocon Hydrocarbon Holdings Limited, the subsidiary's main activity is investing in oil and natural gas exploration assets outside India through its subsidiaries and jointly controlled companies. The exploration and evaluation assets under subsidiaries namely Videocon Indonesia Nunukan Inc., Videocon Australia WA-388-P Limited, Videocon JPDA 06-103 Limited and under the joint venture company IBV Brasil Petroleo Limitada (joint venture interest held by Videocon Energy Brazil Limited), are in the exploration/appraisal stage and they have spent significant amounts on the acquisition, exploration and evaluation costs and have liability on this account. At present they are not generating revenue. The recovery of these costs is subject to success of their exploration efforts at these locations. The conditions indicates existence of significant uncertainty that could lead significant doubt about the continuity of the said subsidiary companies and joint venture company. The ability of these companies to continue as a going concern is substantially dependent on their ability to raise funds or continuous financial support from Parent Company to meet their operating and capital expenditure requirements.

The management of these companies are confident of mobilizing the necessary resources for continuing the operations of these subsidiaries and the joint venture, with the support from the Parent Company and also in view of the fact that in certain cases of companies/joint venture engaged in exploration and production of oil and natural gas, the operators have reported major discoveries which they intend to develop in an integrated manner to make it optimal and more economical. Accordingly, the financial statements have been prepared by the said subsidiaries and joint venture on a going concern basis.

Note 57

The Parent Company has received Grant from Ozone Cell, Ministry of Environment & Forests, Government of India for financing the machinery under the Ozone Project. As per the accounting policy followed by the Company, the Grant received for Ozone Project has been treated as "deferred income" to be recognised in the Statement of Profit and Loss over the useful life of the assets under the Ozone Project. Accordingly, an amount of ₹ 4.07 Million (Previous period ₹ 5.10 Million) has been allocated to income and credited to other non-operating income, in proportion to the depreciation charged on those assets for the period. The balance deferred income has been carried to Balance Sheet as Grant for Ozone Project.

Note 58

Joint Venture Disclosure:

A. The Financial Statements reflect the share of the Group in the assets and the liabilities as well as the income and the expenditure of Joint Venture Operations on a line-by-line basis. The Group incorporates its share in the operations of the Joint Venture based on statements of account received from the Operator. The Group has, in terms of Significant Accounting Policy No. 1.2(T), recognised abandonment costs based on the technical assessment of current costs as cost of producing properties and has provided Depletion thereon under 'Unit of Production' method as part of Producing Properties in line with the Guidance Note on Accounting of Oil and Gas Producing Activities issued by the Institute of Chartered Accountants of India.

B. Unincorporated Joint Ventures:

a) The Company has participating interest of 25% in Ravva Oil and Gas Field Joint Venture (JV) through a Production Sharing Contract (PSC). Other members of the JV are Oil and Natural Gas Corporation Limited, Vedanta Limited (erstwhile Cairn India Limited) and Ravva Oil (Singapore) Pte. Limited. The parties have pursuant to the PSC, entered into a Joint Operating Agreement. Vedanta Limited is the Operator. The original term of the Ravva PSC is due to expire on October 27, 2019. Ravva JV has submitted Revised Development Plan (RFDP) to Ministry of Petroleum & Natural Gas (MOPNG)/ Directorate General of Hydrocarbons (DGH), for 10-year extension period and it is now under active consideration of Government of India, to commercially monetize the remaining resources and additional exploration potential in the Block.

b) The JPDA Block 06-103 was set up under a PSC dated November 15, 2006 entered into between the Autoridade Nacional do Petroleo (ANP) (previously the Timor Sea Designated Authority), and the Contractor Parties consisting of Videocon JPDA 06-103 Limited (Videocon JPDA) one of the wholly owned subsidiaries, Oilex (JPDA 06-103) Limited – as Operator, Bharat PetroResources JPDA Limited and GSPC (JPDA) Limited, The Contractor Parties have defined their rights, interest and obligations for proper regulation of petroleum operations, pursuant to PSC through a Joint Operating Agreement (JOA), which was entered into on the effective date November 15, 2006. On July 15, 2015 the ANP advised that it has terminated the PSC effective July 15, 2015.

This block is located in the Timor Sea between Australia and Timor-Leste. Videocon JPDA had originally a participating interest of 25% in the PSC. Oilex has farmed-out 15% of its 25% participating interest to Japan Energy Corporation. Videocon JPDA has farmed-out 5% of its participating interest to Pan Pacific Petroleum of Australia reducing the same to 20%.

After two exploration wells at Lore and Lolotoe were drilled unsuccessfully, the work on the third well at Bazartate was suspended because of a dispute on the Maritime boundary between Governments of Timor Leste and Australia. The Joint Venture (JV) parties have put in a formal request to Government for termination of the PSC without penalty and in good standing. The regulator, Autoridade Nacional Do Petroleo, Timor-Leste (ANP) vide its letter dated 13th May, 2015 informed the Operator that upon termination, the JV is liable to ANP for estimated costs of exploration not carried out and the damages for breach of its local content obligation. The JV while making a counter offer, contended that the lack of assurance from ANP on security of PSC tenure had constrained it from fulfilling the Work Programme commitments and that it had actually performed excess exploratory work. Currently negotiations between ANP and JV are underway to determine the quantum of amount payable for an amicable settlement of the PSC termination. The ultimate outcome of the matter cannot be presently determined

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

and hence no provision for any liability that may result has been made. Should it ultimately become payable, the subsidiary's share as per participating interest would be upto ₹ 176.66 Million.

Considering the developments, the carrying value of this exploration and evaluation assets amounting to USD 126.52 Million (equivalent to ₹ 8,498.49 Million) has been impaired in previous period ended March 31, 2017.

c) The original Nunukan PSC was signed on December 12, 2004 covering an area of 4,917.47 sq. km. The Term of the PSC is 30 years from the Effective Date. As per the terms of the PSC at the end of the initial 6 (six) years period or 4 years extension thereto, if no Petroleum in commercial quantities is discovered in the Contract area, then without prejudice the Contract shall automatically terminate in its entirety. The JV has fulfilled all firm commitments and the current status of Nunukan work area has changed from Exploration to Development.

On September 4, 2009 Videocon Indonesia Nunukan Inc. (VIN), one of the wholly owned subsidiaries, had executed a Farmout Agreement with Anadarko Indonesia Nunukan Company - a wholly owned subsidiary of Anadarko Petroleum Corporation, USA along with the related Joint Operating Agreement. Pursuant to this agreement, VIN has acquired a 12.50% participating interest in the PSC, covering the area referred to as Nunukan Block, located offshore Indonesia, with effect from August 1, 2009 (the Effective Date). Other members of the consortium are Anadarko Indonesia Nunukan Company, PT Medco E&P Nunukan and BPRL Ventures Indonesia, BV (a step down wholly owned subsidiary of Bharat Petroleum Corporation Limited). Following Anadarko's sale of all the issued share capital in Nunukan Block PSC to PT Pertamina Hulu Energi (PHENC), effective February 15, 2013, PHENC became the new Operator. Consequent to JV Partner PT Medco exiting from the PSC, VIN and Pertamina (Operator) the consenting partners picked up it's 40% participating interest share on prorate basis, with BPRL abstaining. SKK Migas conveyed its formal approval on September 18, 2015 for the same, resulting in increase of VIN's participating interest from 12.50% to 23.00% without cost.

Badik oil and gas discovery in 2010 triggered further activity with 3D seismic data acquisition which identified 2 well locations for appraisal of Badik discovery. Following successful appraisal of Badik the adjacent prospect West Badik was taken up for drilling which resulted in oil and gas discovery in 2014. The oil and gas accumulations are found in sandstone reservoirs of Late-Miocene-Pliocene age which is part of Tarakan Formation.

The Badik Field has three wells and the West Badik Field has one well.

The JV had submitted a Plan of Development (POD-1) of Badik-West Badik Discoveries in November 2015 which was approved by Government of Indonesia in March 2016. In view of low LNG price scenario, the plan to build mini LNG plant as stated in POD-1 was no longer found to be feasible. As a result Pertamina, the holding company of the Operator PHENC which is spearheading the Gas marketing efforts, has widened its scope and is looking for other buyers. The potential candidates who expressed interest included a Government backed Fertilizer plant and the other a privately owned petrochemical plant who have indicated a higher gas requirement with a minimum supply of 85-100 MMSCFD for a period of 20 years.

To gain confidence of the potential buyers (especially the private entities) on the reserve figures of Badik-West Badik Field, Gaffney, Cline & Associates was contracted to conduct a Geological, Geophysical and Reservoir Engineering study and Resources Assessment of the Badik and West Badik discoveries.

For enhancing the currently estimated Gas reserve base, the Parang Well adjacent to Badik was taken up for exploration drilling towards the end of year 2016, resulting in Oil and Gas Discoveries that fulfil the objective of augmenting the existing reserve Base in Nunukan Block. The JV Parties hope to fulfil the obligation of bringing on commercial production within 5 years of POD-1 approval, by phasing in the production of oil and gas in Nunukan.

During the financial year 2017-18, Badik-West Badik pre-development activities like Marine Survey, EIA, have been completed while FEED is in progress. The Parang Oil & Gas discovery has been ranked as one of the top ten discoveries of the world for the year 2017. The Parang discovery has the potential to successfully fulfil its objective of augmenting the existing reserve base in Nunukan PSC block. JV is looking to monetize the Parang discovery at the earliest to enable integration with the development of Badik-West Badik fields (POD 1). Appraisal of Parang discovery has been planned by carrying out 3D OBN seismic data acquisition, along with drilling of two appraisal wells and one exploratory well (Keris-1). Keris prospect is proximally located on the flank of Bunyu structure which is a producing field and share the same trend with Badik – West Badik – Parang structures, successful results in Keris-1 will enable its integration with the Badik-West Badik-Parang development.

C. Incorporated Jointly Controlled Entities:

a) IBV Brasil Petroleo Limitada (IBV), a company incorporated in Brazil is 50 : 50 joint venture between Videocon Energy Brazil Limited (VEBL), a wholly owned subsidiary of the Company and Bharat Petro Resources Limited, a wholly owned subsidiary of Bharat Petroleum Corporation Limited. IBV has interests in following four concessions with ten deep water offshore exploration blocks in Brazil.

I) Campos Concession: VEBL has 12.50% participating interest in BM-C-30 Campos Concession, where Anadarko Corporation U.S.A. is Operator. Located 130 km Offshore in prolific Campos Basin off the Rio de Janeiro and Espirito Santo States of Brasil. The block covers an area of 716 Sq. Km in the water depths of 1,400 to 2,500 meters. BM-C-30 Campos Concession Agreement and Joint Operating Agreement is in effect from November 24, 2004. Both the two phases of Exploration with First Phase of 4 years and Second Phase of 2 years duration have been successfully completed with the drilling of Wahoo#5 and fulfilling all of the proposed Firm activities of the Exploration Phases.

Oil and gas initially discovered in the Pre-Salt Upper-Sag Carbonates, of Aptian Age in Wahoo#1, was subsequently appraised by drilled wells Wahoo#2, Wahoo#4 and Wahoo#5. A DST in Wahoo#1 produced at restricted level of 7,900 BOPD as higher levels involved unacceptable gas flaring.

The JV has retained the entire Block, after second phase of exploration for a five year Evaluation Phase approved by ANP. ANP agreed on April 4, 2016 to the request of JV Parties for extension of the Discovery Assessment Plan (PAD) to June 30, 2022.

In the adjacent block BM-C-32 Itaipu Block Anadarko has taken over Operatorship from BP and other consortium partner are BP and Total. It is envisaged to develop both Wahoo & Itaipu fields after ANP's approval which will facilitate joint development between the two fields, including cost savings through various development synergies.

Significant upside in Wahoo#SW structure is envisaged based on 2D Full Waveform Inversion studies. Further fine tuning of the PAD plan is under preparation for presenting to ANP without altering the final deadline.

Meanwhile, as a part of Anadarko's worldwide corporate strategy, conveyed it's decision to resign as operator and exit BM-C-30, on March 15, 2018. The remaining partners BP, Total and IBV have consented to continue in the JV and the efforts to select an operator has started. Efforts are being made by JV for Long Term Testing in 2018 and solution for the produced gas.

II) Sergipe Concession: Sergipe Concession Contract BM-SEAL-11 was signed in the Sixth Round of Bidding, covering an area of 2,831 Sq. Km. in the North-Eastern offshore of Brazilian Basin and comprising of 4 Blocks SEAL-M-349, SEAL-M-426, SEAL-M-497 and SEAL-M-569. Petroleo Brasiliero S.A. (Petrobras) is the Operator with 60% and VEBL has a 20% participating interest.

The exploration phases in the Concession have been fulfilled for all the four blocks. ANP has approved five appraisal plans in this concession with various timelines, which have witnessed significant hydrocarbon discoveries in the Barra, Farfan, Cumbe, Papangu and Poco Verde structures, which are all in different stages of appraisal/ evaluation phases along with neighbouring Joint Venturers in a unitization proposal and the same are heading towards commercialization.

i) Barra PAD: In Block SEAL-M-426 in Sergipe Concession, the First Exploration Phase was completed with successful drilling of the commitment well Barra (1-SES-158) and the subsequently, Barra#2 well was also successfully drilled as per the Discovery Assessment Plan approved by ANP. Pursuant to PAD, another exploration

Barra#3 appraisal well, was drilled, successfully towards N-NE of the Barra prospect and Drill Stem Test (DST) established good flow potential for these reservoirs.

ii) Farfan PAD: In the second phase Minimum Work Programme (MWP), well Farfan, in Block SEAL-M-426, was successfully drilled and as per the PAD to appraise Farfan discovery area was approved by ANP. An appraisal well Farfan#1 was drilled NW of the discovery well which successfully appraised the discovery hydrocarbon pay and the extent. Farfan#2, an independent prospect was drilled but was found to be devoid of hydrocarbons. However, the third appraisal well Farfan#3 on the main Farfan feature followed by additional fourth appraisal well, Farfan#ADR, were drilled and tested successfully which encountered the main Farfan pay without water contact, and yielded a very good injectivity test.

iii) Cumbe PAD: In Block SEAL-M-349 in Sergipe Concession, Cumbe exploration well was drilled successfully as an additional well to MWP. PAD approved by ANP to appraise Cumbe discovery and drilling of appraisal wells Cumbe#1 and Cumbe#2 have been completed successfully.

iv) Papangu PAD: In Block SEAL-M-497, one MEP well Capela was drilled unsuccessfull without any commercial hydrocarbon. Area around this well now stands relinquished. As in Block SEAL-M-569, the MWP well Papangu was drilled targeting Campanian sands and Albian Carbonates. Campanian sands had numerous shows. This Appraisal Plan Area around Papangu well also now stands relinquished.

v) Verde PAD: Based on the detailed analysis of the well results and the way forward in the contiguous blocks 497 and 569, approved for 5 years PAD for appraisal of Papangu discovery and for appraisal of discovery of oil in BM-SEAL-4 (Petrobras 75% and ONGC Videsh 25%) in well Poco Verde which probably extends toward blocks SEAL-M-497 and SEAL-M-569 (northern portion). Petrobras is Operator for BM-SEAL-11 and BM-SEAL-4. Petrobras presented an amplitude map of the Campanian pay in these blocks and identified five prospects. Out of these five prospects, two prospects namely Verde South-1 and Verde South-2 lie in SEAL-M-497 and SEAL-M-569 Blocks of BM-SEAL-11 Sergipe Concession.

In view of this, Operator to perform joint assessment, involving the contracts BM-SEAL-4 and BM-SEAL-11 (Blocks SEAL-M-497 and SEAL-M-569). As a part of PAD Poco Verde, 2 successful appraisal wells have been drilled by Petrobras in BM-SEAL-4 area.

Petrobras, the Operator of Concessions BM-SEAL-11, BM-SEAL-10 and BM-SEAL-4, intends to develop all the SEAL discoveries, (Barra, Farfan, Moita Bonita, Muriu and Poco Verde) in an integrated manner to make it optimal and more economical.

In October 2016, Operator Petrobras presented a proposal to conduct Extended Well Test (EWT) of the Farfan Field at a total cost of USD 258 Million and the same has been approved by the JV. The EWT proposed for 6 months from September 2018 to February 2019, will confirm reservoir parameters and will produce at a restricted rate of 7,200 barrels per day from the Farfan#1 Well, as higher levels involved unacceptable gas flaring and the reservoir pressures monitored by the CATs System for Farfan#ADR Well. Operator has confirmed that all activities underlying the EWT are proceeding as per schedule, including the Environmental Clearance by IBAMA.

All activities leading to successful start of the Extended Well Test (EWT) in Farfan Field are expected to start as planned. Processes for procurement of long lead items for the EWT is underway. Integrated development of all discoveries around Farfan and Barra discoveries are being worked out. In addition to routine laboratory studies on the well sample cuttings and fluid samples collected, interpretation of new Broadband 3D seismic data sets and reservoir modelling studies have been taken up.

III) Potiguar Concession: Potiguar Concession Contract POT-M-16 was signed on January 12, 2006 in the Seventh Round of Bidding, comprising of Blocks POT-M-663, POT-M-760 and covers an area of 1,535 sq. km. Petrobras is the Operator with 30% and VEBL has a 10% participating interest in the Potiguar Concession.

Well Ararauna, targeted to 5,300 Meters TD, was drilled which discovered thin oil bearing sands in Albian/Cenomanian age and Discovery Assessment Plan (PAD) was approved by ANP to further appraise the Ararauna discovery in Block POT-M-663 of the concession, with the drilling of a firm well after interpretation of the multiclient 3D 406 Sq. Km. of Seismic acquisition, by PGS, in POT16 proposed for November 2017. All the other activities, including G&G studies, are going on as scheduled in the latest PAD approved by ANP.

In adjacent Concession BM-POT-17 drilling of well 1-BRSA-1205-RNS (Pitu well) has discovered oil with about 188 meters of gross HC column. The HC has been further established in formation test as well. This significant discovery in Alagamar Formation has enhanced the hopes of finding sizeable HC accumulation in POT-16 as well, at leads/prospects like Umbu, Baiao, Xaxado, Coite, Camutim and others being mapped. The leads/prospects are being studied to finalize the, single, committed well location as per the approved PAD plan for Ararauna discovery appraisal. Interpretation of the newly acquired seismic 3D data is expected to help finalize the firm well location to be drilled in the 4th quarter of 2019.

Multiclient 3D seismic surveys, totalling 2,158 sq. km, planned to cover blocks 663 and 760 in POT-16 concession. The surveys by M/s PGS started in the last quarter of 2017 and have been completed by March 2018. Operator has conducted extensive basin wide petrophysical and electro facies analysis through wire line logs and seismic data combination to enhance the regional understanding of geo-environmental model for the deposition of Albian-Cenomanian sandstone reservoirs the main target zones in and around POT-16.

IV) Espirito Santos (ES24) Concession: The Concession comprises of 3 Blocks ES-M-588, ES-M-663 and ES-M-661. The Blocks are located along the Brazilian Continental Margin and extending from the Central-Southern part of Espirito Santos state to the Southern part of Bahia State. Petrobras is the Operator with 70% and VEBL has a 15% participating interest in the Espirito Santos JV.

ES-24A Concession was carved out of ES-24 Concession, with Block ES-M-661, whereby Anadarko withdrew from the Concession and IBV continued with its original stake of 30% participating interest with Operator, Petrobras picking up Anadarko's participating interest of 30% to raise its participating interest to 70% in year 2010.

As per the Agreement/s, after fulfilment of Minimum Work Programme of the Exploration Phases by JV Parties and in view of very thin oil zones encountered in the exploratory wells drilled in theseBlocks, the said Blocks now stand relinquished.

a) Anadarko Corporation U.S.A. through its Brazilian subsidiary is the operator in Campos Concession whereas Petroleo Brasiliero S.A. is the operator in the other three Concessions.

b) Videocon Infinity Infrastructures Private Limited is a 50 : 50 Joint Venture Company incorporated in India, with Infinity Infotech Parks Limited to carry on the business of infrastructure development like construction of IT/ITes Parks, Biotech Parks etc. The Joint Venture Company has not commenced its commercial operations.

c) Liberty Videocon General Insurance Company Limited ("Liberty Videocon") was a Joint Venture promoted by Videocon Industries Limited and Liberty Mutual Insurance Group to carry non-life insurance business in India. The Company was holding 51.32% of the equity share capital of Liberty Videocon and remaining was held by Liberty Mutual Insurance Group. On March 14, 2018, the Company sold its entire equity stake in Liberty Videocon and, accordingly, the Company ceased be Indian Promoter of Liberty Videocon.

d) The financial interest of the Group in the jointly controlled incorporated entities based on financial statement received from these Joint Venture entities are as under:

(₹ in Million)

Group's share in	March 31, 2018	March 31, 2017
Assets	24,389.90	30,920.24
Liabilities	18,211.94	21,803.77
Income	-	10,325.95
Expenses	1,124.52	4,931.37

D. The estimated amount of commitment of the Group towards contribution in various Joint Ventures for next year based on minimum work program is ₹ 6,710.04 Million (As at March 31, 2017 ₹ 3,217.46 Million).

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Note 59

Related Party Disclosures:

As required under Accounting Standard (AS) 18 on "Related Party Disclosures", the disclosure of transaction with related parties as defined in the Accounting Standard are given below:

a) List of Related Parties where control exists and related parties with whom transactions have taken place and relationship:

i) Associates:

- Radium Appliances Private Limited - Associate - 26% Holding

- Unity Power Private Limited - Associate of Applied Energy Private Limited - 26% Holding (upto May 26, 2017)

- VISPL LLP - 50% Holding (w.e.f. January 2, 2018)

ii) Joint ventures:

IBV Brasil Petroleo Limitada

Liberty Videocon General Insurance Company Limited (upto March 14, 2018)

Videocon Infinity Infrastructures Private Limited

iii) Key Management Personnel:

- Mr. Venugopal N. Dhoot - Managing Director & CEO

- Mr. A. K. Gangwal - Director (Videocon Hydrocarbon Holdings Limited)

- Mr. Pradeep Paliwal - Chief Executive Officer (Videocon Telecommunications Limited w.e.f. April 1, 2017)

- Mr. Sunil Tandon - Senior Vice President

- Mr. Mandar Joshi - Company Secretary

- Mr. Narendra Joshi - Chief Financial Officer (Videocon Telecommunications Limited w.e.f. April 1, 2017)

- Mr. C. A. Nagarkar - Company Secretary (Videocon Telecommunications Limited)

b) Transactions/outstanding balances with Related Parties:

The Company has entered into transactions with certain related parties during the period as listed below. The Board considers such transactions to be in normal course of business:

(₹ in Million)

Particulars	Associates/Joint ventures		Key Management Personnel	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Nature of Transactions:				
Short Term Loans and advances given	-	0.01		
Long Term Loans and advances given	28,262.75	14,857.96		
Remuneration			49.98	148.82
Outstanding at the end of the year:				
Short Term Loans and advances given	0.58	0.58		
Long Term Loans and advances given	132,524.89	104,262.14		
Investments	4,089.33	5,805.93		

c) Material transactions with Related Parties during the period are:

Short term advances/loans given to Radium Appliances Private Limited ₹ Nil (Previous period ₹ 0.01 Million).

Long term advances/loans given to IBV Brasil Petroleo Limitada ₹ 28,262.75 Million (Previous period ₹ 14,857.96 Million).

Note 60

The effect of acquisition and disposal of subsidiaries during the period on the Consolidated Financial Statements is as follows:

(₹ in Million)

Name of the Company	Effect on Consolidated Profit/(Loss)	Net Assets As at March 31, 2018
Disposal:		
Chhattisgarh Power Ventures Private Limited	0.62	(0.52)
Liberty Videocon General Insurance Company Limited	602.30	989.15
Proficient Energy Private Limited	(15.24)	(30.84)
Applied Energy Private Limited		(5.54)
Unity Power Private Limited		(51.82)

Note 61

Operating Lease:

i) Lease payments under cancellable leases are recognised as an expenses in the Consolidated Statement of Profit and Loss.

ii) The maximum obligation on long-term non-cancellable operating leases entered on or after April 1, 2001 payable as per the rentals stated in respective agreements are as follows:

(₹ in Million)

Minimum Lease Payments	As at March 31, 2018	As at March 31, 2017
Not later than 1 year	-	142.02
Later than 1 year and not later than 5 years	-	110.98
More than 5 years	-	-
Total	-	253.00

Note 62

The confirmations and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances. In the opinion of the management, there will not be any material impact on the consolidated Ind AS financial statements.

Note 63

State Bank of India, the lead bank of the Parent Company has initiated Corporate Insolvency Resolution Process (CIRP) for the Parent Company and also for the subsidiaries Electroworld Digital Solutions Limited (EDSL) and Videocon Telecommunications (VTL) under the Insolvency and Bankruptcy Code, 2016 as amended and has filed the petition in National Company Law Tribunal (NCLT), Mumbai. The matter is under consideration of the NCLT. In view of the above and in view of the persistent severe strains on the working capital for more than a year, there is a significant drop in the production and sale of products which raises doubt on the ability of the Parent Company to continue as "Going Concern" for the purpose of activities and operations of the Parent Company along with activities and operations of other co-obligor companies. Also, the referral of the Parent Company, EDSL and VTL, in line with the directives of Reserve Bank of India, to NCLT under the Insolvency and Bankruptcy Code by lenders, amounts to a very material event. On this background during the year, the Parent Company has discarded and /or disposed of certain current assets in view of the same being irretrievable for the purpose of business. The Company continues the process for ascertaining the liquidation value for remaining current assets such as raw materials, finished goods, stock-in-process, receivables etc., justifiably assuming that the going concern concept stands vitiated and necessary adjustments will be effected in the due course.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 64

Additional Information as required under Schedule - III to the Companies Act, 2013, of enterprises Consolidated as Subsidiary/ Associates/ Joint Ventures:

	Name of the Enterprises	Net Assets i.e Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net Assets	Amount (₹ in Million)	As % of Consolidated Profit or Loss	Amount (₹ in Million)	As % of Consolidated Other Comprehensive Income	Amount (₹ in Million)	As % of Consolidated Total Comprehensive Income	Amount (₹ in Million)
a)	**Parent**								
	Videocon Industries Limited	-115.44%	41,771.43	86.36%	(56,596.65)	-346.67%	(3,956.28)	94.03%	(60,552.93)
b)	**Foreign Subsidiary Companies**								
	Videocon JPDA 06-103 Limited	0.02%	(8.36)	0.00%	(2.71)	0.00%	-	0.00%	(2.71)
	Videocon Energy Brazil Limited	5.30%	(1,916.73)	1.16%	(761.90)	0.00%	-	1.18%	(761.90)
	Videocon Indonesia Nunukan Inc.	4.63%	(1,675.15)	2.49%	(1,629.87)	0.00%	-	2.53%	(1,629.87)
	Videocon Australia WA-388-P Limited	0.06%	(21.28)	0.00%	(1.06)	0.00%	-	0.00%	(1.06)
	Videocon Mauritius Energy Limited	-252.85%	91,489.57	0.00%	(0.56)	0.00%	-	0.00%	(0.56)
	Videocon Hydrocarbon Holdings Limited	-290.39%	105,073.22	-1.56%	1,019.38	0.00%	-	-1.58%	1,019.38
	Videocon International Cooperatie U.A.	0.03%	(12.58)	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
	Videocon Hydrocarbon Ventures B.V.	0.01%	(4.10)	0.00%	(0.17)	0.00%	-	0.00%	(0.17)
	Videocon Brazil Ventures B.V.	0.01%	(4.37)	0.00%	(0.13)	0.00%	-	0.00%	(0.13)
	Videocon Brazil Petroleo Ltda	0.00%	(0.26)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
	Videocon Global Limited	1.56%	(564.12)	0.07%	(45.42)	0.00%	-	0.07%	(45.42)
	Middle East Appliances LLC	1.90%	(687.70)	0.21%	(134.79)	0.00%	-	0.21%	(134.79)
	Videocon Electronic (Shenzen) Limited	-0.03%	10.99	-0.02%	11.57	0.00%	-	-0.02%	11.57
c)	**Indian Subsidiary Companies**								
	Applied Energy Private Limited	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
	Proficient Energy Private Limited	0.00%	-	0.01%	(5.97)	0.00%	-	0.01%	(5.97)
	Videocon Energy Limited	-2.74%	992.55	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
	Prosperous Energy Private Limited	0.23%	(84.24)	0.13%	(82.12)	0.00%	-	0.13%	(82.12)
	Chhattisgarh Power Ventures Private Limited	0.00%	-	0.00%	(0.13)	0.00%	-	0.00%	(0.13)
	Pipavav Energy Private Limited	-45.62%	16,508.58	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
	VOVL Limited	-0.46%	168.02	0.54%	(354.64)	0.00%	-	0.55%	(354.64)
	Electroworld Digital Solutions Limited	-292.04%	105,670.72	4.79%	(3,138.48)	0.00%	-	4.87%	(3,138.48)
	Jumbo Techno Services Private Limited	-6.13%	2,218.34	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
	Senior Consulting Private Limited	-0.02%	6.82	0.00%	-	0.00%	-	0.00%	-
	Videocon Telecommunications Limited	-35.87%	12,977.41	6.21%	(4,070.39)	0.57%	6.45	6.31%	(4,063.94)
	Videocon Easypay Private Limited	-0.03%	9.11	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
d)	**Indian Associates**								
	(Investment accounted as per equity method)								
	Radium Energy Private Limited	0.00%	(0.03)	0.00%	-	0.00%	-	0.00%	-
	VISPL LLP	0.00%	0.09	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
e)	**Indian Joint Venture Companies**								
	(Investment accounted as per equity method)								
	Videocon Infinity Infrastructure Private Limited	0.00%	(0.04)	0.00%	-	0.00%	-	0.00%	-
	Liberty Videocon General Insurance Company Ltd.	0.00%	-	1.33%	(868.58)	0.00%	-	1.35%	(868.58)
f)	**Foreign Joint Venture Company**								
	(Investment accounted as per equity method)								
	IBV Brasil Petroleo Limitada	-11.30%	4,089.23	1.72%	(1,124.52)	0.00%	-	1.75%	(1,124.52)
g)	**Minority Interest in**								
	Videocon Telecommunications Limited	-1.56%	564.86	-1.52%	998.33	0.04%	0.40	-1.55%	998.73

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 65

Segment Information

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the board members (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.

The Group has three principal operating and reporting segments; viz. Consumer Electronics and Home Appliances, Crude Oil and Natural Gas and Telecommunications.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

A) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Others/Unallocable".

B) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Others/Unallocable".

a) Primary Segment Information

(₹ in Million)

Particulars	Consumer Electronics and Home Appliances		Crude Oil and Natural Gas		Telecommunications		Others		Total	
	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017
i) Segment Revenue										
- External	23,222.12	116,234.86	5,275.65	6,204.97	1,577.82	8,846.85	-	337.79	30,075.59	131,624.47
- Inter segment	-	-	-	-	-	-	-	-	-	-
Total segment	**23,222.12**	**116,234.86**	**5,275.65**	**6,204.97**	**1,577.82**	**8,846.85**	**-**	**337.79**	**30,075.59**	**131,624.47**
ii) Segment result before finance costs and tax	**(36,215.22)**	**(288.11)**	**(94.28)**	**(9,445.46)**	**(462.23)**	**(7,780.30)**	**-**	**102.31**	**(36,771.73)**	**(17,411.56)**
Less: Finance costs	-	-	-	-	-	-	-	-	49,479.50	51,271.60
Add: Other unallocable income/ (expenses)	-	-	-	-	-	-	-	-	16,668.32	3,827.46
Profit/(Loss) before extraordinary item and tax	-	-	-	-	-	-	-	-	(69,582.91)	(64,855.70)
Add: Extraordinary item	-	-	-	-	-	-	-	-	-	27,921.64
Profit/(Loss) before share of profit of associates/ joint ventures and tax	-	-	-	-	-	-	-	-	(69,582.91)	(36,934.06)
Add: Share of profit of equity accounted investees	-	-	-	-	-	-	-	-	(1,991.71)	5,345.41
Add: Profit on disposal/dilution of holding in subsidiaries/ associates	-	-	-	-	-	-	-	-	274.10	1,723.85
Less: Tax expense	-	-	-	-	-	-	-	-	(5,763.33)	(4,360.95)
Profit/(Loss) for the year/period (before adjustment for non controlling interest)	-	-	-	-	-	-	-	-	(65,537.19)	(25,503.85)
Less: Share of profit transferred to non controlling interest	-	-	-	-	-	-	-	-	998.33	917.71
Profit/(Loss) for the year/period (after adjustment for non controlling interest)	-	-	-	-	-	-	-	-	(66,535.52)	(26,421.56)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

iii) Other Information:

(₹ in Million)

Particulars	Consumer Electronics and Home Appliances		Crude Oil and Natural Gas		Telecommunications		Others/Unallocable		Total	
	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017
Segment assets	163,760.10	208,248.48	187,793.94	172,013.67	31,516.45	34,915.43	113,948.24	113,302.73	497,018.73	528,480.31
Segment liabilities	139,937.64	129,030.91	236,987.09	218,242.65	31,399.94	29,868.47	124,877.91	123,288.42	533,202.58	500,430.45
Capital expenditure	58.74	133.59	24.70	113.08	2.59	67.57	21.83	-	107.86	314.24
Depreciation, amortization and impairment	7,942.73	9,330.01	173.35	8,677.30	150.99	1,352.41	40.50	183.03	8,307.57	19,542.75

b) Secondary Segment Information

(₹ in Million)

Particulars	Within India		Outside India		Total	
	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017	Year ended March 31, 2018	15 Months ended March 31, 2017
Segment revenue - external	27,625.28	120,660.68	2,450.31	10,963.79	30,075.59	131,624.47
Segment assets	295,769.43	342,075.84	201,249.30	186,404.47	497,018.73	528,480.31
Segment liabilities	306,640.80	291,382.17	226,561.78	209,048.28	533,202.58	500,430.45
Capital expenditure	106.54	311.27	1.32	2.97	107.86	314.24

Note 66

The figures of the current year are not comparable with those of the previous period as: i) the profit/loss figures for the current year are for a period of 12 months as against figures for the comparative period represents 15 months; ii) the current year's figures do not include the operations of certain subsidiaries/joint ventures/associates, consequent to their cessation/disposal to be subsidiaries/joint ventures/associates of the Company and include operations of certain subsidiaries/associates/joint ventures for part of the period, consequent to their acquisition.

As Per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

STATEMENT CONTAINING SAILENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

[Pursuant to First Proviso of Sub-Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

A) SUBSIDIARY COMPANIES

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Amount in	Exchange Rate	Capital	Share Application Money Received	Reserves	Total Assets	Total Liabilities	Investment	Turnover/ Total Income	Profit/ (Loss) before Tax	Provision for Tax (Net of Write back)	Profit/ (Loss) after Tax	Proposed Dividend	% of Share Holding
1	Videocon Energy Limited	₹	₹ Million		1,000.00	-	(7.45)	993.22	0.67	-	-	(0.09)	-	(0.09)	-	100.00%
2	Prosperous Energy Private Limited	₹	₹ Million		0.10	-	(84.34)	357.25	441.49	-	-	(82.12)	-	(82.12)	-	100.00%
3	Pipavav Energy Private Limited	₹	₹ Million		10,583.46	-	5,925.12	16,622.10	113.52	-	-	(0.08)	-	(0.08)	-	100.00%
4	Videocon JPDA 06-103 Limited	US$	₹ Million	65.0441	0.07	-	(8.42)	0.32	8.67	-	-	(2.74)	-	(2.74)	-	100.00%
			US$ Million		0.00	-	(0.13)	-	0.13	-	-	(0.04)	-	(0.04)	-	
5	Videocon Energy Brazil Limited	US$	₹ Million	65.0441	0.07	-	(1,916.80)	164,313.72	166,230.45	31,787.72	-	(768.95)	-	(768.95)	-	100.00%
			US$ Million		0.00	-	(29.47)	2,526.19	2,555.66	488.71	-	(11.82)	-	(11.82)	-	
6	Videocon Indonesia Nunukan Inc.	US$	₹ Million	65.0441	0.07	-	(1,675.21)	14,394.84	16,069.98	-	-	(1,644.96)	-	(1,644.96)	-	100.00%
			US$ Million		0.00	-	(25.76)	221.31	247.07	-	-	(25.29)	-	(25.29)	-	
7	Videocon Australia WA-388-P Limited	US$	₹ Million	65.0441	-	-	(21.28)	-	21.28	-	-	(1.07)	-	(1.07)	-	100.00%
			US$ Million		-	-	(0.33)	-	0.33	-	-	(0.02)	-	(0.02)	-	
8	Videocon Mauritius Energy Limited	US$	₹ Million	65.0441	122,289.41	-	(30,799.85)	98,391.01	6,901.45	90,714.96	-	(0.57)	-	(0.57)	-	100.00%
			US$ Million		1,880.10	-	(473.52)	1,512.68	106.10	1,394.67	-	(0.01)	-	(0.01)	-	
9	Videocon Hydrocarbon Holdings Limited	US$	₹ Million	65.0441	13,203.95	-	91,869.27	332,067.78	226,994.56	122,290.34	18,409.85	1,028.82	-	1,028.82	-	100.00%
			US$ Million		203.00	-	1,412.42	5,105.27	3,489.85	1,880.11	283.04	15.82	-	15.82	-	
10	Videocon International Cooperatie U.A.	€	₹ Million	80.6222	0.81	-	(13.38)	6.73	19.30	-	-	(0.06)	-	(0.06)	-	100.00%
			€ Million		0.01	-	(0.17)	0.08	0.24	-	-	-	-	-	-	
11	Videocon Hydrocarbon Ventures B.V.	€	₹ Million	80.6222	1.45	-	(5.55)	0.75	4.85	-	-	(0.19)	-	(0.19)	-	100.00%
			€ Million		0.02	-	(0.07)	0.01	0.06	-	-	-	-	-	-	
12	Videocon Brazil Ventures B.V.	€	₹ Million	80.6222	1.45	-	(5.82)	1.10	5.47	0.24	-	(0.14)	-	(0.14)	-	100.00%
			€ Million		0.02	-	(0.07)	0.01	0.06	-	-	-	-	-	-	
13	Videocon Brazil Petroleo Ltda	BRL	₹ Million	19.9891	0.20	-	(0.46)	0.07	0.33	-	-	(0.01)	-	(0.01)	-	100.00%
			BRL Million		0.01	-	(0.02)	-	0.01	-	-	-	-	-	-	
14	VOVL Limited	₹	₹ Million		1,850.00	-	(1,681.98)	160,793.39	160,625.37	12,042.09	1,164.03	(354.64)	-	(354.64)	-	100.00%
15	Videocon Global Limited	US$	₹ Million	65.0441	56.52	-	(620.64)	2,310.64	2,874.76	-	-	(45.84)	-	(45.84)	-	100.00%
			US$ Million		0.87	-	(9.54)	35.52	44.19	-	-	(0.70)	-	(0.70)	-	
16	Middle East Appliances LLC	RO	₹ Million	169.1900	380.97	702.30	(1,068.68)	104.92	90.33	-	8.57	(136.04)	-	(136.04)	-	100.00%
			RO Million		2.25	4.15	(6.32)	0.62	0.54	-	0.05	(0.80)	-	(0.80)	-	
17	Videocon Electronic (Shenzen) Limited	CNY	₹ Million	10.3571	9.53	-	1.46	18.62	7.63	-	93.47	11.97	0.29	11.68	-	100.00%
			CNY Million		0.92	-	0.14	1.80	0.74	-	9.03	1.16	0.03	1.13	-	

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Amount in	Exchange Rate	Capital	Share Application Money Received	Reserves	Total Assets	Total Liabilities	Investment	Turnover/ Total Income	Profit/ (Loss) before Tax	Provision for Tax (Net of Write back)	Profit/ (Loss) after Tax	Proposed Dividend	% of Share Holding
18	Electroworld Digital Solutions Ltd.	₹	₹ Million		124,204.72	-	(18,534.00)	113,084.40	7,413.68	65,287.38	0.23	(3,138.48)	-	(3,138.48)	-	100.00%
19	Jumbo Techno Services Private Ltd.	₹	₹ Million		1,000.00	-	1,218.34	8,813.48	6,595.14	8,000.00	0.23	(0.02)	-	(0.02)	-	100.00%
20	Senior Consulting Private Limited	₹	₹ Million		10.00	-	(3.18)	1,387.22	1,380.40	1,350.00	0.23	-	-	-	-	100.00%
21	Videocon Telecommunications Ltd.	₹	₹ Million		80,000.00	-	(67,022.59)	44,386.42	31,409.01	12,870.12	1,696.75	(4,070.39)	-	(4,070.39)	-	95.63%
22	Videocon Easypay Private Limited	₹	₹ Million		10.00	-	(0.89)	9.12	0.01	-	-	(0.04)	-	(0.04)	-	95.63%

B) ASSOCIATES AND JOINT VENTURES

Sr. No.	Name of Associates/ Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associate/ Joint Ventures held by the Company on the year end				Networth attributable to shareholding as per latest audited Balance Sheet	Profit/ Loss for the year		Description of how there is significant influence	Reasons why the Associate/ Joint Venture is not consolidated
			Nos.	Amount of Investment in Associates/ Joint Venture	Amount of Investment in Associates/ Joint Venture	Extend of Holding %		Considered in consolidation	Not considered in consolidation		
1	Videocon Infinity and Infrastructure Private Limited	March 31, 2018	5,000	50,000	0.05	50.00%	(0.04)	-	-	Note (a)	-
2	IBV Brasil Petroleo Limitada	December 31, 2017	1,720,798,751	31,787.72	31,787.72	50.00%	6,177.91	(1,124.52)	-	Note (a)	-
3	VISPL LLP	March 31, 2018	N.A.	0.10	0.10	50.00%	0.09	(0.01)	-	Note (a)	-
4	Radium Appliances Private Limited	March 31, 2018	2,600	26,000	0.03	26.00%	(0.03)	-	-	Note (b)	-

(a) There is a significant influence by virtue of joint control.

(b) There is a significant influence due to percentage of share capital.

Names of the subsidiaries/Associates which are yet to commence operations:

1. Videocon International Cooperatie U.A
2. Videocon Hydrocarbon Ventures B.V.
3. Videocon Brasil Ventures B.V.
4. Videocon Brasil Petroleo Ltda
5. VISPL LLP

As Per our report of even date
For S Z DESHMUKH & CO.
Chartered Accountants

For and on behalf of the Board

D. U. KADAM
Partner
ICAI Membership No: 125886

MANDAR JOSHI
Company Secretary
Membership No. ACS 40533

V. N. DHOOT
Managing Director & CEO
DIN 00092450

S. S. DAYAMA
Director
DIN 00217692

Place : Mumbai
Date : June 5, 2018

Notes

PROXY FORM

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

VIDEOCON INDUSTRIES LIMITED

CIN : L99999MH1986PLC103624
Regd. Office : 14 K.M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka: Paithan District: Aurangabad - 431 105 (Maharashtra)
Tel.No.: +91-2431-251501/2 **Fax. No.:** +91-2431-251551
E-mail id: secretarial@videoconmail.com **Website:** www.videocoindustriesltd.com

28th Annual General Meeting - 17th December, 2018

Name of the Member(s)	
Registered address	
Email ID	
Folio No. / Client ID	
DP ID	

I/we, being the Member (s) of ______________________ shares of the above named Company, hereby appoint

Name :______________________ Email ID :______________________

Address :______________________

______________________ Signature :______________________

or failing him/her

Name :______________________ Email ID :______________________

Address :______________________

______________________ Signature :______________________

or failing him/her

Name :______________________ Email ID :______________________

Address :______________________

______________________ Signature :______________________

(contd…….)

as my/ our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on the Monday, 17th day of December, 2018 at 11.30 a.m. at the Registered office at 14 K. M. Stone, Aurangabad-Paithan Road, Village: Chittegaon, Taluka: Paithan, Aurangabad - 431 105 (Maharashtra) and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution Number	Resolution	For	Against
Ordinary Business:			
1.	Adoption of Standalone and Consolidated Audited Statement of Profit and Loss for the financial year ended 31st March, 2018 and the Audited Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.		
2.	To Appoint a Director in place of Mr. Venugopal N. Dhoot (DIN: 00092450), who retires by rotation, and being eligible, offers himself for Re-Appointment.		
Special Business:			
3.	Ratification and confirmation of payment of remuneration to Mr. Jayant B. Galande, Cost Auditor of the Company.		

Signed this ______________________day of ____________2018.

Affix Revenue Stamp Re. 1

_____________________________ ________________________________

Signature of the Shareholder *Signature of the Proxy holder(s)*

Notes:

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

1. *This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*
2. *This is only optional. Please put a '√' in the appropriate column against the resolutions indicated in the box above. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.*
3. *Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.*
4. *In case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.*

ATTENDANCE SLIP

VIDEOCON INDUSTRIES LIMITED

CIN : L99999MH1986PLC103624
Regd. Office : 14 K.M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka: Paithan
District: Aurangabad - 431 105 (Maharashtra)
Tel.No.: +91-2431-251501/2 **Fax. No.:** +91-2431-251551
E-mail id: secretarial@videoconmail.com **Website:** www.videoconworld.com

28th Annual General Meeting - 17th December, 2018

Regd. Folio No. / Client ID No.																
DP ID No.																
No. of shares held																

I certify that I am a registered Shareholder/Proxy for the registered Shareholder of the Company.

I hereby record my presence at the **28th ANNUAL GENERAL MEETING** of the Company held on Monday, 17th December, 2018 at 11.30 a.m. at the Registered Office of the Company at 14 K. M. Stone, Aurangabad-Paithan Road, Village: Chittegaon, Taluka: Paithan, Aurangabad - 431 105 (Maharashtra).

....

Member's / Proxy's Name in Block Letters Member's / Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.

Please read errata for typesetting matter.

KYC FORM

To | **Date:**

MCS SHARE TRANSFER AGENTS LIMITED

A-209 C- Wing, 2nd Floor, Gokul Industries, Estate Building
Sagbaug, Marol Co-op Industrial Area, B/H Times Square,
Andheri (E), Mumbai – 400059

Folio No:

Unit: **VIDEOCON INDUSTRIES LIMITED**

Dear Sir/Madam, **No of Shares:**

I/We refer to your letter dated ________________ and based on the required details to be updated please find the below documents. I /We also request you to record contact number(s) and email id(S) for future communications as under.

Name of the shareholder(s)		
(A)	**PAN**	
(B)	**Bank details**	
(C)	**Specimen Signature**	
(D)	**Email ID**	
(E)	**Mobile No.**	
(F)	**Nominee Details**	

Based on the above data, we are forwarding herewith the required supporting documents by ticking in the appropriate checkbox below for all the fields where the status is shown as 'Required' in the above table).

A For registering PAN of the registered and/or joint shareholders (as applicable)

☐ Registered shareholder ☐ Joint holder 1 ☐ Joint holder 2 ☐ Joint holder 3 (self-attested copy for all Shareholders attached)

B For registering Bank details of the registered shareholder

☐ Aadhar/Passport/utility bill ☐ Original cancelled cheque leaf ☐ Bank Passbook/Bank Statement

C For registering the Specimen Signature of registered and/or joint shareholders (as applicable)

☐ Affidavit ☐ Banker verification ☐ Original cancelled cheque leaf ☐ Bank Passbook/Bank Statement (for all Shareholders attached)

D For Updating the email id:

E: Mobile No:

F For registering the nominee details by the registered shareholder

☐ Form SH-13 (Nomination registration form attached)

Note:- For residents of Sikkim instead of PAN provide Aadhar Card/Voters Card/Driving License/Passport or any other identity proof issued by Govt.

I /We hereby state that the above mentioned details are true and correct and we consent towards updating the particulars base d on the self-attested copies of the documents enclosed with this letter by attesting my/our signature(s) to it

Sign:________________	Sign: ________________	Sign: ________________	Sign: ________________
Registered holder	Joint holder 1	Joint holder 2	Joint holder 3

Name of the shareholder
PAN
Bank

IMPORTANT AND URGENT FOR IMMEDIATE ACTION

Dear Shareholder,

Unit: Videocon Industries Limited

Sub: Requirement of updation of KYC details of registered shareholders and mandatory dematerialisation for transfer of securities

We refer to the SEBI circular no.SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 and SEBI Circular no.SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated 16th July, 2018, in which SEBI has directed to all the listed Companies to record the PAN and BANK ACCOUNT details of all their shareholders holding shares in physical mode through their Registrar and Share Transfer Agent (RTA) and SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 read with BSE Circular No. LIST/COMP/15/2018-19 dated 5th July, 2018 and NSE Circular No.NSE/CML/2018/26 dated 9th July, 2018 on mandatory dematerialization for transfer of securities.

We, therefore, request you to send us the following documents in order to update your PAN card, bank account and other details in the Company's records and take note of the following :

A. Updation of PAN of the registered and/or joint shareholders:

- Self-attested legible copy of PAN card.
- If the shareholder is a resident of Sikkim, the shareholder is required to submit a valid Identity proof issued by the Government.

B. Updation of Bank Account details of the registered shareholder:

1. **In case wherein the original cancelled cheque leaf has the shareholder's name printed:**
   - For address proof: Self-attested legible copy of Aadhar/passport/utility bill (not older than 3 months).
   - Original cancelled cheque leaf containing the Bank A/c No., Bank Name, type of account, IFSC Code, MICR Code and the name of the shareholder printed on the cheque leaf.

OR

2. **In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it:**
   - For address proof: Self-attested legible copy of Aadhar/passport/utility bill (not older than 3 months).
   - Original cancelled cheque leaf containing the details, Bank A/c No., Bank Name, type of account, IFSC Code, MICR Code.
   - Legible copy of the first and last page of bank passbook/bank statement specifying the KYC details of the registered shareholder such as the name, address, bank account number and the bank statement not older than 3 months, etc. duly attested by the Bank Manager under his signature, name, employee code, designation, bank seal & address stamp, Phone no. and date of attestation.

As directed by SEBI, in case of failure to register the PAN and bank account details as aforesaid, any transaction in the securities of the Company shall be subject to enhanced due diligence by the Company/RTA, as may be prescribed. Also, it may be noted that issue of payment instruments without bank details may be disallowed.

We would also like to register other KYC details such as email id, mobile number and nomination. In this context, we request you to kindly fill in the details as mentioned in form for updation of shareholder's details attached herewith and forward the same along with all the supporting documents based on requirements considering the below mentioned points.

C. **Updation of Email id:** Email-id of the registered shareholder for all future communication in electronic mode (Go Green Initiative).

D. **Registration of Mobile No.:** Mobile no. of registered shareholder for future direct communication.

E. **Registration of Nomination :** You are requested to register the Nomination (Form SH-13). Nomination form is also available at the website of the Company.

We request you to kindly forward duly filled in KYC form along with copies of supporting documents for all the "Required" remarks within 21 days from the date of this notice. Single copy of supporting documents is sufficient for updating multiple subjects.

F. **Shareholder(s), please note that request(s) for transfer of shares in physical form will be considered upto 5th December, 2018, subsequently any request for transfer of shares (except request related to transmission or transposition of securities) shall not be processed. This intimation is in accordance with SEBI Notification dated 8th June, 2018 read with BSE circular dated 5th July, 2018 and NSE Circular dated 9th July, 2018, copy available on the Company's website. Accordingly, you are advised to dematerialize your entire physical shareholding in the Company.**

Thanking you,

Yours faithfully,

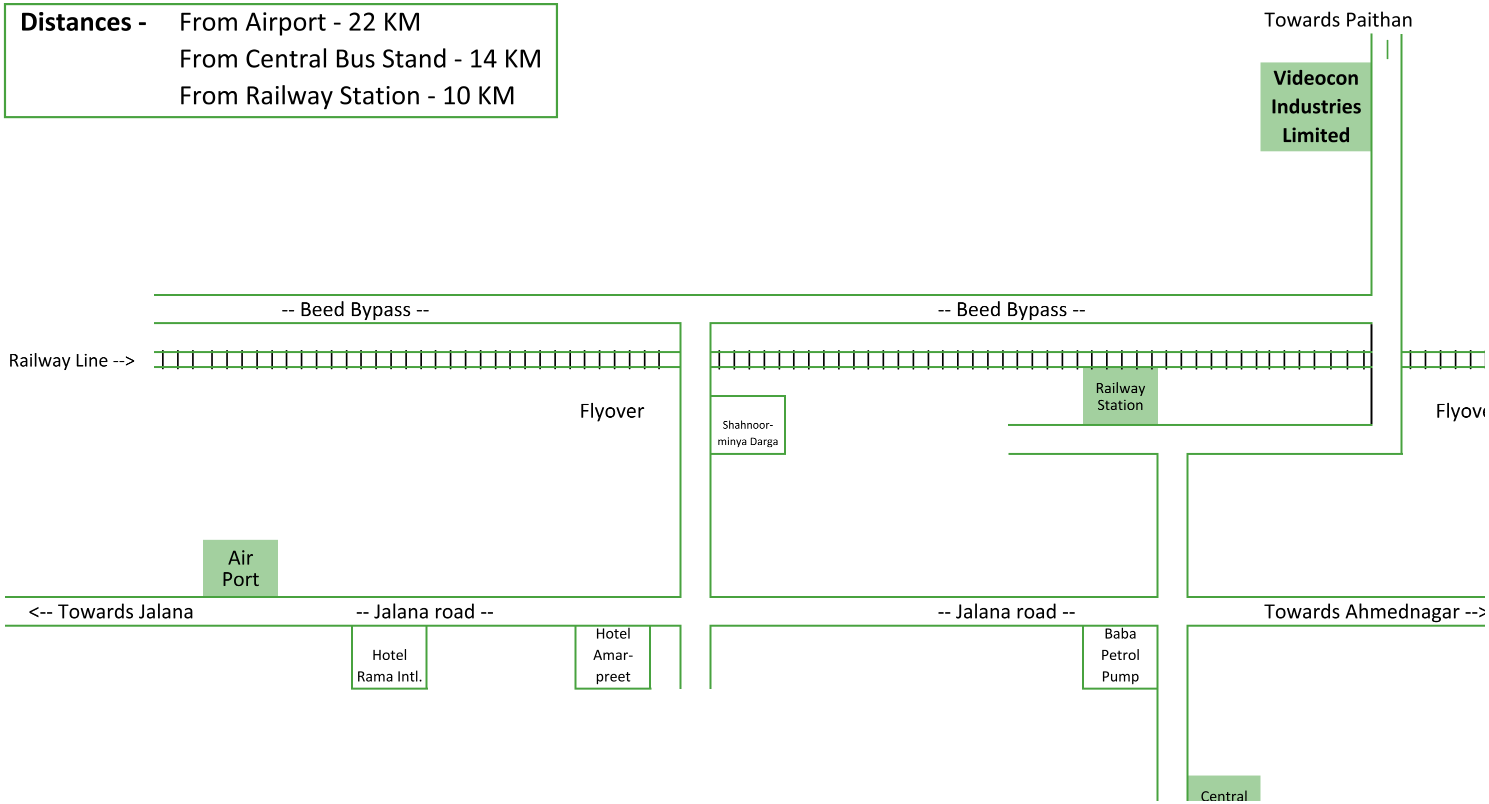
For MCS SHARE TRANSFER AGENTS LIMITED

Sd/-

Authorised Signatory

ROUTE MAP FOR THE VENUE OF THE ANNUAL GENERAL MEETING

Distances - From Airport - 22 KM
From Central Bus Stand - 14 KM
From Railway Station - 10 KM



If undelivered, please return to:

MCS Share Transfer Agent Limited
Unit: Videocon Industries Limited
A-209, C Wing, 2nd floor Gokul Industries Estate Building,
Sagbaug, Marol Co-op Industrial Area,
B/H Times Square, Andheri East, Mumbai- 400059.

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